

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE JOINT RESOLUTION 850
Committee Substitute Favorable 5/4/95

Sponsors:

Referred to:

April 12, 1995

1 A JOINT RESOLUTION HONORING THE MEMORY OF COLONEL HENRY ELI
2 KENDALL, JR., FOR HIS COMMITMENT TO CONSERVATIVE AND
3 EFFECTIVE UTILIZATION OF PUBLIC FUNDS DURING HIS SERVICE AS
4 CHAIR OF THE EMPLOYMENT SECURITY COMMISSION, AND
5 REQUESTING CONGRESS TO DEVOLVE THE UNEMPLOYMENT
6 INSURANCE SYSTEM BACK TO STATE CONTROL.

7 Whereas, Colonel Henry Eli Kendall, Jr., deserves honor and recognition for
8 his commitment to conservative and effective utilization of public funds in his
9 unprecedented 27 years of service to North Carolina as Chair of the Employment
10 Security Commission; and

11 Whereas, Colonel Kendall's contempt for needless levels of bureaucracy and
12 unwarranted federal intervention into matters best addressed by the states was timely
13 during his lifetime; more than a decade after his death his philosophy in this regard is
14 shared by elected officials of both political parties in this State; and

15 Whereas, in 1988 the National Governors Association presented a proposal to
16 devolve the unemployment insurance (UI) system back to the states, which proposal
17 was defeated by a minority of states still receiving more than their fair share of
18 operating expenses of the UI system; and

19 Whereas, because some states, North Carolina among them, are more
20 efficient in their operation of the UI system than other states, the employer tax dollars of
21 these more efficient states should not be used to support the inefficiencies of the other
22 states in operating the UI system; and

1 Whereas, North Carolina employers are responsible for paying tax dollars for
2 their own employees' coverage under the UI system and should not be responsible for
3 paying other states' costs to provide coverage; and

4 Whereas, the current UI system has too many levels of bureaucracy both
5 nationally and regionally; and

6 Whereas, the UI trust fund in Washington, D.C. is contained within the
7 "unified budget" but should be separate since only employers pay this tax and do so for a
8 very specific purpose; and

9 Whereas, employers are confused and burdened by having to pay two
10 separate UI taxes to two different government agencies for the operation of the
11 unemployment insurance (UI), employment service (ES), and LMI (local market
12 information) programs, and for paying benefits; and

13 Whereas, state legislatures should have the authority to run their own UI
14 system to fit the needs of their own workforce at a reduced cost and savings to the
15 employers through lower UI taxes; and

16 Whereas, several other states are considering similar initiatives and
17 resolutions proposing devolution of the UI system;

18 Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

19 Section 1. The General Assembly honors the memory of Colonel Henry Eli
20 Kendall, Jr., and expresses the gratitude and appreciation of this State and its citizens
21 for his life and devoted service to North Carolina.

22 Sec. 2. The General Assembly requests that the Congress of the United
23 States devolve the Unemployment Insurance (UI) system back to the states, and that
24 Federal Unemployment Tax Act (FUTA) taxes be repealed, and that states be
25 authorized to set their own method for administrative costs in implementing UI, ES, and
26 LMI programs.

27 Sec. 3. The Secretary of State shall transmit a certified copy of this resolution
28 to the family of Colonel Henry Eli Kendall, Jr., and to the President of the United
29 States, the President of the United States Senate, the Speaker of the United States House
30 of Representatives, and to each of the members of North Carolina's Congressional
31 Delegation.

32 Sec. 4. This resolution is effective upon ratification.