

For Release: Monday, March 30th at 12:30 p.m. – Contact Jim Wheeler 775-684-8843 or Ron Knecht 775-684-5777 or 775-600-9550

Republicans Propose Balanced Budget with No New Taxes

Assembly Majority Whip Jim Wheeler, State Controller Ron Knecht and the group of Republicans presented the ***Balanced Plan for Growth: A Budget for the New Nevada***, an alternative state budget than the one proposed by Governor Brian Sandoval this afternoon.

“The key feature of the Plan is that we work from both the revenue and expenditures sides to get to a solution roughly midway between the available revenues according to the Economic Forum and the total spending proposed by the Governor,” Wheeler said. “We can balance the State’s budget with no new taxes and no increased taxes.”

This comprehensive budget proposal supports the Governor’s recommended 2015-2017 budget by funding, to the extent possible, the spending increases proposed by Gov. Sandoval. It relies on a balanced approach, using both revenue enhancement and spending restraint for a reasonable total spending figure of \$6.923 billion.

“Our plan secures the values held by Governor Brian Sandoval and all Nevadans, especially for educating our children and leaving them a healthy, growing economy,” said Knecht, the State’s Chief Fiscal Officer. “And we eliminate the need for the Business License Tax and actually let the ‘sunset’ taxes expire.”

“The Plan is our attempt to move the process forward and avoid a Legislative stalemate by providing a work-in-progress budget between current spending and the Governor’s proposed budget,” said Knecht. “Our proposal is not the final word, but instead a constructive Plan that is conciliatory and fully respectful of the roles of the Governor and the Legislature.”

The ***Balanced Plan for Growth*** achieves this goal by prioritizing program needs and increasing local control over spending. It secures the key values of the Governor’s proposed budget while avoiding divisive and destructive tax increases. The Plan:

- Rejects new or increased taxes on businesses and individuals to ensure that Nevada continues to offer an inviting climate that will attract the most talented and ambitious individuals to Nevada to pursue their dreams – the same climate that has attracted world class companies like Tesla to our state.
- Allows the so-called “sunset” taxes to actually sunset in order to restore stability and predictability to Nevada’s economic climate.
- Recommends funding over 98% of the \$2.88 billion in General Fund appropriations to support K-12 education requested in the Executive Budget -- including \$389.2 million intended to offset the loss of revenues from an expiring temporary increase in the Local School Support Tax.
- Moves K-12 spending for specific education programs into a Block Grant, giving local schools increased control over how they allocate both the resources they

currently have to improve education as well as the increased education spending proposed by Governor Sandoval on new initiatives to improve our schools.

- Preserves the Governor's proposed technology enhancements and facilities maintenance, much of which has been deferred over the past six years.
- Maintains the Governor's recommendation to eliminate furloughs for state workers going forward.

In his January 2015 State of the State address, Gov. Brian Sandoval outlined a bold vision for a "new Nevada." His enthusiasm for this vision was contagious, and it is shared by every Republican in Nevada.

"After much thought, discussion and careful deliberation, we believe that we have developed a proposal to allow us to achieve the vision of the new Nevada by creating a pathway to achieve Governor Sandoval's vision through a broad consensus of all Nevadans," said Wheeler.

The ***Balanced Plan for Growth*** empowers our local schools to decide the best and most effective way to use of their resources to satisfy the unique needs of every classroom. This lets existing dollars be spent more effectively, so that the \$50 million in *new* money flowing into our classrooms will give the biggest boost possible to our schools.

However, it is not enough to ensure that Nevada's students graduate with the skills and abilities to lead the new Nevada. If we succeed in education, but fail to make Nevada the most attractive business climate in the world, our children will take their talents to places where they are better able to succeed. We must not penalize success; we must instead teach our children that we value their success.

"By avoiding new taxes and tax increases, the ***Balanced Plan for Growth*** assures that we leave our children a legacy of economic growth and opportunity," said Knecht. "We believe it is not only possible to accomplish our goals using Nevada's existing revenue base, but we feel strongly that it is our responsibility to do so."

"Nevada voters spoke loud and clear in the November election. They rejected the status quo and made it clear that they wanted their representatives to govern and improve the quality of our schools without raising taxes," said Wheeler. "In 2014, the most popular choice on the ballot was opposition to a new business margins tax based on gross receipts to increase education spending. Opposition to the measure received broad, bipartisan support, and led to the defeat of the tax proposal by a margin of nearly four-to-one."

Knecht added, "The ***Balanced Plan for Growth*** honors the voice of Nevada voters while supporting Governor Sandoval's vision for the new Nevada. This is a start on the road to our shared goals, and we believe this Plan gives us the best opportunity to turn our shared vision into reality."