



# SENATOR HARRY REID, MAJORITY LEADER WORKING TO GET NEVADA BACK ON TRACK



*With too many Nevadans out of work and the country facing serious economic challenges, Senator Harry Reid championed the passage of the American Recovery and Reinvestment Act (Recovery Act). Since being signed into law, the Recovery Act has made over \$3 billion in tax reductions, grants, loans, and entitlement funding available – with \$1.5 billion in grants and loans having already been spent – to help Nevada’s economy through tax relief for working families, assistance to states with health care costs, incentives for small business lending and funding to jump-start highway construction and community revitalization. Together, these initiatives have led to the creation or preservation of over 29,000 jobs in the state so far, with more to come.*

**The Recovery Act Has Created or Saved 29,000 Jobs.** With Nevada communities facing high unemployment and local and state budget shortfalls, Senator Reid worked hard to ensure that the Recovery Act invested in our local infrastructure. Senator Reid helped secure hundreds of millions of dollars to keep our schools open, keep our police on the streets, and support job-creating roads projects. [Council of Economic Advisers, “The Economic Impact of the American Recovery and Reinvestment Act of 2009, Fourth Quarterly Report,” July 14, 2010]

## Education

Nevada teachers, school staff, and education programs have already felt the impact of \$545 million in Recovery Act funding. This includes \$324 million in State Fiscal Stabilization Funds (SFSF) to help keep teachers in the classroom.

### K-12 Education

- \$139.6 million – State Stabilization funding to help retain or hire teachers and administrators in K-12 education
- \$70.1 million – Title I funding to support schools with high populations of children from low-income families
- \$73.8 million – Special Education Programs
- \$37 million – School Construction Bonds for Washoe County School District
- \$4.2 million – Improving technology in schools
- \$1.15 million – Early Head Start Programs
- \$679,103 – Child Nutrition
- \$523,263 – Educating Homeless Youth

## HIGHLIGHTS OF THE RECOVERY ACT WORKING FOR NEVADA

- ★ The Recovery Act Has Created or Saved 29,000 Nevada Jobs
- ★ The Recovery Act Lowered Taxes for Nevada’s Working Families
- ★ The Recovery Act Supported Nevada’s Small Businesses
- ★ The Recovery Act Secured Millions of Dollars to Help Unemployed Nevadans and Their Families
- ★ The Recovery Act Expanded the Military Homeowner Assistance Program
- ★ The Recovery Act Is Helping Nevada Become the Nation’s Renewable Energy Leader
- ★ The Recovery Act Ensures Nevada’s Communities and Environment are Protected

## Higher Education

- \$184.7 million – State Stabilization funding to help retain or hire teachers and administrators in higher education
- \$23.7 million – Research in areas such as health, energy, and environment
- \$5 million – Additional Pell Grants in Nevada
- \$485,189 – Additional Work Study funding

## Public Safety

Nevada received over \$38 million for law enforcement, public safety, and homeland security programs, helping to keep cops on the streets, protect victims of crime, and improve communication between jurisdictions.

- \$5 million – COPS Hiring Recovery Program which will help keep 18 police officers on the streets
- \$1.5 million – For domestic violence prevention programs
- \$4 million – For the construction of new firehouses

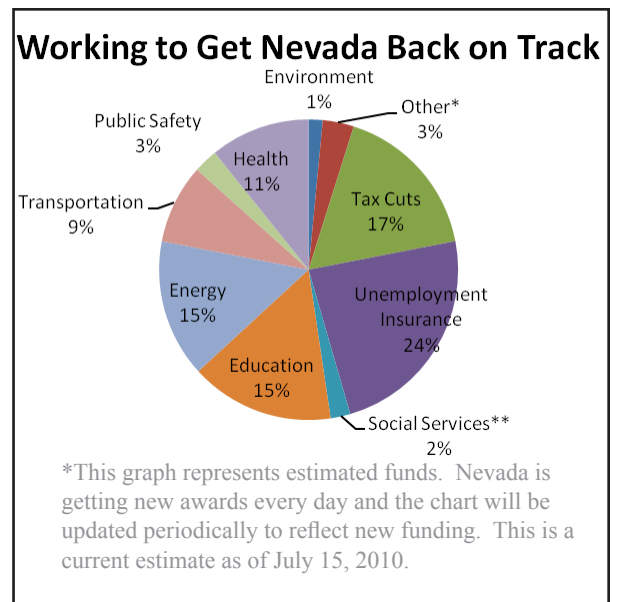
## Transportation

Nevada has been awarded over \$273 million in Recovery Act funds for road, airport, and transit projects. Those funds have already jump-started nearly 80 transportation construction projects.

- \$34.4 million for the Sahara Avenue Bus Rapid Transit Project
- \$26 million for the Meadowood Mall Extension in Reno
- \$12.3 million for the Humboldt Interchange in Reno
- \$14 million for the Sunnyside Cutoff on the border of Clark and Nye County
- \$5.9 million for Lamb Boulevard/Twain Avenue/Sahara Avenue repaving in Las Vegas

**The Recovery Act Lowered Taxes for Nevada’s Working Families.** Nevadans and Americans are paying less in taxes thanks to Senator Reid’s work in Congress. Senator Reid has led the way in easing Nevada’s tax burden and providing tax relief for Nevada’s families.

- ***Senator Reid Provided Tax Relief for Working Americans through the Making Work Pay Tax Credit.*** The Making Work Pay tax credit, enacted as part of the Recovery Act, lowered the tax bills for 95 percent of Nevada workers by as much as \$400 for individuals and \$800 for a married couple. The credit increased the take home pay for 120 million American households for 2009 and 2010.
- ***Senator Reid Made the Child Tax Credit Available to More Families.*** The Recovery Act made the full Child Tax Credit available to more families for 2009 and 2010 by lowering the earnings threshold from \$8,500 to \$3,000.



- ***Senator Reid Expanded the Earned Income Credit to Help Working Families.*** The Recovery Act provided tax relief for working families by making improvements to the Earned Income Credit. The Act increased the credit to 45% for families with three or more children and provided relief from the “marriage penalty” by increasing the income level at which married couples begin to lose the credit.
- ***Senator Reid Supports Relief from the Alternative Minimum Tax.*** The Alternative Minimum Tax (AMT) was originally enacted in response to reports that some wealthy individuals paid no federal income tax. However, the AMT was not indexed for inflation and an increasing number of middle-income families will be subject to this tax if no action is taken to provide relief. The Recovery Act protected the nearly 95,000 Nevada taxpayers who would otherwise have been subject to the AMT in 2009. In addition, the budget passed by the 111th Congress extends AMT relief for three more years. [S. 896, Senate Vote 185, 05/6/09, P.L. 111-022]
- ***Senator Reid Supported Nevada’s Housing Market with the Homebuyer Tax Credit.*** In an effort to spur investment in the housing market and support home values, Senator Reid led efforts to create a tax incentive for first-time homebuyers. Initially, first-time homebuyers were given a tax credit of up to \$7,500 for residences purchased between April 9, 2008, and June 30, 2009. Senator Reid spearheaded efforts to improve the tax credit by eliminating the requirement that it be repaid by the homebuyer, increasing the credit to \$8,000, extending the credit to homes purchased through April 30, 2010, increasing the income eligibility thresholds for qualifying for the credit, and providing a \$6,500 credit for existing homeowners purchasing a new home. Additionally, in response to growing concerns that homebuyers that met the contract deadline would not qualify for the credit because of the time it takes banks to close transactions, Senator Reid extended the deadline for closing home purchases to September 30, 2010. [H.R. 3221, Senate Vote 186, 07/26/08, P.L. 110-289; H.R. 3548, Senate Vote 334, 11/04/09, P.L. 111-92; H.R. 5623, Unanimous Consent, 06/30/10, P.L. 111-198]
- ***Senator Reid Made Higher Education More Affordable for Middle Class Families.*** The Recovery Act created the American Opportunity Tax Credit providing up to \$2,500 per year to help families afford college. The credit is available for a full four years of postsecondary education. Additionally, the new credit is available to help cover expenses for textbooks. The law also improved college savings plans by allowing funds in those accounts to be used to buy computer technology and equipment.

**The Recovery Act Supported Nevada’s Small Businesses.** Small businesses play a vital role in the country’s economic recovery by spurring innovation, job creation, and competition. That is why Senator Reid fought to ensure that the Recovery Act provided tax relief for small business owners and ensured they have access to credit to meet immediate payroll demands and long-term capital investments. Senator Reid is committed to fostering an economic environment that promotes the entrepreneurial spirit.

- ***Senator Reid Championed Tax Breaks for Small Businesses.*** The Recovery Act promotes capital investment in small businesses by allowing investors to exclude 75% of any gain they realize on the sale of eligible small business stock acquired between February 18, 2009, and December 31, 2010. The law also allowed small businesses to immediately write-off the cost of certain capital expenditures made in 2009 instead of deducting these costs over several years. It provided estimated tax relief for small business owners with less than \$500,000 of adjusted gross income, reduced the holding period from ten to seven years for corporate tax relief on the sale of appreciated assets in 2009 and 2010 by S corporation that were previously organized as C corporations, and permitted employers to claim a tax credit for unemployed veterans and disconnected youth in 2009 and 2010.

- ***Senator Reid Supported Initiatives that Increase Access to Capital for Small Businesses.*** Senator Reid shepherded passage of the Recovery Act, which strengthened the ability of the Small Business Administration (SBA) to provide capital and help to small businesses, and has followed up that effort by extending further the loan program provisions. The Recovery Act raised the 7(a) Loan Guarantee Program from a 70% guarantee to a 90% guarantee and appropriated \$375 million for the program, as well as allowing the SBA to guarantee loans under the 504/CDC Loan Guarantee Program if the 504/CDC Lender keeps 5% with a \$3 billion guarantee limit. It also established the American Recovery Capital (ARC) Loan Program, which provides interest-free, fee-free loans up to \$35,000 or 6 months of loan repayment, with a 100% SBA guarantee that small businesses can repay over the five years starting after one year, and allocates \$24 million for technical assistance and \$20 million for lender oversight in the microloans program. In addition, the Recovery Act permanently raises the surety bond limit from \$2 million to \$5 million and raises the private capital leverage amount for Small Business Investment Companies (SBIC's) to the lesser of 300% of the capital investment or \$150 million, and requires that at least 50% of capital ventures be invested in low-income areas (under the New Market Ventures Capital definition). Lastly, the Recovery Act provides below market interest rate loans to "Systemically Important Secondary Broker-Dealers (SISBD's) to purchase the SBA-guaranteed part of loans. [H.R. 4213, Senate Vote 48, 3/10/2010]
- ***Senator Reid Expanded the Net Operating Loss Carryback.*** The Recovery Act provided tax relief to small businesses by allowing those with up to \$15 million in gross receipts to use losses incurred in 2008 to recover federal income taxes paid in the five previous years. This provision helped small businesses stay in business – and keep their employees on the job – by providing access to cash. Senator Reid has also supported the *Worker, Homeownership, and Business Assistance Act* of 2009 which expanded the Net Operating Loss Carryback to apply to firms of all sizes and to include losses incurred in 2008 and/or 2009. [H.R. 1, Senate Vote 64, 2/13/09, P.L. 111-005; H.R. 3548, Senate Vote 334, 11/4/09, P.L. 111-092]
- ***Senator Reid Advocated for Cancellation of Indebtedness.*** Businesses needing to restructure their debts in order to survive the economic downturn found themselves facing a significant tax penalty as a result of that process. As part of the Recovery Act, Senator Reid was instrumental in pushing through relief from this tax penalty, helping Nevada companies to improve their balance sheets and save thousands of jobs.

**The Recovery Act Secured Millions of Dollars to Help Unemployed Nevadans and Their Families.** In addition to fighting to create jobs in Nevada, Senator Reid has helped Nevadans weather the economic storm by extending and increasing unemployment insurance, providing one-time economic relief payments, and ensuring the state can continue to provide needed services to Nevada's most vulnerable residents.

- One-time economic relief payments of \$250 have been sent out to more than 400,000 Nevada seniors, veterans and other high-need residents, totaling over \$100 million.
  - In Clark County – 255,267 beneficiaries have received more than \$63.8 million in one-time relief payments.
  - In Washoe County – 62,061 beneficiaries have received more than \$15 million in one-time relief payments.
- Nevadans received an additional \$805 million in Unemployment Insurance funding as a result of the Recovery Act, benefitting more than 300,000 Nevada residents.

- Senator Reid fought to ensure that Nevada received the highest percentage increase in the Federal Medical Assistance Percentage (FMAP, the Medicaid match rate) of any state as part of the Recovery Act, a total of \$395 million. This funding helped our state avoid cutting Medicaid and other key programs during the recession.
- Senator Reid Championed Assistance for Out-of-Work Nevadans in Continuing COBRA Coverage and Continues to Work to Extend the Program. When workers lose their jobs, they often lose their health insurance at the time when they can least afford to go uninsured. Senator Reid ensured that those Nevadans who lost their jobs would have assistance in participating in extended employer coverage through COBRA as part of the Recovery Act. Under the Recovery Act, eligible workers can receive a subsidy of 65 percent to help defray the cost of continuing their group coverage. Senator Reid is now working on extending the subsidy so that workers continuing to struggle to find employment can continue their coverage.
- Nevada has received over \$52 million to provide services for children and families affected by the economic downturn.
- \$14.7 million from the Communities Putting Prevention to Work for the Southern Nevada Health District's tobacco prevention and community health program has been allocated to Nevada.
- Nevada Department of Employment, Training and Rehabilitation received \$4,217,502 to provide to help individuals with disabilities prepare for and maintain employment.
- The Las Vegas-Clark County Urban League received \$4.7 million to expand broadband access to southern Nevada residents through 29 new or expanded public computer centers.
- Nevada has received \$947,309 to provide assistance to individuals with significant disabilities to help them maintain their independence and productivity.

**The Recovery Act Expanded the Military Homeowner Assistance Program.** Congress created the Homeowner Assistance Program (HAP) under the Department of Defense in 1966 to compensate eligible military and civilian Federal employee homeowners when the real estate market declines as a result of base closures. The Recovery Act included \$555 million to expand HAP to any individual who has received Permanent Change of Station (PSC) orders, or has incurred a service caused-condition during deployment that caused retirement due to disability, to further assist service members and surviving spouses weather the downturn in the housing market.

**The Recovery Act Is Helping Nevada Become the Nation's Renewable Energy Leader.** Through the Recovery Act, Nevada has received over \$500 million for energy efficiency, renewable, and weatherization projects and is likely to benefit from an additional roughly \$350 million in low-cost financing for renewable energy transmission and development. Nevada's institutions of higher education, schools, cities, private businesses, and counties are working to make Nevada the nation's renewable energy leader.

- The Southwest Intertie Project (or the One Nevada Line) is likely to use up to \$350 million in low-cost Recovery Act financing to build a transmission line to connect Northern and Southern Nevada and accelerate the development of clean renewable energy resources.
- Nevada has received \$32 million through the Energy Efficiency and Conservation Block Grant Program to help the state, counties, and cities implement efficiency and renewable energy projects.
- The State of Nevada has received \$37.3 million through the Department of Energy's Weatherization Program.

- The Nevada State Office of Energy has received \$34.7 million from the Department of Energy's State Energy Program for a broad range of clean energy investments.
- The Department of Defense awarded Fallon Naval Air Station and Hawthorne Army Depot \$12.2 million for geothermal energy development and test wells.
- The Department of Energy awarded \$5.7 million to a UNLV, Pulte Homes, and NV Energy partnership to dramatically reduce peak demand and improve energy efficiency in a Las Vegas residential community.
- Chemetall Foote was awarded \$11 million for their Silver Peak lithium carbonate facility for production of materials for advanced transportation batteries through the Department of Energy's Electric Drive Vehicle Battery and Component Manufacturing Initiative.
- The State of Nevada was awarded \$438,573 from the Recovery Act Energy Assurance Planning Program to enhance state and local government energy assistance.
- Enel Green Power was granted \$61.5 million for their Stillwater and Salt Wells geothermal plants in Churchill County for a combined 61 MW via the Sec. 1603 Cash Grant in lieu of tax credits program.
- The NV Energy Smart Grid project was awarded \$138 million from the Department of Energy.
- \$93 million has been awarded for 25 geothermal R&D, demonstration and exploration projects either in Nevada (20 projects – \$72.4M) or to grantees based in Nevada (5 projects – \$20.5M), with \$93.4 million more generated through industry matching funds.
- Nevada Geothermal Power will receive \$57.9 million from the Sec. 1603 Cash Grant in lieu of tax credits program for its Blue Mountain Faulkner 1 geothermal plant in Humboldt County to increase capacity by 20MW.
- Nevada Geothermal Power received a \$98.5 million loan guarantee from the Department of Energy Financial Institution Partnership Program for their 49.5 megawatt Blue Mountain Faulkner geothermal plant.
- The Department of Energy awarded \$816,274 to the Public Utilities Commission of Nevada for technical assistance on state electricity policies related to clean energy and smart grid development.
- Nevada has received \$2.5 million for Energy Efficiency Rebates for EnergyStar appliances.
- The Amonix solar manufacturing plant in Clark County will receive \$5.9 million from the Advanced Energy Manufacturing Tax Credit Program.
- The Department of Labor has awarded two grants, totaling \$9.8 million, to Nevada for Clean Energy Job Training; Nevada Department of Employment, Training and Rehabilitation (\$9.7M) and the Southern Nevada Workforce Investment Board (\$100,000), Department of Labor Green Jobs program.
- The Nevada Solar One concentrating solar panel plant in Boulder City, NV, has received \$2.9 million through the Sec. 1603 Cash Grant in lieu of tax credits program.

**The Recovery Act Ensures Nevada's Communities and Environment are Protected.** Nevada has been awarded over \$62 million for environmental and wildfire management projects throughout the state, as well as \$92.2 million for environmental cleanup at the Nevada Test Site. Some highlights include:

- \$38 million – Drinking water and waste water infrastructure projects
- \$3.8 million – Washoe County Fire Restoration Projects

- \$3.4 million – Hazardous Fuels Reduction in areas surrounding Humboldt-Toiyabe National Forest
- \$2.2 million – Invasive Fuels Eradication Projects in Washoe and Lyon Counties
- \$760,800 – Perennial Pepperweed and Tamarisk Removal, Pepperweed Control and Fuels Reduction
- \$627,000 – Carson River Streambank and Stabilization
- \$92.2 million – Environmental Management cleanup at the Nevada Test Site, including remediation of soil and groundwater contamination

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