

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

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HOUSE BILL 922

Short Title: Extend Federal Emergency UI. (Public)

Sponsors: Representative L. Hall (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Rules, Calendar, and Operations of the House.

April 15, 2013

A BILL TO BE ENTITLED
AN ACT TO PROTECT THE UNEMPLOYED FROM THE UNNECESSARY LOSS OF
FEDERAL EMERGENCY UNEMPLOYMENT COMPENSATION IN 2013.

Whereas, North Carolina has one of the highest unemployment rates in the country;
and

Whereas, currently in 2013, there are not enough jobs for all North Carolinians who
are looking for work; and

Whereas, unemployment insurance benefits provide much needed assistance to
workers who have lost their jobs through no fault of their own until they are able to get back to
work; and

Whereas, unemployment insurance benefits provide a safety net to North Carolina
families to help meet basic living costs like housing, utilities, food, clothing, and other
necessities; and

Whereas, the federal Emergency Unemployment Compensation (EUC) program
currently provides benefits to unemployed North Carolinians who exhaust their State benefits;
and

Whereas, the EUC is 100% funded by the United States federal government; and

Whereas, House Bill 4 (Session Law 2013-2) contained provisions that reduce State
unemployment insurance benefits effective July 1, 2013; and

Whereas, the cuts to State unemployment insurance benefits contained in House Bill
4 violate North Carolina's agreement with the United States Department of Labor regarding
EUC ending the payment of EUC on July 1, 2013, to North Carolina workers who have
exhausted their State benefits; and

Whereas, on July 1, 2013, North Carolina will be the only State that does not
provide additional weeks of unemployment benefits under the federal Extended Unemployment
Compensation program; and

Whereas, it is estimated that approximately 104,000 North Carolinians will be cut
off from EUC because of the effective date of July 1, 2013, for the cuts to benefits contained in
House Bill 4; and

Whereas, it is estimated that another 66,000 workers who will need extended
benefits will not be able to access EUC after July 1, 2013, because of the effective date of July
1, 2013, for the cuts to benefits contained in House Bill 4; and

Whereas, by deliberately violating the federal agreement regarding EUC, North
Carolina will lose over \$700 million in federal funds over the last six months of 2013; and



1 Whereas, it is estimated that the debt owed to the federal government for the
2 payment of unemployment insurance benefits will be paid off or other measures are available
3 over the next three years so that reductions to employers' federal Unemployment Tax Credit
4 will end in 2016; Now, therefore,

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 11 of S.L. 2013-2 reads as rewritten:

7 "**SECTION 11.** This act becomes effective ~~July 1, 2013.~~ January 1, 2014. Changes made
8 by this act to unemployment benefits apply to claims for benefits filed on or after ~~July 1,~~
9 ~~2013.~~ January 1, 2014. Changes made by this act to require an account balance by an employer
10 that is a governmental entity or a nonprofit organization and that elects to finance benefits by
11 making reimbursable payments in lieu of contributions apply to advance payments payable for
12 calendar quarters beginning on or after ~~July 1, 2013.~~ January 1, 2014. Changes made by this act
13 to the determination and application of the contribution rate apply to contributions payable for
14 calendar quarters beginning on or after January 1, 2014."

15 **SECTION 2.** This act is effective when it becomes law.