

ASSEMBLY BILL NO. 85—ASSEMBLYMEN DALY, BOBZIEN,
CARRILLO; BENITEZ-THOMPSON, COHEN, HANSEN,
HEALEY AND SPRINKLE

FEBRUARY 11, 2013

JOINT SPONSOR: SENATOR SMITH

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing certain purchasing
contracts and consolidation agreements.
(BDR 27-277)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 contracts; prohibiting a local government, the
Administrator of the Purchasing Division of the
Department of Administration and a board of trustees of a
school district from joining, using or entering into certain
contracts or agreements; and providing other matters
properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes: (1) a local government and the State of Nevada to join
2 or use contracts of local governments located within this State or another state if
3 authorized by the contracting vendor; and (2) a local government to join or use the
4 contracts of the State of Nevada or another state if authorized by the contracting
5 vendor. (NRS 332.195) Existing law also authorizes the Administrator of the
6 Purchasing Division of the Department of Administration to enter into an
7 agreement for supplies, materials or equipment with a vendor who has entered into
8 an agreement with the federal General Services Administration or certain other
9 governmental agencies under certain circumstances. (NRS 333.480) Existing law
10 further provides that, if a board of trustees of a school district enters into an
11 agreement with another school district for the consolidation or sharing of services,
12 functions or personnel, the board of trustees may join in any applicable contracts of
13 the other school district. (NRS 386.353) This bill prohibits a local government, the
14 Administrator and the board of trustees of a school district from joining, using or
15 entering into a contract or agreement pursuant to those provisions if a license issued



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16 pursuant to chapter 624 of NRS governing contractors is required for any portion of
17 the contract or agreement.

18 Existing law provides that any contract for the purchase of any supplies,
19 materials or equipment by any state officer, department, institution, board,
20 commission or agency is void if it is contrary to the statutory and regulatory
21 provisions governing state purchasing. Existing law further provides that the head
22 of the using agency and the employee who entered into such a contract are
23 personally liable for the costs of the supplies, materials or equipment. (NRS
24 333.810) **Section 2** of this bill makes this provision applicable to an agreement
25 entered into by the Administrator which is contrary to the amendatory provisions of
26 that section.

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

1 **Section 1.** NRS 332.195 is hereby amended to read as follows:

2 332.195 1. *Except as otherwise provided in this section:*

3 (a) A governing body or its authorized representative and the
4 State of Nevada may join or use the contracts of local governments
5 located within or outside this State with the authorization of the
6 contracting vendor. The originally contracting local government is
7 not liable for the obligations of the governmental entity which joins
8 or uses the contract.

9 ~~1. (b)~~ (b) A governing body or its authorized representative may
10 join or use the contracts of the State of Nevada or another state with
11 the authorization of the contracting vendor. The State of Nevada or
12 other state is not liable for the obligations of the local government
13 which joins or uses the contract.

14 2. *A governing body or its authorized representative or the*
15 *State of Nevada shall not join or use a contract pursuant to this*
16 *section if a contractor's license issued pursuant to chapter 624 of*
17 *NRS is required for any portion of the work to be performed under*
18 *the contract.*

19 **Sec. 2.** NRS 333.480 is hereby amended to read as follows:

20 333.480 ~~The~~

21 1. *Except as otherwise provided in subsection 2, the*
22 Administrator may purchase or acquire on behalf of the State of
23 Nevada, and all officers, departments, institutions, boards,
24 commissions, schools and other agencies in the Executive
25 Department of the State Government, volunteer fire departments,
26 local governments as defined in NRS 354.474, conservation districts
27 or irrigation districts of the State of Nevada, any supplies, materials
28 or equipment of any kind required or deemed advisable for the state
29 officers, departments, institutions, boards, commissions, schools,
30 volunteer fire departments and other agencies or local governments
31 as defined in NRS 354.474, conservation districts or irrigation



1 districts that may be available pursuant to an agreement with a
2 vendor who has entered into an agreement with the General Services
3 Administration or another governmental agency dealing in supplies,
4 materials, equipment or donable surplus material if:

5 ~~##~~ (a) The prices for the supplies, materials or equipment
6 negotiated in the agreement that the Administrator enters into with
7 the vendor are substantially similar to the prices for those supplies,
8 materials or equipment that the vendor had negotiated with the
9 General Services Administration or other governmental agency; and

10 ~~##~~ (b) The Administrator determines that such an agreement
11 would be in the best interests of the State.

12 ***2. The Administrator shall not enter into an agreement***
13 ***pursuant to subsection 1 if a contractor's license issued pursuant***
14 ***to chapter 624 of NRS is required for any portion of the***
15 ***agreement.***

16 **Sec. 3.** NRS 386.353 is hereby amended to read as follows:

17 386.353 1. The board of trustees of each school district in
18 this State shall determine whether any services, functions or
19 personnel may be feasibly consolidated or shared with one or more
20 other school districts in this State. Services, functions or personnel
21 that the board of trustees may consolidate or share with another
22 school district include, without limitation:

- 23 (a) Purchasing;
- 24 (b) Accounting;
- 25 (c) Recruiting;
- 26 (d) Transportation;
- 27 (e) Chief financial officer;
- 28 (f) Human resources director; and
- 29 (g) Superintendent of schools.

30 2. Based on the determination made pursuant to subsection 1,
31 the board of trustees may consolidate or share any service, function
32 or personnel with another school district. Nothing in this section
33 requires a board of trustees of a school district to enter into a
34 cooperative agreement for the consolidation or sharing of services,
35 functions or personnel with one or more school districts. The board
36 of trustees may establish any cost-effective and efficient method for
37 the sharing or consolidation of services or personnel.

38 3. ~~##~~ ***Except as otherwise provided in this subsection, if the***
39 ***board of trustees enters into an agreement with one or more school***
40 ***districts for the consolidation or sharing of services, functions or***
41 ***personnel, the board of trustees may join in any applicable contracts***
42 ***of the other school district. The board of trustees shall not join in a***
43 ***contract pursuant to this subsection if a contractor's license issued***
44 ***pursuant to chapter 624 of NRS is required for any portion of the***
45 ***work to be performed under the contract.***



1 4. The Committee on Local Government Finance created
2 pursuant to NRS 354.105 shall adopt such regulations that are
3 necessary or proper to assist the boards of trustees in carrying out
4 the provisions of this section. Such regulations must include,
5 without limitation:

6 (a) Procedures and guidelines for how boards of trustees may
7 efficiently and effectively consolidate or share services, functions
8 and personnel with other school districts. Such procedures and
9 guidelines should provide direction to the boards of trustees on ways
10 to prepare contracts or other agreements necessary to implement the
11 provisions of this section.

12 (b) In the case of sharing personnel with other school districts,
13 procedures for sharing the costs of the payment of premiums or
14 contributions for employee benefits, including, without limitation,
15 retirement, life insurance and health benefits.

16 **Sec. 4.** This act becomes effective on July 1, 2013.

