

KRISTINE NELSON: Good afternoon, everybody. We'll begin here in just a couple minutes. Thank you for your patience.

KRISTINE NELSON: Good afternoon, and welcome everybody to this November 24th, 2025 public meeting on the Notice of Intent to Act upon Regulations. I hereby open agenda item number 1 and call this meeting to order.

KRISTINE NELSON: For the record, my name is Kristine Nelson, and I serve as the Administrator of the Employment Security Division here at the Nevada Department of Employment, Training, and Rehabilitation.

KRISTINE NELSON: This public meeting is being conducted in compliance with Nevada Revised Statute, Section 233B.0608.

KRISTINE NELSON: The purpose of this public meeting is to solicit public comment and take possible action on the proposed regulation amendments posted with today's agenda under item 5, which includes Regulation R063-25,

KRISTINE NELSON: Proposing amendments to Nevada Administrative Code 612.270, prescribing the unemployment insurance contribution tax rate schedule for calendar year 2026.

KRISTINE NELSON: And Regulation R064-25 proposed the amendments to Nevada Administrative Code 612.258 prescribing an internal control mechanism to enable reporting and tracking for employing units that opt into the payroll rolling process.

KRISTINE NELSON: There will be two public comment periods, one at the beginning of the agenda and one at the end, wherein each speaker will be limited to 3 minutes, and no action may be taken upon any matter raised during public comment period, nor any other matter that is not included on today's agenda.

KRISTINE NELSON: And with that, I'll go ahead and close agenda item number 1, and open agenda item number 2, which is the first public comment period.

KRISTINE NELSON: I'll start in Carson City. Is there anybody physically present here in Carson City that would like to provide public comment? And if so, please come forward, state your name and affiliation for the record.

Casey Frasca: Casey Frasca, for the record, there are no members of the public present in Carson City wishing to make public comment.

KRISTINE NELSON: Moving to Las Vegas, is there anyone physically present in Las Vegas who would like to come forward to provide public comment?

Casey Frasca: Casey Frasca, for the record, there are no members of the public present in Las Vegas wishing to make public comment.

KRISTINE NELSON: Okay, moving to the phone lines in Zoom, are there any callers or participants online who would like to make public comment?

Casey Frasca: Casey Frasca, for the record, there are no members of the public on the phone or online wishing to make public comment.

KRISTINE NELSON: Thank you, Casey. Moving on, I'll go ahead and close agenda item number 2 and open agenda item number 3, which is confirmation of posting.

KRISTINE NELSON: Mr. Frasca, was proper notice provided for this notice of intent to act upon regulations public meeting pursuant to Nevada's Open Meeting Law, NRS241.020?

Casey Frasca: Casey Frasca, for the record, I hereby attest and affirm that proper notice was provided for this November 24<sup>th</sup> Intent to act upon regulations hearing, pursuant to Nevada's Open Meeting Law NRS241.020.

KRISTINE NELSON: Thank you, Mr. Frasca.

KRISTINE NELSON: Moving on, I'll close agenda item number 3 and open agenda item number 4, which is a review of any written comments received by the Division in response to today's public meeting notice. Mr. Frasca, did the Division receive any written comments? And if so, please read those written comments into today's record.

Casey Frasca: Casey Frasca, for the record, no written comments were received on the notice and agenda of today's public meeting.

KRISTINE NELSON: Thank you, Mr. Frasca.

KRISTINE NELSON: Moving on, I'll go ahead and close agenda item number 4 and open agenda item number 5.

KRISTINE NELSON: I'll begin today with Agenda item number 5A, which includes one item for possible action pertaining to regulation amendments proposed in NAC 612.270, and is drafted in LCB file R063-25 and shown on the screen for those of you who are online.

KRISTINE NELSON: The division began its rulemaking process on October 6, 2025, wherein I convened the Employment Security Council, who conducted a public meeting to hear from Dieter's chief economist, David Schmidt, on Nevada's economic overview and expectations for calendar year 2026.

KRISTINE NELSON: and also DETR's Unemployment Insurance Fund status.

KRISTINE NELSON: And we also heard during that, public workshop from Dieter's contributions chief, Jennifer Carroll, on a variety of proposed 2026 UI average tax rate scenarios.

KRISTINE NELSON: The purpose of that public meeting, or that public workshop... public meeting was for the Council to consume this information, solicit public comment, and ultimately provide me, the ESD Employment

Security Division Administrator, with their recommendation for the average UI tax rate for calendar year 2026.

KRISTINE NELSON: After careful consideration of the Council's recommendation, I held a small business public workshop following the Council meeting, wherein I solicited further public comments based on an average UI tax rate of 1.45%, and then proceeded to demonstrate what the schedule of rates of UI contributions would be for employers

KRISTINE NELSON: For calendar year 2026 at that 1.45% rate.

KRISTINE NELSON: Pursuant to NRS 612.550 subsection 7, as the Employment Security Division Administrator, I am required to set rates annually, and this meeting is a culmination of that rule-making process.

KRISTINE NELSON: The determination factors that have gone into my considerations of the average UI tax rate for calendar year 2026 include the following.

KRISTINE NELSON: Number one, the highest of the unemployment risk ratios experienced in the 109 consecutive 12-month periods in the 10 years ending on March 31st.

KRISTINE NELSON: Number two, the potential of annual number of beneficiaries found by multiplying the highest unemployment risk ratio by the average monthly number of covered workers in employment.

KRISTINE NELSON: Shown on the records of the division for the 12 months ending on March 31st.

KRISTINE NELSON: Number 3, the potential annual number of weeks of benefits payable found by multiplying the potential number of beneficiaries by the highest average actual duration experienced in the 109 consecutive 12-month periods in the 10 years ending on September 30th.

KRISTINE NELSON: And number four, the potential maximum annual benefits found paid by multiplying the potential annual number of weeks of benefits payable by the average payment made to beneficiaries for weeks of total unemployment in the 12 months ending on September 30th.

KRISTINE NELSON: After careful review and consideration of all public comments.

KRISTINE NELSON: written and verbal, made during this rulemaking process, and pursuant to the power and authority vested in me per Nevada Revised Statute 612.220, I hereby adopt the regulatory amendments in NAC 612.270,

KRISTINE NELSON: as outlined and drafted in LCB File R063-25,

KRISTINE NELSON: Which represents a decrease of the average UI contribution rate from the current 1.65% in calendar year 2025 to 1.45% in calendar year 2026.

KRISTINE NELSON: with the required 0.05% additional contribution of the wages that an employer pays as prescribed in NRS 612.

KRISTINE NELSON: 606 for the Career Enhancement Program. That's a total of 1.50% overall average contribution rate for employers in calendar year 2026.

KRISTINE NELSON: With this regulation amendment, the average burden on employers will decrease, and said rate will not revert to the standard UI contributions rate of 2.95%.

KRISTINE NELSON: Moving on to Agenda item number 5B, which includes one item for possible action pertaining to regulation amendments proposed in NAC 612.258, and is drafted in LCB file R064-25, as shown on screen during today's meeting.

KRISTINE NELSON: This proposed regulation amendment to NAC 612.258 is a non-substantiative revision that will provide an approval, reporting, and tracking mechanism for employers and the division, and for those employers choosing to opt in to the payrolling process.

KRISTINE NELSON: This regulation amends the current regulations, which was amended and enrolled in 2024, LCB File R086-24.

KRISTINE NELSON: adding an additional non-substantive section, item C, that would provide this approval procedure that would enable that reporting and tracking mechanism for the division.

KRISTINE NELSON: This... by making this...

KRISTINE NELSON: regulation amendment, it ensures the integrity of the UI program and protects both employers and claimants against abuse.

KRISTINE NELSON: After careful review and consideration of all public comments made during this rulemaking process, and pursuant to the power and authority vested in me pursuant to NRS 612.220, I hereby adopt the regulatory amendment

KRISTINE NELSON: in NAC 612.258 as outlined and drafted in LCV file R064-25.

KRISTINE NELSON: And with that, I'll go ahead and close agenda item number 5, and open agenda item number 6, which is the final of the comment period.

KRISTINE NELSON: Is there anyone present here in Carson City who would like to provide public comment?

Casey Frasca: Casey Frasca, for the record, there are no members of the public present in Carson City wishing to make a public comment.

KRISTINE NELSON: Moving to Las Vegas, is there anybody present in Las Vegas who would like to provide public comment?

Casey Frasca: Casey Frasca, for the record, there are no members of the public present in Las Vegas wishing to make public comment.

KRISTINE NELSON: Moving to the phone lines and the live Zoom meeting, are there any callers or participants online wanting to come forward to provide public comment?

KRISTINE NELSON: Casey Frasca, for the record, there are no members of the public on the phones or online wishing to make public comment.

Kristine Nelson: Thank you, Mr. Frasca. With that, I'll go ahead and close agenda item number 6, and open agenda item number 7, which is to adjourn this public meeting.

KRISTINE NELSON: The next step is formalizing these regulatory amendments and their adoptions by placement on the Nevada Legislative Commission's December agenda, which the date of that public meeting will be posted on the legislature site.

KRISTINE NELSON: For more up-to-date information, we encourage you to monitor our website at [Dieter.nv.gov](http://Dieter.nv.gov), or Nevada's Regulation Notices website at [Notice.nv.gov](http://Notice.nv.gov).

KRISTINE NELSON: Thank you very much for participating.

KRISTINE NELSON: public meeting, and I hereby adjourn this November 24th, 2025, public meeting.