



Office of the Governor

JIM GIBBONS
GOVERNOR

May 4, 2009

Cheryl Atkinson, Administrator
U.S. Department of Labor
Office of Workforce Security
200 Constitution Avenue NW, Room S-4231
Washington, DC 20210

Dear Ms. Atkinson:

Please consider this correspondence the State of Nevada's application for the distribution of the first one-third portion, \$25,645,804, of the American Recovery and Reinvestment Act, Unemployment Modernization Incentive Payments. This request is being made as Nevada has adopted an Alternate Base Period for determining monetary entitlement to unemployment benefits as required under Section 2003(a) of Public Law 111-5 as necessary for eligibility for these funds.

This request is based on the enactment of Nevada Assembly Bill 469 (enclosed), which I signed into law on April 16, 2009. This bill creates an Alternate Base Period in chapter 612 of the Nevada Revised Statutes. The bill made the Alternate Base Period provision effective upon passage and approval.

Furthermore, with this letter, I certify that the Alternate Base Period is a permanent provision in Nevada's Unemployment Insurance Law, and is not subject to automatic discontinuation (sunset provisions). Nevada's application is submitted in good faith with the intention of providing benefits to unemployed workers who meet the Alternate Base Period monetary eligibility provisions on which the application is based, if otherwise eligible.

The State of Nevada's Department of Employment, Training and Rehabilitation intends to use these incentive funds provided for in this incentive to pay Unemployment Insurance benefits.

101 N. Carson Street • Carson City, Nevada 89701 • Telephone: (775) 684-5670 • Fax: (775) 684-5683 555 E. Washington Avenue, Suite 5100 • Las Vegas, Nevada 89101 • Telephone: (702) 486-2500 • Fax: (702) 486-2505

(NSPO Rev. 3-07)

May 4, 2009 Ms. Cheryl Atkinson Page 2 of 2

If you have any questions regarding this application, please feel free to contact Cindy Jones, Deputy Director, Department of Employment Training and Rehabilitation at (775) 684-3909.

Sincerely,

JIM GIBBONS Governor

Enclosures

cc: Larry J. Mosley, Director, Department of Employment Training and Rehabilitation Cindy Jones, Deputy Director, Department of Employment Training and Rehabilitation

ASSEMBLY BILL NO. 469–COMMITTEE ON WAYS AND MEANS MARCH 16, 2009

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing unemployment compensation. (BDR 53-1275)

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

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to unemployment compensation; adopting an alternate base period for determining entitlement to unemployment benefits; temporarily authorizing the payment of unemployment benefits for an extended period and increasing the total extended benefit payable under certain circumstances; requiring the Department of Employment, Training and Rehabilitation to take any additional actions necessary to ensure receipt by the State of Nevada of the benefits available for unemployment compensation pursuant to the American Recovery and Reinvestment Act of 2009; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, (ARRA) 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. Section 1 of this bill amends the definition of "base period" for the purpose of determining a person's entitlement to benefits. Sections 2 and 3 of this bill temporarily revise the definition of an "on" indicator for the purposes of extended unemployment benefits and revises the total extended benefit amount a person may receive in a benefit year during periods of high unemployment. These changes will allow Nevada to qualify for additional money under the ARRA for modernization of unemployment insurance and for payment of extended unemployment benefits. Section 4 of this bill requires the Director of the Department of Employment, Training and Rehabilitation and the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation to take such actions as are necessary to ensure that Nevada receives the additional benefits provided under the ARRA for unemployment compensation.





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

Section 1. NRS 612.025 is hereby amended to read as follows: 612.025 1. Except as otherwise provided *in this section and* in NRS 612.344, "base period" means the first 4 of the last 5 completed calendar quarters immediately preceding the first day of a person's benefit year, except that if one calendar quarter of the base period so established has been used in a previous determination of his entitlement to benefits the base period is the first 4 completed calendar quarters immediately preceding the first day of his benefit year.

2. If a person is not entitled to benefits using the base period as defined in subsection 1 but would be entitled to benefits if the base period were the last 4 completed calendar quarters immediately preceding the first day of the person's benefit year, "base period" means the last 4 completed calendar quarters immediately preceding the first day of the person's benefit year.

3. In the case of a combined wage claim pursuant to the reciprocal arrangements provided in NRS 612.295, the base period is that applicable under the unemployment compensation law of the paying state.

Sec. 2. 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:

(a) (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

(b) (2) Equaled or exceeded 6 percent [; or

(b) For weeks of unemployment beginning on or after February 1, 2009, and ending on or before December 12, 2009, or the week ending 3 weeks before the last week for which federal sharing is authorized by section 2005(a) of Public Law No. 111-5, whichever is later, 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

16 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 his 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 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 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 his 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 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 his benefit year under this chapter which begin in an extended benefit period and, if his 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 his eligibility period:

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

(b) His benefit year having expired before that week, has no, or insufficient, wages on the basis of which he 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 he is seeking such benefits and the appropriate agency finally determines that he is not entitled to benefits under that law he 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. 3. 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 his applicable benefit year is the lesser of the following amounts:

(a) Fifty percent of the basic benefits which were payable to him in his 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 his average weekly benefit amount which was payable to him 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.

2. In weeks beginning in a high unemployment period on or after February 1, 2009, and ending on or before December 12, 2009, or the week ending 3 weeks before the last week for which federal sharing is authorized by section 2005(a) of Public Law No. 111-5, whichever is later, the total extended benefit amount payable to any eligible person for his applicable benefit year is the lesser of the following amounts:

(a) Eighty percent of the basic benefits which were payable to him in his 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 his average weekly benefit amount which was payable to him 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.

- 3. If the benefit year of any person ends within an extended benefit period, the remaining balance of extended benefits that he 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 he received any amounts as trade readjustment allowances pursuant to 19 U.S.C. § 2291 within that benefit year, multiplied by his weekly benefit amount of extended benefits, but the balance must not be reduced below zero.
- 4. 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. 4. The Director of the Department of Employment, Training and Rehabilitation and the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation shall enter into any necessary agreements and take whatever additional action is necessary to carry out the provisions of this act and to ensure that the State of Nevada receives the benefits available pursuant to Subtitle A of Title II of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 2000 et seq. (2009).

Sec. 5. 1. This act becomes effective upon passage and

11 approval.

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12 2. Sections 2 and 3 of this act expire by limitation on 13 January 1, 2010, or the date that federal sharing is no longer 14 authorized pursuant to section 2005(a) of Public Law No. 111-5, 15 whichever is later.







Legislation Filed with the Secretary of State's Office

1

Senate Bill 1

To view a listing of recent legislation filed with the Secretary of State's Office, select a legislative session and a statute type, then click "View Legislation." The data on this site will be updated regularly whenever a legislative session is in progress.

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