



Opening Day Speech

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Speaker, Nevada State Assembly

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75th Legislative Session

Welcome to the 75th session of the Nevada Legislature. We recently completed the 25th special session, which means that this will be the 100th legislative session in Nevada's history.

Congratulations to our new legislators: Assemblyman Paul Aizley, Assemblywoman Marilyn Dondero Loop, Assemblyman Don Gustavson, Assemblyman John Hambrick, Assemblywoman April Mastroluca, Assemblyman Richard McArthur, Assemblywoman Ellen Spiegel, and Assemblywoman Melissa Woodbury. You worked so hard to get here – knocking on doors, attending meeting after meeting, learning about things you've never even thought of before. Campaigns are very difficult. Things are said that are not true or only half true, and that is hard. But the voters elected each of us to address the very serious problems that are facing our state, and we must put all the campaign negativity behind us and work side-by-side to find solutions.

To our returning legislators, welcome back. We have all been given an amazing opportunity to represent our assembly districts and the state. The state needs the best of all of us in these very difficult economic times.

This session will be about what kind of state we want to be. While there are so many economic issues beyond our control, there is much within our control that we can focus on immediately. We have opportunities to lead our state in the right direction.

We have an opportunity to stabilize our housing market. Continued foreclosures are wrecking our economy – one out of eleven families in Nevada is losing a home, many because they signed an adjustable rate mortgage and cannot refinance. As of October, 2008, 47,000 Nevadans were 30 days or more delinquent on their mortgages. And the rest of us face plummeting home values as a result, with the median price paid of a home falling to a five-year low. Forty-eight percent of

Nevadans now owe more on their mortgage than their home is worth. Residential construction has come to a crashing halt with huge job losses, consumer confidence is affected, and state revenues have plummeted.

If we are to get our state on the road to economic recovery, then we must stem the hemorrhaging in our housing market with meaningful measures to PREVENT foreclosures. This session we will have an opportunity to enact legislation that would institute mediation for homeowners who wish to remain in their home and who are desperate for a workout agreement.

The program would operate statewide and would use senior judges and our judiciary to administer it. The lender would be required to participate and to work in good faith toward resolving the situation.

This Legislature can also:

- Protect renters from surprise evictions when the homes they are renting are foreclosed, and
- Crack down on lenders who are scamming people.

This legislation will be a top priority for the session. If we provide meaningful relief to those in jeopardy of losing their home and stabilize our housing market, our economy will turn around quicker.

People I have talked to all over the state are terrified of losing their jobs. In better times, when we clung to the illusion that our state was recession-proof, we never worried about coping with a 9 percent unemployment rate. Job creation must be one of our top priorities. While there is discussion all across the nation of the need to create jobs through the development of renewable energy, we in Nevada are uniquely poised to do so with our vast renewable energy resources. That is why the

Legislature will consider creating a green jobs initiative. We will be receiving stimulus money to support this program. If we train for the jobs of the future, we not only create jobs, but we will also diversify our economy to be less reliant on tourism.

Another serious problem facing us this session is the public's loss of confidence in our health care system that resulted from the Hepatitis C crisis in Southern Nevada. We were all horrified by the news reports that more than 40,000 patients received letters telling them they needed to be tested for Hepatitis C and AIDS because an endoscopy center in Southern Nevada used unsafe medical practices. Many of us know someone who was touched by that crisis. This session, we will make it a priority to enact new patient safeguards to ensure that a situation like this will never happen again.

During this session, we must completely overhaul our state's financial structure. In good times, the state spends a little bit of money on a lot of things and gets good at nothing. And in bad times, we destroy what we have built.

We can do better.

How?

- We comb through the budget. We decide what we can cut, what we can reform, and what we must save.
- We create a budget stabilization fund – a forced savings account – so that when new revenue comes in, we take 1 ½ cents of every new dollar and put it in an account for bad times. It means less money when times are good, but less pain when times are bad. It also means that in the long run, we save money because we are not dismantling a program only to rebuild it when the economy rebounds.
- We set short term and long term spending priorities. We didn't get to near last place in our state's rankings in a day – we won't get to first place in a

day. So, we need to plan and prioritize. If you don't plan, you shouldn't be surprised when you don't arrive where you want to go.

We consider revenue to meet our priorities.

We examine:

- uncollected taxes and every tax break that has been implemented over the last few decades;
- how revenue is distributed between local and state government;
- whether consolidation of government could yield more revenue;
- gaps in revenue for our priorities and ways to address them, and;
- how to make sure we don't lose money in the long run by implementing an overall cut of 36% to our higher education system.

When we face a crisis, it often brings people together. Maybe that's a silver lining in today's crisis. If we focus on stabilizing our housing market, taking advantage of the stimulus money to prepare for the new green energy economy, making some cuts - but avoiding draconian ones that will cost more in the long run - and overhauling our financial system, we will have done the best we can as a state in this time of economic crisis.

We will come out of this economic downturn – it's just a matter of when.

In the meantime, we all must work together to focus on solutions that make sense for our state.