

**THE FORTY-FOURTH DAY**

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CARSON CITY (Tuesday), March 22, 2011

Senate called to order at 4:52 p.m.

President Pro Tempore Schneider presiding.

Roll called.

All present.

Prayer by the Chaplain, Sherry Rodriguez.

Lord,

We ask that You give the members of this body and those who share in the work, courage, wisdom and the clarity of an open heart. For those making difficult decisions, we ask that You give them peace of mind.

We thank You for these men and women who serve the great State of Nevada. We ask that You give them insight to solve the issues before us.

For these things we pray.

AMEN

Pledge of Allegiance to the Flag.

Senator Horsford moved that further reading of the Journal be dispensed with, and the President Pro Tempore and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Judiciary, to which were referred Assembly Bills Nos. 7, 134, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

VALERIE WIENER, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, March 21, 2011

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bill No. 5.

MATTHEW BAKER

*Assistant Chief Clerk of the Assembly*

MOTIONS, RESOLUTIONS AND NOTICES

Senator Wiener moved that Assembly Concurrent Resolution No. 4 be taken from the Resolution File and placed on the Resolution File for the next legislative day.

Motion carried.

Senator Wiener moved that Senate Bill No. 219 be taken from the Second Reading File and placed on the Second Reading File for the next legislative day.

Motion carried.

Senator Wiener moved that Senate Bills Nos. 14, 45, 125; Assembly Bills Nos. 87, 88, 183 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

The Sergeant at Arms announced that Assemblyman Bobzien and Assemblywoman Woodbury were at the bar of the Senate. Assemblyman Bobzien invited the Senate to meet in Joint Session with the Assembly to hear Senator John Ensign.

The President Pro Tempore announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 4:57 p.m.

#### IN JOINT SESSION

At 5 p.m.

Speaker Ocegüera presiding.

The Secretary of the Senate called the Senate roll.

All present.

The Chief Clerk of the Assembly called the Assembly roll.

All present.

The President Pro Tempore appointed a Committee on Escort consisting of Senator McGinness and Assemblyman Sherwood to wait upon the Honorable Senator John Ensign and escort him to the Assembly Chamber.

Senator Ensign delivered his message as follows.

#### MESSAGE TO THE LEGISLATURE OF NEVADA SEVENTY-SIXTH SESSION

Governor, Speaker, Majority Leader, members of the Senate and Assembly, and other Constitutional officers, distinguished guests, and my fellow citizens. Let me start by saying that I guess this is the last time you will have to put up with me speaking here, and if you nod off, I will excuse you this time. I want to wish those who are playing in the basketball game tonight good luck. I was noticing in the Speaker's office—I think he has been practicing ahead of time. I noticed a little Nerf basketball in there, so I think he has been practicing. I am not sure how well that is going to go over, but we will see how the three-point shot works tonight.

It is wonderful to be back here. I always enjoy these visits, especially now when we are facing such incredible challenges here in our State. These challenges are not small. We all realize that. But neither is the dedication that you will each need to show in the coming months to get Nevada back on the right track into the future.

Driving across Nevada today is somewhat reminiscent of our State's past when population booms, spurred by mining, put this part of the country on the map. Towns were springing up in Nevada almost overnight, and people were coming from across the world to share in the profits from our State's earth. I recall this time in our State's history because the mining bubble burst. These once vibrant towns succumbed to a less desirable fate, and the ghost towns that still stand today are a reflection of that time in our State's history.

When the mining bubble burst, Nevada changed direction by diversifying its economy so that gambling became the reason that so many came to our lovely State. Nevada survived the mining bust and thrived. The toll that the economic recession of the last few years has taken on our State has brought ghost towns back to our State once again.

In exchange for the rowdy ghost towns of the past, though, the ones that we drive by today are entire neighborhoods that are in foreclosure or for sale, plots of land that have been left undeveloped, and buildings that have been abandoned before completion. The cause of these ghost towns was the bursting of the housing bubble.

Throughout the better part of the last couple of decades, our State experienced a population boom much like it did in the glory days of the mining industry. Nevada's vibrant economy brought people and businesses from all over the country to our State. Low property values meant that people were buying up homes faster than they could be built and property prices were inflated rapidly as a result.

Unfortunately, when the housing market went bust, so did our economy. A state plagued by ghost towns does not have to be our future; we can change our State's path into the future just as Nevadans generations before us did when their economic prospects dried up. So how do we do this? Well, we need to diversify our economy. I think we can all agree upon that.

As members of the Nevada Legislature, you are required by law to balance your budget. Unfortunately, the United States government is not required to do the same, despite efforts by myself and many others who have tried to change this in Washington. I don't think this makes sense to anybody around the country, nor should it make sense to any of us. Families are required to balance their budgets, businesses are required to, states are required to do the same, and yet the United States government is under no such requirement to ensure that the money it spends is not outweighing the money that it takes in.

Today, our country is truly living on borrowed money. Our spending levels have rapidly increased, and our need to borrow money to float our dollar has increased as well. China owns more of our debt than any other single entity.

I'm certain that those of you who are here today have seen the news stories, at least one or two, about the budget battles that we are dealing with back in Washington. The core fight on this issue is not whether we should make important spending cuts to the federal government's budget; the question is how much. President Obama has reiterated his pledge to get the United States on a path toward fiscal responsibility, but without his leadership on entitlement reform, negotiations in the House and the Senate have unfortunately left only Republicans at the table. In fact, many of my Democratic colleagues have been grumbling that he has not been leading on this issue of spending cuts. The nation's struggling economy is not just a one-party problem; it is an American problem that requires a bipartisan solution.

So how do I think that we need to get our economy back on track? Well, I actually think the answer is not simple, but we need to start by reducing government spending to allow the private sector to grow and to create jobs. I believe that more government spending is not the answer to our economic woes; investment in the private sector is.

To paraphrase a great president, Ronald Reagan, he said that the best way to eternal life in Washington, D.C. is to become a government agency, and I am sure you experience this here in this State. Every time we create a new agency or department, it creates a constituency that lobbies for its continued existence. Well, I do not believe cutting government spending while increasing the tax burden on the American people is how we jump-start this economy. Increasing taxes on small businesses—these are our nation's job creators—means that employers will be faced with a choice either to hire some of our nation's unemployed or to pay more money to the government.

We cannot afford to get this thing wrong. We cannot balance our budgets, state or federal, by raising taxes and stifling job creation. For the United States, this would mean that companies will outsource more of their jobs overseas, and our struggling economy will further sour. For our State of Nevada, balancing the budget with tax increases will mean that our friends and our neighbors will remain unemployed. More businesses will go out of business, and companies looking to move to a business-friendly climate may not come to our State. I know that you have your work cut out for you, but I believe you have a great leader in Governor Sandoval to lead the way. He is willing to make the tough choices and he is willing to stand beside you as you make those tough choices in getting Nevada back on track.

Unfortunately, though, if we do not improve education in our State and in our country, the spending cuts that we make at all levels will matter little if we have an undereducated workforce. But we have to be honest in this State about our K-12 system. It is not measuring up. All you

have to do is talk to our universities and our community colleges. Talk to them about folks who receive the Millennium Scholarship, and they tell you that even the people who receive those scholarships, many of them still have to take remedial courses.

Now I am going to talk about education, not as a United States Senator but as a Nevadan and as a parent, because I do not want to see the changes that need to happen in education being mandated from Washington. Education is a state and a local issue. It needs to remain a state and a local issue and have the federal government get out of the way. Instead of the mandates that the Department of Education hands down, I believe the Department of Education should be more like a think tank, sharing the good ideas that are working in certain parts of the country so that you can implement those good ideas at the local and the state level. Sharing ideas is really what we should be doing in Washington, not mandating what we think is best from Washington. We all know that I am not telling you anything you do not know—that we are dead last when it comes to graduation rates. How do we begin to bring companies to our State when there just is not an adequate job pool for them to hire from? We cannot.

As a member of the Senate Commerce Committee, I speak with technology companies from all over the country. You all know we have a company called Intuit that is located in Reno. I met with those folks today, and I asked them the same question I ask everybody: What would it take to bring more of your business, either expanding or to bring new businesses, to the State of Nevada when it comes to technology businesses? I am constantly hearing the same response. People are afraid to come here because of our K-12 system. They are afraid to bring their employees here—that their kids would not have good enough schools to go through here in the State of Nevada. That is what I hear from them.

I also believe, though, we should not paint all educators with the same broad brush. We know that there are great examples of passionate, skilled educators across our State. However, the small percentage of bad administrators and bad teachers is bringing our whole K-12 system down here in this State. I believe in paying educators who improve student performance more. I also believe that if educators are doing a lousy job, they need to find something else to do than ruin our kids' education. It is time to end this idea of teacher tenure or principal tenure. It is time to end that idea here in the State of Nevada.

Recently, Bill Gates penned an op-ed for *The Washington Post* on how teacher development could revolutionize our schools. I want to quote from him. He said, "We know that of all the variables under a school's control, the single most decisive factor in student achievement is excellent teaching. It is astonishing what great teachers can do for their students." He went on to say, "The United States spends \$50 billion a year on automatic salary increases based on teacher seniority. It is reasonable to assume that teachers who have served longer are more effective, but the evidence says that is not true. After the first few years, seniority seems to have no effect on student achievement."

Well, Governor, I know that you are fighting to end teacher tenure in our State. I believe it is the right thing to do, because Nevada's education system is an important focus, I know, for you and for all of you in this room. I also believe you are correct in ending this idea of social promotion. The idea that somebody can not read by the third grade and we are going to pass them on to the fourth grade is outrageous.

I will tell you a personal story on this. I joined the Big Brothers Big Sisters program many years ago. I met my little brother Donzale when he was in the third grade. He could not read a *Cat in the Hat* book, and guess what they did? They passed him on to the fourth grade, and the fifth grade, and on and on and on it went. Well, those kids—we can't afford to do that to them. They are too precious. These children are our future, and we need to care enough about them to make sure that they get that basic education that every child in the United States should have a right to.

I previously mentioned the need to diversify our State's economy to get back on track. Less dependence on tourism means that when the nation's economy takes a dip, Nevada can hold its own. But if our children cannot compete with those in other states let alone those in other countries, our State will continue to be dependent on tourism. The reality is, though, that dumping more money into a bad system is not going to help. In fact, it may even make a bad system even worse.

Education in America, unfortunately, has become less about the students than it is about the adults. I know, Mr. Speaker, we both watched together the documentary called *Waiting for Superman*. If you haven't watched it and you care about education, I implore you to watch it. It talks about the problems in education and the solutions in education. By the way, if you happen to be of the left-leaning persuasion of the political spectrum, this documentary was made by progressives, not by conservatives. The answers are there to education. We just have to have the political will to enact those reforms that we need.

We all know that teachers in Nevada get tenure after one year. We all know that. It is not called teacher tenure in our State; it is called a contract, but it is basically the same thing. Unfortunately, we have had too many people for too long fighting to preserve the career of a teacher instead of preserving the education of a student. I believe we have been going down the wrong path, and failure to reverse course means that we might as well seal our fate as a dwindling world power today. We are competing in a global economy, and education is a key to our children's future, economically as well as socially.

I believe that teachers need to be incentivized to teach and to teach children well. The days when teachers were paid the same regardless of performance should be in the past. I believe that merit pay should be part of our future, but this merit pay should not be determined from Washington, D.C. It should be determined mostly at the local level.

A child's education should also not be based on family income level. We know that bad schools actually lead to bad neighborhoods, not the other way around, and if you can fix the schools, you can fix the neighborhoods. I do not believe that we should write off these children just because they happen to live in a bad neighborhood.

The last time I spoke here, I mentioned an amazing school in Las Vegas called West Prep. Dr. Mike Barton, at the helm, has taken this school in our education system by storm, so much so that I recently spoke at his first graduation class. He had 42 children graduate. This school was the worst school in Nevada when it was a junior high. He turned it into a K-12 system. Of the 42 children—100 percent of whom qualified for the free school lunch program, 100 percent of whom are minorities—of the 42 seniors, 42 out of 42 are going to college. That is something to be applauded. The school valedictorian is from the Philippines. Four years ago she could not even speak English. When she spoke about the faculty, she broke down crying because of the amazing journey that she had had at this school.

Let me tell you about one of the other fine students at West Prep, Lazaro Cesar. He is a shining example of the promise that is hidden away in our State's schools. I first met him at that graduation. He was the eighth grade speaker speaking to the seniors who were graduating. The young man walks up to me and sticks out his hand. He was incredibly impressive, not only on a one-on-one basis, but he amazed everybody in the room. So I started thinking about him. What is the future going to hold for this young man? Well, he came to Washington as part of a school visit to Washington and inquired with my office about doing an internship. Now this young man is only 13 years of age, and we do not do internships for 13-year-olds. Well, after thinking about him for about a week or two, I called my state director, Sonja, and I said "Sonja, call Lazaro; offer him an internship."

Now this young man had to sometimes take two buses to get to our office. He showed up on time every day in a suit that he could not afford and made sure that he was there learning. He was one of the best interns that we have ever had. A good story to tell about Lazaro, by the way, is that he was just accepted to the elite Phillips Exeter Academy in New Hampshire. Those are the kinds of kids that we cannot afford to give up on their education. They are here in Nevada, and we need to make sure they have the best possible education that we can so that we do not lose those kids to dropout or to some other life of crime.

The United States, in our K-12 system, has been falling behind as well. We are concerned here in our own State, but we have to also be concerned about our whole country because it truly is the future—whether or not we are going to compete in the world economy if we have a good K-12 system.

Many of you have heard of a man named Andre Agassi. Andre Agassi has Agassi Prep down in southern Nevada. We spent quite a bit of time on the phone because I talked to Andre about his ideas of education. He is so passionate. He has about 650 kids going to his school, but he said to me, "Senator, that is not my goal—to educate 650 kids. I care about this State. I want to

take what we are doing here to scale, but I am finding it very difficult.” One of the things he said to me—because you hear today a lot about charter schools—he said, “You know, a bad charter school is just as bad as a bad public school.” Charter schools are not necessarily the answer to our education woes. They can be part of the answer, but they are not a silver bullet. But I do want to tell you that Nevada has one of the worst charter school laws in the country, and only you can change that.

There are great charter school operators around the country. They are best-in-class operators. And this is not a Republican or a Democratic issue. It is not a union or a non-union issue. One of the best charter school operators is called Green Dot. It is a union charter school. But we have a law on the books that says to the best charter school operators, “We don’t want you to come to our State.” And that is why they do not come to Nevada.

We need to change our charter school laws, work with those who know the details of this, and work to change our charter school law so we can attract the best charter school operators in this State. It is not going to change our whole education system, but what it will do is show us some of the answers to hopefully help us change the rest of the public school system to make it work for all of the children across the State of Nevada.

Let me turn toward what I am trying to do back in Washington, D.C. to help our State as far as its economy. I mentioned our mining industry before. We know that our mining industry is incredible. It produces a huge amount of jobs—really, really high paying jobs. It could do much, much more. I am actually working on something right now that would help streamline the regulations for the mining industry. You see, right now when you talk to the mining industry, they will tell you it takes eight to ten years to open a new mine in the State of Nevada. Eight to ten years. If we were able to streamline those regulations—we do not have to get rid of any of them—if we could streamline them down to a couple of years, we literally could produce thousands and thousands of high-paying jobs right here in the State of Nevada in the next couple of years. Thousands and thousands—the average salary is between \$80,000 and \$100,000—that could help be a real economic boom to our State. And by the way, these mining companies contribute to the schools, to the local economies, and the last time I checked, they contribute to the State budget as well. So if we can have more mining jobs, that is less people on unemployment and that is more revenue coming into the state government, which just maybe would help your budget problems as well.

The last thing I want to mention on the economy has to do with energy. We are seeing what is happening with gasoline prices. That is not good for a state that is so dependent on tourism. We are approaching \$4 a gallon, and I am afraid that \$4 a gallon actually could go to \$5 a gallon. That could have a decimating affect on our economy here in the State of Nevada.

We have tremendous renewable energy resources in our State; we know that. The problem today is getting the permits, which even for renewable energy is very difficult. We need to streamline the permitting process for renewable energy so that Nevada can create more jobs. But for the rest of the country—I do not know how you feel watching things going on in Libya and around the world—we spend a lot of money for our military ensuring that oil flows freely from the Middle East. I would rather be dependent on American energy than I would on energy coming from places in the world that are not necessarily stable and do not necessarily like us.

In Alaska alone, there are three areas, including ANWR, which is the Arctic National Wildlife Refuge area—those three areas alone have enough oil to supply the United States with the same amount of oil that we get from the Persian Gulf for the next 65 years, and yet the current administration is blocking us from going up there.

We have natural gas reserves that we have discovered that are massive in this country. We have coal deposits—we are the Saudi Arabia of coal. All of these types of things can help as we transition to more renewable energy. I would rather be dependent on American fossil fuels than I would be on fossil fuels coming from dangerous parts of the world that are not necessarily friendly to us.

For Nevada’s economy and for the economy of the United States, we need to have more American supplies of energy so we can become less dependent on this dangerous foreign oil that we have.

In conclusion, for the next 21 months that I have left in office, I am committing to you that I am going to work as hard as I have ever worked to ensure that our State gets better and that our country gets better. I believe in reducing government spending and working toward balancing the federal budget and improving education in America. These are my top priorities over the next 21 months.

I know that we are facing very difficult times here in the State of Nevada, but with difficult times come great opportunity. That is what you and I have right now—is a great opportunity. We do not have to let the history books be written about this time that you and I failed as leaders. Together, I truly believe, as the Governor said in his State of the State speech, that the best days for Nevada truly can be ahead of us. And I say “can be” because they only will be if we make the right choices—if we work together, regardless of party affiliation, for the betterment of our State.

I am willing to join you in whatever way I can to partner with you from that big city back in Washington, D.C. and do whatever we can there. I will be praying for you and hoping that you can solve our State’s budget problems and helping to turn this State around both educationally and economically so that Nevada’s best days truly are ahead of us.

God bless all of you. God bless the great State of Nevada.

Senator Lee moved that the Senate and Assembly in Joint Session extend a vote of thanks to Senator Ensign for his timely, able and constructive message.

Motion carried.

The Committee on Escort escorted Senator Ensign to the bar of the Assembly.

Senator Settlemeyer moved that the Joint Session be dissolved.

Motion carried.

Joint Session dissolved at 5:31 p.m.

#### SENATE IN SESSION

At 5:34 p.m.

President Pro Tempore Schneider presiding.

Quorum present.

#### UNFINISHED BUSINESS

##### SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President Pro Tempore and Secretary signed Senate Concurrent Resolution No. 4; Assembly Bill No. 43.

Senator Horsford moved that the Senate adjourn until Wednesday, March 23, 2011, at 11 a.m.

Motion carried.

Senate adjourned at 5:35 p.m.

Approved:

MICHAEL A. SCHNEIDER  
*President Pro Tempore of the Senate*

Attest: DAVID A. BYERMAN  
*Secretary of the Senate*