LCB File No. R127-09

PROPOSED REGULATION OF THE ADMINISTRATOR OF THE EMPLOYMENT SECURITY DIVISION OF THE DEPARTMENT OF EMPLOYMENT, TRAINING AND REHABILITATION

Notice of Workshop to Solicit Comments on Proposed Regulation

The Employment Security Council and the Administrator of the Employment Security Division of the Department of Employment, Training, and Rehabilitation, 500 E. Third Street, Carson City, NV 89713, (775) 684-3909, is proposing the Amendment of a regulation pertaining to Chapter 612 of Nevada Administrative Code. A meeting and workshop has been set for 10:00 a.m., on October 6, 2009, at the Legislative Building, 401 S. Carson Street, Room 2135, Carson City, NV, 89701 and will be video conferenced to the Grant Sawyer Building, 555 East Washington Avenue, Room 4406, Las Vegas, NV, 89101. The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulation:

To establish the Unemployment Insurance tax rate schedule for Nevada employers for calendar year 2010.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Employment Security Division of the Department of Employment, Training, and Rehabilitation, 500 E. Third Street, Carson City, NV 89713, (775) 684-3909. A reasonable fee for copying may be charged.

We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements are necessary, please notify the Employment Security Division in writing at 500 East Third Street, Carson City, Nevada 89713, or call Joyce Golden, at (775) 684-3909, within 72 hours of meeting date and time.

This Notice of Workshop to Solicit Comments on Proposed Regulation has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

Legislative Building, 401 South Carson Street, Carson City, NV 89701

Grant Sawyer State Building, 555 E. Washington Ave., Las Vegas, NV 89101

Legislative Counsel Bureau Web Site

Department of Employment, Training and Rehabilitation Web Site

All County Libraries in Nevada

Employment Security Division, State Administrative Office, 500 East Third Street, Carson City, NV 89713

Employment Security Division Southern Administrative Office, 2800 E. St. Louis Ave, Las Vegas, NV 89104

Unemployment Insurance Contributions, 1320 South Curry Street, Carson City, NV 89710 Reno Field Audit Office, 1325 Corporate Blvd, Suite B, Reno, NV 89502

Las Vegas Field Audit Office, 2800 East St. Louis Ave, Las Vegas, NV 89104

Reno Appeals Office, 1325 Corporate Blvd, Suite C, Reno, NV 89502

Las Vegas Appeals Office, 2800 East St. Louis Ave, Las Vegas, NV 89104

Reno Casual Labor Office, 420 Galletti Way, Sparks, NV 89431

Las Vegas Casual Labor Office, 1001 North A Street, Las Vegas, NV 89106

Nevada JobConnect-Carson City, 1929 North Carson Street, Carson City, NV 89701

Nevada JobConnect-Elko, 172 Sixth Street, Elko, NV 89801

Nevada JobConnect-Ely, 480 Campton Street, Ely, NV 89301

Nevada JobConnect-Fallon, 121 Industrial Way, Fallon, NV 89406

Nevada JobConnect-Henderson, 119 Water Street, Henderson, NV 89015

Nevada JobConnect-Las Vegas, 3405 South Maryland Parkway, Las Vegas, NV 89169

Nevada JobConnect-North Las Vegas, 2827 Las Vegas Boulevard North, Las Vegas, NV 89030

Nevada JobConnect-Pahrump, 2101 East Calvada Blvd., Pahrump, NV 89041

Nevada JobConnect-Reno Town Mall, 4001 South Virginia Street, Suite H-1, Reno, NV 89502

Nevada JobConnect-Sparks, 1675 E. Prater Way, Suite 103 Sparks, NV 89431

Nevada JobConnect-Winnemucca, 475 Haskell St., Suite 1, Winnemucca, NV 89445

MEETING NOTICE AND AGENDA

This meeting, conducted by the Administrator of the Employment Security Division and the Employment Security Council, is the workshop to solicit public comment on a proposed amendment of a regulation pertaining to Chapter 612 of Nevada Administrative Code pursuant to Nevada Revised Statute (NRS) 233B.061.

Name of Organization: Nevada Employment Security Council; NRS 612.305

Date and Time of Meeting: Tuesday, October 06, 2009; 10:00 A.M.

Place of Meeting: <u>Video Conference To:</u>

Legislative Building
401 S. Carson Street, Room 2135
Grant Sawyer Building
555 E. Washington Ave,

Room 4406

Carson City, Nevada 89701 Las Vegas, Nevada 89101

Note: This meeting will also be broadcast on the Internet at www.leg.state.nv.us

AGENDA

- I. Call to Order and Welcome Paul Havas, Chair, Employment Security Council
- II. Introduction of Council Members Paul Havas, Chair, Employment Security Council
- III. *Discussion and possible action regarding Approval of Minutes from October 2, 2008, Employment Security Council Meeting Paul Havas, Chair, Employment Security Council
- IV. Legislative Update Cynthia Jones, Deputy Director, Department of Employment, Training and Rehabilitation (DETR), Administrator, Employment Security Division (ESD)
- V. American Recovery & Reinvestment Act (ARRA) Cynthia Jones, Deputy Director, Department of Employment, Training and Rehabilitation (DETR), Administrator, Employment Security Division (ESD)
- VI. Reemployment Services Program Update Kim Morigeau, ESD Program Specialist III, Employment Security Division (ESD)
- VII. Workshop to Consider Adoption of Regulation to Establish the Unemployment Insurance (UI) Tax Rate Schedule for Calendar Year 2010 (Nevada Administrative Code 612.270):

- A. Economic Projections and Overview Bill Anderson, Chief Economist, Research and Analysis Bureau, DETR
- B. Review of Unemployment Insurance Trust Fund David Schmidt, Economist, Research and Analysis Bureau, DETR
- C. Tax Schedule Explanation/Small Business Impact Donna Clark, Chief of Contributions, ESD/DETR
- D. Council Discussion Paul Havas and Cynthia Jones

VIII. Public Comment - Chair may limit public comment to 5 minutes per speaker

- IX. *Discussion and possible action regarding Council recommendation of Calendar Year 2010 UI Tax Rates to the ESD Administrator—Paul Havas
- X. Adjournment

*Denotes items on which the Council may take action. Agenda items may be taken out of order.

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This agenda of the Employment Security Council Meeting has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations:

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REQUEST FOR COMMENTS FROM SMALL BUSINESSES

Due to the current unprecedented economic downturn and historic rates of unemployment, the Department of Employment, Training and Rehabilitation, Employment Security Division, anticipates an increase may be necessary in the average unemployment insurance tax rate for experience rated employers for calendar year 2010.

As a result, and in compliance with NRS 233B.0608, the Division is soliciting comments from small business owners to gauge the effect that a tax rate increase would have on their businesses. (Note: A small business is defined as 149 employees or less by NRS 233B.0382.)

The tax methodology used for the Nevada Unemployment Compensation Program is based on an experience rating system approved by the U.S. Department of Labor. This system is designed to ensure that employers are equally rated based on their unique experience with the Unemployment Insurance (UI) Program, regardless of size or industry type. Having a federally approved UI tax rate system allows Nevada employers an offset credit of 5.4% against the 6.2% Federal Unemployment Tax (FUTA).

All new employers pay at a rate of 2.95% of taxable wages until they are eligible for experience rating. New employer rates are not subject to change as part of the rate setting process. Once eligible, an annual tax rate schedule is applied to all experience rated employers based on the individual business' experience record. While the tax rate schedule for 2010 is not yet established for experience rated employers, it is important to remember that the direct impact on each individual business will vary based on each employer's experience record with the Unemployment Insurance (UI) Program, as well as the rate schedule that is established for the calendar year.

Written comments must be received by the Employment Security Division on or before October 1, 2009, at the following address:

Department of Employment, Training and Rehabilitation, Employment Security Division, 500 E. Third St., Carson City, NV 89713, Attn: Joyce Golden

Individuals wishing to comment in person on this proposed action may appear at the Employment Security Council Meeting and Public Workshop scheduled on Tuesday, October 6, 2009, at 10:00 A.M. at the Legislative Building, 401 S. Carson Street, Room 2135, Carson City, Nevada. The workshop is also available by videoconference at the Grant Sawyer Building, 555 E. Washington Avenue, Room 4406, Las Vegas, Nevada. Internet broadcast is also available at www.leg.state.nv.us. The purpose of the workshop is to provide economic projections, review the status of the Unemployment Insurance Trust Fund, discuss tax rate strategies for calendar year 2010, and receive comments from all interested persons regarding the proposed amendment of a tax rate regulation that pertains to Chapter 612 of the Nevada Administrative Code.