North Carolina Governor Roy Cooper recently issued Executive Order No. 118 in response to the COVID-19 coronavirus pandemic. The Executive Order has two main components: (1) it restricts the operations of restaurants and bars; and (2) vastly expands the availability of unemployment insurance benefits to workers adversely affected by COVID-19.

**Business Restrictions**

Section 1 of Executive Order 118 limits the sale of food and beverages to carry-out, drive-through, and delivery. This limitation applies to all permitted food establishments that prepare and serve food and beverages, including restaurants, bars, food halls, dining halls, food courts, and members-only clubs.

**Unemployment Benefits**

Sections 2 and 3 of the Order significantly alter the current unemployment insurance benefit legislative scheme. The Order directs the Department of Commerce to ensure that individuals who, because of COVID-19, are separated from employment, have reduced hours, or are prevented from working due to a medical condition or because of communicable disease measures caused by COVID-19, are eligible to receive the maximum extent of unemployment benefits permitted by federal law. Control measures include both quarantine and isolation directives issued by the federal and state government, as well as by local government entities and health care providers.
Specifically, the Order directs the Department of Commerce to “interpret flexibly or waive” the following:

- The one-week waiting period for benefits;
- The requirement that applicants be able and available to work;
- The active job search requirements; and
- The lack of work requirements.

The Order also postpones all mandatory in-person contact pertaining to claims for unemployment benefits and permits both applications and weekly certifications to be filed by remote means (i.e., telephone or internet). Finally, the Order ensures that employers’ accounts will not be charged for benefits paid for COVID-19 related claims.

These changes to North Carolina’s unemployment laws shall be in place from March 10, 2020 through the duration of the State of Emergency.

We will continue to monitor this rapidly developing situation and provide updates as appropriate. Make sure you are subscribed to Fisher Phillips’ alert system to gather the most up-to-date information. For further information or advice on how to satisfy notice requirements as an employer, contact your Fisher Phillips attorney or any attorney in our Charlotte office, or any member of our COVID-19 Taskforce. You can also review our Comprehensive And Updated FAQs For Employers On The COVID-19 Coronavirus.

This Legal Alert provides an overview of a specific state law. It is not intended to be, and should not be construed as, legal advice for any particular fact situation.

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