

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 414

Short Title: Unemp. Ins. Bene. Severance Pay/AB.

(Public)

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Sponsors: Representatives Berry and Redwine (Cosponsors).

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Referred to: Commerce.

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March 6, 1997

A BILL TO BE ENTITLED

AN ACT RELATING TO SEVERANCE PAY FOR THE PURPOSES OF  
UNEMPLOYMENT INSURANCE BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 96-8(10) reads as rewritten:

"(10) Total and partial unemployment.

a. For the purpose of establishing a benefit year, an individual shall  
be deemed to be unemployed:

1. If he has payroll attachment but, because of lack of work during the payroll week for which he is requesting the establishment of a benefit year, he worked less than the equivalent of three customary scheduled full-time days in the establishment, plant, or industry in which he has payroll attachment as a regular employee. If a benefit year is established, it shall begin on the Sunday preceding the payroll week ending date.
2. If he has no payroll attachment on the date he reports to apply for unemployment insurance. If a benefit year is established, it shall begin on the Sunday of the calendar

- 1 week with respect to which the claimant met the reporting  
2 requirements provided by Commission regulation.
- 3 b. For benefit weeks within an established benefit year, a claimant  
4 shall be deemed to be:
- 5 1. Totally unemployed, irrespective of job attachment, if his  
6 earnings for such week, including payments defined in  
7 subparagraph c below, would not reduce his weekly  
8 benefit amount as prescribed by G.S. 96-12(c).
- 9 2. Partially unemployed, if he has payroll attachment but  
10 because of lack of work during the payroll week for which  
11 he is requesting benefits he worked less than three  
12 customary scheduled full-time days in the establishment,  
13 plant, or industry in which he is employed and whose  
14 earnings from such employment (including payments  
15 defined in subparagraph c below) would qualify him for a  
16 reduced payment as prescribed by G.S. 96-12(c).
- 17 3. Part-totally unemployed, if the claimant had no job  
18 attachment during all or part of such week and whose  
19 earnings for odd jobs or subsidiary work (including  
20 payments defined in subparagraph c below) would qualify  
21 him for a reduced payment as prescribed by G.S. 96-12(c).
- 22 c. No individual shall be considered unemployed if, with respect to  
23 the entire calendar week, he is receiving, has received, or will  
24 receive as a result of his separation from employment,  
25 remuneration in the form of (i) wages in lieu of notice, (ii)  
26 accrued vacation pay, (iii) terminal leave pay, (iv) severance pay,  
27 (v) separation pay, or (vi) dismissal payments or wages by  
28 whatever name. Provided, however, if such payment is applicable  
29 to less than the entire week, the claimant may be considered to be  
30 unemployed as defined in subsections a and b of this paragraph.  
31 Sums received by any individual for services performed as an  
32 elected official who holds an elective office, as defined in G.S.  
33 128-1.1(d), or as a member of the N. C. National Guard, as  
34 defined in G.S. 127A-3, or as a member of any reserve  
35 component of the United States Armed Forces shall not be  
36 considered in determining that individual's employment status  
37 under this subsection. Provided further, however, that an  
38 individual shall not be considered to be unemployed as to receipt  
39 of severance pay for any week the individual is registered at or  
40 attending any institution of higher education as defined in G.S.  
41 96-8(5)j., or secondary school as defined in G.S. 96-8(5)q., or  
42 Commission approved vocational, educational, or training  
43 programs as defined in G.S. 96-13.

1                   d.     An individual's week of unemployment shall be deemed to  
2                   commence only after his registration at an employment office,  
3                   except as the Commission may by regulation otherwise  
4                   prescribe."

5                   Section 2. This act is effective when it becomes law and applies to new initial  
6                   claims filed on or after September 1, 1997.