

THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS

FEB 25 2008

A new section of Article 2 of the Nevada Constitution which will be designated as **Section 11:**

1. In order to avoid any appearance of impropriety in sole source government contracts, a contract holder shall contractually agree that from the award of the contract and for two years from the date of the final payment under the contract, a contract holder shall not make, cause to be made, or induce by any means a contribution, directly or indirectly, on behalf of the contract holder for the benefit of any political party, candidate for any elected office of the state or any of its political subdivisions, candidate committee, political party committee, or other associated entity. The contract holder shall not use an immediate family member to make a contribution.
2. Any person who makes or causes to be made any contribution intended to promote or influence the result of an election on a ballot issue shall not be qualified to enter into a sole source government contract relating to that particular ballot issue.
3. To aid in enforcement of this measure concerning sole source government contracts, the Secretary of State shall promptly publish and maintain a summary of each sole source government contract issued. Any contract holder of a sole source government contract shall promptly prepare and deliver to the Secretary of State a true and correct "Government Contract Summary," in digital format as prescribed by that office, which shall identify the names and addresses of the contract holder and all other parties to the sole source government contract, briefly describe the nature of the contract and goods or services performed, disclose the beginning and end date of the contract, disclose the contract's estimated amount or rate of payment, disclose the sources and expected dates of payment, and other information as reasonably determined by the Secretary of State which is not in violation of federal law, trade secrets or intellectual property rights. The contract holder must promptly update and/or correct any required information. The Secretary of State is hereby given authority to promulgate rules to facilitate this Section.
4. Any candidate, elected or appointed officer, or person who accepts contributions on behalf of a candidate, elected or appointed officer, candidate committee, political party committee, political party, or other associated entity, in violation of this Section, has engaged in corrupt misconduct and/or malfeasance and shall pay restitution to the general treasury of the contracting governmental entity to compensate the governmental entity for all costs and expenses associated with the breach, including costs and losses involved in securing a new contract if that becomes necessary. If a person responsible for the bookkeeping of contract holder that has a sole source contract with a governmental entity, or if a person acting on behalf of the governmental entity, obtains knowledge of a contribution made or accepted in violation of this Section, and that person fails to notify the Secretary of State or appropriate officer about the violation in writing within ten business days of learning of such contribution, then such person will bear joint and several liability for any costs, expenses, or losses imposed by this Section.
5. The parties shall agree that if a contract holder violates this Section, that contract holder shall be ineligible to hold any sole source government contract or public employment with the state or any of its political subdivisions, for three years from the date of any final determination of a violation. The Governor may temporarily suspend any disqualification under this Section during a declared state of emergency.
6. The state Attorney General or registered voter of the state may enforce this Section by filing a complaint for injunctive or declaratory relief, or other appropriate civil remedies, in the district court. Nothing in this Section shall prevent a person from being criminally liable or subject to impeachment, removal from office, disqualification from public employment, or other punishment according to law.
7. The provisions of this Section shall take effect January 1, 2011.
8. Any provision in the statutes of this state in conflict or inconsistent with this Section are hereby declared to be inapplicable to the matters provided for in this Section.
9. The following are definitions of terms used in this Section:
  - (a) "Contract holder" means any non-governmental party to a sole source government contract, including persons that control 10 percent or more shares or interest in that party; or that party's officers, directors or trustees; or any political committee controlled by the holder of a contract; or, in the case of collective bargaining agreements, the labor organization and any political committees created or controlled by the labor organization;
  - (b) "Sole source government contract" means any government contract awarded by the state or any of its political subdivisions of at least \$100,000 in value as of January 1, 2011, that does not use a public and competitive bidding process soliciting at least three bids prior to awarding the contract. The \$100,000 threshold shall be adjusted by the Secretary of State every four years for inflation or disinflation per the U.S. Department of Labor Consumer Price Index for All Urban Consumers in the Western region, or other appropriate indicator as may be determined by the Legislature, and this adjusted figure shall be posted on the Secretary of State's website. The threshold amount is cumulative; that is, it includes any sole source government contract that a contract holder may have with the state or any of its political subdivisions until the date of the last payment. A sole source government contract also includes collective bargaining agreements with a labor organization representing employees, but not employment contracts with individual employees. Collective bargaining agreements, which meet the cumulative threshold amount, qualify as sole source government contracts if the contract confers exclusive representative status to bind all employees to accept the terms and conditions of the contract.
  - (c) "Immediate family member" means any spouse, child, spouse's child, son-in-law, daughter-in-law, parent, sibling, grandparent, grandchild, stepbrother, stepsister, stepparent, parent-in-law, brother-in-law, sister-in-law, aunt, niece, nephew, or guardian.
  - (d) "State or any of its political subdivisions" means the State of Nevada and its agencies or departments, as well as the political subdivisions within this state including counties, municipalities, school districts, and any public or quasi-public body that receives a majority of its funding from the taxpayers of the State of Nevada.
  - (e) "Contribution" means a purchase, payment, promise or obligation to pay, loan or loan guarantee, deposit or gift of money, goods, or services for which a charge is ordinarily made and that is made for the purpose of influencing the nomination, election, or selection of a candidate for public office, either elective or appointive. The definition includes the value of services provided in kind for which money would otherwise be paid, such as paid polling and resulting data, paid direct mail, paid solicitation by telephone, any paid campaign paraphernalia printed or otherwise produced, and the use of personnel to assist in a campaign. "Contribution" does not include personal services rendered without compensation by individuals volunteering all or part of their time for these purposes.
10. The full text of subsections 1 and 3 shall be included in every sole source government contract.
11. If any provision of this Section or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Section, which can be given effect without the invalid provision or application, and to this end the provisions of this Section are declared to be severable.

DESCRIPTION OF EFFECT

If enacted, this measure will add a new Section to Article 2 of the Nevada Constitution doing the following:

- The Amendment would limit political involvement in sole source government contracts, meaning contracts awarded without open and competitive bidding.
- It would require contract holders of over the cumulative threshold originally set at \$100,000 to agree to refrain from making campaign contributions during the term of the contract and for two years after final payment.
- Any person who makes contributions intended to promote a ballot issue would be disqualified to enter into a sole source government contract relating to that particular ballot issue.
- The Amendment provides for civil remedies for public officials and contractors who violate the restrictions.
- To aid in the Amendment’s enforcement by citizens, it requires Internet publication of a summary of each sole source government contract.

County of \_\_\_\_\_ (Only registered voters of this county may sign below)

1	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	This space for office use only
	YOUR SIGNATURE DATE / /	CITY COUNTY	
2	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
3	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
4	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
5	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
6	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
7	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	
8	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE DATE / /	CITY COUNTY	



### DESCRIPTION OF EFFECT

**If enacted, this measure will add a new section to Article 2 of the Nevada Constitution doing the following:**

- The Amendment would limit political involvement in sole source government contracts, meaning contracts awarded without open and competitive bidding.
- It would require contract holders of over the cumulative threshold originally set at \$100,000 to agree to refrain from making campaign contributions during the term of the contract and for two years after final payment.
- Any person who makes contributions intended to promote a ballot issue would be disqualified to enter into a sole source government contract relating to that particular ballot issue.
- The Amendment provides for civil remedies for public officials and contractors who violate the restrictions.
- To aid in the Amendment's enforcement by citizens, it requires Internet publication of a summary of each sole source government contract.

**(Only registered voters of this county may sign below)**

**This space for  
office use only**

Office Use Only			
9	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
10	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
11	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
12	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
13	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
14	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
15	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY
16	PRINT YOUR NAME (first name, initial, last name)		RESIDENCE ADDRESS ONLY
	YOUR SIGNATURE / /	DATE / /	CITY COUNTY

DESCRIPTION OF EFFECT

If enacted, this measure will add a new section to Article 2 of the Nevada Constitution doing the following:

- The Amendment would limit political involvement in sole source government contracts, meaning contracts awarded without open and competitive bidding.
- It would require contract holders of over the cumulative threshold originally set at \$100,000 to agree to refrain from making campaign contributions during the term of the contract and for two years after final payment.
- Any person who makes contributions intended to promote a ballot issue would be disqualified to enter into a sole source government contract relating to that particular ballot issue.
- The Amendment provides for civil remedies for public officials and contractors who violate the restrictions.
- To aid in the Amendment’s enforcement by citizens, it requires Internet publication of a summary of each sole source government contract.

County of \_\_\_\_\_ (Only registered voters of this county may sign below)

This space for  
office use only

17	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE                      DATE /    /	CITY    COUNTY	
18	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE                      DATE /    /	CITY    COUNTY	
19	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE                      DATE /    /	CITY    COUNTY	
20	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE                      DATE /    /	CITY    COUNTY	

AFFIDAVIT OF CIRCULATOR

(TO BE SIGNED BY CIRCULATOR)

STATE OF NEVADA        )  
  )  
COUNTY OF \_\_\_\_\_)

I, \_\_\_\_\_ (print name), being first duly sworn under penalty of perjury, depose and say: (1) that I reside at \_\_\_\_\_  
  
(print street, city and state); (2) that I am 18 years of age or older; (3) that I personally circulated this document; (4) that all signatures were affixed in my presence; (5) that I believe them to be genuine signatures; and (6) that each individual who signed was at the time of signing a registered voter in the county of his or her residence.

Signature of Circulator

Subscribed and sworn to or affirmed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_.

Notary Public or person authorized to administer oath