

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 716

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

(Public)

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Sponsors: Senator Perdue.

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Referred to: Judiciary.

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April 7, 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 week with respect to which the claimant met the reporting requirements provided by Commission regulation.

b. For benefit weeks within an established benefit year, a claimant shall be deemed to be:

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

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