

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 287

Short Title: Empl. Sec. Changes.

(Public)

Sponsors: Senator Smith.

Referred to: Manufacturing and Labor.

March 26, 1991

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO THE EMPLOYMENT SECURITY LAW
PERTAINING TO CONTRIBUTIONS AND COVERAGE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 96-9(c) is amending by adding the following new subdivision
to read:

"(6) If the Commission finds that an employer's business is closed solely because of the entrance of one or more of the owners, officers, partners, or the majority stockholder into the Armed Forces of the United States, or of any of its allies, or of the United Nations, such employer's experience rating account shall not be terminated; and, if the business is resumed within two years after the discharge or release from active duty in the Armed Forces of such person or persons, the employer's account shall be deemed to have been chargeable with benefits throughout more than 13 consecutive calendar months ending July 31 immediately preceding the computation date. This subdivision shall apply only to employers who are liable for contributions under the experience rating system of financing unemployment benefits. This subdivision shall not be construed to apply to employers who are liable for payments in lieu of contributions or to employers using the reimbursable method of financing benefit payments."

Sec. 2. G.S. 96-11(d) reads as rewritten:

"(d) Except as provided in G.S. 96-9(c)(6), An employer who has not paid any covered wages for a period of two consecutive calendar years shall cease to be an

1 employer subject to this Chapter. An employer who has not had individuals in
2 employment and who has made due application for exemption from filing contributions
3 and wage reports required under this Chapter and has been so exempted may be
4 terminated from liability upon written application within 120 days after notification of
5 the reactivation of his account. Such termination shall be effective January 1 of any
6 calendar year only if the Commission finds there were no 20 different weeks within the
7 preceding calendar year, whether or not such weeks are or were consecutive, within
8 which said employer employed one or more individuals in employment (four or more
9 prior to January 1, 1972), not necessarily simultaneously and irrespective of whether the
10 same individuals were employed in each such week, and the Commission finds that
11 there was no calendar quarter within the preceding calendar year in which the total
12 wages of its employees were one thousand five hundred dollars (\$1,500) or more,
13 except as otherwise provided. Provided further, an employer, as the term is used in G.S.
14 96-8(5)k, who has not had individuals in employment and who has made due
15 application for exemption from filing contributions and wage reports required under this
16 Chapter and has been so exempted may be terminated from liability upon written
17 application within 120 days after notification of the reactivation of its account. Such
18 termination shall be effective January 1 of any calendar year only if the Commission
19 finds that there were no 20 different weeks within the preceding calendar year, whether
20 or not such weeks are or were consecutive, within which said employer employed four
21 or more individuals in employment, not necessarily simultaneously and irrespective of
22 whether the same individuals were employed in each such week. In such cases a protest
23 of liability shall be considered as an application for termination within the meaning of
24 this provision where the decision with respect to such protest has not become final.”

25 Sec. 3. This act is effective upon ratification.