

# OPEN LETTER TO NEVADA GOV. BRIAN SANDOVAL

January 15, 2012

Dear Gov. Sandoval,

As you complete work on the upcoming budget in advance of the 2013 legislative session, we write to express concern over your stated intent to seek a second extension of the “temporary” tax increases that were passed in 2009 over the objection of your predecessor, Republican Gov. Jim Gibbons.

We firmly and unalterably believe now is the time to allow those tax hikes to sunset, as promised to the taxpayers of Nevada at the time, before the Legislature succeeds in making them permanent.

We also wish to remind you of the official Nevada Republican Party platform position on the issue of tax increases, as passed unanimously by Republican delegates to the GOP state convention last spring:

*“We strongly support those in public office who resist higher taxes and fees, and seek to reduce the size, cost and scope of government at all levels. We believe the residents of the State of Nevada are not under-taxed and that state government is not under-funded, and our current budget crisis is the result of years of overspending. We oppose raising taxes or fees of any kind to fund the current budget shortfall.”*

We also note that the official Republican Party national platform adopted in Tampa, Florida this summer states:

*“Taxes, by their very nature reduce a citizen’s freedom. Their proper role in a free society should be to fund services that are essential and authorized by the Constitution, such as...the care of those who cannot care for themselves.”*

We believe the Nevada government continues to fund services that do not meet those criteria and/or provides essential services in a manner that unnecessarily increases their cost to taxpayers. This includes public education at all levels, as well as public works projects whose costs are inflated above market level because of Nevada’s anti-free market “prevailing wage” law.

In fact, an analysis by economist Geoffrey Lawrence of the Nevada Policy Research Institute (NPRI) has “estimated that prevailing wage requirements cost Nevada taxpayers nearly \$1 billion extra over 2009 and 2010.”

That is more than enough money to cover the complete and total elimination of the “sunsets.”

Gov. Sandoval, while we hold the deepest respect for you as the governor of our state, we nevertheless feel compelled to go on record as opposing any effort to extend the “temporary” tax increases which are scheduled to expire next summer, especially the increase in the “payroll tax” that even liberal former Assemblywoman Sheila Leslie admits is a “job killer” and “a disincentive to hiring.”

Instead, we urge you, as well as all state legislators, to embrace opportunities to reduce government spending and use any additional revenue – including revenue that may be generated by an economic

recovery - to completely eliminate the Modified Business Tax, as well as the state business license fee, both of which are an impediment to job creation.

For ideas on such spending reduction alternatives, we suggest you and your administration seriously consider recommendations outlined in "Nevada's Freedom Budget 2009-2011" and "Solutions 2013" by NPRI, as well as numerous recommendations made by the Nevada SAGE Commission.

To paraphrase Ronald Reagan, Nevada's budget problem isn't because our families, businesses and tourists aren't taxed enough, but because our government continues to spend too much.

As such, and on behalf of the thousands of Nevadans our organizations represent, we urge you to remain consistent with the Nevada Republican Party platform and construct a budget that reduces spending rather than extend those "temporary" tax increases.

Respectfully yours,

Cindy Lake  
Chairwoman  
Clark County Republican Party

Phil Perine  
President  
Nevada Republican Men's Club

James Smack  
National Committeeman  
Nevada Republican Party

Brett Pojunis  
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Libertarian Party

John Wagner  
President  
Independent American Party

Vicki Dooling  
President  
Las Vegas Valley Tea Party

Janine Hansen  
President  
Nevada Eagle Forum

Vicky Maltman  
President  
North Valleys Republican Women

Chuck Muth  
President  
Citizen Outreach

cc: Senate Minority Leaders Michael Roberson  
Assembly Minority Leader Pat Hickey