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Office of the Governor

June 1, 2017

The Honorable Aaron Ford Nevada State Senate Majority Leader The Nevada Legislature 401 South Carson Street Carson City, NV 89701

RE: Senate Bill 196 of the 79th Legislative Session

Dear Leader Ford:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Senate Bill 196 ("SB 196"), which is entitled:

AN ACT relating to employment; requiring certain employers in private employment to provide paid sick leave to each full-time employee of the employer under certain circumstances; providing an exception; providing a penalty; and providing other matters properly relating thereto.

It is the goal of all policy makers to support legislation that benefits Nevada's workforce and families. SB 196 seeks to accomplish this goal by requiring businesses with twenty-five or more employees to provide paid sick leave to full-time employees.

Of course, the mandates of SB 196 come with a substantial cost to businesses, particularly small businesses. In addition, the decision to provide employee benefits is one reserved to a business owner who must respond to the demands of a competitive job market.

Indeed, among others, the Las Vegas Metro Chamber of Commerce, Latin Chamber of Commerce, Henderson Chamber of Commerce, Reno-Sparks Chamber of Commerce, and the Nevada Retailers Association, who represent thousands of businesses across Nevada, all registered their opposition to SB 196 because of the impact on their members. Some indicated that the unintended consequences of this bill would be reduced hours, fewer employees, more temporary employees, and higher administrative costs.

Nevada is experiencing record economic growth. Weekly wages, small business employment, and overall employment are at all-time highs. Nevada is being recognized as a business friendly state and is experiencing new and diverse economic expansion.

SB 196 presents a substantial economic burden on small business, upsets competition for employees, and could hinder Nevada's business friendly reputation.

For these reasons, I veto SB 196 and return it without my signature or approval.

Sincere regards,

BRIAN SANDOV

√Governor

Enclosure

cc: The Honorable Mark Hutchison, President of the Senate (without enclosure)
The Honorable Jason Frierson, Speaker of the Nevada Assembly (without enclosure)
The Honorable Barbara Cegavske, Nevada Secretary of State (without enclosure)
Claire J. Clift, Secretary of the Senate (without enclosure)
Susan Furlong, Chief Clerk of the Assembly (without enclosure)
Brenda Erdoes, Esg., Legislative Counsel (without enclosure)