

**PROPOSED REGULATION OF THE ADMINISTRATOR OF THE
EMPLOYMENT SECURITY DIVISION OF THE
DEPARTMENT OF EMPLOYMENT, TRAINING
AND REHABILITATION**

LCB File No. R *TBD*

April 8, 2024

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

AUTHORITY: § 1, NRS 612.220; § 2, NRS 612.220 and 612.375.

A REGULATION relating to unemployment compensation; revising provisions relating to unemployment insurance contributions; amending payrolling; and providing other matters properly relating thereto.

Section 1. Chapter 612.258 of NAC is hereby amended by adding thereto the provisions set forth as section 3 of this regulation:

1. An employing unit shall not engage in payrolling. Wages must be reported by the employing unit:

- (a) That has the right to hire and fire the employee;
- (b) That has the responsibility to control and direct the employee; and
- (c) For which the employee performs services.

2. As used in this section, “payrolling” means the practice of designating one employing unit to report the wages of an employee who performs services for another employing unit.

3. Except as otherwise provided in this subsection, an employing unit that:

(a) Is assigned to a Class 10 through Class 18 contribution rate as prescribed in NAC 612.270, or

(b) Would otherwise receive the standard rate of contributions under NRS 612.540, is exempt from payrolling prohibition as prescribed in this regulation provided that the employing unit reporting the wages pays a rate greater than or equal to the rate that the employing unit receiving services would otherwise receive.