Gov. Sisolak signs unemployment insurance legislation, announces concerted efforts to address backlog of claims

CARSON CITY, NV — Today, Governor Steve Sisolak signed a bill from the 32nd Legislative Special Session related to unemployment insurance and announced a new rapid response effort to address the backlogs remaining within the unemployment insurance systems to be led by Barbara Buckley, Majority Leader of the Assembly from 2001-2007 and Speaker of the Nevada Assembly from 2007-2010.

“I want you to know, I hear you. I am listening and I am taking action,” Gov Sisolak said. “One individual, one family going without benefits they deserve and need to pay the bills, put food on the table, is one too many.”

Additionally, the Governor announced he is appointing Elisa Cafferata as the new Acting Director of the Department of Employment, Training, and Rehabilitation (DETR).

Senate Bill 3, signed by the Governor today, will help provide more flexibility to DETR to help connect claimants to benefits faster and will extend the number of weeks Nevadans are eligible for additional benefits through this crisis, using only federal funds.
“This piece of legislation is not a silver bullet or the final word, but there is no doubt that it will help Nevadans for both the short and long-term going forward,” Gov Sisolak said.

Speaker Buckley and the new acting director will focus on immediate action in the next 60 to 90 days to help find solutions for the backlog of claims in both the traditional unemployment insurance system and the federal pandemic unemployment assistance program.

"All solutions are on the table, and the Governor has made it clear that this is urgent and that all resources of state government will be engaged to help," said Speaker Buckley. "There are thousands of Nevadans entitled to benefits who are desperate to receive them. I’m honored to be able to help."

A copy of the Governor’s prepared remarks are as follows:

Good afternoon. Thank you for being here with me.

I want to start by thanking the legislature for their work during the 32nd Special Session, which wrapped up last night. I know the last 2 specials have not been easy, but I’m confident the work that was completed will help Nevadans during this difficult time.

But, today, I called you all here to talk about an important issue: Our unemployment compensation program.

I am joined today by a few folks whom I am exited to introduce shortly. I am grateful they are here with me.

Today, I am announcing immediate action that is already underway to find solutions and reduce the backlog for those eligible Nevadans who still have not received their benefits under the state’s unemployment compensation system.
I want you to know, I hear you. I am listening and I am taking action. One individual, one family going without benefits they deserve and need to pay the bills, put food on the table, is one too many.

I have said it before and I will say it again: the State employees at the Department of Employment, Training and Rehabilitation have done an incredible job under these unprecedented circumstances, working around the clock to connect eligible Nevadans to their benefits – and not just under regular UI, but also under the federal program benefits newly created and implemented during this COVID-19 pandemic, called pandemic unemployment assistance, or PUA.

Nevada has the highest unemployment rate in the nation, and yet we are paying roughly 90 percent of the eligible traditional unemployment insurance claims each week. The State has also paid more than 120,000 pandemic unemployment assistance claims.

But while there have been some accomplishments and some progress has been made, due to the historic, unprecedented, and overwhelming nature of our current situation, we know there is so much more that needs to be done. And I know there are still many, many more claimants waiting for resolution of their claims.

As of July 30, DETR has paid out nearly $6.1 billion dollars across all UI and CARES Act programs, since the start of the pandemic, far above the total benefits paid out across all UI and federal extended benefits in 2009, 2010, and 2011 combined.

They have done all they can with the resources available, and as a State, we have worked hard to provide additional resources where appropriate.

That includes waiving work search requirements, allowing flexibility to hire more than 100 additional staff to help answer calls and process claims and importantly, putting forth legislation in this special session, which will help
provide more flexibility to DETR to help connect claimants to benefits faster and will extend the number of weeks Nevadans are eligible for additional benefits through this crisis, using only federal funds.

I am proud that this piece of legislation, presented by members of my staff and DETR, received near unanimous support in both houses of the Legislature. Today, I am signing this bill into law so we can immediately move forward with these changes.

This piece of legislation is not a silver bullet or the final word, but there is no doubt that it will help Nevadans for both the short and long-term going forward.

However, with all of this work and all of those who have received their benefits, we know that the current situation is not acceptable for those who are eligible for benefits and have been waiting for months for resolution – whether through the traditional unemployment insurance system or the pandemic unemployment assistance program.

We know that the State is dealing with an antiquated computer system, a historic unprecedented demand, and fraudulent actors from inside and outside Nevada filing false claims in the names of others.

In addition, the federal government designed a brand-new program, the Pandemic Unemployment Assistance (PUA) program, that is highly susceptible to fraud, and then left it up to the individual states to quickly build and implement new systems to administer the program.

These are huge challenges, but those reasons don’t matter much to those hard-working Nevadans who earned these benefits and are entitled to these benefits. We must do more to get DETR the resources and tools they need to get these benefits delivered.
That’s why, effective immediately, I am appointing Barbara Buckley to lead a rapid response effort – a strike force – on unemployment insurance.

As many of you know, Barbara served with great distinction in the Nevada Legislature, serving as the Majority Leader of the Assembly from 2001-2007 and as the State’s Speaker of the Nevada Assembly from 2007-2010.

Her reputation precedes her, and for good reason. Throughout her career, whether in the state Legislature or as the head of Legal Aid Center of Southern Nevada, Barbara has been a champion of hard-working Nevadans, especially those struggling with income or other financial or health care challenges and who need that extra assistance to help them move forward with dignity so they can support themselves and their families.

I can think of no one better – no one more motivated, experienced or action-oriented – to dive in and help us move our UI program forward to better serve our state.

As the leader of this rapid response effort, Barbara will work closely with the new Acting Director for DETR, whom I am appointing today, over the next 60-90 day period.

Her efforts will be focused on immediate action during this short period of time. At my request, she has already started and is consulting with private and public sector experts on improving businesses processes within DETR and potential information technology and policy solutions to reduce the backlog.

All options will be considered to bring more IT, personnel and policy resources to reduce this backlog in the short-term and consider how our program needs to evolve for the long-term to ensure that we can serve Nevadans in the best way possible during this pandemic and beyond.
She will be supported with the resources she needs with federal CARES Act funding to ensure she can tackle these challenges right away.

As part of our immediate efforts to bring more resources and direction to DETR, I am proud to announce Ms. Elisa Cafferata as the new Acting Director of the Department of Employment, Training, and Rehabilitation.

Elisa currently serves as the Deputy Administrator of Field Operations Support for the State of Nevada Welfare Division. Elisa has a Master of Business Administration from the University of Nevada, Reno, and was the founding director of the Nevada Technology Association.

I am pleased to have her with me today and to have her stepping into this big role.

At this time, I’d like to turn it over to Barbara to talk more about her role.

Thank you, Barbara. You have my full support as we bring all state resources to bear to do everything possible to reduce this backlog and respond to the calls for help from those hard-working Nevadans that have not yet been answered.

Finally, I know that Attorney General Aaron Ford couldn’t be here with us today, but I want to recognize his leadership and immediate response to the call to be part of this rapid response effort with regard to the unprecedented level of fraud that is detrimentally impacting the UI program, not just in Nevada but nationwide.

Nevada cannot ignore the US Department of Labor mandate to ensure program integrity and work to prevent and detect fraud across all UI programs, including the new federally funded Pandemic Unemployment Assistance (PUA) program, which was reportedly the focus of much of the fraudulent activity. BUT, we know that this systemic fraud is causing
legitimate claims to be delayed and putting an incredible strain on limited resources.

Multiple agencies are involved in this response, including DETR, the Attorney General’s Office, the US Attorney’s Office, the FBI, the Secret Service and more. As our state’s lead law enforcement agency, the Attorney General’s Office is already working to coordinate these efforts.

We have no tolerance for the bad actors who are attempting to take advantage of either the traditional unemployment insurance system or the federally funded Pandemic Unemployment System.

Earlier this week, Nick Trutanich from the U.S. Attorney’s Office announced a Las Vegas man was arrested on charges related to identify theft and possession of fraudulent unemployment cards. This announcement was in conjunction with the Sheriff Joe Lombardo from the Las Vegas Metropolitan Police Department and the U.S. Secret Service.

We will continue this targeted approach against scammers and other organized groups who try to game the system against hardworking Nevadans.

Together, we are taking every action possible to review flagged files for patterns, cut off fraudulent claims and root out bad actors.

If you believe you have been the victim of a fraudulent claim, please, fill out a form online at DETR’s website and at the FBI’s Internet Crime Complaint Center, www.ic3.gov.

I am grateful for all the Nevadans who have come forward with offers to help, including our congressional delegation, those named in these new efforts, and others. Together, we will address this problem and together we will get results.