

1 Upon a change in election as to the method of payment from
2 reimbursement to contributions, or upon termination of
3 coverage and after all applicable benefits paid based on wages
4 paid prior to such change in election or termination of coverage
5 have been charged, any credit balance in such account shall be
6 refunded to the employer.

7 Should there be a debit balance in such account, the
8 employer shall, upon notice and demand for payment, mailed to
9 his last-known address, pay into his account an amount equal to
10 such debit balance. Such amount shall become due on or before
11 the tenth day following the mailing of such notice and demand
12 for payment.

13 Any such amount unpaid on the date due shall be collected
14 in the same manner, including interest, as prescribed in
15 G.S. 96-10.

16 Beginning January 1, 1978, each employer paying by
17 reimbursement shall have his account computed on computation
18 date (August 1) and if there is a deficit shall be billed for an
19 amount necessary to bring his account to one percent (1%) of
20 his taxable payroll. Any amount of his account in excess of that
21 required to equal one percent (1%) of his payroll shall be
22 refunded. Amounts due from any employer to bring his account
23 to a one percent (1%) balance shall be billed as soon as
24 practical and payment will be due within 25 days from the date
25 of mailing of the statement of amount due. Amounts due from
26 any nonprofit organization to bring its account to a one percent
27 (1%) balance shall be billed as soon as practical, and payment
28 will be due within 60 days from the date of mailing of the
29 statement of the amount due."

30 **SECTION 2.** G.S. 96-5(c1) is repealed.

31 **SECTION 3.** G.S. 96-15(c) reads as rewritten:

32 "(c) Appeals. – Unless an appeal from the adjudicator is withdrawn, an appeals
33 referee shall set a hearing in which the parties are given reasonable opportunity to be
34 heard. The conduct of hearings shall be governed by suitable regulations established by
35 the Commission. Such regulations need not conform to common law or statutory rules
36 of evidence or technical or formal rules of procedure but shall provide for the conduct
37 of hearings in such manner as to ascertain the substantial rights of the parties. The
38 hearings may be conducted by conference telephone call or other similar means
39 provided that if any party files with the Commission prior written objection to the
40 telephone procedure, that party will be afforded an opportunity for an in-person hearing
41 at such place in the State as the Commission by regulation shall provide. The appeals
42 referee may affirm or modify the conclusion of the adjudicator or issue a new decision
43 in which findings of fact and conclusions of law will be set out or dismiss an appeal
44 when the appellant fails to appear at the appeals hearing to prosecute the appeal after

1 having been duly notified of the appeals hearing. The evidence taken at the hearings
2 before the appeals referee shall be recorded and the decision of the appeals referee shall
3 be deemed to be the final decision of the Commission unless within 10 days after the
4 date of notification or mailing of the decision, whichever is earlier a written appeal is
5 filed pursuant to such regulations as the Commission may adopt. No person may be
6 appointed as an appeals referee unless he or she possesses the minimum qualifications
7 necessary to be a staff attorney eligible for designation by the Commission as a hearing
8 officer under G.S. 96-4(m). No appeals referee in full-time permanent status may
9 engage in the private practice of law as defined in G.S. 84-2.1 while serving in office as
10 appeals referee; violation of this prohibition shall be grounds for removal. Whenever an
11 appeal is taken from a decision of the appeals referee, the appealing party shall submit a
12 clear written statement containing the grounds for the appeal within the time allowed by
13 law for taking the appeal, and if such timely statement is not submitted, ~~an appeals~~
14 ~~referee~~ the Commission may dismiss the appeal."

15 **SECTION 4.** G.S. 96-8(6)k. is amended by adding a new sub-subdivision to
16 read:

17 "k. The term "employment" does not include:

18 ...

19 20. Services performed by an individual who is an alien
20 having residence in a foreign country which the
21 individual has no intention of abandoning who possesses
22 a valid J-1 Visa and is present in the State for a period of
23 six months or less pursuant to the provisions of 8 U.S.C.
24 § 1101(a)(15)(F)(J)(M)(Q)."

25 **SECTION 5.** There is appropriated from the Special Employment Security
26 Administration Fund to the Employment Security Commission of North Carolina the
27 sum of six million three hundred thousand dollars (\$6,300,000) for the 2004-2005 fiscal
28 year to be used for the following purposes:

- 29 (1) Six million dollars (\$6,000,000) for the operation and support of local
30 offices.
- 31 (2) Two hundred thousand dollars (\$200,000) for the State Occupational
32 Information Coordinating Committee to develop and operate an
33 interagency system to track former participants in State education and
34 training programs.
- 35 (3) One hundred thousand dollars (\$100,000) to maintain compliance with
36 Chapter 96 of the General Statutes, which directs the Commission to
37 employ the Common Follow-Up Management Information System to
38 evaluate the effectiveness of the State's job training, education, and
39 placement programs.

40 **SECTION 6.** Notwithstanding the provisions of G.S. 96-5(f), there is
41 appropriated from the Worker Training Trust Fund to the Community Colleges System
42 Office the sum of three hundred fifty-nine thousand thirty-five dollars (\$359,035) for
43 the 2004-2005 fiscal year to be used for a training program in entrepreneurial skills to
44 be operated by North Carolina REAL Enterprises.

1 **SECTION 7.** Section 1 of this act becomes effective August 1, 2004, and
2 applies to amounts due on or after that date. Sections 5 and 6 of this act become
3 effective July 1, 2004. The remainder of this act is effective when it becomes law.