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SENATE BILL DRS15152-TMx-7 (03/17)

Short Title:	UI for High Unemployment Areas/State Funding. (Public)
Sponsors:	Senators Clark and Ford (Primary Sponsors).
Referred to:	

1   A BILL TO BE ENTITLED
2 AN ACT TO RAISE THE MINIMUM NUMBER OF WEEKS OF UNEMPLOYMENT
3   INSURANCE BENEFITS, MODIFY THE CALCULATION FOR DETERMINING THE
4   DURATION OF BENEFITS TO ACCOUNT FOR REGIONAL VARIATION IN THE
5   UNEMPLOYMENT RATE, AND PROVIDE STATE FUNDING FOR
6   UNEMPLOYMENT BENEFITS WHEN EMPLOYERS ARE SUBJECT TO A SURTAX.
7 The General Assembly of North Carolina enacts:
8   **SECTION 1.** G.S. 96-14.3 reads as rewritten:
9 "**§ 96-14.3. Duration of benefits.**
10   (a)   Duration. – The number of weeks an individual is allowed to receive unemployment
11 benefits depends on the ~~seasonal adjusted statewide~~ average of the modified MSA
12 unemployment ~~rate~~rates, as calculated under subsection (c) of this section, that ~~applies~~apply to
13 the six-month base period in which the claim is filed. One six-month base period begins on
14 January 1 and one six-month base period begins on July 1. For the base period that begins
15 January 1, the average of the ~~seasonal adjusted~~ modified MSA unemployment rates for the
16 State for the preceding months of July, August, and September applies. For the base period that
17 begins July 1, the average of the ~~seasonal adjusted~~ modified MSA unemployment rates for the
18 State for the preceding months of January, February, and March applies. ~~The Division must use~~
19 ~~the most recent seasonal adjusted unemployment rate determined by the U.S. Department of~~
20 ~~Labor, Bureau of Labor Statistics, and not the rate as revised in the annual benchmark.~~ The
21 following table lists the number of weeks allowed based on the average of the modified MSA
22 unemployment rates applicable to the base period:

~~Seasonal Adjusted~~ **Modified MSA** **Unemployment Rate**	~~Number~~ **Number** **of Weeks**
~~Less than or equal to 5.5%~~	~~12~~
~~Greater than 5.5% up to 6%~~	~~13~~
~~Greater than 6% up to 6.5%~~	~~14~~
~~Greater than 6.5% up to 7%~~	~~15~~
~~Greater than 7% up to 7.5%~~	~~16~~
Less than or equal to 7.5%	16
Greater than 7.5% up to 8%	17
Greater than 8% up to 8.5%	18
Greater than 8.5% up to 9%	19
Greater than 9%	20

1 (b)   Total Benefits. – The total benefits paid to an individual equals the individual's
2 weekly benefit amount allowed under G.S. 96-14.2 multiplied by the number of weeks allowed
3 under subsection (a) of this section.
4 (c)   Modified MSA Unemployment Rate. – The modified MSA unemployment rate
5 equals the mean of the MSA unemployment rates modified by adding one standard deviation.
6 The standard deviation equals the mean of the difference between each of the MSA
7 unemployment rates and the mean of all the MSA unemployment rates. For the purposes of this
8 section, "MSA Unemployment Rates" means the seasonally adjusted, unemployment rate
9 estimates for the metropolitan areas in the State as released by the U.S. Department of Labor,
10 Bureau of Labor Statistics, prior to the beginning of the base period."
11   **SECTION 2.** Article 2 of Chapter 96 of the General Statutes is amended by adding
12 a new section to read:
13 "**§ 96-9.9. State Contribution to Unemployment Insurance Fund.**
14   When the surtax imposed by G.S. 96-9.7 applies, the Secretary must notify the State
15 Treasurer of the quarterly collections of the surtax on each of March 1, June 1, September 1,
16 and December 1. An amount equal to ten percent (10%) of the quarterly collections is
17 appropriated from the General Fund to the Unemployment Insurance Fund. The State Treasurer
18 must transfer the appropriated amount to the Unemployment Insurance Fund."
19   **SECTION 3.** This act becomes effective July 1, 2017, applies to claims for
20 benefits filed on or after that date, and applies to tax calculations on or after that date.