

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 497
Committee Substitute Favorable 8/12/98

Short Title: LRC Study Employment Security.

(Public)

Sponsors:

Referred to:

March 11, 1997

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO
STUDY THE UNEMPLOYMENT INSURANCE TAX AND OTHER
EMPLOYMENT SECURITY ISSUES.

The General Assembly of North Carolina enacts:

Section 1. The Legislative Research Commission is authorized to study issues relating to the State's Employment Security Law, Chapter 96 of the General Statutes, with an emphasis on the unemployment insurance tax. The Legislative Research Commission is encouraged to appoint members of the public, including representatives of employers and employees, as well as legislators to participate in the study.

Section 2. The study shall include the following issues:

- (1) The effect of past adjustments in the unemployment insurance tax rate on current and future balances of the State Unemployment Insurance Trust Fund.
- (2) Changes in the North Carolina economy and job market, and their effect on the balance of the State Unemployment Insurance Trust Fund.
- (3) What minimum and maximum balances would be most reasonable for the Fund to assure that it will be adequate but not excessive.

- 1 (4) Whether the State should adopt a mechanism to adjust unemployment
2 insurance tax rates automatically when the recommended minimum or
3 maximum balances are reached.
- 4 (5) Whether to adjust reporting requirements with respect to employment
5 security laws.
- 6 (6) Other state's laws, including innovative reforms adopted by other states
7 that may serve as a model for North Carolina.
- 8 (7) Issues raised by the Employment Security Commission regarding its
9 activities under Chapter 96 of the General Statutes.
- 10 (8) Any other issues the Legislative Research Commission considers
11 relevant.
- 12 Section 3. The Commission may make a final report of its recommendations
13 regarding the Employment Security Law to the 1999 General Assembly.