



Office of the Governor

JIM GIBBONS
GOVERNOR

October 30, 2008

The Honorable Harry Reid
Majority Leader
United States Senate
Washington D.C. 20510

Dear Senator Reid,

There has been much discussion in recent weeks regarding the possibility of Congress approving a second economic stimulus package that would allocate funding directly to the states. As Governor of the state that has been hardest hit by both the housing collapse and the credit crisis, I'm writing to encourage you to consider supporting such legislation.

It's my belief that any new stimulus package should accomplish several goals. First, it should offer some direct help to struggling Nevadans. To do so, I would encourage you to support an additional extension of unemployment benefits for those Nevada workers who have lost their job and have been unable to find another due to the economy. As I'm sure you know, Nevada's unemployment rate is currently at 7.3 percent and is expected to climb much higher. I believe it's important we provide support to these unemployed workers, and an extension of benefits would be of great help.

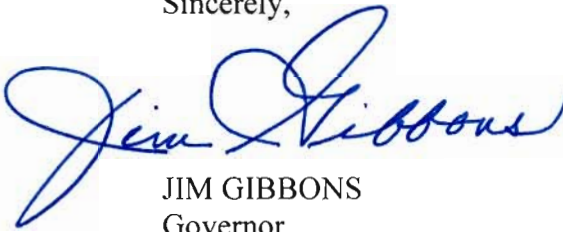
The second outcome of any new stimulus should be job creation; a significant investment in infrastructure will help do just this. The State of Nevada has many needed infrastructure projects designed and ready to go, and an infusion of capital from the federal government can be put immediately into Nevada's economy to help address the needs of Nevada workers, as well as improve the infrastructure in our state.

As is always the case when the economy struggles, the demands placed on Medicaid are rising dramatically. It's critical that we maintain this important safety net for Nevadans while facing this rising pressure, coupled with revenue shortfalls. During the most recent recession, the federal government enhanced the Federal Medical Assistance Percentages to provide states some relief. I encourage you to considering temporarily enhancing the federal matching percentage for FMAP as a part of any stimulus package coming out of Congress.

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These are difficult times for all Nevadans. Thank you for your commitment to helping our neighbors who are struggling during this economic downturn. If you have any questions, please don't hesitate to ask. I'm always available to discuss these issues that are so critical to Nevada and its residents.

Sincerely,

A handwritten signature in blue ink that reads "Jim Gibbons". The signature is fluid and cursive, with the first name "Jim" and last name "Gibbons" clearly legible.

JIM GIBBONS
Governor

JAG/bk