

ASSEMBLY BILL NO. 639—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF DOUGLAS COUNTY)

MARCH 22, 1999

Referred to Committee on Government Affairs

SUMMARY—Revises provisions regarding advertisement of contracts and solicitation of bids for purchases by certain local governments. (BDR 27-591)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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

AN ACT relating to purchasing by local governments; increasing under certain circumstances the threshold for the size of a contract that is subject to the requirements concerning the advertisement of contracts and solicitation of bids; and providing other matters properly relating thereto.

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

Section 1. Chapter 332 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided by specific statute:

(a) If a local government that is located in a county whose population is less than 100,000 has annual appropriated expenditures of \$1,000,000 or more, the governing body of the local government or its authorized representative shall advertise all contracts for which the estimated amount required to perform the contract exceeds \$25,000.

(b) Such a governing body or its authorized representative may enter into a contract of any nature without advertising if the estimated amount required to perform the contract is \$25,000 or less.

(c) If the estimated amount required to perform the contract is more than \$5,000 but not more than \$25,000, requests for bids must be submitted to two or more persons capable of performing the contract, if available. The governing body or its authorized representative shall maintain a record of all requests for bids and all bids received for the

1 *contract for at least 7 years after the date on which the contract was*
2 *executed.*

3 *(d) If the governing body or its authorized representative intends to*
4 *award a contract for which the estimated amount required to perform the*
5 *contract is more than \$10,000 but not more than \$25,000, the governing*
6 *body or its authorized representative shall publish a notice that sets forth:*

7 *(1) The date on which the contract may be awarded;*

8 *(2) The estimated amount for which the contract may be awarded;*

9 *(3) The general purpose for which the contract may be awarded;*

10 *and*

11 *(4) Information regarding the manner in which a contractor may*
12 *have his name placed on a list maintained by the local government of*
13 *properly licensed contractors who are interested in receiving offers from*
14 *the local government to bid on contracts.*

15 *2. Nothing in this section prohibits a governing body or its*
16 *authorized representative from advertising for or requesting bids*
17 *regardless of the estimated amount to perform the contract.*

18 **Sec. 2.** NRS 332.035 is hereby amended to read as follows:

19 332.035 1. Except as otherwise provided by specific statute:

20 (a) ~~If a governing body or its authorized representative~~ *If a local*
21 *government that is located* in a county whose population is less than
22 100,000 *has annual appropriated expenditures of less than \$1,000,000,*
23 *the governing body of the local government or its authorized*
24 *representative* shall advertise all contracts for which the estimated amount
25 required to perform the contract exceeds \$10,000.

26 (b) Such a governing body or its authorized representative may enter
27 into a contract of any nature without advertising if the estimated amount
28 required to perform the contract is \$10,000 or less.

29 (c) If the estimated amount required to perform the contract is more than
30 \$5,000 but not more than \$10,000, requests for bids must be submitted to
31 two or more persons capable of performing the contract, if available. The
32 governing body or its authorized representative shall maintain a permanent
33 record of all requests for bids and all bids received.

34 2. Nothing in this section prohibits a governing body or its authorized
35 representative from advertising for or requesting bids regardless of the
36 estimated amount to perform the contract.

37 **Sec. 3.** NRS 332.045 is hereby amended to read as follows:

38 332.045 1. The advertisement required by paragraph (a) of
39 subsection 1 of NRS 332.035 and NRS 332.039 *and section 1 of this act*
40 must be published at least once and not less than 7 days before the opening
41 of bids. The advertisement must be by notice to bid, and must be published
42 in a newspaper published and having general circulation within the county
43 wherein the local government, or a major portion thereof, is situated. If no

1 such newspaper is published in the county, then publication must be in any
2 newspaper published in the state having general circulation in the county.

3 2. The notice must state:

4 (a) The nature, character or object of the contract.

5 (b) If plans and specifications are to constitute part of the contract,
6 where the plans and specifications may be seen.

7 (c) The time and place where bids will be received and opened.

8 (d) Such other matters as may properly pertain to giving notice to bid.

9 **Sec. 4.** This act becomes effective on July 1, 1999.

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