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SENATE BILL NO. 36—COMMITTEE ON  
COMMERCE, LABOR, AND ENERGY

(ON BEHALF OF THE EMPLOYMENT SECURITY DIVISION)

PREFILED DECEMBER 20, 2012

Referred to Committee on Commerce, Labor, and Energy

SUMMARY—Makes various changes concerning unemployment compensation. (BDR 53-371)

FISCAL NOTE: Effect on Local Government: No.  
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.

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AN ACT relating to employment; requiring the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation to establish a program of shared work unemployment compensation upon approval of the United States Secretary of Labor; exempting from certain taxes wages paid by certain employers participating in such a program; establishing provisions for the collection of money owed to the Division; establishing a waiting period of 1 week as an additional condition of eligibility for unemployment compensation benefits; revising provisions concerning unemployment compensation fraud; providing for the transfer of an employer's liabilities to the Division upon the transfer of the employer's trade or business; prohibiting the relief of an employer's record for experience rating of charges for benefits under certain circumstances; assigning liability for the payment of money owed to the Division upon the transfer of certain assets; providing penalties; and providing other matters properly relating thereto.



**Legislative Counsel's Digest:**

1 At least 18 states have established what are commonly referred to as “work-  
2 sharing programs.” Under such programs, an employer, in lieu of imposing layoffs  
3 as a means to reduce labor costs, retains workers who would otherwise be laid off  
4 and reduces the normal weekly hours of work for those and other workers to  
5 produce a comparable reduction in labor costs. If the employer carries out those  
6 reductions as a participant in a work-sharing program established by the state  
7 agency that administers the state’s unemployment compensation insurance  
8 program, the agency treats the workers as unemployed for the number of hours by  
9 which their normal weekly hours of work are reduced and the workers are entitled  
10 to receive unemployment compensation benefits for those hours. The payment of  
11 such benefits under a state’s unemployment compensation insurance laws is  
12 expressly authorized by federal law if the Secretary of Labor has approved what  
13 federal law refers to as the state’s “short-time compensation program.” (26 U.S.C. §  
14 3304)

15 **Section 5** of this bill requires the Administrator of the Employment Security  
16 Division of the Department of Employment, Training and Rehabilitation to  
17 establish a program of shared work unemployment compensation for this State  
18 upon approval of the program by the United States Secretary of Labor. **Sections 2-4**  
19 **and 6-11** of this bill establish other provisions necessary for the operation of the  
20 program. **Sections 20 and 22** of this bill amend provisions of existing law  
21 concerning eligibility for benefits and calculation of benefits to accommodate  
22 workers affected by a shared work program. Finally, **section 29** of this bill provides  
23 employers who participate in the program with a partial tax exemption from what is  
24 commonly called the modified business tax. This quarterly excise tax is imposed on  
25 certain businesses other than financial institutions and calculated as a percentage of  
26 the amount of wages paid by the business during the quarter. (NRS 363B.110) The  
27 Legislature in 2011 imposed a temporary increase in the amount of the tax on  
28 wages paid by an employer in excess of \$62,500 during a quarter from 0.63 percent  
29 of the amount of the wages to 1.17 percent of that amount. (NRS 363B.110) This  
30 temporary increase expires on June 30, 2013. (Chapter 476, Statutes of Nevada  
31 2011, p. 2898) Nevertheless, if that temporary rate, or a substantially similar rate, is  
32 still in effect when the program of shared work unemployment compensation is  
33 established by the Division and approved by the Secretary of Labor, **section 29**  
34 exempts the wages paid by an employer during a quarter to workers affected by an  
35 approved plan of work sharing from any portion of the modified business tax which  
36 exceeds 0.63 percent of the amount of such wages.

37 Under existing law, the Administrator is authorized to bring actions in district  
38 court for the repayment of fraudulently obtained benefits or to recover amounts  
39 owed to the Division by persons who commit unemployment insurance fraud.  
40 (NRS 612.365, 612.445) **Sections 12-19 and 21** of this bill establish an additional  
41 method for the collection of such money. This method is modeled after the method  
42 used by the Division of Welfare and Supportive Services of the Department of  
43 Health and Human Services to enforce a court order that requires a person to make  
44 payments for the support of a child. (NRS 31A.025-31A.190) **Section 12** provides  
45 that if the Administrator obtains a judgment against a person who has fraudulently  
46 obtained benefits or committed unemployment compensation fraud, the  
47 Administrator may, in addition to any other manner of executing the judgment  
48 provided by law, require each employer of the person to withhold income from the  
49 person’s wages and pay it to the Division. **Sections 13-19** establish provisions for:  
50 (1) notifying a person whose income is to be withheld; (2) issuing a notice to  
51 withhold income to a person’s employer; (3) establishing an employer’s duties with  
52 respect to the withholding of income; (4) providing penalties for an employer’s  
53 violation of those duties; and (5) providing an employer with immunity from any  
54 civil action for any conduct taken in compliance with a notice to withhold income.



55 **Section 23** of this bill revises existing law concerning unemployment insurance  
56 fraud by: (1) providing that, in general, the Administrator may issue an initial  
57 determination finding that a person has committed such fraud at any time within 4  
58 years after the first day of the benefit year in which the person committed the fraud;  
59 and (2) revising other provisions concerning the period during which the person is  
60 disqualified from receiving further benefits and the amount of the penalties that  
61 may be imposed.

62 Existing law provides that an unemployed person is not eligible to receive  
63 benefits unless the Administrator finds that the person satisfies certain conditions.  
64 (NRS 612.375) **Section 22** of this bill adds an additional condition for such  
65 eligibility: the person must have been unemployed and otherwise eligible for  
66 benefits for a waiting period of 1 week within the person's current benefit year,  
67 during which no benefits were paid. All but 12 states currently include such a  
68 waiting period in their unemployment compensation laws.

69 Under existing law, an employer's contribution rate is based on the employer's  
70 experience rating, which reflects the amount of unemployment compensation  
71 benefits that are paid to former employees and charged to the employer's record for  
72 experience rating. Existing law also provides for the transfer of some or all of an  
73 employer's record for experience rating when the employer transfers its trade or  
74 business to another employer. (NRS 612.550) **Section 24** of this bill provides that if  
75 the transferring employer is liable to the Division for unpaid contributions, interest  
76 or forfeits, a percentage of that liability must also be transferred to the other  
77 employer. The percentage of liability transferred must be the same as the  
78 percentage of the experience record transferred.

79 Under existing law, an employer who receives notice that a former employee  
80 has filed a claim for benefits is required to provide the Division with all relevant  
81 facts which may affect the claimant's rights to benefits within 11 days after the  
82 Division mails the notice of the claim. (NRS 612.475) The amounts of any benefits  
83 paid to that claimant are charged to the employer's record for experience rating  
84 unless circumstances exist which entitle the record to be relieved of such charges.  
85 (NRS 612.551) **Section 25** of this bill provides that an employer's record for  
86 experience rating is not entitled to be relieved of charges for the amount of any  
87 benefits erroneously paid to a claimant if the employer failed to submit timely all  
88 the information as required or if the employer has established a pattern of such  
89 failures. This change is required to comply with federal law. (Trade Adjustment  
90 Assistance Extension Act of 2011, Pub. L. No. 112-40, § 252, 125 Stat. 402,  
91 421-22)

92 Under existing law, an employer who, outside the usual course of business,  
93 sells certain assets and quits business is required to pay to the Division the amount  
94 of all contributions, interest or forfeits accrued and unpaid on account of wages  
95 paid by the employer up to the date of the sale. If the seller fails to do so within 10  
96 days after the sale, the purchaser of the assets becomes personally liable for the  
97 payment of those amounts. (NRS 612.695) **Section 26** of this bill extends those  
98 provisions to apply in cases of the transfer of the assets of a business by means  
99 other than a sale.

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

1       **Section 1.** Chapter 612 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 19, inclusive, of this  
3 act.

4       **Sec. 2.** *As used in sections 2 to 11, inclusive, of this act,*  
5 *unless the context otherwise requires, the words and terms defined*  
6 *in sections 3 and 4 of this act have the meanings ascribed to them*  
7 *in those sections.*

8       **Sec. 3.** *“Affected worker” means a worker whose normal*  
9 *weekly hours of work for his or her regular employer are reduced*  
10 *by the employer in accordance with a plan of work sharing.*

11       **Sec. 4.** *“Normal weekly hours of work” means 40 hours or*  
12 *the number of hours that a worker normally would work for his or*  
13 *her regular employer during a week in which the worker’s hours*  
14 *are not affected by a layoff or plan of work sharing, whichever is*  
15 *less.*

16       **Sec. 5. 1.** *The Administrator shall establish and maintain a*  
17 *program of shared work unemployment compensation to pay*  
18 *benefits under this chapter to eligible workers whose normal*  
19 *weekly hours of work are reduced by an employer in accordance*  
20 *with a plan of work sharing that is approved by the Administrator.*

21       **2.** *The program of shared work unemployment compensation*  
22 *must be approved by the Secretary of Labor, pursuant to 26 U.S.C.*  
23 *§ 3304, as a short-time compensation program.*

24       **3.** *The Administrator shall adopt regulations to carry out the*  
25 *provisions of sections 2 to 11, inclusive, of this act.*

26       **Sec. 6. 1.** *An employer who, in lieu of imposing layoffs,*  
27 *wishes to participate in the program of shared work*  
28 *unemployment compensation established by the Administrator*  
29 *pursuant to section 5 of this act must submit a proposed plan of*  
30 *work sharing to the Administrator for approval. The plan must be*  
31 *submitted in the form and manner prescribed by the Administrator*  
32 *and include, without limitation:*

33       **(a)** *A brief description of the circumstances that would cause*  
34 *the employer to impose layoffs if the plan of work sharing is not*  
35 *approved, including, without limitation, the amount of money that*  
36 *the layoffs or plan of work sharing are intended to save during the*  
37 *period that the layoffs or plan of work sharing would be in effect;*

38       **(b)** *Information concerning each affected worker, including,*  
39 *without limitation, the worker’s name, social security number and*  
40 *normal weekly hours of work;*

41       **(c)** *The proposed effective and expiration dates for the plan;*  
42 *and*



1 (d) Any information required pursuant to regulations adopted  
2 by the Administrator.

3 2. An employer who has imposed layoffs before submitting a  
4 proposed plan of work sharing pursuant to subsection 1 may  
5 submit a proposed plan of work sharing which provides that, if the  
6 plan is approved by the Administrator, workers previously laid off  
7 will be rehired subject to reductions in their hours of work from  
8 their previous normal weekly hours of work in accordance with  
9 the plan.

10 Sec. 7. 1. The Administrator shall not approve a plan of  
11 work sharing submitted by an employer pursuant to section 6 of  
12 this act unless:

13 (a) The employer certifies that reducing the normal weekly  
14 hours of work of affected workers in accordance with the plan is  
15 in lieu of imposing layoffs;

16 (b) The plan reduces the normal weekly hours of work of each  
17 affected worker by not less than 10 percent and not more than  
18 50 percent;

19 (c) If any affected workers are covered by a collective  
20 bargaining agreement, the bargaining agent designated in the  
21 agreement consents to the plan;

22 (d) The plan is consistent with any obligation imposed on the  
23 employer by any state or federal law or regulation;

24 (e) The employer certifies that, if the employer provides health  
25 benefits and retirement benefits under a defined benefit plan or  
26 contributions under a defined contribution plan to an affected  
27 worker, the employer will continue to provide the benefits or  
28 contributions to the affected worker under the same terms and  
29 conditions as if the worker's normal weekly hours of work had not  
30 been reduced in accordance with the plan or to the same extent as  
31 other workers whose normal weekly hours of work are not reduced  
32 in accordance with the plan; and

33 (f) The employer satisfies all other requirements established by  
34 the Administrator for participation in the program of shared work  
35 unemployment compensation.

36 2. The Administrator shall approve or reject a plan of work  
37 sharing submitted by an employer within 15 days after the  
38 Administrator receives the plan.

39 Sec. 8. 1. A plan of work sharing that is approved by the  
40 Administrator pursuant to section 7 of this act is effective for  
41 the purpose of paying benefits under this chapter to affected  
42 workers for a period established by the Administrator unless the  
43 plan is revoked by the Administrator or cancelled by the employer  
44 before the expiration date established by the Administrator. A plan  
45 may not be effective for this purpose for more than 52 weeks.



1       2. *The Administrator shall not revoke an approved plan of*  
2 *work sharing before its expiration date except for good cause.*

3       3. *An employer who wishes to cancel an approved plan of*  
4 *work sharing before its expiration date must provide notice to the*  
5 *Administrator in the form and manner required by the*  
6 *Administrator.*

7       **Sec. 9.** *1. An employer conducting business under an*  
8 *approved plan of work sharing shall notify the Administrator of:*

9       (a) *Any change in circumstances that materially affects the*  
10 *employer's operations under the plan;*

11       (b) *Any change in the reduction in the normal weekly hours of*  
12 *work of affected workers from the reduction established in the*  
13 *plan; and*

14       (c) *The identity of each affected worker who enters or leaves*  
15 *the plan.*

16       2. *An employer may modify an approved plan of work*  
17 *sharing if the Administrator approves the modification. The*  
18 *employer must request the approval of the modification in*  
19 *the form and manner prescribed by the Administrator. The*  
20 *modification shall be deemed to be approved unless the*  
21 *Administrator notifies the employer, within 10 days after*  
22 *the Administrator receives the request, that the modification is*  
23 *rejected. A modification may not extend the period during which*  
24 *the plan is effective for the purpose of paying benefits under this*  
25 *chapter to more than 52 weeks.*

26       3. *An employer whose plan of work sharing is approved by*  
27 *the Administrator shall provide to the Administrator, upon*  
28 *request, all records, including, without limitation, payroll records,*  
29 *time records and tax returns, that the Administrator determines*  
30 *are necessary to ensure the propriety of payments of benefits*  
31 *under the plan. If an employer fails to provide the records when*  
32 *requested, the Administrator:*

33       (a) *Shall revoke the employer's plan of work sharing; and*

34       (b) *May assess the employer for the amount of any benefits*  
35 *improperly paid as a result of the employer's failure to provide the*  
36 *records.*

37       **Sec. 10.** *1. For the purposes of sections 2 to 11, inclusive,*  
38 *of this act, a person shall be deemed to be unemployed in any week*  
39 *during which the person works at least 10 percent fewer hours for*  
40 *his or her regular employer than the person's normal weekly*  
41 *hours of work if the Administrator finds that the reduction in the*  
42 *number of hours worked by the person is attributable to a plan of*  
43 *work sharing that has been approved by the Administrator.*

44       2. *An unemployed person is eligible to receive benefits under*  
45 *this section with respect to any week only if the Administrator*



1 *finds that with respect to that week the person is eligible to receive*  
2 *benefits under this chapter, except that the person:*

3 (a) *Is not required to register for work or report at an office of*  
4 *the Division pursuant to paragraph (a) of subsection 1 of*  
5 *NRS 612.375;*

6 (b) *Is not subject to the waiting period of 1 week required by*  
7 *paragraph (e) of subsection 1 of NRS 612.375; and*

8 (c) *Shall be deemed to be in compliance with paragraph (c) of*  
9 *subsection 1 of NRS 612.375, if the person:*

10 (1) *Unless excused by his or her regular employer, works*  
11 *the full number of hours during the week that the person is*  
12 *scheduled to work under the employer's plan of work sharing; and*

13 (2) *Is available to work for his or her regular employer*  
14 *during the hours of the person's normal weekly hours of work that*  
15 *the person is not scheduled to work under the plan.*

16 3. *Except as otherwise provided in this section, a person who*  
17 *is eligible for benefits under this section for any week must be paid*  
18 *a benefit in an amount equal to the person's weekly benefit*  
19 *amount for 1 week of total unemployment multiplied by the*  
20 *percentage of the reduction in the person's normal weekly hours*  
21 *of work attributable to his or her employer's approved plan of*  
22 *work sharing. The benefit must be reduced by 75 percent of any*  
23 *remuneration payable to the person for personal services*  
24 *performed during that week, other than remuneration payable for*  
25 *the hours of work that the person was scheduled to work under the*  
26 *approved plan of work sharing. The benefit, if not a multiple of*  
27 *\$1, must be computed to the next lower multiple of \$1.*

28 4. *An otherwise eligible person may not be:*

29 (a) *Denied benefits under this section during any week in*  
30 *which the person participates in a training program to enhance*  
31 *his or her job skills that is sponsored by the person's regular*  
32 *employer or funded under the Workforce Investment Act of 1998,*  
33 *29 U.S.C. §§ 2801 et seq. and approved by the Administrator; or*

34 (b) *Paid benefits under this section for more than 26 weeks in*  
35 *any benefit year.*

36 5. *For the purposes of NRS 612.355, the amount of benefits*  
37 *paid to a person under this section during a benefit year must be*  
38 *included when computing the total amount of benefits under this*  
39 *chapter to which the person is entitled for the benefit year.*

40 6. *A person who is eligible to receive benefits under this*  
41 *section with respect to any week is not eligible to receive extended*  
42 *benefits or additional benefits under NRS 612.377 to 612.3786,*  
43 *inclusive, with respect to that week.*

44 **Sec. 11.** *Except when the result would be inconsistent with*  
45 *the provisions of sections 2 to 11, inclusive, of this act and any*



1 *regulations adopted pursuant thereto, the provisions of this*  
2 *chapter, other than the provisions concerning extended benefits*  
3 *and additional benefits set forth in NRS 612.377 to 612.3786,*  
4 *inclusive, apply to sections 2 to 11, inclusive, of this act.*

5 **Sec. 12.** *If the Administrator obtains a judgment against a*  
6 *person for:*

7 *1. The repayment of benefits obtained due to the person's*  
8 *fraud, misrepresentation or willful nondisclosure pursuant to*  
9 *NRS 612.365; or*

10 *2. The recovery of amounts owed to the Division for*  
11 *committing unemployment insurance fraud in violation of*  
12 *NRS 612.445,*

13 *↪ the Administrator may, in addition to any other manner*  
14 *of executing the judgment provided by law, require each employer*  
15 *of the person to withhold income from the person's wages and pay*  
16 *it over to the Division in accordance with the provisions of*  
17 *sections 12 to 19, inclusive of this act.*

18 **Sec. 13.** *The Administrator shall provide to a person who is*  
19 *subject to the withholding of income pursuant to section 12 of this*  
20 *act a notice sent by first-class mail to the person's last known*  
21 *address:*

22 *1. That his or her income is being withheld;*

23 *2. That a notice to withhold income applies to any current or*  
24 *subsequent employer;*

25 *3. That a notice to withhold income has been mailed to his or*  
26 *her employer;*

27 *4. Of the information provided to his or her employer*  
28 *pursuant to section 14 of this act;*

29 *5. That he or she may contest the withholding; and*

30 *6. Of the grounds and procedures for contesting the*  
31 *withholding.*

32 **Sec. 14.** *1. The Administrator shall mail, by first-class mail,*  
33 *a notice to withhold income pursuant to section 12 of this act to*  
34 *each employer of the person who is subject to the withholding.*

35 *2. If an employer does not begin to withhold income from the*  
36 *person in accordance with section 15 of this act after receiving the*  
37 *notice to withhold income that was mailed pursuant to subsection*  
38 *1, the Administrator shall, by certified mail, return receipt*  
39 *requested, mail to the employer another notice to withhold income.*

40 *3. A notice to withhold income pursuant to section 12 of this*  
41 *act may be issued electronically and must:*

42 *(a) Contain the social security number of the person;*

43 *(b) Specify the total amount to be withheld from the income of*  
44 *the person, including any interest, penalties or assessments*  
45 *accrued pursuant to the provisions of this chapter;*





1 (c) Describe the limitation for withholding income prescribed  
2 in NRS 31.295;

3 (d) Describe the prohibition against terminating the  
4 employment of a person because of withholding and the penalties  
5 for wrongfully refusing to withhold in accordance with the notice  
6 to withhold income; and

7 (e) Explain the duties of an employer upon the receipt of the  
8 notice to withhold income.

9 **Sec. 15.** An employer who receives a notice to withhold  
10 income pursuant to section 12 of this act shall:

11 1. Withhold the amount stated in the notice from the income  
12 due to the person beginning with the first pay period that occurs  
13 within 14 days after the date the notice was mailed to the employer  
14 and continuing until:

15 (a) The Administrator notifies the employer to discontinue the  
16 withholding; or

17 (b) The full amount required to be paid to the Administrator  
18 has been paid, as indicated by a written statement to the employer  
19 from the Administrator;

20 2. Deliver the money withheld to the Administrator within 7  
21 days after the date of each payment of the regularly scheduled  
22 payroll of the employer; and

23 3. Notify the Administrator when the person subject to  
24 withholding terminates his or her employment and provide the last  
25 known address of the person and the name of any new employer of  
26 the person, if known.

27 **Sec. 16.** 1. A notice to withhold income pursuant to section  
28 12 of this act is binding upon any employer of the person to whom  
29 it is mailed. To reimburse the employer for his or her costs in  
30 making the withholding, the employer may deduct \$3 from the  
31 amount paid to the person each time the employer makes a  
32 withholding.

33 2. Except as otherwise provided in subsection 3, if an  
34 employer receives notices to withhold income pursuant to section  
35 12 of this act for more than one employee, the employer may  
36 consolidate the amounts of money that are payable to the  
37 Administrator and pay those amounts with one check, but the  
38 employer shall attach to each check a statement identifying by  
39 name and social security number each person for whom payment  
40 is made and the amount transmitted for that person.

41 3. If the provisions of NRS 353.1467 apply, the employer  
42 shall make payment to the Administrator by any method of  
43 electronic transfer of money allowed by the Administrator. If an  
44 employer makes such payment by electronic transfer of money, the  
45 employer shall transmit separately the name and appropriate



1 identification number, if any, of each person for whom payment is  
2 made and the amount transmitted for that person.

3 4. As used in this section, "electronic transfer of money" has  
4 the meaning ascribed to it in NRS 353.1467.

5 **Sec. 17.** 1. It is unlawful for an employer to use the  
6 withholding of income to collect an obligation to pay money to the  
7 Administrator as a basis for refusing to hire a potential employee,  
8 discharging an employee or taking disciplinary action against an  
9 employee. Any employer who violates this section shall hire or  
10 reinstate any such employee with no loss of pay or benefits, is  
11 liable for any amounts not withheld and shall be fined \$1,000. If  
12 an employee prevails in an action based on this section, the  
13 employer is liable, in an amount not less than \$2,500, for payment  
14 of the employee's costs and attorney's fees incurred in that action.

15 2. If an employer wrongfully refuses to withhold income as  
16 required pursuant to sections 12 to 19, inclusive, of this act or  
17 knowingly misrepresents the income of an employee, the employer  
18 shall pay the amount the employer refused to withhold to the  
19 Administrator and may be ordered to pay punitive damages to the  
20 Administrator in an amount not to exceed \$1,000 for each pay  
21 period the employer failed to withhold income as required or  
22 knowingly misrepresented the income of the employee.

23 **Sec. 18.** 1. If an employer wrongfully refuses to withhold  
24 income as required pursuant to sections 12 to 19, inclusive, of this  
25 act, after receiving a notice to withhold income that was sent by  
26 certified mail pursuant to section 14 of this act, or knowingly  
27 misrepresents the income of an employee, the Administrator may  
28 apply for and the court may issue an order directing the employer  
29 to appear and show cause why he or she should not be subject to  
30 the penalties prescribed in subsection 2 of section 17 of this act.

31 2. At the hearing on the order to show cause, the court, upon  
32 a finding that the employer wrongfully refused to withhold income  
33 as required or knowingly misrepresented an employee's income:

34 (a) May order the employer to comply with the requirements of  
35 sections 12 to 19, inclusive, of this act;

36 (b) May order the employer to provide accurate information  
37 concerning the employee's income;

38 (c) May fine the employer pursuant to subsection 2 of section  
39 17 of this act; and

40 (d) Shall require the employer to pay the amount the employer  
41 failed or refused to withhold from the employee's income.

42 **Sec. 19.** 1. An employer who complies with a notice to  
43 withhold income pursuant to section 12 of this act that is regular  
44 on its face may not be held liable in any civil action for any  
45 conduct taken in compliance with the notice.



1       2. *Compliance by an employer with a notice to withhold*  
2 *income pursuant to section 12 of this act is a discharge of the*  
3 *employer's liability to the person as to that portion of the income*  
4 *affected.*

5       3. *If a court issues an order to stay a withholding of income,*  
6 *the Administrator may not be held liable in any civil action to the*  
7 *person who is the subject of the withholding of income for any*  
8 *money withheld before the stay becomes effective.*

9       **Sec. 20.** NRS 612.350 is hereby amended to read as follows:

10       612.350 1. ~~Each~~ *Except as otherwise provided in section*  
11 *10 of this act, each* eligible person who is unemployed in any week  
12 must be paid for that week a benefit in an amount equal to the  
13 person's weekly benefit amount, less 75 percent of the remuneration  
14 payable to him or her for that week.

15       2. The benefit, if not a multiple of \$1, must be computed to the  
16 next lower multiple of \$1.

17       **Sec. 21.** NRS 612.365 is hereby amended to read as follows:

18       612.365 1. Any person who is overpaid any amount as  
19 benefits under this chapter is liable for the amount overpaid unless:

20       (a) The overpayment was not due to fraud, misrepresentation or  
21 willful nondisclosure on the part of the recipient; and

22       (b) The overpayment was received without fault on the part of  
23 the recipient, and its recovery would be against equity and good  
24 conscience, as determined by the Administrator.

25       2. The amount of the overpayment must be assessed to the  
26 liable person, and the person must be notified of the basis of  
27 the assessment. The notice must specify the amount for which the  
28 person is liable. In the absence of fraud, misrepresentation or willful  
29 nondisclosure, notice of the assessment must be mailed or  
30 personally served not later than 1 year after the close of the benefit  
31 year in which the overpayment was made.

32       3. At any time within 5 years after the notice of overpayment,  
33 the Administrator may recover the amount of the overpayment by  
34 using the same methods of collection provided in NRS 612.625 to  
35 612.645, inclusive, 612.685 and 612.686 for the collection of past  
36 due contributions or by deducting the amount of the overpayment  
37 from any benefits payable to the liable person under this chapter. *If*  
38 *the overpayment is due to fraud, misrepresentation or willful*  
39 *nondisclosure, the Administrator may recover any amounts due in*  
40 *accordance with the provisions of sections 12 to 19, inclusive, of*  
41 *this act.*

42       4. The Administrator may waive recovery or adjustment of all  
43 or part of the amount of any such overpayment which the  
44 Administrator finds to be uncollectible or the recovery or adjustment



1 of which the Administrator finds to be administratively  
2 impracticable.

3 5. To the extent allowed pursuant to federal law, the  
4 Administrator may assess any administrative fee prescribed by an  
5 applicable agency of the United States regarding the recovery of  
6 such overpayments.

7 6. Any person against whom liability is determined under this  
8 section may appeal therefrom within 11 days after the date the  
9 notice provided for in this section was mailed to, or served upon, the  
10 person. An appeal must be made and conducted in the manner  
11 provided in this chapter for the appeals from determinations of  
12 benefit status. The 11-day period provided for in this subsection  
13 may be extended for good cause shown.

14 **Sec. 22.** NRS 612.375 is hereby amended to read as follows:

15 612.375 1. Except as otherwise provided in subsection 2 of  
16 NRS 612.3774, *and section 10 of this act*, an unemployed person is  
17 eligible to receive benefits with respect to any week only if the  
18 Administrator finds that:

19 (a) The person has registered for work at, and thereafter has  
20 continued to report at, an office of the Division in such a manner as  
21 the Administrator prescribes, except that the Administrator may by  
22 regulation waive or alter either or both of the requirements of this  
23 paragraph for persons attached to regular jobs and in other types of  
24 cases or situations with respect to which the Administrator finds that  
25 compliance with those requirements would be oppressive or  
26 inconsistent with the purposes of this chapter.

27 (b) The person has made a claim for benefits in accordance with  
28 the provisions of NRS 612.450 and 612.455.

29 (c) The person is able to work, and is available for work, but no  
30 claimant may be considered ineligible with respect to any week of  
31 unemployment for failure to comply with the provisions of this  
32 paragraph if the failure is because of an illness or disability which  
33 occurs during an uninterrupted period of unemployment with  
34 respect to which benefits are claimed and no work has been offered  
35 the claimant which would have been suitable before the beginning  
36 of the illness and disability. No otherwise eligible person may be  
37 denied benefits for any week in which the person is engaged in  
38 training approved pursuant to 19 U.S.C. § 2296 or by the  
39 Administrator by reason of any provisions of this chapter relating to  
40 availability for work or failure to apply for, or a refusal to accept,  
41 suitable work.

42 (d) The person has within his or her base period been paid  
43 wages from employers:

44 (1) Equal to or exceeding 1 1/2 times the person's total  
45 wages for employment by employers during the quarter of the



1 person's base period in which the person's total wages were highest;  
2 or

3 (2) In each of at least three of the four quarters in the  
4 person's base period.

5 *(e) The person has been unemployed and otherwise eligible for*  
6 *benefits for a waiting period of 1 week, within the person's current*  
7 *benefit year, during which no benefits were paid. For the purposes*  
8 *of this paragraph, a person is unemployed in any week during*  
9 *which the amount of any wages earned by the person is less than*  
10 *the person's weekly benefit amount.*

11 ~~↪ If a person fails to qualify for a weekly benefit amount of one~~  
12 ~~twenty-fifth of the person's high-quarter wages but can qualify for a~~  
13 ~~weekly benefit amount of \$1 less than one-twenty-fifth of his or her~~  
14 ~~high-quarter wages, the person's weekly benefit amount must be \$1~~  
15 ~~less than one-twenty-fifth of his or her high-quarter wages.]~~ No  
16 person may receive benefits in a benefit year unless, after the  
17 beginning of the next preceding benefit year during which the  
18 person received benefits, he or she performed service, whether or  
19 not in "employment" as defined in this chapter and earned  
20 remuneration for that service in an amount equal to not less than 3  
21 times his or her basic weekly benefit amount as determined for the  
22 next preceding benefit year.

23 2. In addition to fulfilling the requirements set forth in  
24 subsection 1, an unemployed person who has been determined to be  
25 likely to exhaust his or her regular benefits and to need services to  
26 assist in his or her reemployment, pursuant to the system of  
27 profiling established by the Administrator pursuant to 42 U.S.C. §  
28 503, is eligible to receive benefits with respect to any week only if  
29 the person participates in those services to assist in his or her  
30 reemployment, unless the Administrator determines that:

31 (a) The unemployed person has completed his or her  
32 participation in those services; or

33 (b) There is a justifiable cause for the person's failure to  
34 participate in those services.

35 3. For any week in which a claimant receives any pension or  
36 other payment for retirement, including a governmental or private  
37 pension, annuity or other, similar periodic payment, except as  
38 otherwise provided in subsection 4, the amount payable to the  
39 claimant under a plan maintained by a base-period employer or an  
40 employer whose account is chargeable with benefit payments must:

41 (a) Not be reduced by the amount of the pension or other  
42 payment if the claimant made any contribution to the pension or  
43 retirement plan; or



1 (b) Be reduced by the entire proportionate weekly amount of the  
2 pension or other payment if the employer contributed the entire  
3 amount to the pension or retirement plan.

4 4. The amount of the weekly benefit payable to a claimant  
5 must not be reduced by the pension offset in subsection 3 if the  
6 services performed by the claimant during the base period, or the  
7 compensation the claimant received for those services, from that  
8 employer did not affect the claimant's eligibility for, or increase the  
9 amount of, the pension or other payment, except for a pension paid  
10 pursuant to the Social Security Act or Railroad Retirement Act of  
11 1974, or the corresponding provisions of prior law, which is not  
12 eligible for the exclusion provided in this subsection and is subject  
13 to the offset provisions of subsection 3.

14 5. As used in this section, "regular benefits" has the meaning  
15 ascribed to it in NRS 612.377.

16 **Sec. 23.** NRS 612.445 is hereby amended to read as follows:

17 612.445 1. A person shall not make a false statement or  
18 representation, knowing it to be false, or knowingly fail to disclose a  
19 material fact in order to obtain or increase any benefit or other  
20 payment under this chapter, including, without limitation, by failing  
21 to properly report earnings or by filing a claim for benefits using the  
22 social security number, name or other personal identifying  
23 information of another person. A person who violates the provisions  
24 of this subsection commits unemployment insurance fraud.

25 2. When the Administrator finds that a person has committed  
26 unemployment insurance fraud pursuant to subsection 1, the person  
27 shall repay to the Administrator for deposit in the Fund a sum equal  
28 to all of the benefits received by or paid to the person for each week  
29 with respect to which the false statement or representation was made  
30 or to which the person failed to disclose a material fact in addition to  
31 any interest, penalties and costs related to that sum. *Except as*  
32 *otherwise provided in subsection 3 of NRS 612.480, the*  
33 *Administrator may make an initial determination finding that a*  
34 *person has committed unemployment insurance fraud pursuant to*  
35 *subsection 1 at any time within 4 years after the first day of the*  
36 *benefit year in which the person committed the unemployment*  
37 *insurance fraud.*

38 3. Except as otherwise provided in this subsection and  
39 subsection 8, the person is disqualified from receiving  
40 unemployment compensation benefits under this chapter:

41 (a) For a period beginning with the ~~first week claimed in~~  
42 ~~violation of~~ *week in which the Administrator issues a finding that*  
43 *the person has committed unemployment insurance fraud*  
44 *pursuant to* subsection 1 and ending not more than 52 consecutive



1 weeks after the week in which it is determined that a claim was filed  
2 in violation of subsection 1; or

3 (b) Until the sum described in subsection 2, in addition to any  
4 interest, penalties or costs related to that sum, is repaid to the  
5 Administrator,

6 ↪ whichever is longer. The Administrator shall fix the period of  
7 disqualification according to the circumstances in each case.

8 4. It is a violation of subsection 1 for a person to file a claim,  
9 or to cause or allow a claim to be filed on his or her behalf, if:

10 (a) The person is incarcerated in the state prison or any county  
11 or city jail or detention facility or other correctional facility in this  
12 State; and

13 (b) The claim does not expressly disclose his or her  
14 incarceration.

15 5. A person who obtains benefits of \$650 or more in violation  
16 of subsection 1 shall be punished in the same manner as theft  
17 pursuant to subsection 3 or 4 of NRS 205.0835.

18 6. In addition to the repayment of benefits required pursuant to  
19 subsection 2, ~~if the amount of benefits which must be repaid is~~  
20 ~~greater than \$1,000,~~ the Administrator ~~may~~ :

21 *(a) Shall impose a penalty equal to 15 percent, or such greater*  
22 *percentage as the Administrator determines is appropriate to*  
23 *enhance the integrity of the system of unemployment*  
24 *compensation established by this chapter, of the total amount of*  
25 *benefits received by the person in violation of subsection 1; and*

26 *(b) May impose a penalty equal to not more than:*

27 ~~[(a)]~~ *(1) If the amount of such benefits is greater than \$25 but*  
28 *not greater than \$1,000, 5 percent;*

29 *(2) If the amount of such benefits is greater than \$1,000 but*  
30 *not greater than \$2,500, ~~25~~ 10 percent; or*

31 ~~[(b)]~~ *(3) If the amount of such benefits is greater than \$2,500,*  
32 ~~50~~ *35 percent,*

33 ↪ of the total amount of benefits received by the person in violation  
34 of subsection 1 or any other provision of this chapter.

35 7. Except as otherwise provided in subsection 8, a person may  
36 not pay benefits as required pursuant to subsection 2 by using  
37 benefits which would otherwise be due and payable to the person if  
38 he or she was not disqualified.

39 8. The Administrator may waive the period of disqualification  
40 prescribed in subsection 3 for good cause shown or if the person  
41 adheres to a repayment schedule authorized by the Administrator  
42 that is designed to fully repay benefits received from an improper  
43 claim, in addition to any related interest, penalties and costs, within  
44 18 months. If the Administrator waives the period of  
45 disqualification pursuant to this subsection, the person may repay





1 benefits as required pursuant to subsection 2 by using any benefits  
2 which are due and payable to the person, except that benefits which  
3 are due and payable to the person may not be used to repay any  
4 related interest, penalties and costs.

5 9. The Administrator may recover any money required to be  
6 paid pursuant to this section in accordance with the provisions of  
7 NRS 612.365 and may collect interest on any such money in  
8 accordance with the provisions of NRS 612.620.

9 **Sec. 24.** NRS 612.550 is hereby amended to read as follows:

10 612.550 1. As used in this section:

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

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

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

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

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

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

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

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

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

41 (j) "Unemployment risk ratio" means the ratio obtained by  
42 dividing the number of first payments issued in any consecutive 12-  
43 month period by the average monthly number of covered workers in  
44 employment as shown on the records of the Division for the same  
45 12-month period.





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

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

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

26        (a) If one of the base period employers has paid 75 percent or  
27 more of the wages paid to the person during the person's base  
28 period, and except as otherwise provided in NRS 612.551, the  
29 benefits, less a proportion equal to the proportion of wages paid  
30 during the base period by employers who make reimbursement in  
31 lieu of contributions, must be charged to the records for experience  
32 rating of that employer. The proportion of benefits paid which is  
33 equal to the part of the wages of the claimant for the base period  
34 paid by an employer who makes reimbursement must be charged to  
35 the record of that employer.

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

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

44        5. The Administrator shall, as of the computation date for each  
45 calendar year, compute the reserve ratio for each eligible employer



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

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

18	
19	Class 1 .....0.25 percent
20	Class 2 .....0.55 percent
21	Class 3 .....0.85 percent
22	Class 4 .....1.15 percent
23	Class 5 .....1.45 percent
24	Class 6 .....1.75 percent
25	Class 7 .....2.05 percent
26	Class 8 .....2.35 percent
27	Class 9 .....2.65 percent
28	Class 10 .....2.95 percent
29	Class 11 .....3.25 percent
30	Class 12 .....3.55 percent
31	Class 13 .....3.85 percent
32	Class 14 .....4.15 percent
33	Class 15 .....4.45 percent
34	Class 16 .....4.75 percent
35	Class 17 .....5.05 percent
36	Class 18 .....5.40 percent
37	

38 7. On September 30 of each year, the Administrator shall  
39 determine:

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

43 (b) The potential annual number of beneficiaries found by  
44 multiplying the highest unemployment risk ratio by the average



1 monthly number of covered workers in employment as shown on  
2 the records of the Division for the 12 months ending on March 31;

3 (c) The potential annual number of weeks of benefits payable  
4 found by multiplying the potential number of beneficiaries by the  
5 highest average actual duration experienced in the 109 consecutive  
6 12-month periods in the 10 years ending on September 30; and

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

11 8. The Administrator shall issue an individual statement,  
12 itemizing benefits charged during the 12-month period ending on  
13 the computation date, total benefit charges, total contributions paid,  
14 reserve balance and the rate of contributions to apply for that  
15 calendar year, for each employer whose account is in active status  
16 on the records of the Division on January 1 of each year and whose  
17 account is chargeable with benefit payments on the computation  
18 date of that year.

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

21 (a) And there is substantially common ownership, management  
22 or control of the employers, the experience record attributable to the  
23 transferred trade or business must be transferred to the employer to  
24 whom the trade or business is transferred. The rates of both  
25 employers must be recalculated, and the recalculated rates become  
26 effective on the date of the transfer of the trade or business. If the  
27 Administrator determines, following the transfer of the experience  
28 record pursuant to this paragraph, that the sole or primary purpose  
29 of the transfer of the trade or business was to obtain a reduced  
30 liability for contributions, the Administrator shall combine the  
31 experience rating records of the employers involved into a single  
32 account and assign a single rate to the account.

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

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

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

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

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



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

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

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

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

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

22   **Sec. 25.** NRS 612.551 is hereby amended to read as follows:

23   612.551 1. Except as otherwise provided in subsections 2 , 3  
24 and ~~3, 4~~ 7, if the Division determines that a claimant has earned 75  
25 percent or more of his or her wages during his or her base period  
26 from one employer, it shall notify the employer of its determination  
27 and advise him or her that he or she has a right to protest the  
28 charging of benefits to his or her account pursuant to subsection 4 of  
29 NRS 612.550.

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

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

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

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



1 (b) Was the spouse of an active member of the Armed Forces of  
2 the United States and left his or her employment because the spouse  
3 was transferred to a different location,  
4 ➔ the Administrator shall order that the benefits not be charged  
5 against the record for experience rating of the employer.

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

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

12 *7. If an employer who is given notice of a claim for benefits*  
13 *pursuant to subsection 1 fails to submit timely to the Division all*  
14 *relevant facts which may affect the claimant's rights to benefits as*  
15 *required by NRS 612.475, or has established a pattern of failing to*  
16 *submit timely such facts, the employer's record for experience*  
17 *rating is not entitled to be relieved of the amount of any benefits*  
18 *paid to the claimant as a result of such failure that were charged*  
19 *against the employer's record pursuant to NRS 612.550 or*  
20 *612.553.*

21 **Sec. 26.** NRS 612.615 is hereby amended to read as follows:

22 612.615 1. There is hereby created the Employment Security  
23 Fund as a special revenue fund.

24 2. All interest and forfeits collected under NRS 612.618 to  
25 612.675, inclusive, and 612.740 *and sections 12 to 19, inclusive, of*  
26 *this act* must be paid into the Fund.

27 3. All money which is deposited or paid into the Fund is  
28 hereby appropriated and made available to the Administrator or for  
29 any other purpose authorized by the Legislature. The money may  
30 not be expended or made available for expenditure in any manner  
31 which would permit its substitution for, or a corresponding  
32 reduction in, federal payments which would, in the absence of this  
33 money, be available to finance expenditures for the administration  
34 of the employment security laws of the State of Nevada.

35 4. This section does not prevent this money from being used as  
36 a revolving fund to cover expenditures, necessary and proper under  
37 the law, for which federal payments have been duly requested but  
38 not yet received, subject to the repayment to the Fund of such  
39 expenditures when received.

40 5. The money in this Fund available to the Administrator must  
41 be used by the Administrator for the payment of costs of:

42 (a) Administration which are found not to have been properly  
43 and validly chargeable against federal grants received for or in the  
44 Unemployment Compensation Administration Fund; or



1 (b) Any program or the implementation of procedures deemed  
2 necessary by the Administrator to ensure the proper payment of  
3 benefits and collection of contributions and reimbursements  
4 pursuant to this chapter or for any other purpose authorized by the  
5 Legislature.

6 6. Any balances in this Fund do not lapse at any time, but are  
7 continuously available to the Administrator for expenditure  
8 consistent with this chapter.

9 7. Money in this Fund must not be commingled with other state  
10 money, but must be maintained in a separate account on the books  
11 of the depository.

12 **Sec. 27.** NRS 612.655 is hereby amended to read as follows:

13 612.655 1. Where a payment of contributions, forfeit or  
14 interest has been erroneously collected, an employer may, not later  
15 than 3 years after the date on which such payments became due,  
16 make application for an adjustment thereof in connection with  
17 subsequent contributions, forfeit or interest payments or for a  
18 refund. All such adjustments or refunds will be made without  
19 interest. An adjustment or refund will not be made in any case with  
20 respect to contributions on wages which have been included in the  
21 determination of an eligible claim for benefits, unless it is shown to  
22 the satisfaction of the Administrator that such determination was  
23 due entirely to the fault or mistake of the Division.

24 2. Refunds of interest and forfeit collected under NRS 612.618  
25 to 612.675, inclusive, and 612.740 *and sections 12 to 19, inclusive,*  
26 *of this act* and paid into the Employment Security Fund established  
27 by NRS 612.615 must be made only from the Employment Security  
28 Fund.

29 **Sec. 28.** NRS 612.695 is hereby amended to read as follows:

30 612.695 1. Any employer who, outside the usual course of  
31 the employer's business, sells *or transfers* substantially all or any  
32 one of the classes of assets enumerated in subsection 1 of NRS  
33 612.690 and quits business, shall within 10 days after the sale *or*  
34 *transfer* file such reports as the Administrator may prescribe and  
35 pay the contributions, interest or forfeits required by this chapter  
36 with respect to wages for employment to the date of the sale *or*  
37 *transfer*.

38 2. *In the case of a sale:*

39 (a) The purchaser shall withhold sufficient of the purchase  
40 money to cover the amount of all contributions, *interest* and forfeits  
41 due and unpaid until such time as the seller produces a receipt from  
42 the Administrator showing that the contributions, *interest* and  
43 forfeits have been paid or a certificate showing that no contributions  
44 *, interest* or forfeits are due.



1 ~~13-~~ (b) If the seller fails, within the 10-day period, to produce  
2 the receipt or certificate, the purchaser shall pay the sum so withheld  
3 to the Administrator upon demand.

4 ~~14-~~ (c) If the purchaser fails to withhold purchase money as  
5 provided in ~~subsection 2~~ paragraph (a) and the contributions,  
6 interest and forfeits are not paid within the 10 days specified in this  
7 section, the purchaser is personally liable for the payment of the  
8 contributions, *interest* and forfeits accrued and unpaid on account  
9 of the operation of the business by the former owner.

10 *3. In the case of a transfer other than a sale, if the*  
11 *contributions, interest and forfeits are not paid within the 10 days*  
12 *specified in this section, the transferee is personally liable for the*  
13 *payment of the contributions, interest and forfeits accrued and*  
14 *unpaid on account of the operation of the business by the former*  
15 *owner.*

16 **Sec. 29.** Chapter 363B of NRS is hereby amended by adding  
17 thereto a new section to read as follows:

18 *1. The wages paid by an employer during a quarter to*  
19 *affected workers by a plan of work sharing approved by the*  
20 *Administrator of the Employment Security Division of the*  
21 *Department of Employment, Training and Rehabilitation*  
22 *pursuant to section 7 of this act are exempt from any portion of*  
23 *the tax imposed pursuant to NRS 363B.110 which exceeds 0.63*  
24 *percent of the amount of such wages.*

25 *2. The Commission shall adopt regulations to carry out the*  
26 *provisions of this section.*

27 *3. As used in this section, "affected worker" has the meaning*  
28 *ascribed to it in section 3 of this act.*

29 **Sec. 30.** The provisions of NRS 612.551, as amended by  
30 section 25 of this act, do not apply to a claim for benefits paid  
31 before October 21, 2013.

32 **Sec. 31.** Section 29 of this act:

33 1. Does not apply to any taxes due pursuant to NRS 363B.110  
34 for any period ending on or before the effective date of section 29 of  
35 this act; and

36 2. Except as otherwise provided in subsection 1 and  
37 notwithstanding the expiration of that section by limitation pursuant  
38 to section 32 of this act, applies to any taxes due pursuant to NRS  
39 363B.110 for each calendar quarter ending on or before the  
40 expiration of section 29 of this act.

41 **Sec. 32.** 1. This section and sections 1, 12 to 19, inclusive,  
42 21 to 28, inclusive, and 30 of this act become effective upon passage  
43 and approval.

44 2. Sections 2 to 11, inclusive, and 20 of this act become  
45 effective:



1 (a) Upon passage and approval for the purposes of adopting  
2 regulations and performing any other preparatory administrative  
3 tasks that are necessary to carry out the provisions of those sections;  
4 and

5 (b) For all other purposes, on the first day of the quarter after the  
6 date on which the Secretary of Labor approves the program of  
7 shared work unemployment compensation established pursuant to  
8 section 5 of this act as a short-time compensation program.

9 3. Sections 29 and 31 of this act become effective:

10 (a) Upon passage and approval for the purposes of adopting  
11 regulations and performing any other preparatory administrative  
12 tasks that are necessary to carry out the provisions of this act; and

13 (b) For all other purposes, if and only if the amendatory  
14 provisions of section 4 of chapter 476, Statutes of Nevada 2011, at  
15 page 2891, or substantially similar provisions, are in effect on the  
16 first day of the quarter after the date on which the Secretary of  
17 Labor approves the program of shared work unemployment  
18 compensation established pursuant to section 5 of this act as a short-  
19 time compensation program.

20 4. Section 29 of this act expires by limitation on the date on  
21 which the amendatory provisions of section 4 of chapter 476,  
22 Statutes of Nevada 2011, at page 2891, or substantially similar  
23 provisions, expire.

