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June 2, 2025

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
401 South Carson Street
Carson City, Nevada 89701

Re: Senate Bill 142 of the 83rd Legislative Session

Dear Leader Cannizzaro:

I am forwarding to you, for filing within the time limit set forth in the Nevada Constitution and without my approval, Senate Bill 142 ("SB 142"), which is titled as follows:

AN ACT relating to civil actions; requiring the Department of Taxation to adjust monetary amounts set forth in provisions governing property exempt from execution every 3 years; revising the amount of disposable earnings of a judgment debtor that is exempt from execution under certain circumstances; revising the definition of "earnings" for the purposes of provisions governing that exemption; revising the amount of money held in a personal bank account of a judgment debtor that is exempt from execution under certain circumstances; and providing other matters properly relating thereto.

While SB 142 is guided by good intentions in seeking to protect vulnerable Nevadans from undue financial strain, it is ultimately unsupportable due to several serious concerns.

First, the bill significantly increases the bank account exemption, which could unintentionally encourage debt evasion. Individuals may create multiple accounts or move assets in ways designed to shield funds from lawful collection. Similarly, by expanding wage garnishment protections—particularly without accounting for gross wages—SB 142 makes it substantially more difficult to collect from even high-income debtors. The result is that creditors will recover less money, more slowly, or potentially not at all. This shift disproportionately disadvantages Nevada's small businesses.

Second, the bill threatens to erode the integrity of Nevada's civil legal system. By making judgments harder to enforce, SB 142 weakens the authority of the courts and undermines the principle that legal decisions carry enforceable consequences. Businesses and individuals alike rely on the civil justice system to resolve disputes and recover debts. Undermining that system may lead to an increase in self-help remedies, bypassing the courts altogether—a troubling outcome for anyone committed to the rule of law.

Moreover, the practical impacts of this bill will be far-reaching. Lenders may respond to reduced collectability by increasing interest rates or tightening credit standards, placing a disproportionate impact on working-class borrowers. By eliminating meaningful enforcement mechanisms, the bill also discourages pre-trial settlements. Without the leverage of enforceable judgments, creditors may see little reason to negotiate or accept reduced-payment agreements, which often provide debtors with more flexibility and lower obligations.

Finally, the bill invites confusion and litigation. The revised exemptions and redefinition of "earnings" are likely to result in protracted legal disputes, increasing the burden on courts and raising costs for all parties. Rather than promoting fairness, SB 142 risks replacing a clear, enforceable system with uncertainty, gamesmanship, and inefficiency.

In short, while the goals of SB 142 are commendable, the bill goes too far, too fast, and in doing so, undermines the very systems that provide balance and fairness in civil debt enforcement.

For these reasons, I veto this bill and return it to you 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 Steve Yeager, Speaker of the Assembly (without enclosure)
The Honorable Francisco Aguilar, Secretary of State (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)