

**EMPLOYMENT
SECURITY DIVISION**

MEDIA CONTACT:
Heidi Saucedo
detrmedia@detr.nv.gov



STEVE SISOLAK
Governor

ELISA CAFFERATA
Director

LYNDA PARVEN
Administrator

PRESS RELEASE

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All Unemployment Insurance Trust Fund Loans Repaid with No Interest Due

CARSON CITY, NV - Nevada businesses are being spared the brunt of repaying the depleted Unemployment Trust Fund due to the COVID-19 pandemic thanks to legislation approved by lawmakers and Nevada Governor Steve Sisolak during the 2021 Legislative Session.

Economic recovery begins with businesses and by eliminating the need to bond loan repayment, Nevada businesses are one step closer to recovery.

A portion of [Senate Bill 461](#) is supporting Nevada's businesses by using eligible federal funds to pay off the Social Security Administration (SSA) Unemployment Trust Fund loans, eliminating the need for Nevada businesses to bear the brunt of repaying the Unemployment Trust Fund loan or interest resulting from the COVID-19 pandemic.

The law earmarks up to \$335 million of American Rescue Plan Act funds for this repayment. In coordination with the State Treasurer and Governors Financial Office the Nevada Department of Employment, Training and Rehabilitation (DETR) paid off the \$332,437,148 borrowed from the federal government to continue making unemployment benefit payments out of the Trust Fund in early September, right before the Social Security Administration began charging interest on the loans .

“This was a behind-the-scenes win, and an immense benefit to Nevadans. It took building up a huge surplus in the trust fund in recovering from the Great Recession, which involved buy-in from employers and the Employment Security Council, so that we had the funds in place to make it to December 2020 before Nevada needed to start borrowing,” said David Schmidt, Chief State Economist.

“It took a massive investment at the federal level, making funds available for just such a purpose - something I’ve not seen done, even in the Great Recession. It took the support of the Governor and Legislature, appropriating a significant amount of money to repay this loan, and making it a priority in SB-461,” he continued.

“At the end of the day, we went through the COVID recession and recovery borrowing less than half as much as we did in the Great Recession, and repaying those loans without additional bonds, without needing the interest assessment, and with the ability to use the normal unemployment tax rate setting process to start recovering. It’s rewarding to be a part of the process, and to see all the investments that so many have made to pull off such a remarkable feat.”

Director Elisa Cafferata, Deputy Directors Jenny Casselman and Christopher Sewell, Administrator Lynda Parven, Chief Economist Schmidt, thank the governor and legislature for the foresight to pay off the SSA Trust Fund Loans, and passing the legislation providing charging relief to businesses.

The Employment Security Council met in early October to make a recommendation to the Employment Security Division Administrator about potential changes to the Nevada Unemployment Tax rate for contributory employers. Any change to the tax rate would take effect in January 2022.

On October 22, 2021 at 9 a.m. a Small Business Workshop will be held via Zoom to solicit public comment on a proposed regulation to establish the Unemployment Insurance (UI) Tax Rate Schedule for Nevada employers for calendar year 2022. [Click here](#) for the agenda and meeting details.

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ABOUT DETR: The Department of Employment, Training & Rehabilitation (DETR) is the state’s lead workforce development agency. It consists of divisions that offer workforce related services, job placement and training, services for people with disabilities, investigation of claims of discrimination, unemployment insurance benefits, labor market data and more. Many of these services are provided through Nevada JobConnect career centers and in cooperation with its community partners.