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Office of the Governor

June 14, 2011

The Honorable Ross Miller Secretary of State Capitol Building 101 South Carson Street Carson City, NV 89701

RE: Senate Bill 208 of the 76th Legislative Session

Dear Secretary Miller:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Senate Bill 208, which is entitled:

AN ACT relating to employee misclassification; requiring certain state agencies to share information relating to suspected employee misclassification under certain circumstances; creating the Task Force on Employee Misclassification; providing its duties; making various other changes relating to employee misclassification; and providing other matters properly relating thereto.

This bill relates to the misclassification of employees. Like Senate Bill 207, which I have already vetoed, Senate Bill 208 unnecessarily complicates an already intricate regulatory scheme. The bill requires the offices of five different State agencies to share information relating to suspected employee misclassification received in the performance of their duties under various statutory provisions. The bill also establishes a ten-member Task Force on Employee Misclassification to evaluate the policies and practices of these State agencies relating to misclassification in the areas of labor law, workers' compensation, unemployment insurance, rehabilitation, taxation, and law enforcement. The Task Force is charged with developing recommendations that will reduce the occurrence of employee misclassification.

Of course, it is imperative that employers properly classify their employees and comply with laws governing minimum wage, overtime, unemployment insurance, workers' compensation insurance, temporary disability insurance, wage payment and payroll

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taxes. It is also important for State agencies to aggressively and proactively identify and penalize non-compliant employers. However, this bill incorrectly implies that existing enforcement efforts related to employee misclassification are inadequate, and that the agencies tasked with identifying misclassification do not have the tools they need to evaluate and improve their methods. Neither is the case.

Because this bill unnecessarily complicates an existing regulatory scheme, I exercise my constitutional grant of authority to veto SB 208 and return it to you without my signature and without my approval.

Sincere regards

BRIAN SANDOVAL

Governor

Enclosure

CC:

The Honorable Brian Krolicki, President of the Senate (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)