

## NC Governor Cooper Expands Unemployment

### COVID-19 Response Resource Center: Timely Counsel for your Business

By Patricia Goodson on 03.18.2020

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On March 17, 2020, North Carolina Governor Roy Cooper issued Executive Order No. 118 expanding the availability of unemployment insurance benefits to workers who have been affected by COVID-19 (commonly referred to as the coronavirus). The changes announced by Governor Cooper are consistent with U.S. Department of Labor guidance issued last week recommending that states utilize unemployment insurance benefits to lessen the financial burden caused by the coronavirus. Additionally, legislation currently pending before the U.S. Senate contains provisions that would provide significant funding to states for this purpose.

Under normal circumstances, a person applying for and receiving benefits must meet many rigorous requirements in order to gain eligibility and continue to receive unemployment benefits. Executive Order No. 118 authorizes the North Carolina Department of Commerce (the agency responsible for administering unemployment insurance benefits in North Carolina) to circumvent many of these requirements to provide immediate financial assistance to workers affected by COVID-19 who would otherwise be ineligible for benefits. Specifically, Executive Order No. 118 permits the Department of Commerce to “interpret flexibly or waive” the following requirements:

- The typical one-week waiting period for benefits;
- The able to work and available to work requirements;
- The work search requirements;
- The actively seeking work requirements; and
- The “lack of work” requirement.

During the press conference where Executive Order No. 118 was announced, Governor Cooper highlighted the fact that people out of work due to the coronavirus should be able to apply for unemployment benefits and should not be burdened by conditions that would require them to seek new employment given the current economic climate. He also expressed his belief that many employers will seek to hire their employees back when the coronavirus pandemic subsides. The above actions are a means to achieving these goals.

NC Governor Cooper Expands Unemployment Benefits to Workers Affected by COVID-19

Importantly, employers will not be charged for the unemployment insurance benefits that are provided to workers for reasons related to COVID-19. This is a significant provision of Executive Order No. 118 as many employers have suffered economic consequences as a result of the coronavirus.

Also, in keeping with CDC recommendations for social distancing, the Department of Commerce will allow applications for unemployment insurance benefits to be conducted remotely instead of in-person.

The provisions of Executive Order No. 118 concerning unemployment benefits are effective immediately and will remain in effect until further notice. If you have questions regarding unemployment benefits, please contact a member of our Labor & Employment team linked below.

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Brooks Pierce is dedicated to keeping our clients fully informed during the COVID-19 crisis. For more information, please visit our COVID-19 Response Resources page.

**Tags:** N.C. Department of Commerce, U.S. Department of Labor