

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—Makes various changes concerning 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; increasing the maximum dollar amount of supplies that a governing body may purchase each month from a member of the body in certain circumstances; 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. ~~Not~~ *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]~~ *\$1,500* in the aggregate in any 1  
7     calendar month from a member of such governing body, when not  
8     to do so would be of great inconvenience due to a lack of any other  
9     local source.



\* A B 5 3 9 R 1 \*

1 2. An evaluator may not be interested, directly or indirectly, in  
2 any contract awarded by such governing body or its authorized  
3 representative.

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

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

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

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

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

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

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

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

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

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

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

37 (a) State, county, municipal, district and township officers of the  
38 State of Nevada;

39 (b) Deputies and employees of state, county, municipal, district  
40 and township officers; and

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

42 2. A member of any board, commission or similar body who is  
43 engaged in the profession, occupation or business regulated by the  
44 board, commission or body may, in the ordinary course of his  
45 business, bid on or enter into a contract with any governmental



1 agency, except the board or commission of which he is a member, if  
2 he has not taken part in developing the contract plans or  
3 specifications and he will not be personally involved in opening,  
4 considering or accepting offers.

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

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

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

27 (a) Where the commission, personal profit or compensation is  
28 \$250 or more, for a category D felony as provided in NRS 193.130.

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

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

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

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

42 2. A member of any board, commission or similar body who is  
43 engaged in the profession, occupation or business regulated by such  
44 board or commission, may, in the ordinary course of his business,  
45 bid on or enter into a contract with any governmental agency, except



1 the board, commission or body of which he is a member, if he has  
2 not taken part in developing the contract plans or specifications and  
3 he will not be personally involved in opening, considering or  
4 accepting offers.

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

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

