

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

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HOUSE BILL 859

Short Title: Unemployment Insurance Study. (Public)

Sponsors: Representatives Butler and Harris (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

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

May 5, 2021

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH THE LEGISLATIVE STUDY COMMITTEE ON
UNEMPLOYMENT INSURANCE IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1.1. Findings. – The General Assembly finds that:

- (1) Recent historic events affecting the national economy have required unprecedented numbers of North Carolinians to access the State's unemployment insurance program (UI program).
- (2) It is imperative that the State maximize the effectiveness and efficiency of the UI program and provide benefits to workers in need that provide the level of assistance that workers need at the time they need it most.
- (3) Therefore, a comprehensive review of the State's UI benefits levels, administration, outcomes, and other features will guide the General Assembly toward making any modifications necessary to make the State's UI program the best in the nation.

SECTION 2.1. Committee Established. – There is established the Legislative Study Committee on Unemployment Insurance in North Carolina (Committee). The Committee shall include 13 voting members, as follows:

- (1) Three persons representing employees and labor organizations in this State appointed by the Governor.
- (2) Three persons representing employers or trade organizations focused on the automated workplace appointed by the Governor.
- (3) Three persons appointed by the President Pro Tempore of the Senate, including (i) two persons who are members of the Senate at the time of appointment, at least one of whom represents the minority party, and (ii) one person from the general public.
- (4) Three persons appointed by the Speaker of the House of Representatives, including (i) two persons who are members of the House of Representatives at the time of appointment, at least one of whom represents the minority party, and (ii) one person from the general public.
- (5) One person elected to membership by the members of the Committee designated in subdivisions (1) through (4) of this subsection.

SECTION 2.2. Nonvoting Members. – The following officials or the official's designee shall serve as a nonvoting ex officio member of the Committee:

- (1) The Commissioner of Labor.



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- 1 (2) The Assistant Secretary of Commerce in charge of the Division of
2 Employment Security.
3 (3) The State Chief Information Officer.

4 **SECTION 2.3.(a)** Charge. – The Committee is charged with studying the State's UI
5 program with a special emphasis on comparing the features and performance of unemployment
6 insurance administration and benefits in North Carolina to the unemployment insurance
7 programs of other states. The Committee's examination shall include all of the following issues:

- 8 (1) A comparison of the State's UI program administration, benefits, performance,
9 and other relevant parameters relative to the following jurisdictions having the
10 largest populations in the nation:
11 a. California
12 b. Texas
13 c. Florida
14 d. New York
15 e. Pennsylvania
16 f. Illinois
17 g. Ohio
18 h. Georgia
19 i. Michigan.
20 (2) A comparison of the State's UI program administration, benefits, performance,
21 and other relevant features relative to jurisdictions in the nation's southeast
22 region having either different or similar characteristics:
23 a. Alabama
24 b. Florida
25 c. Georgia
26 d. Kentucky
27 e. Mississippi
28 f. South Carolina
29 g. Tennessee.
30 (3) Review of the amount of assistance that unemployed North Carolina workers
31 need during unemployment and the most appropriate duration of benefits.
32 (4) The current and potential future impact of continuing the State's UI program
33 without any modifications.
34 (5) Whether modifications, including changes related to information technology,
35 are necessary to maximize the effectiveness and efficiency of the State's UI
36 program.
37 (6) Consideration of any other pertinent matter relevant to the Committee's
38 charge.

39 **SECTION 2.3.(b)** The findings and recommendations of the Committee shall be
40 made upon majority vote of the voting members. Any recommendation for modification of a
41 policy, rule, or law shall be accompanied by a specific policy or legislative proposal and the
42 estimated cost of implementing the modification.

43 **SECTION 2.4.** Terms. – Except for the person elected by the Committee, all
44 appointing authorities shall make appointments to the Committee by October 1, 2021, and the
45 terms of all members shall commence on October 1, 2021. The election of members shall be
46 conducted during the initial organizational meeting of the Committee with the terms of the
47 elected members deemed to begin on October 1, 2021.

48 **SECTION 2.5.** Organization/Administration. – The Minority Leader in the House
49 of Representatives and the Majority Leader in the Senate shall each designate a cochair from
50 among the voting members of the Committee. The cochair designated by the House Minority
51 Leader shall preside over the Committee during the odd-numbered year, and the cochair

1 designated by the Senate Majority Leader shall preside in the even-numbered year. A cochair
2 may preside at any time during the absence of the presiding cochair or upon the presiding
3 cochair's designation. The Committee shall meet upon the call of its cochairs.

4 All voting members shall be appointed for a term of two years. Voting members may
5 be reappointed to successive terms. A vacancy on the Committee shall be filled by the original
6 appointing authority using the criteria for the prior appointment. Any appointment to fill a
7 vacancy on the Committee created by the resignation, dismissal, death, disability, or
8 disqualification of a member shall be for the balance of the unexpired term. The Governor may
9 remove any member of the Committee for misfeasance, malfeasance, or nonfeasance, pursuant
10 to the provisions of G.S. 143B-13.

11 Members of the Committee shall receive per diem and necessary travel and
12 subsistence expenses in accordance with G.S. 120-3.1, 138-5, and 138-6, as applicable. The
13 Committee may meet in the Legislative Building or the Legislative Office Building. A majority
14 of the voting members shall constitute a quorum.

15 The Legislative Services Officer shall assign professional and clerical staff and
16 provide other necessary resources for the Committee in its work, including the engagement of
17 any necessary consulting services as determined by the Committee.

18 **SECTION 3.1.** Reporting. – The Committee shall submit its initial written report to
19 the Governor and to the Joint Legislative Commission on Governmental Operations by March 1,
20 2022. The Committee shall submit its final report prior to the convening of the 2023 General
21 Assembly. The final report shall contain a detailed summary of findings, conclusions, and
22 recommendations for each issue reviewed under this act.

23 **SECTION 3.2.** Expiration. – The Committee expires upon submission of the final
24 report unless extended by the General Assembly.

25 **SECTION 4.1.** Effective Date. – This act is effective when it becomes law.