

COUNTY BALLOT QUESTION NO. 1

NYE COUNTY ADVISORY BALLOT QUESTION RTC #1

Shall the Nye County Board of Commissioners seek through the ordinance amendment process a three-year increase in the “Motor Vehicle Fuel Tax” as defined in Nevada Revised Statutes, Chapter 373 from its existing level of four cents (\$.04) per gallon to a new level of seven cents (\$.07) per gallon on gasoline motor vehicle fuel sold within the boundaries of Nye County which if received would provide the Nye County Regional Transportation Commission additional funding for replacing worn out roads within Nye County?

YES _____

NO _____

EXPLANATION

This is an advisory question only and does not place any legal requirement on Nye County, any member of the Nye County Board of County Commissioners or any officer of Nye County. Results may be used by the Nye County Board of County Commissioners to consider further action in an amendment to the existing “Motor Vehicle Fuel Tax” ordinance. Improvements in the fuel economy rating of the newer vehicles are reducing the gallons of gasoline purchased with the increasing costs associated with the maintenance, repair and improvement of the Nye County roadway system reduces the ability of the Nye County Regional Transportation Commission to fund road projects that reduce traffic congestion, reduce airborne dust, improve the air quality and repair and maintain roads in Nye County. This tax rate has not been increased since its inception over twenty five (25) years ago. This action is projected to increase funding for the Nye County Regional Transportation Commission in for the fiscal years 2012/2013 though 2015/2016 from \$1,249,178.00 to \$1,361,604.02, an increase of \$112,426.02.

ARGUMENT “IN FAVOR” OF RTC #1

A “YES” vote on RTC-1 protects and improves our quality of life and will save time and money. Good transportation is fundamental to a vibrant economy -- short, safe commutes; cleaner air; and more time with our families. These things we value are threatened by growing traffic congestion, deteriorating roads, pollution, and accidents due to the diminishing Nye County Regional Transportation Commission road tax funding. Nye County not only encompasses the largest land mass in Nevada (18,159 sq. miles) but it has the second highest number (2,716) of certified miles of maintained roads in Nevada, only Clark County maintains more roadways. Gasoline sales in Nye County since 2005 have dropped from 23,288,809 to 20,960,660 in 2009 and to 15,524,488 thru March of 2010. Without positive action on this item road conditions will continue to deteriorate and needed repair, maintenance and improvements will be further delayed or not be able to be done. The economic benefit would be positive in the creation of additional road work in Nye County. Much of the economic impact of the tax would be borne by tourists and other non-residents traveling along the Interstate 95 north corridor from which thirty percent (30%) of Nye County gas tax revenue is generated. Every penny of the tax would be spent on Nye County road projects.

REBUTTAL TO ARGUMENT “IN FAVOR” OF RTC #1

A “YES” vote on RTC-1 does protect and improve the quality of life to a high enough level that counters the detrimental effects of an addition cost of gasoline on the poor and those on fixed incomes. There are other ways to protect the road conditions in the county (reduce speed limits and restrict heavy truck traffic) there by reducing the need to repair, maintain and improve existing roads. The Commissioners should reevaluate the status and number of “miles of maintained” roads in Nye County. An increase in the “Motor Vehicle Fuel Tax” will only exasperate the slide in gasoline sales and will further reduce the available road funding.

ARGUMENTS “IN OPPOSITION” TO RTC #1

A “NO” vote is recommended on RTC-1 to encourage the Commissioners not to consider implementing a 3 cent (\$.03) increase in the gasoline “Motor Vehicle Fuel Tax” for county road maintenance, repair and improvements. Raising the fuel tax in Nye County in the worst of economic times will be counterproductive to increasing revenue. It will create an environment of the public driving less because of increasing cost or will force drivers to fill their tanks in neighboring Clark County where retail prices have typically been lower than in most of Nye County. Nye County residents currently pay approximately 52 cents (\$.52) per gallon for all the existing federal, state and county fuel taxes collected for the purpose of providing road way maintenance, repair and improvements. Additional fuel costs will only drive up the cost of other essential needs, i.e. food, medicine, clothing, utilities school supplies etc. The Nye County Board of County Commissioners can take other than “Tax Increasing” measures to reduce the deterioration of Nye County roads by reducing speed limits, restricting heavy truck traffic, and encouraging law enforcement to enforce these provisions thereby extending the serviceable life and reducing the need for continual maintenance and repair, and improvements on Nye County Roads.

REBUTTAL TO ARGUMENT “IN OPPOSITION” TO RTC #1

Failure for the Commissioners to address the needs of our roadways in Nye County would not only have a great negative economic and quality of life impacts. It would immediately and for a long time in the future cost our community time and money while placing driver safety in peril. Without action Nye County roadways will continue to deteriorate, possibly to the point where they may have to be turned back into un-improved gravel roadways. Nye County residents actually pay between 5 cents (\$.05) and 10 cents (\$.10) less per gallon in federal, state and county gasoline fuel taxes. Historic data indicates that up to forty percent (40%) of the fuel

purchased within Nye County is done so by visitors and those traveling through Nye County on US 95. Residents will see that the benefit of additional monies from this action to improve roads actually out ways any perceived increases in cost of other domestic services since very few suppliers originating from Clark County fuel their delivery vehicles in Nye County. Without this measure Nye County residents will see a continued deterioration in the county road system, a decrease in air quality, and an overall drop in the quality of life in Nye County.

STATEMENT OF FINANCIAL EFFECT

Gasoline fuel cost would go up exactly 3 cents (\$.03) per gallon of gasoline sold within the boundary of Nye County. This would amount to a one percent (1%) increase on a retail fuel sales price of \$3.00 per gallon. The annual cost to be incurred by affected taxpayers will depend on personal variables (miles traveled annually and the fuel efficiency of their vehicles i.e. miles per gallon). 12,000 miles traveled per year in a vehicle that get an average of 15 miles per gallon is an additional cost of twenty four dollars annually. This tax is proposed to be levied until repealed by the Nye County Board of County Commissioners. There will be no revenue bonds sold in connection with this proposed tax levy.

There are no additional expenses to be incurred with the approval of this tax levy outside the purposes of its use. Additionally, the proposed tax increase would cease at the end of the 2015/2016 fiscal year unless reapproved by the Nye County Board of County Commissioners.