

CONTRACT WITH NEVADA (follow up)

In my last letter, I told you I'd be sending follow ups to explain the Contract with Nevada in greater detail. This is the first of the letters I promised, which will detail the first section of the Contract:

Create a better business climate in Nevada.

We've all heard Obama claim that unemployment is dropping around the country and we've seen the government published unemployment rate drop below 7% for the first time in years. While the federal government is reporting a 6.6% unemployment rate nationwide and an 8.8% rate in Nevada, the actual number for the nation, according to Forbes, is closer to 14.3%. This number includes those who have given up looking for work and those who are working part time.

Common sense would tell you that given the national numbers, Nevada's true rate would be closer to 19.1%. This is unacceptable. We were once the most business friendly state in the nation. Now we rank 18th for starting a business and 17th in licensing regulations according to governing.com. **We must get back to being Number 1.**

As a former CEO, I know what it takes to attract business to a state. It's very simple – any business owner will ask the same questions:

- Where will I earn the most profit?
- Where will I be able to grow my business?
- Where will my costs be lowest?

These are the questions I'd be asking, and CEO's thinking of relocating are sure asking them. We need to make Nevada stand out in their minds.

One of the most important things we must do is prove that "sunset" taxes actually do sunset. To that end, GOP legislators need to encourage the Governor to not include these taxes in his revenue projections for a third time. We also need to fight any attempt to renew these taxes when the Legislature considers the budget. Our state income has been on a steady increase since 2009 and these taxes should be allowed to go away as originally intended.

If we still need to close a budget gap, an estimated \$500 million per biennium (NPRI estimate) can be saved by getting rid of prevailing wage requirements in our state projects. This by itself would almost completely replace the \$620 Million in "sunset" taxes.

We also need to remove state licensing fees on small business. These fees were slid through the interim committee between sessions, after failing to gain the required majority during the regular legislative session. To me, this is an end run around our legislative process that never should have been allowed to happen. I intend to introduce legislation that will get rid of these fees at the state level.

In short, Nevada needs a stable, low-tax and low-fee business environment to attract new employers to our state. I will introduce and support legislation that will move us toward that goal.