

# Nevada think tank publishes sourcebook for policymakers, public

By Sean Whaley, Nevada News Bureau

CARSON CITY – A conservative Nevada think tank last week published a guide for policymakers and the public on issues ranging from the state spending to public education to tax policy.

The 88-page sourcebook, called “Solutions 2013” is a compilation of research and policy recommendations from the Nevada Policy Research Institute addressing 39 different subject areas.

The publication comes 11 months before the Nevada Legislature will convene in 2013 to consider a host of critical issues, and just as the 2012 election season gets officially under way with candidate filing that began Monday.

“This collection dispels many popular misconceptions about Nevada, while highlighting new approaches to policy making,” said NPRI President Andy Matthews in an introduction to the guide. “My hope is that, regardless of where your political sympathies may lie, you will consider these ideas on their merits.”

Geoffrey Lawrence, NPRI’s deputy policy director, said even those who disagree with the recommendations can use the data cited in the guide.

“I think this is valuable for everyone who is interested in public policy regardless of their particular political persuasions because there is a lot of objective data in there that you can draw your own conclusions from if you like,” he

said. "I think one of the other values of it is that you can see that our conclusions are drawn straight from these objective data sources so they are not just things that we're coming up with out of thin air."

The organization weighs in on the potential of a Texas-style margin tax being imposed on Nevada businesses, which it says should be rejected. A coalition of education and labor groups is contemplating putting such a revenue generator on the state ballot, but no such proposal has been filed yet with the Secretary of State's office.

"The business margin tax is a hybrid, combining negative features of both corporate-income and gross-receipts taxes," the policy guide says. It quotes the Tax Foundation as saying, "the Texas 'margin' tax is really a badly designed corporate income tax."

The NPRI guide says a margin tax would create a tax liability even for businesses that operate at a financial loss, meaning the tax also possesses the negative attributes of gross receipts taxation.

The organization also takes up the issue of a state-run lottery, an idea that gets attention from lawmakers virtually every legislative session. NPRI notes that such lotteries do not generate a lot of revenue and are not stable sources of income.-run lottery fails every test of a "good" tax policy. In Nevada, gaming should be left to the private sector,'" the guide says.

"As Price Waterhouse – the Nevada Legislature's own tax consultant – has concluded, 'A state-run lottery fails every test of a "good" tax policy. In Nevada, gaming should be left to the private sector,'" the guide says.

NPRI weighs in on the issue of what, if anything, should be done about the current public employee retirement system. Gov. Brian Sandoval and some lawmakers have called for a change to

the plan to make it a 401(k)-style defined contribution plan instead of the current "defined benefit" plan so that concerns of the potential long-term liabilities of the retirement plan can be addressed.

NPRI argues for a hybrid plan as adopted by the Utah Legislature to avoid the high upfront costs associated with a wholesale change to a defined contribution plan.

"Utah's system was put in place with the enactment of Senate Bill 63 from Utah's 2010 General Legislative Session, which should serve as a model to guide Nevadans," the policy guide says.