

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 764  
SENATE BILL 358

AN ACT TO AMEND THE STATUTES RELATING TO THE USE OF  
UNEMPLOYMENT COMPENSATION BENEFITS FOR CHILD SUPPORT AND  
SERVICE OF PROCESS UPON THE EMPLOYMENT SECURITY  
COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. The first sentence of G.S. 110-136.2(a) is rewritten to read:

"A responsible parent may voluntarily assign unemployment compensation benefits to a child support agency to satisfy a child support obligation or a child support enforcement agency may request a responsible parent to voluntarily assign unemployment benefits to satisfy a child support obligation."

Sec. 2. G.S. 110-136.2(f) is rewritten to read:

"(f) In the absence of a voluntary assignment of unemployment compensation benefits, the Department of Human Resources shall implement income withholding as provided in this Article for IV-D cases. The amount withheld shall not exceed twenty-five percent (25%) of the unemployment compensation benefits. Notice of the requirement to withhold shall be served upon the Employment Security Commission and payment shall be made by the Employment Security Commission directly to the Department of Human Resources pursuant to G.S. 96-17. Except for the requirement to withhold from unemployment compensation benefits and the forwarding of withheld funds to the Department of Human Resources, the Employment Security Commission is exempt from the provisions of G.S. 110-136.8."

Sec. 3. G.S. 110-129(6) is amended as follows:

- (1) by inserting immediately after the phrase "worker's compensation," the phrase "unemployment compensation benefits,";
- (2) by adding the following new sentence at the end to read:

"Unemployment compensation benefits shall be treated as disposable income only for the purposes of income withholding under the provisions of G.S. 110-136.4, and the amount withheld shall not exceed twenty-five percent (25%) of the unemployment compensation benefits."

Sec. 4. G.S. 96-4(t)(5) is amended in the first sentence by inserting between the word "Chapter" and the period the following words to read:

"and except proceedings involving child support and only for the purpose of establishing the payment and amount of unemployment compensation benefits".

Sec. 4.1. G.S. 96-4(t)(1) is amended by adding a new subdivision at the end to read:

"(v) The Commission shall release the payment and the amount of unemployment compensation benefits upon receipt of a subpoena in a proceeding involving child support."

Sec. 5. G.S. 96-4 is amended by adding a new subsection to read:

"(u) Service of process upon the Commission in any proceeding instituted before an administrative agency or court of this State shall be pursuant to G.S. 1A-1, Rule 4(j)(4); however, notice of the requirement to withhold unemployment compensation benefits pursuant to G.S. 110-136.2(f) shall be served upon the process agent for the Employment Security Commission by regular or courier mail."

Sec. 6. This act shall become effective September 1, 1987.

In the General Assembly read three times and ratified this the 11th day of August, 1987.