One Hundred One North Carson Street Carson City, Nevada 89701 Office: (775) 684-5670 Fax No.: (775) 684-5683



555 East Washington Avenue, Suite 5100 Las Vegas, Nevada 89101 Office: (702) 486-2500 Fax No.: (702) 486-2505

Office of the Governor

June 8, 2017

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

RE: Assembly Bill 403 of the 79th Legislative Session

Dear Secretary of State Cegavske:

I am herewith forwarding to you, for filing within the constitutional time limit and without my approval, Assembly Bill 403 ("AB 403"), which is entitled:

AN ACT relating to governmental administration; authorizing the Legislative Commission to suspend or nullify certain administrative regulations; revising provisions relating to administrative regulations; and providing other matters properly relating thereto.

AB 403 is a legislative overreach that attempts to upset the established balance between Nevada's three branches of government when it comes to approval, enforcement, and review of regulations adopted by executive branch agencies. The bill empowers the Legislative Commission with total, unchecked control over all executive rules, standards, directives, statements, and regulations. Moreover, AB 403 extinguishes the check and balance of the juridical branch oversight over disputed decisions by foreclosing judicial review.

Thus, if AB 403 became law, the Legislature, through the Legislative Commission, would be transformed into a standing body with unchecked powers and jurisdiction that exceed constitutional limits. Said another way, the Legislature would encroach upon constitutional space reserved for the executive and the judicial branches of state government.

Although it is true that Article 3, Section 2 of the Nevada Constitution does contemplate and permit some legislative oversight of regulations, it is unlikely that the voters who approved Article 3, Section 2 intended a framework as far reaching as AB 403. Allowing one Legislative Commission to unilaterally suspend or nullify regulations approved by a prior Legislative Commission, and relied upon by stakeholders and executive regulators, is a troubling idea by itself. Combining that suspect process with a lack of judicial review goes too far.

AB 403 is not only constitutionally doubtful, but it is also unnecessary. Under the current system the Legislature has authority to approve or reject regulations through the Nevada Administrative Procedure Act, and has the ability to propose changes to the law whenever the Legislature is in session. Furthermore, parties that are aggrieved by regulations or decisions of an executive agency may seek judicial review.

In short, AB 403 simply concentrates too much power in the legislative branch of government.

For these reasons, I veto Assembly Bill 403 and return it without my signature or approval.

Sincere regards,

ÉRIAN SANDOVAL Governor

Enclosure

cc: The Honorable Mark Hutchison, President of the Senate (without enclosure)
The Honorable Jason Frierson, Speaker of the 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)