



The Workplace Advocate

2011 Legislative Session Wrap-Up

The 2011 Session of the North Carolina General Assembly (NCGA) has been an historic one. It was the first time since the late 1800's that Republicans controlled both chambers of the General Assembly. Although Governor Bev Perdue's budget veto was over-ridden, it marked the first time a NC Governor has vetoed a budget since the Governor's office received veto power in 1997 (NC Governors have vetoed only 15 bills over the past 14 years but never a budget). It has not been since the 70's that the NCGA ended as early as it did this session. Legislators are expected, however, to reconvene for one week in July to deal with redistricting, vetoes and bills in conference.

The new leadership's focus was on job creation, regulatory reform (including workers' compensation and unemployment), tort reform and taxes. A brief summary of the bills affecting workplace issues in the 2011 session is as follows:

H709--Protect and Put NC Back to Work: CAI and ECNC (*Employers Coalition of North Carolina*) have been focusing efforts on workers' compensation reform since 2003, and this year were part of a large coalition of business advocacy groups who helped draft, lobby and negotiate the final version of the bill. New workers' compensation claims will now be subject to a cap of 500 weeks on temporary total disability, "suitable employment" criteria has been revised to encourage return to work and employers will have reasonable access to medial information and treating physicians. The NCIC (North Carolina Industrial Commission) will be affected by dramatic changes including legislative confirmation to gubernatorial appointments and requirements to comply with standards of judicial conduct and rulemaking procedures under the Administrative Procedures Act ([click here for bill](#)).

Status: Passed the House and Senate with almost unanimous support, and signed by the Governor and became state law on June 24, 2011.

S532--ESC/Jobs Reform: CAI and ECNC have taken the lead on reforming North Carolina's Employment Security Commission. We made sure that your voices were heard in Raleigh regarding the "head scratching" unemployment decisions that resulted in unwarranted charges to your unemployment accounts. CAI and ECNC worked with House and Senate leadership to design and draft this bill, which not only merges the ESC into the Department of Commerce but also makes important clarifications to UI benefit eligibility language such as employee misconduct ([click here for bill](#)).

Status: Passed the Senate and House, and it is not anticipated that the Governor will veto the bill.

S99--Reform UI Tax Structure/Expedite Analysis: This bill requires the Department of Commerce to hire an independent consultant for assistance in solving North Carolina's UI tax issue and the \$2.5 billion owed to the federal government. Within 45 days of the analysis' completion, the Department of Commerce will report to the Governor and the General Assembly how it intends to solve the problem. However, no specific date for starting the study is given. ([click here for bill](#))

Status: Passed the Senate and the House, signed by the Governor and became state law on March 29, 2011.

H650--Amend Various Gun Laws/Castle Doctrine: This bill merges two bills: H63--Firearm in Locked Motor Vehicle and H650. H63 is no longer in play. The original bill had a section requiring all employers to allow

employees to bring their guns to work if they were kept locked in the employee's car trunk. ECNC opposed that version of the bill. An amendment on the House floor removed the "guns in trunks" section of the bill. ([click here for the bill](#))

Status: The bill was passed by the House and the Senate and was signed by the Governor on June 23, 2011.

H36—Employers and Local Government Must Use E-Verify: This bill requires all public and private employers to use E-Verify when hiring new employees. The original bill required only private sector employers bidding on public contracts to use the system. It was expanded by the Senate to require all employers with a staff of 25 or more to use E-Verify, and now addresses concerns raised by the business community regarding penalties and processes. ([click here for the bill](#))

Status: The bill was passed by the House and the Senate and was signed by the Governor on June 23, 2011.

H30—Allow Wage Garnishment to Satisfy Judgments: This bill allows a creditor to seek garnishment of a debtor's wages once certain criteria have been met. There are specific guidelines regarding what can be garnished and how the garnishment can take place—a change from the original bill which allowed for greater latitude. The final version of the dramatically narrows what can be garnished. ([click here for the bill](#))

Status: The bill has passed the House and was heard by Senate before being placed in the Senate Judiciary I Committee. It may be taken up again during the 2012 Short Session.

S386—Repeal G.S. 95-98 (*Contracts between units of government and labor unions, trade unions or labor organizations concerning public employees declared to be illegal*): For the past several sessions, this bill to allow collective bargaining for public employees has been filed in both chambers. There was no chance of its passing in this session. ([click here for the bill](#))

Status: Sent to Senate Rules and never heard.

H223—Healthy Families & Workplace/Paid Sick Leave: This sick leave bill has been filed during several sessions, but with the new House leadership there was never even a hearing on the bill. ([click hear for the bill](#))

Status: Sent to House Commerce Committee and never heard.

Yes, the 2011 session has been historic and busy. Connie Wilson, our contract lobbyist spent long, hard hours working bills at the NCGA on your behalf. The successes of workers' compensation and unemployment reform were a direct result of her "long, hard hours." However, these successes would not have been possible without your support, for which we are grateful. Your support past, present and future will enable us to continue our public policy efforts as we address critical workplace issues for employers of North Carolina.