

Senator Nickel Calls On General Assembly To Increase Unemployment Benefits

By Administrator
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North Carolina has over \$3 Billion dollars in the state's Unemployment Insurance Trust Fund but continues to deploy meager benefits that rank among the worst in the country.

North Carolina ranks second in the country in total dollars in our Unemployment Insurance Trust Fund compared to every other state in the country, yet is among the worst when it comes to helping unemployed workers. A good place to start would be implementing a workshare program in North Carolina. Workshare programs allow employers to temporarily reduce hours for some or all of their employees. The employees then become eligible to collect partial unemployment benefits, enabling them to recoup some of the lost pay while staying on payroll with reduced hours.

Senator Nickel said, "This pandemic has highlighted the need to fix our state's unemployment system. A workshare program makes sense now more than ever during these uncertain times."

Senator Nickel authored Senate Bill 320 which would increase benefits and implement a workshare program for North Carolina. Republicans buried the bill and never allowed it to receive a vote. The proposal follows Governor Cooper's call to raise the maximum weekly benefit from \$350 to \$500 and extend the duration to 26 weeks. Attached are three charts showing:

- North Carolina ranks nearly last in reciprocity rate with 18%, the percentage of unemployed people in the state who receive benefits
- Second largest Unemployment Insurance Trust Fund in the country
- Ranking near the bottom in terms of benefits and duration

26 states have workshare which allows workers to stay on payroll but then get UI for reduced hours. A workshare program would be a net savings to the UI Trust Fund and would provide savings to employers and the UI Trust Fund by prorating an individual's weekly benefits based on a reduction of hours.

Senator Nickel also said, "It's shameful that in the middle of a pandemic, Republicans have failed to fix our broken unemployment system."

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