
ASSEMBLY BILL NO. 483—COMMITTEE ON
GOVERNMENT AFFAIRS

(ON BEHALF OF ELKO COUNTY)

MARCH 24, 2003

Referred to Committee on Government Affairs

SUMMARY—Requires governing bodies of local governments to grant preference to local bidders bidding on certain local governmental contracts for goods or services. (BDR 27-575)

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

CONTAINS UNFUNDED MANDATE (§§ 1,2)
(REQUESTED BY AFFECTED LOCAL GOVERNMENT)

~

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

AN ACT relating to purchasing by local governments; requiring the governing bodies of local governments, and the authorized representatives of those governments, to grant a preference to local bidders bidding on certain local governmental contracts for goods or services; requiring those governing bodies to define the term “local bidder” for the purposes of granting the preference; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 332 of NRS is hereby amended by adding
2 thereto a new section to read as follows:
3 ***1. With respect to the awarding of a contract pursuant to***
4 ***NRS 332.065, a responsive and responsible bidder who is a local***
5 ***bidder shall be deemed to have submitted a lower bid than a***
6 ***competing bidder who is not a local bidder if the amount of the bid***



1 of the local bidder is not more than 5 percent higher than the
2 amount bid by the competing bidder.

3 2. The governing body of each local government that awards
4 contracts pursuant to NRS 332.065 shall, by ordinance or
5 regulation, define the term "local bidder" for the purposes of
6 subsection 1. In addition to any other criteria deemed appropriate
7 by the governing body, the governing body shall, to the extent
8 practicable, define the term "local bidder" in such a manner as to
9 ensure that a bidder is not deemed to be a local bidder unless the
10 bidder produces evidence of having contributed financially,
11 through the payment of taxes or fees, to the local government that
12 will be granting to the bidder the preference described in
13 subsection 1.

14 3. The provisions of this section do not require a local
15 government or its authorized representative to award a contract to
16 a bidder whose quality of services, supplies, materials, equipment
17 or labor does not conform to requirements or if the public interest
18 would be served by a rejection of the bid.


19 **Sec. 2.** NRS 332.065 is hereby amended to read as follows:

20 332.065 1. If a governing body or its authorized
21 representative has advertised for or requested bids in letting a
22 contract, the governing body or its authorized representative must,
23 except as otherwise provided in subsection 2, award the contract to
24 the lowest responsive and responsible bidder. The lowest responsive
25 and responsible bidder must be judged on the basis of ~~{price;~~
26 ~~conformance}~~ :

- 27 (a) Price;
- 28 (b) Conformance to specifications ~~{, qualifications,}~~ ;
- 29 (c) Qualifications, including, without limitation ~~{, past~~
30 ~~performance, quality}~~ :
 - 31 (1) Past performance;
 - 32 (2) The quality and utility of services, supplies, materials or
33 equipment offered ; and ~~{adaptability}~~
 - 34 (3) The adaptability of those services, supplies, materials or
35 equipment to the required purpose of the contract;
 - 36 (d) The status of the bidder as a local bidder, as determined
37 pursuant to section 1 of this act; and ~~{the}~~
 - 38 (e) The best interests of the public.

39 2. The governing body or its authorized representative:
40 (a) Shall give preference to recycled products if:
41 (1) The product meets the applicable standards;
42 (2) The product can be substituted for a comparable
43 nonrecycled product; and
44 (3) The product costs no more than a comparable
45 nonrecycled product.



- 1 (b) May give preference to recycled products if:
2 (1) The product meets the applicable standards;
3 (2) The product can be substituted for a comparable
4 nonrecycled product; and
5 (3) The product costs no more than 5 percent more than a
6 comparable nonrecycled product.
- 7 (c) May purchase recycled paper products if the specific
8 recycled paper product is:
9 (1) Available at a price which is not more than 10 percent
10 higher than that of paper products made from virgin material;
11 (2) Of adequate quality; and
12 (3) Available to the purchaser within a reasonable period.
- 13 3. If after the lowest responsive and responsible bidder has
14 been awarded the contract, during the term of the contract he does
15 not supply goods or services in accordance with the bid
16 specifications, or if he repudiates the contract, the governing body
17 or its authorized representative may reaward the contract to the next
18 lowest responsive and responsible bidder without requiring that new
19 bids be submitted. Reawarding the contract to the next lowest
20 responsive and responsible bidder is not a waiver of any liability of
21 the initial bidder awarded the contract.
- 22 4. As used in this section:
23 (a) "Postconsumer waste" means a finished material which
24 would normally be disposed of as a solid waste having completed its
25 life cycle as a consumer item.
26 (b) "Recycled paper product" means all paper and wood-pulp
27 products containing in some combination at least 50 percent of its
28 total weight:
29 (1) Postconsumer waste; and
30 (2) Secondary waste,
31 but does not include fibrous waste generated during the
32 manufacturing process such as fibers recovered from wastewater or
33 trimmings of paper machine rolls, wood slabs, chips, sawdust or
34 other wood residue from a manufacturing process.
35 (c) "Secondary waste" means fragments of products or finished
36 products of a manufacturing process  which has converted a virgin
37 resource into a commodity of real economic value.
- 38 **Sec. 3.** The provisions of NRS 354.599 do not apply to any
39 additional expenses of a local government that are related to the
40 provisions of this act.
- 41 **Sec. 4.** This act becomes effective upon passage and approval.

