



1 for payments in lieu of contributions for a period of not less  
2 than four calendar years beginning with the date on which  
3 subjectivity begins by filing a written notice of its election with  
4 the Commission not later than 30 days immediately following  
5 the date of written notification of the determination of such  
6 subjectivity. Provided if notification is not by registered mail,  
7 the election may be made on or after January 1, 1972, within six  
8 months following the date of the written notification of the  
9 determination of such subjectivity. If such election is not made  
10 as set forth herein, no election can be made until after four  
11 calendar years have elapsed under the contributions method of  
12 payment.

13 c. Any nonprofit organization which makes an election in  
14 accordance with subparagraph b of this paragraph will continue  
15 after such four calendar years to be liable for payments in lieu  
16 of contributions until it files with the Commission a written  
17 notice terminating its election not later than 30 days prior to the  
18 next January 1, effective on such January 1. Provided, however,  
19 no employer granted or in reimbursement status will be allowed  
20 refund of any previous balances used in a transfer to  
21 reimbursement status.

22 d. Any nonprofit organization which has been paying  
23 contributions under this Chapter for a period of at least four  
24 consecutive calendar years subsequent to January 1, 1972, may  
25 elect to change to a reimbursement basis by filing with the  
26 Commission not later than 30 days prior to the next January 1 a  
27 written notice of election to become liable for payments in lieu  
28 of contributions, effective on such January 1. Such election  
29 shall not be terminable for a period of four calendar years. In  
30 the event of such an election, the account of such employer  
31 shall be closed and shall not be used in any future computation  
32 of such employer's contribution rate in any manner whatsoever.  
33 ~~Provided, however, any nonprofit employer formerly paying~~  
34 ~~contributions who elects and qualifies to change to a~~  
35 ~~reimbursement basis may be relieved of the requirement to pay~~  
36 ~~one percent (1%) of taxable wages as required by~~  
37 ~~G.S. 96-9(d)(2)a to the following extent and upon the following~~  
38 ~~conditions:~~

39 ~~1. Any nonprofit employer which has, for the year the~~  
40 ~~election will be effective, an experience rating of 1.7 or~~  
41 ~~less, will have transferred from its experience rating~~  
42 ~~account an amount equal to one percent (1%) of its~~  
43 ~~payroll as reported for each of the four calendar quarters~~  
44 ~~which constitute the election year;~~



1 Any employer paying by reimbursement having been, prior  
2 to July 1, under the reimbursement method of payment for the  
3 preceding calendar year, shall continue to file quarterly reports  
4 but shall make no payments with those reports.

5 b. The Commission shall establish a separate account for each  
6 such employer and such account shall be credited, and  
7 maintained as provided in G.S. 96-9(c)(1), except that advance  
8 payments shall be credited in full and voluntary contributions  
9 are not applicable.

10 c. Benefits paid shall be allocated to the employer's account in  
11 accordance with G.S. 96-9(c)(2)a but charged to such account  
12 without the application of any multiplier, and no benefits shall  
13 be noncharged except amounts equal to fifty percent (50%) of  
14 extended benefits paid and amounts equal to one hundred  
15 percent (100%) of benefits paid through error.

16 d. As of July 31 of each year, and prior to January 1 of the  
17 succeeding year, the Commission shall determine the balance of  
18 each such employer's account and shall furnish him with a  
19 statement of all charges and credits thereto.

20 ~~As of the second computation date (August 1) following the~~  
21 ~~effective date of liability and as of each computation date~~  
22 ~~thereafter, any credit balance remaining in the employer's~~  
23 ~~account (after all applicable postings) in excess of whichever is~~  
24 ~~the greater (a) benefits charged to such account during the 12~~  
25 ~~months ending on such computation date, or (b) one percent~~  
26 ~~(1%) of taxable wages for the 12 months ending on June 30~~  
27 ~~preceding such computation date shall be refunded. Any such~~  
28 ~~refund shall be made prior to February 1 following such~~  
29 ~~computation date.~~

30 Should the balance in such account not equal that requiring  
31 a refund, the employer shall upon notice and demand for  
32 payment mailed to his last known address pay into his account  
33 an amount that will bring such balance to the minimum required  
34 for a refund. Such amount shall become due on or before the  
35 tenth day following the mailing of such notice and demand for  
36 payment. Any such amount unpaid on the due date shall be  
37 collected in the same manner, including interest, as prescribed  
38 in G.S. 96-10.

39 ~~Upon a change in election as to the method of payment from~~  
40 ~~reimbursement to contributions, or upon termination of~~  
41 ~~coverage and after all applicable benefits paid based on wages~~  
42 ~~paid prior to such change in election or termination of coverage~~  
43 ~~have been charged, any credit balance in such account shall be~~  
44 ~~refunded to the employer.~~

1           Should there be a debit balance in such account, the  
2 employer shall, upon notice and demand for payment, mailed to  
3 his last-known address, pay into his account an amount equal to  
4 such debit balance. Such amount shall become due on or before  
5 the tenth day following the mailing of such notice and demand  
6 for payment.

7           Any such amount unpaid on the date due shall be collected  
8 in the same manner, including interest, as prescribed in  
9 G.S. 96-10.

10          Beginning January 1, 1978, each employer paying by  
11 reimbursement shall have his account computed on computation  
12 date (August 1) and if there is a deficit shall be billed for an  
13 amount necessary to bring his account to one percent (1%) of  
14 his taxable payroll. Any amount of his account in excess of that  
15 required to equal one percent (1%) of his payroll shall be  
16 refunded. Amounts due from any employer to bring his account  
17 to a one percent (1%) balance shall be billed as soon as  
18 practical and payment will be due within 25 days from the date  
19 of mailing of the statement of amount due. Amounts due from  
20 any nonprofit organization to bring its account to a one percent  
21 (1%) balance shall be billed as soon as practical, and payment  
22 will be due within 60 days from the date of mailing of the  
23 statement of the amount due.

24           e.     The Commission may make necessary rules and regulations  
25 with respect to coverage of a group of nonprofit organizations  
26 and with respect to the reimbursement of benefits payments by  
27 such group of nonprofit organizations.

28           (3) a.   Any benefits paid to any claimant which are based on  
29 previously uncovered employment which are reimbursable by  
30 the federal government shall not be charged to a nonprofit  
31 organization which makes payments to the State  
32 Unemployment Insurance Fund in lieu of contributions.

33           b.     For purposes of this paragraph previously uncovered  
34 employment for which benefits are reimbursable by the federal  
35 government means services performed before July 1, 1978, in  
36 the case of a week of unemployment beginning before July 1,  
37 1978, or before January 1, 1978, in the case of a week of  
38 unemployment beginning after July 1, 1978, and to the extent  
39 that assistance under Title II of the Emergency Jobs and  
40 Unemployment Assistance Act of 1974 (SUA) was not paid to  
41 such individuals on the basis of such service."

42           **SECTION 3.** G.S. 96-9(i) reads as rewritten:

43           "(i)   Indian Tribes. – Benefits paid to employees of Indian tribe employing units  
44 shall be financed in accordance with the provisions of this subsection. For the purposes

1 of this subsection, an "Indian tribe employing unit" is an Indian tribe, a subdivision or  
2 subsidiary of an Indian tribe, or a business enterprise wholly owned by an Indian tribe.

3 (1) Election. –

4 a. An Indian tribe employing unit shall pay contributions under  
5 the provisions of this Chapter, unless it elects in accordance  
6 with this subsection to pay the Commission for the  
7 Unemployment Insurance Fund an amount equal to the amount  
8 of benefits paid that is attributable to service in the employ of  
9 the unit, to individuals for weeks of unemployment that begin  
10 within a benefit year established during the effective period of  
11 the election.

12 b. An Indian tribe employing unit may elect to become liable for  
13 payments in lieu of contributions for a period of not less than  
14 three calendar years by filing a written notice of its election  
15 with the Commission at least 30 days before the January 1  
16 effective date of the election.

17 c. An Indian tribe employing unit that makes an election in  
18 accordance with this subsection will continue after the end of  
19 the three calendar years to be liable for payments in lieu of  
20 contributions until it files with the Commission a written notice  
21 terminating its election at least 30 days before the January 1  
22 effective date of the termination.

23 d. The account of an Indian tribe employing unit that has been  
24 paying contributions under this Chapter for a period of at least  
25 three consecutive calendar years and that elects to change to a  
26 reimbursement basis shall be closed and shall not be used in any  
27 future computation of the unit's contribution rate in any manner.  
28 ~~manner. except that the unit may be relieved of the requirement~~  
29 ~~to pay one percent (1%) of taxable wages as required by~~  
30 ~~subdivision (2) of this subsection to the following extent and~~  
31 ~~upon the following conditions:~~

32 1. ~~An Indian tribe employing unit that has, for the year the~~  
33 ~~election will be effective, an experience rating of 1.7 or~~  
34 ~~less will have transferred from its experience rating~~  
35 ~~account an amount equal to one percent (1%) of its~~  
36 ~~payroll as reported for each of the four calendar quarters~~  
37 ~~that constitute the election year.~~

38 2. ~~An Indian tribe employing unit that has, for the year the~~  
39 ~~election will be effective, an experience rating of less~~  
40 ~~than 2.7 but more than 1.7 will have transferred from its~~  
41 ~~experience rating account an amount equal to one-half of~~  
42 ~~one percent (.5%) of its payroll as reported for each of~~  
43 ~~the four calendar quarters that constitute the election~~  
44 ~~year. These employing units shall make advance~~



1 each Indian tribe employing unit's account and shall furnish the  
2 unit with a statement of all charges and credits to the account.

3 ~~As of August 1 of each year, there shall be refunded any~~  
4 ~~credit balance remaining in the Indian tribe employing unit's~~  
5 ~~account (after all applicable postings) in excess of one percent~~  
6 ~~(1%) of taxable wages for the 12 months ending on June 30~~  
7 ~~preceding the computation date. The refund must be made~~  
8 ~~before February 1 following the computation date.~~

9 If the balance in the account does not equal one percent  
10 (1%) of taxable wages, the Indian tribe employing unit must,  
11 upon notice and demand for payment mailed to its last known  
12 address, pay into the account an amount that will bring the  
13 balance to one percent (1%) of taxable wages. This amount  
14 becomes due on or before the 25th day after the notice and  
15 demand for payment is mailed. Any amount unpaid on the due  
16 date shall be collected in the same manner, including interest, as  
17 prescribed in G.S. 96-10.

18 ~~Upon a change in election as to the method of payment from~~  
19 ~~reimbursement to contributions, or upon termination of~~  
20 ~~coverage and after all applicable benefits paid based on wages~~  
21 ~~paid before the change in election or termination of coverage~~  
22 ~~have been charged, any credit balance in the account shall be~~  
23 ~~refunded to the Indian tribe employing unit.~~

24 If there is a debit balance in the account, the Indian tribe  
25 employing unit must, upon notice and demand for payment  
26 mailed to its last known address, pay into the account an  
27 amount necessary to bring the account to one percent (1%) of  
28 taxable wages. This amount becomes due on or before the 25th  
29 day after the notice and demand for payment is mailed. Any  
30 amount unpaid on the due date shall be collected in the same  
31 manner, including interest, as prescribed in G.S. 96-10.

- 32 e. Notices to Indian tribe employing units of payment and  
33 reporting delinquency must include information that failure to  
34 make full payment within the time prescribed will cause the  
35 unit to become liable for contributions under subsection (a) of  
36 this section, will cause the unit to lose the option of making  
37 payment by reimbursement in lieu of contributions, and could  
38 cause the unit to lose coverage under this Chapter for services  
39 performed for the unit."

40 **SECTION 4.** This act is effective when it becomes law.