

Many Of Nevada's Competitor States Have Successfully Amended Their Anti-Donation Clauses To Invest In Profitable, Prudent Economic Development.

- ✓ The experience of other states suggests that Nevada could more effectively target an amendment to the anti-donation clause in Article 8, Section 9 of the Constitution.
- ✓ Economic Innovation International has designed four successful targeted amendments to the Anti-donation Clauses of Kansas (1986), Wyoming (1987), Georgia (1988), and Oklahoma (1988).
 - Voters in these conservative states have overwhelmingly adopted these targeted amendments.
 - No targeted amendment that we have designed has been defeated.
- ✓ We suggest four key elements in a targeted amendment to Article 8, Section 9 of the Nevada Constitution.
 - A profitable, prudent economic need is clearly identified by a responsible Nevada institution such as the Commission On Economic Development, the Department of Commerce, or other similar agency.
 - A determination is made that the state can reasonably expect to achieve an appropriate risk-adjusted, internal rate of return (IROR).
 - Sophisticated private investors are investing on the same or less favorable terms than the state.
- The Legislature approves a profitable, prudent investment plan by a vote of more than a majority, such as three-fifths, two-thirds, or three-quarters.