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## Office of the Governor

June 8, 2017

The Honorable Barbara Cegavske Nevada Secretary of State 101 North Carson Street Carson City, NV 89701

RE: Senate Bill 464 of the 79th Legislative Session

Dear Secretary Cegavske:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Senate Bill 464 ("SB 464"), which is entitled:

AN ACT relating to public works; authorizing the Las Vegas Convention and Visitors Authority to require bidders, contractors or subcontractors to enter into agreements with labor organizations concerning the employees who perform work on the renovation or expansion of the Las Vegas Convention Center; and providing other matters properly relating thereto.

SB 464 is a project-specific bill that allows the Las Vegas Convention and Visitors Authority to enter into a project labor agreement for the upcoming construction work on the Las Vegas Convention Center ("LVCC"). I do support efforts to ensure that this important infrastructure project proceeds on time and on budget. But, because SB 464 rolls back an important, bipartisan reform from the 2015 Legislative Session, I cannot support the bill.

During the 2015 Legislative Session, Assembly Bill 159 was passed on a bipartisan vote, which limited the use of project labor agreements on public works. These reforms apply to work done on the Las Vegas Convention Center. As such, absent a change to the law, project labor agreements would not be allowed during for the upcoming renovation and expansion of the LVCC.

The LVCC project at issue was approved in Senate Bill 1 during the 2016 Special Session of the Legislature. In that comprehensive bill to enact into law the Southern Nevada Tourism Improvements Act, the LVCC was not exempted from the prohibitions on project labor agreements. Such an exemption was considered, but ultimately rejected.

SB 464 would roll back a reasonable reform from the 2015 Legislative Session, and add a provision that was rejected when the LVCC project was approved during the 2016 Special Session. These facts form the basis for SB 464 receiving widespread opposition from many construction workers and groups. For example, the Associated Builders and Contractors of Nevada, Associated Builders and Contractors, Inc., AMGI USA, Helix Electric, Ledcor Construction, Inc., and the Henderson Chamber of Commerce.

For these reasons I veto SB 464 and return it without my signature or approval.

Sincere regards,

**BRIAN SANDOVAL** 

√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 Aaron Ford, Senate Majority Leader (without enclosure)
Claire J. Clift, Secretary of the Senate (without enclosure)
Susan Furlong, Chief Clerk of the Assembly (without enclosure)
Brenda Erdoes, Esq., Legislative Counsel (without enclosure)