

**LEGISLATIVE REVIEW OF ADOPTED
PERMANENT REGULATIONS AS REQUIRED BY
NRS 233B.066**

LCB FILE R160-20P

The following statement is submitted for adopted amendments to Nevada Administrative code (NAC) Chapter 612.

1. A clear and concise explanation of the need for the adopted regulation.

The proposed amendment to the regulation pertaining to NAC 612, pursuant to Nevada Revised Statute (NRS) 612.550, will provide for employer charging relief against experience ratings due to the conditions caused by the COVID-19 pandemic for the second and third calendar quarters of 2020.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

On October 2, 2020, the Employment Security Division Administrator held a meeting to review, discuss, and solicit comment on the proposed amendment of a regulation pertaining to Chapter 612 of Nevada Administrative Code. On September 17, 2020, the Division publicly noticed the Small Business Workshop in accordance with Nevada Revised Statute NRS 241.020. In the meeting notice, written comment was requested on or before September 26, 2020. As of October 2, 2020, no written comments were received. No other public comment was provided. Minutes from this meeting will be made available on the Division's web page on or before November 2, 2020. The division also held a hearing to adopt the regulations on December 4th, 2020 (noticed on November 3rd, 2020) and no public comments were received.

https://detr.nv.gov/page/public_meetings (DETR Public Meetings page),
https://detr.nv.gov/Page/PUBLIC_NOTICES (DETR Public Notices page),
<https://notice.nv.gov/> and at the Nevada Legislature website at
<http://www.leg.state.nv.us/App/Notice/A/>.

Posting locations:

Legislative Counsel Bureau Web Site
Department of Employment, Training and Rehabilitation Web Site
Notice.NV.Gov

In compliance with the Governor's Declaration of Emergency Directive 006, physical posting has been waived for these public meetings.

During the Small Business Workshop, DETR staff members reviewed the proposed regulation. The final draft of the regulation was drafted by LCB on October 29, 2020; the Division posted the revised language to the DETR website and posted the revised language to the Nevada Legislature website once it was available, 30 days prior to the regulation hearing.. The Small Business Impact Statement per NRS 233B.0608 pursuant to Subsection 3 was also reviewed by staff at the Small Business Workshop.

On October 2, 2020, the Division held the Small Business Workshop. No comments were receive.

On November 3, 2020, the Division issued a Hearing Agenda and a Notice of Intent to Act upon the 2021 Charging Relief Regulation. The Notice and Agenda was posted online at the below listed locations (per Governor's declaration of emergency directive 006, physical posting was waived)

https://detr.nv.gov/page/public_meetings (DETR Public Meetings page),
https://detr.nv.gov/Page/PUBLIC_NOTICES (DETR Public Notices page),
<https://notice.nv.gov/> and at the Nevada Legislature website at
<http://www.leg.state.nv.us/App/Notice/A/>.

The division posted the regulation drafted by LCB to the DETR website and posted the revised language to the Nevada Legislature website. A copy of the revised regulation was also made available to the public at the Hearing and DETR staff reviewed the Amended Regulation to the Employer Charging Relief, providing an explanation of the Regulation.

In compliance with NRS 233B, a Hearing for the adoption of the regulation was held on December 4, 2020 at 10:00 a.m., the live meeting was held at the Legislative Building, 401 S. Carson Street, Room 3137, Carson City, Nevada 89701 and public participation was made available through Zoom. The purpose of the hearing was to receive comments from all interested persons regarding the adoption of the regulation pertaining to Chapter 612, of the Nevada Administrative Code.

The transcript of the Hearing is not yet available, but will be posted to DETR's Public Meeting Minutes page within 30 days of the Hearing at the following link;

https://detr.nv.gov/Page/Minutes_of_Employment_Security_Division_Employment_Security_Council

3. The number of persons who:

a. Attended at each meeting:

Small Business Workshop:

October 2, 2020: Carson City: 9

Hearing:

December 4, 2020: Carson City: 5

b. Testified at each meeting:

Small Business Workshop:

October 23, 2019

- No Public Testimony

Hearing:

December 5, 2019

- No Public Testimony

c. Submitted to the agency written comments:

Small Business Workshop: No written comments were received

Hearing: No written comments were submitted

4. A description of how comments were solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

5. If, after consideration of public comment, the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

No recommended changes submitted in written or public comment.

6. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:

a. Both adverse and beneficial effects; and

b. Both immediate and long-term effects.

All Nevada employers subject to Unemployment Insurance (UI) contributions will be affected by the proposed regulation.

Beneficial Impacts

Providing for charging relief to employers for the second and third calendar quarter will assist in mitigating or eliminating the impact to their experience rating from the COVID-19 pandemic for the second and third calendar quarters of 2020.

Adverse Impacts

There is estimated to be no calculable adverse impact.

Direct Impacts

The direct impact of this regulation is that benefits paid to a person during the second or third calendar quarters of calendar year 2020 are prohibited from being charged against the experience rating record of any of the person's base period employers. Additionally, this regulation requires the Administrator, in determining the amount of reimbursement due from an employer who has elected to make reimbursement in lieu of contributions, to reduce by one-half the amount of reimbursement that is attributable to benefits paid to a person during the second or third calendar quarters of calendar year 2020.

Indirect Impacts

There is estimated to be no calculable indirect impact.

Immediate Effect:

The immediate effect of this regulation is that benefits paid to a person during the second or third calendar quarters of calendar year 2020 are prohibited from being charged against the experience rating record of any of the person's base period employers. Additionally, this regulation requires the Administrator, in determining the amount of reimbursement due from an employer who has elected to make reimbursement in lieu of contributions, to reduce by one-half the amount of reimbursement that is attributable to benefits paid to a person during the second or third calendar quarters of calendar year 2020.

Long-Term Effect:

As this regulation is written strictly for calendar quarters 2 and 3 of 2020, there is no estimated separate long-term effect.

7. The estimated cost to the agency for enforcement of the adopted regulation.

This regulation will be enforced as a regular part of ongoing UI operations, and does not represent any additional calculable burden on staff time.

Anticipated Revenue Increase and Use

There is no anticipated revenue increase from this regulation.

- 8. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

This regulation does not duplicate or provide a more stringent standard than any other regulation of federal, state, or local governments.

- 9. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

The proposed regulation is not required pursuant to federal law, nor is there a federal regulation that regulates the same activity.

- 10. If the regulation establishes a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

This Regulation does not impose any new or increased fees on employers.