

October 6, 2009

Ms. Cynthia Jones, Administrator
Nevada Employment Security Council
Department of Employment, Training, and Rehabilitation
Employment Security Division
500 E. Third Street
Carson City, NV 89713

Dear Ms. Jones and Members of the Council:

The Reno Sparks Chamber of Commerce, Northern Nevada's largest business organization, honors you for your service to our state, especially during these challenging economic times. We recognize the difficult position that you are in and your responsibility for ensuring that Nevada's unemployment safety net is properly funded and fiscally sound.

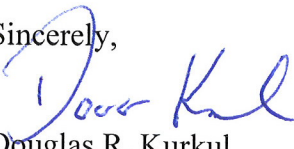
As you are well aware, many of our members have to make difficult decisions everyday that affect how many people they can continue to employ or even whether they are able to continue to open their doors. We don't have to tell you that many businesses in Washoe County and throughout Nevada have simply ceased to exist due to the extremely trying economic conditions.

While we understand the need to ensure that Nevada's Unemployment Insurance Trust Fund is properly funded and is able to meet the increased demands that have been placed on it, our members simply cannot afford an increase in the unemployment insurance tax at this time. The 2009 Legislature recently imposed an increase in the Modified Business Tax on our largest employers, an increase in the sales tax rate, and an increase in the costs of vehicle registrations. Those burdens, on top of reduced business, customers, and sales, make any additional tax burden too much shoulder at this time.

We urge this Council to exhaust all other options before raising this assessment. We know that an application has been made to the federal government for an interest-free loan to the Trust Fund. We feel this is a prudent approach in what is an almost unprecedented situation. If our application for federal assistance is approved, we commit to working with you when conditions improve to ensure that the fund is re-capitalized and brought back to a healthy level.

Again, thank you for your service and for allowing us to voice our concerns.

Sincerely,


Douglas R. Kurkul
CEO

