

SENATE BILL NO. 3—COMMITTEE OF THE WHOLE

AUGUST 2, 2020

Referred to Committee of the Whole

SUMMARY—Revises provisions relating to unemployment compensation. (BDR 53-10)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to unemployment compensation; authorizing the electronic transmission of certain documents and communications relating to unemployment compensation; revising the procedures for the adoption of an emergency regulation by the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation; revising provisions relating to eligibility for unemployment benefits in certain circumstances; authorizing the Administrator to suspend, modify, amend or waive certain requirements under certain circumstances; revising provisions governing the payment of unemployment benefits for an extended period and increasing the total extended benefits payable under certain circumstances; revising provisions relating to disqualification for unemployment compensation; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

- 1 Existing law requires various notices or other documents or communications  
2 relating to unemployment insurance to be mailed to or served upon persons. (NRS  
3 612.365, 612.500, 612.515, 612.551, 612.630) **Section 2** of this bill authorizes the  
4 Administrator of the Employment Security Division of the Department of  
5 Employment, Training and Rehabilitation or the Division to provide such  
6 documents or communications electronically to a person who has requested to  
7 receive such documents or communications electronically. **Section 2** additionally  
8 provides that an electronic communication does not satisfy or relieve the  
9 Administrator or Division from a requirement of federal or state law to provide a  
10 document or communication in the manner required by the applicable law.



Existing law authorizes an agency to adopt an emergency regulation if the agency determines, and the Governor agrees, that an emergency exists. (NRS 233B.0613) **Section 3** of this bill: (1) creates a similar process for the Administrator to adopt an emergency regulation; (2) provides for the review of an emergency regulation of the Administrator by the Legislative Commission; and (3) authorizes such an emergency regulation to be adopted more than once. **Section 14** of this bill makes a conforming change.

Existing law generally deems a person to be unemployed, and therefore eligible for unemployment benefits, in any week during which the person: (1) performs no services and receives no remuneration for services; or (2) performs less than full-time work, but is paid remuneration that is less than the amount the person would otherwise receive in unemployment benefits. (NRS 612.185) **Section 4** of this bill expands the eligibility for a person who performs less than full-time work to be deemed to be unemployed to include persons who are paid remuneration that is less than one and one-half times the amount the person would otherwise receive in unemployment benefits.

**Section 5** of this bill authorizes the Administrator, by regulation and to the extent allowed by federal law, to suspend, modify, amend or waive any provision of the Unemployment Compensation Law for the duration of a state of emergency or declaration of disaster and for any additional period of time during which the emergency or disaster directly affects the requirements of the Unemployment Compensation Law if the Administrator makes certain determinations and the action is approved by the Governor. **Sections 12 and 13** of this bill provide, for the purpose of compliance with federal law, similar authority for the Administrator, by regulation and to the extent allowed by federal law, to suspend, modify, amend or waive specific provisions of the Unemployment Compensation Law relating to rates of contribution for employers and charging of benefits to the account of an employer.

The Families First Coronavirus Response Act, Pub. L. No. 116-127, provides for additional money being made available to states for their unemployment compensation programs. To qualify for the additional money, certain provisions must be included in state law. **Sections 6 and 7** of this bill temporarily revise the definition of an "on" indicator for the purposes of extended unemployment benefits and revise the total extended benefit amount a person may receive in a benefit year during periods of high unemployment, which will allow Nevada to qualify for additional money under the Families First Coronavirus Response Act. **Section 7** also requires the Governor to determine whether any subsequent federal law similarly provides for additional money to be made available to states for their unemployment compensation programs and to issue a proclamation to that effect, and the revisions in **sections 6 and 7** become effective for the period of time identified in the proclamation by the Governor.

Existing law prohibits a person from receiving unemployment benefits for a week in which the claimant received certain payments, including, without limitation, severance pay or vacation pay. (NRS 612.420, 612.425, 612.430) **Sections 8-10** of this bill authorize the Administrator, by regulation, to waive or modify the period in which a person is disqualified from benefits for receiving certain payments for good cause or upon the making of certain determinations. **Section 17.5** of this bill applies the amendatory provisions of **sections 8 and 9** retroactively to any week of unemployment ending on or after May 28, 2020, and authorizes a regulation adopted pursuant to **sections 8 and 9** to apply retroactively to such weeks of unemployment.

**Section 11** of this bill requires certain filings relating to judicial review of a decision by the Board of Review to be served or filed within a certain period of time.



Existing law requires a person to be disqualified from receiving unemployment benefits if the Administrator determines the person has failed to apply for or accept suitable work without good cause. (NRS 612.390) **Section 15** of this bill requires the Administrator to establish, by regulation, justifications related to the outbreak of the disease identified by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services as COVID-19 that constitute good cause for a person to refuse suitable work. **Section 17.5** applies the provisions of **section 15** retroactively to any week of unemployment ending on or after May 28, 2020, and authorizes a regulation adopted pursuant to **section 15** to apply retroactively to such weeks of unemployment.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 612 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

**Sec. 2. 1.** *Except as otherwise provided by federal or state law, the Administrator or the Division may electronically provide a form, notice, claim, bill or other document or communication to a person if the person has requested to receive communications by electronic transmission, by electronic mail or other electronic communication.*

**2.** *The electronic provision of a form, notice, claim, bill or other document or communication pursuant to subsection 1 does not satisfy or relieve the Administrator or Division of any obligation under federal or state law to provide the form, notice, claim, bill or other document or communication in the manner required by the applicable state or federal law.*

**Sec. 3. 1.** *If the Administrator determines that an emergency exists, the Administrator shall submit to the Governor a written statement of the emergency which sets forth the reasons for the determination. If the Governor endorses the statement of the emergency by written endorsement at the end of the full text of the statement of emergency on the original copy of a proposed regulation and the proposed regulation is consistent with federal law, the regulation may be adopted. If the Administrator adopts the regulation, the Administrator shall submit the adopted emergency regulation to the Legislative Counsel for transmission to the Legislative Commission to determine whether the emergency regulation, is consistent with federal law, conforms to statutory authority and carries out the intent of the Legislature in granting that authority. The statement of the emergency endorsed by the Governor must be included as a part of the regulation for all purposes.*

**2.** *If practicable, the Administrator shall, not later than 9 a.m. on the first working day before the date on which the*



1 emergency regulation is submitted to the Legislative Counsel  
2 pursuant to subsection 1, make the emergency regulation  
3 available to the public by:

4 (a) Providing a copy of the emergency regulation to a member  
5 of the public upon request; and

6 (b) Making a copy of the emergency regulation available on its  
7 website on the Internet, if any.

8 3. If practicable, the Administrator shall, not later than 9  
9 a.m. on the first working day before the date of any hearing at  
10 which the agency considers the emergency regulation, make the  
11 version of the proposed emergency regulation that will be  
12 considered at the hearing available to the public by:

13 (a) Providing a copy of the proposed emergency regulation to a  
14 member of the public upon request; and

15 (b) Making a copy of the proposed emergency regulation  
16 available on its website on the Internet, if any.

17 4. The Legislative Commission has 15 days after the  
18 submission of an emergency regulation to the Legislative Counsel  
19 by the Administrator pursuant to subsection 1 to consider the  
20 emergency regulation. If the Legislative Commission:

21 (a) Does not consider the emergency regulation during the 15-  
22 day period, the emergency regulation is deemed approved and the  
23 Legislative Counsel shall promptly file the emergency regulation  
24 with the Secretary of State and notify the Administrator of the  
25 filing.

26 (b) Considers the emergency regulation during the 15-day  
27 period and:

28 (1) Approves the emergency regulation, the Legislative  
29 Counsel shall promptly file the emergency regulation with the  
30 Secretary of State and notify the Administrator of the filing.

31 (2) Objects to the emergency regulation after finding that  
32 the emergency regulation is not consistent with federal law or does  
33 not conform to statutory authority or carry out legislative intent,  
34 the Legislative Counsel shall attach to the emergency regulation a  
35 written notice of the objection and shall promptly return the  
36 emergency regulation to the Administrator. An emergency  
37 regulation returned to the Administrator pursuant to this  
38 subparagraph or any substantially identical regulation does not  
39 become effective until the regulation, including any amendment to  
40 the regulation determined to be necessary by the Administrator to  
41 address the objection of the Legislative Commission, is approved  
42 by the Legislative Commission at a subsequent meeting.

43 5. An emergency regulation adopted pursuant to this section  
44 becomes effective when the Legislative Counsel files with the  
45 Secretary of State the original of the final draft or revision of the



*emergency regulation, together with the informational statement prepared pursuant to NRS 233B.066. The Secretary of State shall maintain the original of the final draft or revision of each such emergency regulation in a permanent file to be used only for the preparation of official copies.*

*6. A regulation adopted pursuant to this section may be effective for a period of not longer than 120 days.*

*7. A regulation may be adopted by this emergency procedure more than once by the Administrator.*

*8. If the Administrator adopts, after providing notice and the opportunity for a hearing as required in chapter 233B of NRS, a permanent or temporary regulation which becomes effective and is substantially identical to an effective emergency regulation, the emergency regulation expires automatically on the effective date of the temporary or permanent regulation.*

**Sec. 4.** NRS 612.185 is hereby amended to read as follows:

612.185 1. A person shall be deemed “unemployed” in any week during which the person performs no services and with respect to which no remuneration is payable to the person or in any week of less than full-time work if the remuneration payable to the person with respect to such week is less than *one and one-half times* the person’s weekly benefit amount if the person has no dependents or less than *one and one-half times* the person’s augmented weekly benefit amount if the person has dependents.

2. The Administrator shall adopt regulations applicable to unemployed persons, making such distinctions in the procedures as to total unemployment, partial unemployment of persons who were totally unemployed, partial unemployment of persons who retain their regular employment and other forms of part-time work, as the Administrator deems necessary.

3. No person shall be deemed to be unemployed in any week in which the person:

(a) Is self-employed;

(b) Receives benefits for a temporary total disability or a temporary partial disability pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(c) Receives money for rehabilitative services pursuant to chapters 616A to 616D, inclusive, or 617 of NRS.

**Sec. 5.** NRS 612.220 is hereby amended to read as follows:

612.220 The Administrator:

1. Shall administer this chapter.

2. Is responsible for the administration, through the Administrator of the Commission on Postsecondary Education, of the provisions of NRS 394.383 to 394.560, inclusive.



3. Has power and authority to adopt, amend or rescind such rules and regulations ~~that~~ *consistent with the provisions of federal law*, to employ, in accordance with the provisions of this chapter, such persons, make such expenditures, require such reports, make such investigations, and take such other action as the Administrator deems necessary or suitable to that end.

4. Shall determine his or her own organization and methods of procedure for the Division in accordance with the provisions of this chapter.

*5. To the extent allowed by federal law, may, by regulation, suspend, modify, amend or waive any requirement of this chapter for the duration of a state of emergency or declaration of disaster proclaimed pursuant to NRS 414.070 and for any additional period of time during which the emergency or disaster directly affects the requirement of this chapter if:*

*(a) The Administrator determines the action is:*

*(1) In the best interest of the Division, this State or the general health, safety and welfare of the citizens of this State; or*

*(2) Necessary to comply with instructions received from the Department of Labor; and*

*(b) The action of the Administrator is approved by the Governor.*

**Sec. 6.** NRS 612.377 is hereby amended to read as follows:

612.377 As used in NRS 612.377 to 612.3786, inclusive, unless the context clearly requires otherwise:

1. "Extended benefit period" means a period which begins with the third week after a week for which there is a Nevada "on" indicator and ends with the third week after the first week for which there is a Nevada "off" indicator or the 13th consecutive week after it began, except that no extended benefit period may begin by reason of a Nevada "on" indicator before the 14th week following the end of a prior extended benefit period which was in effect for Nevada.

2. There is a "Nevada 'on' indicator" for a week if the Administrator determines, in accordance with the regulations of the Secretary of Labor, that ~~for~~:

*(a) For* the period consisting of that week and the immediately preceding 12 weeks, the rate of insured unemployment in Nevada (not seasonally adjusted) under NRS 612.377 to 612.3786, inclusive:

~~that~~ *(1)* Equaled or exceeded 120 percent of the average of those rates for the corresponding 13-week period ending in each of the preceding 2 calendar years and equaled or exceeded 5 percent; or

~~that~~ *(2)* Equaled or exceeded 6 percent ~~that~~; or



(b) For weeks of unemployment beginning on or after March 18, 2020, and ending on or before the week ending 4 weeks before the last week for which full federal sharing is authorized by section 4105(a) of Public Law No. 116-127, or which occur during a period of time specified by the Governor in a proclamation issued pursuant to subsection 4 of NRS 612.378, the average rate of total seasonally adjusted unemployment in Nevada, as determined by the Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of such week:

(1) Equaled or exceeded 6.5 percent; and

(2) Equaled or exceeded 110 percent of the average rate for the corresponding 3-month period ending in either of the 2 preceding calendar years.

3. There is a "Nevada 'off' indicator" for a week if the Administrator determines, in accordance with the regulations of the Secretary of Labor, that for the period consisting of that week and the immediately preceding 12 weeks, the rate of insured unemployment in Nevada (not seasonally adjusted):

(a) Was less than 120 percent of the average of those rates for the corresponding 13-week period ending in each of the preceding 2 calendar years; or

(b) Was less than 5 percent.

4. "Rate of insured unemployment," for purposes of subsections 2 and 3, means the percentage derived by dividing the average weekly number of persons filing claims in this State for the weeks of unemployment for the most recent period of 13 consecutive weeks, as determined by the Administrator on the basis of the Administrator's reports to the Secretary of Labor using the average monthly employment covered under this chapter as determined by the Administrator and recorded in the records of the Division for the first four of the most recent six completed calendar quarters ending before the end of the 13-week period.

5. "Regular benefits" means benefits payable to a person under this chapter or under any other state law (including benefits payable to federal civilian employees and to ex-servicemen or ex-servicewomen pursuant to 5 U.S.C. §§ 8501 et seq.) other than extended benefits.

6. "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen or ex-servicewomen pursuant to 5 U.S.C. §§ 8501 et seq.) payable to a person under the provisions of NRS 612.377 to 612.3786, inclusive, for the weeks of unemployment in the person's eligibility period.

7. "Additional benefits" means benefits payable to exhaustees by reason of conditions of high unemployment or by reason of other



special factors under the provisions of any state law. Any person who is entitled to both additional and extended benefits for the same week must be given the choice of electing which type of benefit to claim regardless of whether his or her rights to additional and extended benefits arise under the law of the same state or different states.

8. “Eligibility period” of a person means the period consisting of the weeks in the person’s benefit year under this chapter which begin in an extended benefit period and, if that benefit year ends within the extended benefit period, any weeks thereafter which begin in that period.

9. “Exhaustee” means a person who, with respect to any week of unemployment in the person’s eligibility period:

(a) Has received, before that week, all of the regular, seasonal or nonseasonal benefits that were available to him or her under this chapter or any other state law (including augmented weekly benefits for dependents and benefits payable to federal civilian employees and ex-servicemen or ex-servicewomen under 5 U.S.C. §§ 8501 et seq.) in the person’s current benefit year which includes that week, except that, for the purposes of this paragraph, a person shall be deemed to have received all of the regular benefits that were available to him or her, although as a result of a pending appeal with respect to wages that were not considered in the original monetary determination in that benefit year, the person may subsequently be determined to be entitled to added regular benefits; or

(b) His or her benefit year having expired before that week, has no, or insufficient, wages on the basis of which the person could establish a new benefit year which would include that week,

➤ and has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, 45 U.S.C. §§ 351 et seq., the Trade Expansion Act of 1962, 19 U.S.C. §§ 1801 et seq., the Automotive Products Trade Act of 1965, 19 U.S.C. §§ 2001 et seq. and such other federal laws as are specified in regulations issued by the Secretary of Labor, and has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada. If the person is seeking such benefits and the appropriate agency finally determines that the person is not entitled to benefits under that law the person is considered an exhaustee.

10. “State law” means the unemployment insurance law of any state, approved by the Secretary of Labor under Section 3304 of the Internal Revenue Code of 1954.





**Sec. 7.** NRS 612.378 is hereby amended to read as follows:

612.378 1. ~~[The]~~ *Except as otherwise provided in subsection 2, the* total extended benefit amount payable to any eligible person for the person's applicable benefit year is the lesser of the following amounts:

(a) Fifty percent of the basic benefits which were payable to him or her in the benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.

(b) Thirteen times the person's average weekly benefit amount which was payable to him or her under this chapter for a week of total unemployment in the applicable benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.

(c) *Thirty-nine times the person's average weekly benefit amount which was payable to him or her under this chapter for a week of total unemployment in the applicable benefit year, reduced by the basic benefits which were payable to him or her in the benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.*

2. *In weeks beginning in a high unemployment period on or after March 18, 2020, and ending on or before the week ending 3 weeks before the last week for which full federal sharing is authorized by section 4105(a) of Public Law No. 116-127, or which occur during a period of time specified by the Governor in a proclamation issued pursuant to subsection 4, the total extended benefit amount payable to any eligible person for the person's applicable benefit year is the lesser of the following amounts:*

(a) *Eighty percent of the basic benefits which were payable to him or her in the benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.*

(b) *Twenty times the person's average weekly benefit amount which was payable to him or her under this chapter for a week of total unemployment in the applicable benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.*

(c) *Forty-six times the person's average weekly benefit amount which was payable to him or her under this chapter for a week of total unemployment in the applicable benefit year, reduced by the basic benefits which were payable to him or her in the benefit year. If the amount computed is not a multiple of \$1, it must be computed to the next lower multiple of \$1.*

3. If the benefit year of any person ends within an extended benefit period, the remaining balance of extended benefits that the person would, but for this subsection, be entitled to receive in that



period, with respect to weeks of unemployment beginning after the end of the benefit year, must be reduced by the product of the number of weeks for which the person received any amounts as trade readjustment allowances pursuant to 19 U.S.C. § 2291 within that benefit year, multiplied by the weekly benefit amount of extended benefits, but the balance must not be reduced below zero.

*4. If the Governor determines that a federal law authorizes full federal sharing for one or more weeks to cover the costs of extended benefits incurred pursuant to subsection 2, the Governor shall issue a proclamation stating that determination and specifying the weeks during which the extended benefits are available.*

*5. As used in this section, "high unemployment period" means any period during which the average rate of total seasonally adjusted unemployment in Nevada, as determined by the Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of such week:*

*(a) Equaled or exceeded 8 percent; and*

*(b) Equaled or exceeded 110 percent of the average rate for the corresponding 3-month period ending in either of the 2 preceding calendar years.*

**Sec. 8.** NRS 612.420 is hereby amended to read as follows:

612.420 ~~[A]~~

*1. Except as otherwise provided in subsection 2, a person is disqualified for benefits for any week with respect to which the person receives either wages in lieu of notice or severance pay.*

*2. The Administrator may, by regulation, waive or modify the period of disqualification set forth in subsection 1:*

*(a) For good cause; or*

*(b) If the Administrator determines such action is necessary to expedite benefits and protect the health, safety and well-being of claimants.*

**Sec. 9.** NRS 612.425 is hereby amended to read as follows:

612.425 ~~[A]~~

*1. Except as otherwise provided in subsection 2, a claimant shall be disqualified for benefits for any week with respect to which the claimant is on paid vacation.*

*2. The Administrator may, by regulation, waive or modify the period of disqualification set forth in subsection 1:*

*(a) For good cause; or*

*(b) If the Administrator determines such action is necessary to expedite benefits and protect the health, safety and well-being of claimants.*



**Sec. 10.** NRS 612.430 is hereby amended to read as follows:  
612.430 ~~[A]~~

*1. Except as otherwise provided in subsection 2, a claimant shall be disqualified for benefits for any week following termination of work, which could have been compensated by vacation pay had termination not occurred, if the claimant actually receives such compensation at the time of separation or on regular paydays immediately following termination.*

*2. The Administrator may, by regulation, waive or modify the period of disqualification set forth in subsection 1:*

*(a) For good cause; or*

*(b) If the Administrator determines such action is necessary to expedite benefits and protect the health, safety and well-being of claimants.*

**Sec. 11.** NRS 612.530 is hereby amended to read as follows:

612.530 1. Within 11 days after the decision of the Board of Review has become final, any party aggrieved thereby or the Administrator may secure judicial review thereof by commencing an action in the district court of the county where the employment which is the basis of the claim was performed for the review of the decision, in which action any other party to the proceedings before the Board of Review must be made a defendant.

2. In such action, a petition which need not be verified, but which must state the grounds upon which a review is sought, must, *within 45 days after the commencement of the action*, be served upon the Administrator, unless the Administrator is the appellant, or upon such person as the Administrator may designate, and such service shall be deemed completed service on all parties, but there must be left with the party so served as many copies of the petition as there are defendants, and the Administrator shall forthwith mail one such copy to each defendant.

3. *The Administrator shall file with the court an answer within 45 days after being served with a petition pursuant to subsection 2 or, if the Administrator is the appellant, the Administrator shall serve the petition upon each other party within 45 days after commencement of the action.* With the Administrator's answer or petition, the Administrator shall certify and file with the court originals or true copies of all documents and papers and a transcript of all testimony taken in the matter, together with the Board of Review's findings of fact and decision therein. The Administrator may certify to the court questions of law involved in any decision.



4. In any judicial proceedings under this section, the finding of the Board of Review as to the facts, if supported by evidence and in the absence of fraud, is conclusive, and the jurisdiction of the court is confined to questions of law.

5. Such actions, and the questions so certified, must be heard in a summary manner and must be given precedence over all other civil cases except cases arising under chapters 616A to 616D, inclusive, or chapter 617 of NRS.

6. An appeal may be taken from the decision of the district court to the appellate court of competent jurisdiction pursuant to the rules fixed by the Supreme Court of Nevada pursuant to Section 4 of Article 6 of the Nevada Constitution in the same manner, but not inconsistent with the provisions of this chapter, as is provided in civil cases.

7. It is not necessary, in any judicial proceeding under this section, to enter exceptions to the rulings of the Board of Review, and no bond may be required for entering the appeal.

8. Upon the final determination of the judicial proceeding, the Board of Review shall enter an order in accordance with the determination.

9. A petition for judicial review does not act as a supersedeas or stay unless the Board of Review so orders.

**Sec. 12.** NRS 612.550 is hereby amended to read as follows:

612.550 1. As used in this section:

(a) "Average actual duration" means the number of weeks obtained by dividing the number of weeks of benefits paid for weeks of total unemployment in a consecutive 12-month period by the number of first payments made in the same 12-month period.

(b) "Average annual payroll" for each calendar year means the annual average of total wages paid by an employer subject to contributions for the 3 consecutive calendar years immediately preceding the computation date. The average annual payroll for employers first qualifying as eligible employers must be computed on the total amount of wages paid, subject to contributions, for not less than 10 consecutive quarters and not more than 12 consecutive quarters ending on December 31, immediately preceding the computation date.

(c) "Beneficiary" means a person who has received a first payment.

(d) "Computation date" for each calendar year means June 30 of the preceding calendar year.

(e) "Covered worker" means a person who has worked in employment subject to this chapter.

(f) "First payment" means the first weekly unemployment insurance benefit paid to a person in the person's benefit year.



(g) "Reserve balance" means the excess, if any, of total contributions paid by each employer over total benefit charges to that employer's experience rating record.

(h) "Reserve ratio" means the percentage ratio that the reserve balance bears to the average annual payroll.

(i) "Total contributions paid" means the total amount of contributions, due on wages paid on or before the computation date, paid by an employer not later than the last day of the second month immediately following the computation date.

(j) "Unemployment risk ratio" means the ratio obtained by dividing the number of first payments issued in any consecutive 12-month period by the average monthly number of covered workers in employment as shown on the records of the Division for the same 12-month period.

2. The Administrator shall, as of the computation date for each calendar year, classify employers in accordance with their actual payrolls, contributions and benefit experience, and shall determine for each employer the rate of contribution which applies to that employer for each calendar year in order to reflect his or her experience and classification. The contribution rate of an employer may not be reduced below 2.95 percent, unless there have been 12 consecutive calendar quarters immediately preceding the computation date throughout which the employer has been subject to this chapter and his or her account as an employer could have been charged with benefit payments, except that an employer who has not been subject to the law for a sufficient period to meet this requirement may qualify for a rate less than 2.95 percent if his or her account has been chargeable throughout a lesser period not less than the 10-consecutive-calendar-quarter period ending on the computation date.

3. Any employer who qualifies under paragraph (b) of subsection 9 and receives the experience record of a predecessor employer must be assigned the contribution rate of the predecessor.

4. Benefits paid to a person up to and including the computation date must be charged against the records, for experience rating, of the person's base-period employers in the same percentage relationship that wages reported by individual employers represent to total wages reported by all base period employers, except that:

(a) If one of the base period employers has paid 75 percent or more of the wages paid to the person during the person's base period, and except as otherwise provided in NRS 612.551, the benefits, less a proportion equal to the proportion of wages paid during the base period by employers who make reimbursement in lieu of contributions, must be charged to the records for experience



rating of that employer. The proportion of benefits paid which is equal to the part of the wages of the claimant for the base period paid by an employer who makes reimbursement must be charged to the record of that employer.

(b) No benefits paid to a multistate claimant based upon entitlement to benefits in more than one state may be charged to the experience rating record of any employer when no benefits would have been payable except pursuant to NRS 612.295.

(c) Except for employers who have been given the right to make reimbursement in lieu of contributions, extended benefits paid to a person must not be charged against the accounts of the person's base-period employers.

5. The Administrator shall, as of the computation date for each calendar year, compute the reserve ratio for each eligible employer and shall classify those employers on the basis of their individual reserve ratios. The contribution rate assigned to each eligible employer for the calendar year must be determined by the range within which the employer's reserve ratio falls. The Administrator shall, by regulation, prescribe the contribution rate schedule to apply for each calendar year by designating the ranges of reserve ratios to which must be assigned the various contribution rates provided in subsection 6. The lowest contribution rate must be assigned to the designated range of highest reserve ratios and each succeeding higher contribution rate must be assigned to each succeeding designated range of lower reserve ratios, except that, within the limits possible, the differences between reserve ratio ranges must be uniform.

6. Each employer eligible for a contribution rate based upon experience and classified in accordance with this section must be assigned a contribution rate by the Administrator for each calendar year according to the following classes:

Class 1 .....	0.25 percent
Class 2 .....	0.55 percent
Class 3 .....	0.85 percent
Class 4 .....	1.15 percent
Class 5 .....	1.45 percent
Class 6 .....	1.75 percent
Class 7 .....	2.05 percent
Class 8 .....	2.35 percent
Class 9 .....	2.65 percent
Class 10 .....	2.95 percent
Class 11 .....	3.25 percent
Class 12 .....	3.55 percent
Class 13 .....	3.85 percent



1	Class 14 .....	4.15 percent
2	Class 15 .....	4.45 percent
3	Class 16 .....	4.75 percent
4	Class 17 .....	5.05 percent
5	Class 18 .....	5.40 percent

6  
7       7. On September 30 of each year, the Administrator shall  
8 determine:

9       (a) The highest of the unemployment risk ratios experienced in  
10 the 109 consecutive 12-month periods in the 10 years ending on  
11 March 31;

12       (b) The potential annual number of beneficiaries found by  
13 multiplying the highest unemployment risk ratio by the average  
14 monthly number of covered workers in employment as shown on  
15 the records of the Division for the 12 months ending on March 31;

16       (c) The potential annual number of weeks of benefits payable  
17 found by multiplying the potential number of beneficiaries by the  
18 highest average actual duration experienced in the 109 consecutive  
19 12-month periods in the 10 years ending on September 30; and

20       (d) The potential maximum annual benefits payable found by  
21 multiplying the potential annual number of weeks of benefits  
22 payable by the average payment made to beneficiaries for weeks of  
23 total unemployment in the 12 months ending on September 30.

24       8. The Administrator shall issue an individual statement,  
25 itemizing benefits charged during the 12-month period ending on  
26 the computation date, total benefit charges, total contributions paid,  
27 reserve balance and the rate of contributions to apply for that  
28 calendar year, for each employer whose account is in active status  
29 on the records of the Division on January 1 of each year and whose  
30 account is chargeable with benefit payments on the computation  
31 date of that year.

32       9. If an employer transfers its trade or business, or a portion  
33 thereof, to another employer:

34       (a) And there is substantially common ownership, management  
35 or control of the employers, the experience record attributable to the  
36 transferred trade or business must be transferred to the employer to  
37 whom the trade or business is transferred. The rates of both  
38 employers must be recalculated, and the recalculated rates become  
39 effective on the date of the transfer of the trade or business. If the  
40 Administrator determines, following the transfer of the experience  
41 record pursuant to this paragraph, that the sole or primary purpose  
42 of the transfer of the trade or business was to obtain a reduced  
43 liability for contributions, the Administrator shall combine the  
44 experience rating records of the employers involved into a single  
45 account and assign a single rate to the account.



(b) And there is no substantially common ownership, management or control of the employers, the experience record of an employer may be transferred to a successor employer as of the effective date of the change of ownership if:

(1) The successor employer acquires the entire or a severable and distinct portion of the business, or substantially all of the assets, of the employer;

(2) The successor employer notifies the Division of the acquisition in writing within 90 days after the date of the acquisition;

(3) The employer and successor employer submit a joint application to the Administrator requesting the transfer; and

(4) The joint application is approved by the Administrator.

➡ The joint application must be submitted within 1 year after the date of issuance by the Division of official notice of eligibility to transfer.

(c) Except as otherwise provided in paragraph (a), a transfer of the experience record must not be completed if the Administrator determines that the acquisition was effected solely or primarily to obtain a more favorable contribution rate.

(d) Any liability to the Division for unpaid contributions, interest or forfeit attributable to the transferred trade or business must be transferred to the successor employer. The percentage of liability transferred must be the same as the percentage of the experience record transferred.

10. Whenever an employer has paid no wages in employment for 8 consecutive calendar quarters following the last calendar quarter in which the employer paid wages for employment, the Administrator shall terminate the employer's experience rating account, and the account must not thereafter be used in any rate computation.

11. The Administrator may adopt reasonable accounting methods to account for those employers which are in a category for providing reimbursement in lieu of contributions.

*12. To the extent allowed by federal law, the Administrator may, by regulation, suspend, modify, amend or waive any requirement of this section for the duration of a state of emergency or declaration of disaster proclaimed pursuant to NRS 414.070 and for any additional period of time during which the emergency or disaster directly affects the requirement of this section if:*

*(a) The Administrator determines the action is:*

*(1) In the best interest of the Division, this State or the general health, safety and welfare of the citizens of this State; or*





*(2) Necessary to comply with instructions received from the Department of Labor; and*

*(b) The action of the Administrator is approved by the Governor.*

**Sec. 13.** NRS 612.551 is hereby amended to read as follows:

612.551 1. Except as otherwise provided in subsections 2, 3 and 7, if the Division determines that a claimant has earned 75 percent or more of his or her wages during his or her base period from one employer, it shall notify the employer *by mail* of its determination and advise him or her that he or she has a right to protest the charging of benefits to his or her account pursuant to subsection 4 of NRS 612.550.

2. Benefits paid pursuant to an elected base period in accordance with NRS 612.344 must not be charged against the record for experience rating of the employer.

3. Except as otherwise provided in subsection 7, if a claimant leaves his or her last or next to last employer to take other employment and leaves or is discharged by the latter employer, benefits paid to the claimant must not be charged against the record for experience rating of the former employer.

4. If the employer provides evidence within 10 working days after the notice required by subsection 1 was mailed which satisfies the Administrator that the claimant:

(a) Left his or her employment voluntarily without good cause or was discharged for misconduct connected with the employment; or

(b) Was the spouse of an active member of the Armed Forces of the United States and left his or her employment because the spouse was transferred to a different location,

↳ the Administrator shall order that the benefits not be charged against the record for experience rating of the employer.

5. The employer may appeal from the ruling of the Administrator relating to the cause of the termination of the employment of the claimant in the same manner as appeals may be taken from determinations relating to claims for benefits.

6. A determination made pursuant to this section does not constitute a basis for disqualifying a claimant to receive benefits.

7. If an employer who is given notice of a claim for benefits pursuant to subsection 1 fails to submit timely to the Division all known relevant facts which may affect the claimant's rights to benefits as required by NRS 612.475, the employer's record for experience rating is not entitled to be relieved of the amount of any benefits paid to the claimant as a result of such failure that were charged against the employer's record pursuant to NRS 612.550 or 612.553.



\* S B 3 R 1 \*

8. *To the extent allowed by federal law, the Administrator may, by regulation, suspend, modify, amend or waive any requirement of this section for the duration of a state of emergency or declaration of disaster proclaimed pursuant to NRS 414.070 and for any additional period of time during which the emergency or disaster directly affects the requirement of this section if:*

*(a) The Administrator determines the action is:*

*(1) In the best interest of the Division, this State or the general health, safety and welfare of the citizens of this State; or*

*(2) Necessary to comply with instructions received from the Department of Labor; and*

*(b) The action of the Administrator is approved by the Governor.*

**Sec. 14.** NRS 233B.039 is hereby amended to read as follows:

233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:

(a) The Governor.

(b) Except as otherwise provided in NRS 209.221, the Department of Corrections.

(c) The Nevada System of Higher Education.

(d) The Office of the Military.

(e) The Nevada Gaming Control Board.

(f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission.

(g) Except as otherwise provided in NRS 425.620, the Division of Welfare and Supportive Services of the Department of Health and Human Services.

(h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services.

(i) Except as otherwise provided in NRS 533.365, the Office of the State Engineer.

(j) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.

(k) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.

(l) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310.

(m) The Silver State Health Insurance Exchange.

(n) The Cannabis Compliance Board.



2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

3. The special provisions of:

(a) Chapter 612 of NRS for the *adoption of an emergency regulation or the* distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;

(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;

(c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and

(d) NRS 90.800 for the use of summary orders in contested cases,

↪ prevail over the general provisions of this chapter.

4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.

5. The provisions of this chapter do not apply to:

(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;

(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;

(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;

(d) The judicial review of decisions of the Public Utilities Commission of Nevada;

(e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178;

(f) The adoption or amendment of a rule or regulation to be included in the State Plan for Services for Victims of Crime by the Department of Health and Human Services pursuant to NRS 217.130; or



(g) The adoption, amendment or repeal of rules governing the conduct of contests and exhibitions of unarmed combat by the Nevada Athletic Commission pursuant to NRS 467.075.

6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

**Sec. 15.** Notwithstanding any provision of NRS 612.390 to the contrary, for the period of time that any emergency directive issued by the Governor pursuant to chapter 414 of NRS relating to the outbreak of the disease identified by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services as COVID-19 remains in effect, the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation shall, by regulation, establish justifications related to COVID-19 that may constitute good cause for a person to refuse suitable work. Such justifications may include, without limitation, that:

1. The employer cannot offer suitable means by which the person may work remotely and a medical professional has recommended that the person not return to work because the person falls into one of the categories deemed high risk for contracting COVID-19 by the Centers for Disease Control and Prevention.

2. The person is sick or in isolation as a direct result of COVID-19.

3. There is an unreasonable risk of exposure to COVID-19 at the place of employment of the person and the person falls into one of the categories deemed high risk for contracting COVID-19 by the Centers for Disease Control and Prevention.

4. The person is staying home to care for a family member who is suffering from COVID-19 or subject to a prescribed period of quarantine by a medical professional.

5. The person is caring for a child who is unable to attend school or a child care facility because of COVID-19.

6. The person is 65 years of age or older.

7. The person is under any other circumstance that the Administrator determines, when considering the totality of the person's circumstances, constitutes good cause.

**Sec. 16.** Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after August 2, 2020.

**Sec. 17.** As soon as practicable, upon determining that sufficient resources are available to the Employment Security Division of the Department of Employment, Training and



1 Rehabilitation to carry out the amendatory provisions of section 4 of  
2 this act, the Administrator of the Employment Security Division of  
3 the Department of Employment, Training and Rehabilitation shall  
4 notify the Governor and the Director of the Legislative Counsel  
5 Bureau of that fact, and shall publish on the Internet website of the  
6 Division notice to the public of that fact.

7 **Sec. 17.5.** To the extent allowed by federal law:

8 1. The amendatory provisions of sections 8, 9 and 15 of this act  
9 apply retroactively to any week of unemployment ending on or after  
10 May 28, 2020.

11 2. Any regulation adopted by the Administrator of the  
12 Employment Security Division of the Department of Employment,  
13 Training and Rehabilitation pursuant to section 8, 9 or 15 of this act  
14 may be applied retroactively to any week of unemployment ending  
15 on or after May 28, 2020.

16 **Sec. 18.** 1. This section and sections 1, 2, 3 and 5 to 17.5,  
17 inclusive, of this act become effective upon passage and approval.

18 2. Section 4 of this act becomes effective:

19 (a) Sixty days after passage and approval of this act; or

20 (b) On the date on which the Administrator of the Employment  
21 Security Division of the Department of Employment, Training and  
22 Rehabilitation, pursuant to section 17 of this act, notifies the  
23 Governor and the Director of the Legislative Counsel Bureau that  
24 sufficient resources are available to enable the Division to carry out  
25 the amendatory provisions of section 4 of this act,

26 ➡ whichever occurs first.







