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Office of the Governor

June 3, 2019

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

RE: Senate Bill 496 of the 80th Legislative Session

Dear Majority 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 496 (SB 496), which is titled as follows:

AN ACT relating to limousines; authorizing the holder of a certificate of public convenience and necessity to operate a limousine in certain counties to lease a limousine to an independent contractor; requiring a lease agreement be entered into between such a limousine operator and the independent contractor; imposing certain duties and responsibilities on such an independent contractor; providing a penalty; and providing other matters properly relating thereto.

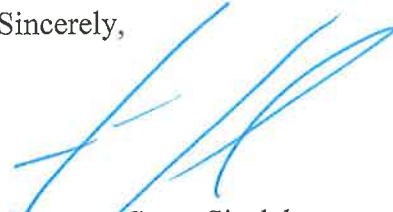
SB 496 would enable a legal operator of a limousine, in a county with a population of 700,000 or more, to lease a limousine to an independent contractor to operate the limousine to the extent of the authority provided under law to the original certificate holder. Among the most difficult issues with such a legal construct is the inability to prevent drivers from undertaking cash rides without reporting them or paying taxes on them, which may result in largescale tax evasion by unscrupulous operators who still use the roads, services, and community amenities—such as schools—to which other businesses appropriately contribute through fair, honest, and transparent taxation.

The independent contractor model is one that certainly has an important place in Nevada's economy. Still, with serious questions concerning appropriate oversight, wage and benefit concerns for contractors in the limousine-leasing space, and proper regulation of non-metered limousines operating under a lease-independent contractor model, it would be imprudent to allow

SB 496 to become law now, absent significantly more discussion regarding the unresolved questions such an economic arrangement raises.

For these reasons, and in the best interests of Nevada's workers and their families, I veto this bill and return it without my signature or approval.

Sincerely,



Governor Steve Sisolak
State of Nevada

cc: The Honorable Barbara K. Cegavske, Nevada Secretary of State
The Honorable Jason Frierson, Speaker of the Nevada State Assembly