101 North Carson Street
Carson City, Nevada 89701
Office: (775) 684-5670
Fax No.: (775) 684-5683

555 East Washington Avenue, Suite
5100 Las Vegas, Nevada 89101
Office: (702) 486-2500
Fax No.: (702) 486-2505

Office of the Governor

June 1, 2023

The Honorable Steve Yeager
Speaker of the Nevada State Assembly
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

Re: Assembly Bill 282 of the 82nd Legislative Session

Dear Speaker Yeager:

I am forwarding to you, for filing within the time limit set forth in the Nevada Constitution and without my approval, Assembly Bill 282 ("AB 282"), which is titled as follows:

> AN ACT relating to education; clarifying that the hiring of staff by a principal of local school precinct must conform to applicable collective bargaining agreements; requiring certain uses of money carried forward at the end of a school year by a local school precinct; requiring certain approval from an organizational team of a local school precinct to approve a plan of operation for the local school precinct; making the principal of a local school precinct a voting member of the organizational team; revising the procedure for the selection of a candidate to fill a vacancy in the position of principal of a local school precinct; and providing other matters properly relating thereto.

AB 282 is a well-intended measure which aims to make health insurance more accessible for substitute teachers across Nevada. The bill provides for a payment to full-time substitute teachers of a health insurance subsidy of at least $450 per month after the 30th consecutive day of teaching. After qualifying for a subsidy, the full-time substitute teacher continues to receive the subsidy until they have not taught for 45 consecutive days, did not teach at least 70 percent of the instructional school days in a month, or fail to provide proof they have purchased a health insurance policy.

It is true that many school districts have relied upon long-term full-time substitute teachers to maintain their teaching workforce. Addressing the compensation of those substitute teachers who are responsible for providing classroom instruction to students is essential to keeping them coming back to the classroom. However, these are still temporary employees. Further, the definition of full-time substitute teacher is overly broad and does not address the number of hours

a substitute must teach each day to be considered full-time. Some districts offer health insurance to long-term full-time substitute teachers after they have been teaching for an extended period of time. Using that approach, the substitute teachers are treated more like regular employees than temporary ones.

There are also some technical issues with the bill. For instance, health insurance subsidies for employees are almost always "pre-tax", meaning they are reduced from gross income before tax withholdings are calculated. These subsidies would be taxable to the substitute teacher, reducing their overall value as they would be subject to withholdings for federal taxes and Social Security. Further, the substitute teacher must provide "proof of purchase" of a health insurance plan within 30 days of receiving the subsidy. Some of these individuals may already have health insurance through a spouse which they did not "purchase". It is unclear from the bill language whether those individuals would qualify for the subsidy. This bill also does not address or require the same benefit for full-time substitute teachers at charter schools creating a disparity between such teachers based on where they teach.

Lastly, in addition to the cost of actually providing this benefit, there is an administrative burden for the school districts associated with keeping track of who qualifies at which time and when the qualification period ends. Since this will be different for each substitute teacher, much of this will be a manual process unlike the automated payroll processes for permanent employees.

School districts and substitute teachers would be better off if the daily rate for substitute teachers was increased. It would compensate the substitute teachers more appropriately without the added administrative burden put in place with this bill.

For these reasons, I veto this bill and return it to without my signature or approval.

Respectfully submitted,

JOE LOMBARDO
Governor of Nevada

Enclosure

cc: The Honorable Stavros Anthony, President of the Senate (without enclosure)
The Honorable Nicole Cannizzaro, Senate Majority Leader (without enclosure)
The Honorable Francisco Aguilar, Secretary of State (without enclosure)
Brendan Bucy, Secretary of the Senate (without enclosure)
Susan Furlong, Chief Clerk of the Assembly (without enclosure)
Brenda Erdoes, Esq., Legislative Counsel (without enclosure)