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Office of the Governor

May 16, 2011

Speaker John Oceguera
Nevada State Assembly
401 South Carson Street
Carson City, NV 89701

RE: Assembly Bill 568 of the 76th Legislative Session

Dear Mr. Speaker:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Assembly Bill 568, which is entitled:

AN ACT relating to education; ensuring sufficient funding for K-12 public education for the 2011-2013 biennium; apportioning the State Distributive School Account in the State General Fund for the 2011-2013 biennium; authorizing certain expenditures; making appropriations for purposes relating to basic support, class-size reduction and other educational purposes; temporarily diverting the money from the State Supplemental School Support Fund to the State Distributive School Account for use in funding operating costs and other expenditures of school districts; and providing other matters properly relating thereto.

I veto and return this bill because it increases state spending by nearly \$660 million above the amount proposed in the Executive Budget, as amended. Were this bill to be enacted into law, insufficient revenue would be available for the Legislature to meet its obligation to prepare a balanced budget encompassing all areas of state responsibility.

Approval of Assembly Bill 568, without corresponding reductions in spending in other parts of the Executive Budget, would violate the requirement of balanced relations between proposed expenditures and anticipated revenues. This bill therefore represents a circuitous attempt to secure a tax increase – despite the fact I have been clear since the commencement of the Legislative Session that Nevada's struggling economy must be allowed to fully recover.

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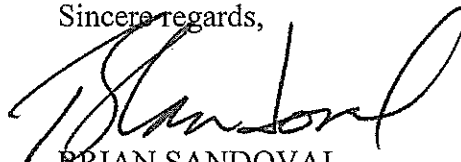
Within this context, I have provided the Legislature with a spending plan for K-12 education, as well as a comprehensive legislative package to ensure educator accountability, parental choice, and other much-needed system reforms. I am committed to improving our education system; I am equally committed to doing so in a fiscally prudent manner. I understand these decisions are difficult, but as leaders we must make them. While all of us would like to have more money to spend, we must also accept that education funding cannot occur in a vacuum. Current economic realities require that we spend only the money we have, while allowing for the additional funding of education as the economy continues to improve.

Indeed, only two weeks ago, the report of Nevada's Economic Forum allowed me to submit a budget amendment that added some \$240 million for the support of K-12 education just four months after the original Executive Budget was presented to the Legislature. I propose that "triggers" be adopted so additional funding can continue to go straight to the support of the classroom as revenue becomes available through economic recovery.

I am compelled to protect the integrity of my office and the Nevada Constitution. Assembly Bill 568 was processed in a matter of hours, with the clear intention of casting opponents as somehow "anti-education" while at the same time forcing a tax increase. Such a manipulation of the process undermines the Legislature's obligations to the people of this state.

Much work remains to be done, with only three weeks in which to do it. The people of Nevada have stated clearly their expectation for the Legislature to complete its work and adjourn *sine die* within 120 days. (Nev. Const. art. 4, § 2.) That deadline is fast approaching, and we have precious little time remaining to conduct the people's business in a responsible and realistic manner.

Sincere regards,



BRIAN SANDOVAL
Governor

Enclosure

cc: *The Honorable Steven Horsford, Senate Majority Leader (without enclosure)*
 David A Byerman, Secretary of the Senate (without enclosure)
 Susan Furlong, Chief Clerk of the Assembly (without enclosure)
 Brenda Erdoes, Esq., Legislative Counsel (without enclosure)