
ASSEMBLY BILL NO. 539—COMMITTEE ON
GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA ASSOCIATION OF COUNTIES)

MARCH 24, 2003

Referred to Committee on Government Affairs

SUMMARY—Clarifies types of contracts into which members of certain governing bodies may enter with governing body. (BDR 27-169)

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 governmental purchasing; clarifying the types of contracts into which a member of certain governing bodies may enter with the governing body; 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.** NRS 332.155 is hereby amended to read as follows:
2 332.155 1. ~~No~~ *Except as otherwise provided in NRS*
3 *281.230, 281.505 and 281.555, a* member of the governing body
4 may *not* be interested, directly or indirectly, in any contract entered
5 into by the governing body, but the governing body may purchase
6 supplies, not to exceed \$300 in the aggregate in any 1 calendar
7 month from a member of such governing body, when not to do so
8 would be of great inconvenience due to a lack of any other local
9 source.
10 2. An evaluator may not be interested, directly or indirectly, in
11 any contract awarded by such governing body or its authorized
12 representative.



1 3. A member of a governing body who furnishes supplies in
2 the manner permitted by subsection 1 may not vote on the allowance
3 of the claim for such supplies.

4 4. A violation of this section is a misdemeanor and, in the case
5 of a member of a governing body, cause for removal from office.

6 **Sec. 2.** NRS 245.075 is hereby amended to read as follows:

7 245.075 1. Except as otherwise provided in NRS **281.230,**
8 **281.505,** 281.555 ~~§~~ **and 332.155,** it is unlawful for any county
9 officer to be interested in any contract made by him or be a
10 purchaser or be interested in any purchase of a sale made by him in
11 the discharge of his official duties.

12 2. Any contract made in violation of subsection 1 may be
13 declared void at the instance of the county interested or of any other
14 person interested in the contract except the officer prohibited from
15 making or being interested in the contract.

16 3. Any person violating this section, directly or indirectly, is
17 guilty of a gross misdemeanor and shall forfeit his office.

18 **Sec. 3.** NRS 268.384 is hereby amended to read as follows:

19 268.384 1. Except as otherwise provided in NRS **281.230,**
20 **281.505,** 281.555 ~~§~~ **and 332.155,** it is unlawful for any city officer
21 to be interested in any contract made by him, or to be a purchaser or
22 interested, directly or indirectly, in any purchase of a sale made by
23 him in the discharge of his official duties.

24 2. Any person violating this section is guilty of a gross
25 misdemeanor and shall forfeit his office.

26 **Sec. 4.** NRS 281.230 is hereby amended to read as follows:

27 281.230 1. Except as otherwise provided in this section and
28 NRS 218.605, **281.555 and 332.155,** the following persons shall
29 not, in any manner, directly or indirectly, receive any commission,
30 personal profit or compensation of any kind resulting from any
31 contract or other significant transaction in which the employing
32 state, county, municipality, township, district or quasi-municipal
33 corporation is in any way directly interested or affected:

34 (a) State, county, municipal, district and township officers of the
35 State of Nevada;

36 (b) Deputies and employees of state, county, municipal, district
37 and township officers; and

38 (c) Officers and employees of quasi-municipal corporations.

39 2. A member of any board, commission or similar body who is
40 engaged in the profession, occupation or business regulated by the
41 board, commission or body may, in the ordinary course of his
42 business, bid on or enter into a contract with any governmental
43 agency, except the board or commission of which he is a member, if
44 he has not taken part in developing the contract plans or



1 specifications and he will not be personally involved in opening,
2 considering or accepting offers.

3 3. A full- or part-time faculty member or employee of the
4 University and Community College System of Nevada may bid on
5 or enter into a contract with a governmental agency, or may benefit
6 financially or otherwise from a contract between a governmental
7 agency and a private entity, if the contract complies with the
8 policies established by the Board of Regents of the University of
9 Nevada pursuant to NRS 396.255.

10 4. A public officer or employee, other than an officer or
11 employee described in subsection 2 or 3, may bid on or enter into a
12 contract with a governmental agency if the contracting process is
13 controlled by rules of open competitive bidding, the sources of
14 supply are limited, he has not taken part in developing the contract
15 plans or specifications and he will not be personally involved in
16 opening, considering or accepting offers. *If a public officer who is*
17 *authorized to bid on or enter into a contract with a governmental*
18 *agency pursuant to this subsection is a member of the governing*
19 *body of the agency, the public officer, pursuant to the*
20 *requirements of NRS 281.501, shall disclose his interest in the*
21 *contract and shall not vote on or advocate the approval of*
22 *the contract.*


23 5. A person who violates any of the provisions of this section
24 shall be punished as provided in NRS 197.230 and:

25 (a) Where the commission, personal profit or compensation is
26 \$250 or more, for a category D felony as provided in NRS 193.130.

27 (b) Where the commission, personal profit or compensation is
28 less than \$250, for a misdemeanor.

29 6. A person who violates the provisions of this section shall
30 pay any commission, personal profit or compensation resulting from
31 the contract or transaction to the employing state, county,
32 municipality, township, district or quasi-municipal corporation as
33 restitution.

34 **Sec. 5.** NRS 281.505 is hereby amended to read as follows:

35 281.505 1. Except as otherwise provided in this section 
36 *and NRS 281.555 and 332.155*, a public officer or employee shall
37 not bid on or enter into a contract between a governmental agency
38 and any private business in which he has a significant pecuniary
39 interest.

40 2. A member of any board, commission or similar body who is
41 engaged in the profession, occupation or business regulated by such
42 board or commission, may, in the ordinary course of his business,
43 bid on or enter into a contract with any governmental agency, except
44 the board, commission or body of which he is a member, if he has
45 not taken part in developing the contract plans or specifications and



1 he will not be personally involved in opening, considering or
2 accepting offers.

3 3. A full- or part-time faculty member or employee of the
4 University and Community College System of Nevada may bid on
5 or enter into a contract with a governmental agency, or may benefit
6 financially or otherwise from a contract between a governmental
7 agency and a private entity, if the contract complies with the
8 policies established by the Board of Regents of the University of
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10 4. A public officer or employee, other than an officer or
11 employee described in subsection 2 or 3, may bid on or enter into a
12 contract with a governmental agency if the contracting process is
13 controlled by rules of open competitive bidding, the sources of
14 supply are limited, he has not taken part in developing the contract
15 plans or specifications and he will not be personally involved in
16 opening, considering or accepting offers. *If a public officer who is
17 authorized to bid on or enter into a contract with a governmental
18 agency pursuant to this subsection is a member of the governing
19 body of the agency, the public officer, pursuant to the
20 requirements of NRS 281.501, shall disclose his interest in the
21 contract and shall not vote on or advocate the approval of
22 the contract.*

23 **Sec. 6.** This act becomes effective upon passage and approval.

