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## Office of the Governor

June 10, 2025

The Honorable Francisco Aguilar Nevada Secretary of State 101 North Carson Street Carson City, Nevada 89701

Re: Assembly Bill 213 of the 83rd Legislative Session

Dear Secretary of State Aguilar:

I am forwarding to you, for filing within the time limit set forth in the Nevada Constitution and without my approval, Assembly Bill 213 ("AB 213"), which is titled as follows:

AN ACT relating to governmental administration; requiring certain persons who qualify for certain preferences in bidding on a public work to certify, under certain conditions, that the persons will ensure that any nonstandard good or material procured for the public work is custom fabricated in this State; requiring the payment of prevailing wages to workers who perform custom fabrication on a public work or for certain performance contracts of local governments or state agencies; requiring the payment of prevailing wages to workers who perform custom fabrication on any project financed or otherwise undertaken by the Tahoe-Douglas Visitor's Authority; and providing other matters properly relating thereto.

While I support Nevada-based manufacturing and fabrication, AB 213 raises significant practical concerns that cannot be overlooked. By extending prevailing wage requirements to custom fabrication work regardless of where it is performed, the bill creates uncertainty about how to determine the location and scope of the work. This ambiguity will complicate compliance and oversight for contractors and public entities alike.

This lack of clarity risks chilling competition in public project bidding in at least two key ways. First, it may trigger costly legal disputes over whether specific fabrication activities qualify for prevailing wage protections. Second, the added complexity and legal risk could drive businesses to seek opportunities elsewhere, reducing competition and ultimately driving up costs for taxpayers. Not only would this disproportionately burden smaller, local businesses that lack the resources to navigate these new prevailing wage requirements, it would also slow critical infrastructure developments.

Because AB 213 would impose significant administrative burdens on public works bidders statewide—likely driving up costs and discouraging competition—I cannot support it.

For these reasons, I veto this bill and return it 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 Steve Yeager, Speaker of the Assembly (without enclosure)
Brendan Bucy, Secretary of the Senate (without enclosure)
Bonnie Borda Hoffecker, Chief Clerk of the Assembly (without enclosure)
Diane Thornton, Legislative Counsel Bureau, Director (without enclosure)
Asher Killian, Legislative Counsel Bureau, Legislative Counsel (without enclosure)