

ASSEMBLY BILL NO. 242—ASSEMBLYMEN KIRKPATRICK,
SMITH, OCEGUERA, CONKLIN AND ATKINSON

MARCH 7, 2011

Referred to Committee on Government Affairs

SUMMARY—Requires quasi-public organization to submit annual report to Legislative Commission detailing disposition and use of money conveyed to organization by state agency. (BDR 31-67)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to state financial administration; requiring each quasi-public organization that receives money from a state agency to submit annually to the Legislative Commission a report detailing the disposition and use of that money; requiring that each state agency which conveys money to a quasi-public organization include an entry in the budget of the state agency summarizing that conveyance; providing an exception; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires certain governmental entities to report quarterly to the
2 Interim Finance Committee regarding the taxes and fees that were legally due to be
3 paid to the governmental entity, the taxes and fees that the governmental entity was
4 actually able to collect, and the taxes and fees that the governmental entity failed to
5 collect or otherwise did not collect. (Chapter 238, Statutes of Nevada 2009, pp.
6 970-71) **Section 5** of this bill requires each quasi-public organization that receives
7 money from a state agency in the form of a donation, gift, grant or other
8 conveyance to report to the Legislative Commission, on or before September 1 of
9 each year for the immediately preceding fiscal year, concerning the disposition and
10 use of the money so received. **Section 6** of this bill requires that each state agency
11 which conveys money to a quasi-public organization include an entry in the budget
12 of the state agency summarizing that conveyance. **Section 7** of this bill exempts
13 from the preceding requirements any money that is conveyed by a state agency to a
14 quasi-public organization in the form of a direct appropriation, if the money so
15 conveyed is required to be used for a specific purpose as a condition of the
16 appropriation. **Section 3** of this bill defines the term “quasi-public organization” for



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17 the purposes of the bill to mean: (1) a nonprofit organization that qualifies for tax-
18 exempt status under 26 U.S.C. § 501(c); or (2) any entity that is created by or
19 pursuant to an interlocal agreement.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 353 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 7, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 7, inclusive, of this act, unless*
5 *the context otherwise requires, the words and terms defined in*
6 *sections 3 and 4 of this act have the meanings ascribed to them in*
7 *those sections.*

8 **Sec. 3.** *“Quasi-public organization” means:*

9 *1. A nonprofit religious, charitable, fraternal or other*
10 *organization that qualifies as a tax-exempt organization pursuant*
11 *to 26 U.S.C. § 501(c); or*

12 *2. Any entity that is created by or pursuant to an interlocal*
13 *agreement.*

14 **Sec. 4.** *“State agency” means an agency, bureau, board,*
15 *commission, department, division or any other unit of the*
16 *Executive Department of the State Government.*

17 **Sec. 5.** *Except as otherwise provided in section 7 of this act:*

18 *1. Each quasi-public organization that receives money from a*
19 *state agency in the form of a donation, gift, grant or other*
20 *conveyance shall, on or before September 1 of each year, file with*
21 *the Legislative Commission a report that complies with the*
22 *requirements of subsection 2.*

23 *2. Each report required to be filed pursuant to subsection 1*
24 *must:*

25 *(a) Be submitted on a document provided by the Director of*
26 *the Legislative Counsel Bureau; and*

27 *(b) Include the following components:*

28 *(1) The name, address and phone number of each state*
29 *agency from which the quasi-public organization received money*
30 *during the immediately preceding fiscal year;*

31 *(2) The amount of money that the quasi-public*
32 *organization received from each state agency during the*
33 *immediately preceding fiscal year;*

34 *(3) For each separate donation, gift, grant or other*
35 *conveyance of money that the quasi-public organization received*
36 *from a state agency during the immediately preceding fiscal year,*
37 *the specific purpose for which the quasi-public organization used*



1 *that money during the immediately preceding fiscal year,*
2 *including, without limitation:*

3 *(I) The particular goods, products and services that the*
4 *quasi-public organization provided using the money so received;*

5 *(II) The nature and duration of any programs that the*
6 *quasi-public organization conducted using the money so received;*

7 *(III) The number of persons and entities to whom the*
8 *quasi-public organization provided goods, products and services*
9 *using the money so received;*

10 *(IV) Whether the goods, products and services that the*
11 *quasi-public organization provided using the money so received,*
12 *or the programs that the quasi-public organization conducted*
13 *using the money so received, were required to be provided or*
14 *conducted, as applicable, pursuant to federal or state law;*

15 *(V) Whether the money so received was used by the*
16 *quasi-public organization to replace or supplant funding available*
17 *from other sources;*

18 *(VI) To the extent that the dissemination of such*
19 *information is not prohibited by federal or state law, the identity of*
20 *any persons who benefited from the money so received; and*

21 *(VII) The amount and nature of any administrative*
22 *costs, including, without limitation, the salary and benefits of*
23 *employees, that the quasi-public organization paid using the*
24 *money so received; and*

25 *(4) Such other information as may be requested by the*
26 *Director of the Legislative Counsel Bureau.*

27 **Sec. 6.** *Except as otherwise provided in section 7 of this act,*
28 *whenever a state agency transfers money to a quasi-public*
29 *organization in the form of a donation, gift, grant or other*
30 *conveyance, the state agency shall include or cause to be included*
31 *in its budget an entry setting forth:*

- 32 *1. The recipient of the money so transferred;*
33 *2. The amount of the money so transferred;*
34 *3. The purpose for which the money so transferred is*
35 *intended to be used; and*
36 *4. Such other information as may be requested by the*
37 *Director of the Legislative Counsel Bureau.*

38 **Sec. 7.** *The requirements set forth in sections 5 and 6 of this*
39 *act do not apply with respect to money that is conveyed by a state*
40 *agency to a quasi-public organization in the form of a direct*
41 *appropriation, if the money so conveyed is required to be used for*
42 *a specific purpose as a condition of the appropriation.*

43 **Sec. 8.** *This act becomes effective upon passage and approval.*

