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Office of the Governor

April 4, 2011

The Honorable John Oceguera
Speaker of the Nevada Assembly
The Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Assembly Bill 183 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 183, which is entitled:

AN ACT relating to school districts; revising the provisions regarding the establishment and maintenance of a reserve account for payment of the outstanding bonds of a school district; and providing other matters properly relating thereto.

This bill relates to the maintenance of reserve accounts established to support the repayment of school bonds. It proposes to reduce the amount of money held in those accounts in order to facilitate school improvements. Supporters of the bill assert that it will result not only in an improved educational environment for the state's children, but in an increased number of construction jobs as well.

The bill has merit; a quality educational environment is important to the success of our students, and our state has far too many unemployed construction workers. But the condition of our schools and the struggles of the construction industry are not the only challenges we confront. Indeed, with an unemployment rate of 13.6% and the nation's worst graduation rates, rarely has our state been so severely tested. In the face of such difficulty, we cannot afford to be parochial. Instead, we must pursue policies that present the greatest chance of success to the greatest number of Nevadans.

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Improving the quality of instruction our children receive and fostering the success of workers across our economy are essential steps in moving the state forward. Because this bill makes it harder to do these things, I will veto it. In appropriating bond reserve money for construction, proponents of the bill have reduced the amount of funds available for classroom instruction by approximately \$301 million. Along the way, they have misleadingly cited those who voted for the issuance of school bonds in the past as supporting their cause today, unfairly attributing to them their narrow view. What is more, they have failed to provide an accounting of the cost of this bill.

If these reductions stand, they will necessarily result in deeper cuts—cuts that will cost over 5,000 teachers their jobs. Alternatively, AB 183 will require a new tax at a point when our economy is presenting limited but promising signs of recovery. This bill justifies neither choice. I therefore exercise my constitutional grant of authority to veto AB 183, and return the bill to you without my signature.

Sincere regards,

BRIAN SANDOVAL
Governor

Enclosure

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