## Congress of the United States Washington, DC 20515

March 13, 2009

The Honorable Arne Duncan Secretary of Education U.S. Department of Education 400 Maryland Avenue, SW Washington, D.C. 20202

Dear Secretary Duncan,

It is paramount that the residents of Nevada have full access to the State Fiscal Stabilization Funds allocated under H.R. 1, *The American Recovery and Reinvestment Act*. Therefore, we respectfully ask for your support when the Governor requests a waiver for the maintenance-of-effort requirement.

As you know, *The American Recovery and Reinvestment Act* stipulates that as part of a state's application for State Fiscal Stabilization Funds, it must provide assurance that it will maintain the same level of support for elementary, secondary and higher education in Fiscal Year 2009 through 2011 as it did in FY 2006.

Nevada has been one of the states hardest hit by the recent economic downturn. Our unemployment rate is at 9.4 percent—well above the national average. Nevada also has the highest foreclosure rate and the highest rate of personal bankruptcy filings in the nation. In short, the economic situation is particularly grim for Nevadans. With state revenues lower than ever, the Governor has proposed a budget for state programs of \$6.17 billion – 9.3 percent less than in 2007.

Such staggering economic statistics extend to Nevada's ability to fund education programs in the state. In Fiscal Year 2006, the state spent \$555.9 million on higher education. In the Governor's recommended budget for Fiscal Year 2010, higher education is budgeted at only \$424.3 million. At a time when the state is already stretched so thin, a \$131.6 million gap will be extremely difficult to restore. While we certainly agree that states should be held accountable for maintaining appropriate levels of funding for education programs on their own balance sheets, we also know that it simply not an economic reality for states facing the worst budget shortfalls, like Nevada.

Without the waiver that *The American Recovery and Reinvestment Act* grants you the power to provide, Nevada will miss out on critical funding.

Nevada students and their families are already experiencing the effects of tough economic times to a greater degree than their peers around the nation. Now, more than ever, Nevada needs assistance. We must invest in education now, both to avoid further losses of jobs and revenue, and to ensure that we have a better prepared workforce capable of filling the high-tech jobs of the 21<sup>st</sup> century.

We respectfully urge you to grant the state of Nevada a maintenance-of-effort waiver so that Nevadans may receive their much-needed share of the State Fiscal Stabilization Funds.

Sincerely,

Representative Dina Titus

Representative Shelley Berkley/

Representative Dean Heller