



May 28, 2009

Sen. Randolph Townsend
Nevada Senate
401 South Carson Street, Room 2107
Carson City, NV 89701

Dear Sen. Townsend,

On behalf of the more than 3,000 Nevada members of the National Taxpayers Union, I urge you to reconsider your previous position and uphold Gov. Gibbons' veto of \$781 million in tax increases. The current recession is hitting Nevada hard, with the unemployment rate reaching 10.6 percent last month. The last thing the state needs is a massive tax-hike scheme that hits Nevada families hard when they are already reeling from other blows to their finances.

Leaders in any political party that professes to a set of core principles must either demonstrate their loyalty to those principles or espouse new ones. Otherwise, they risk losing their credibility with citizens. The previous Republican Governor, Kenny Guinn, bucked his party's bedrock belief in low taxes and small government by shepherding a \$1 billion tax increase through the Legislature barely six years ago. He also broke a pledge he made to the people of Nevada to not raise taxes. Today, your Governor is prepared to undo the damage of his predecessor by opposing more taxes. You now have the chance to show your constituents that history will not repeat itself, and that you support the Governor's courageous decision to not take the easy way out of budget problems.

In these tough economic times, it is not wise to make it more expensive for citizens to purchase goods or services. It is shortsighted to make it more difficult to start a new business or maintain payroll. It is silly to punish consumers for driving a car, which they may need more than ever while looking for a new job. Yet, this is what many in the Legislature seek to do. Your constituents are depending on you to not make the same mistake twice. After a \$1 billion tax hike a few years ago and over \$1 billion in federal bailout money this year, a whopping tax increase is not only unnecessary, it is economic suicide.

Please know that the state has many alternatives to raising taxes of keeping the budget out of the red. Just a few of these strategies include structural reforms in benefit systems, technical auditing of capital programs, and private-sector-based, toll-financed projects for new infrastructure capacity. I am happy to discuss options in detail with you at any time.

It is not too late to take a stand for taxpayers. Doing so means standing with your Governor and upholding his veto.

Sincerely,

Joshua Culling
State Government Affairs Manager