## SENATE BILL NO. 139-COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF PURCHASING DIVISION)

FEBRUARY 8, 1999

## Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to transfer and sale of surplus property of state agencies. (BDR 27-433)

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 [omitted material] is material to be omitted.

AN ACT relating to state property; authorizing the chief of the purchasing division of the department of administration to transfer, upon request, any surplus supplies, materials or equipment of a state agency to another state agency without cost to the requesting state agency; authorizing the chief of the purchasing division to sell surplus supplies, materials or equipment of state agencies under 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:

- Section 1. Chapter 333 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The chief may donate commodities, supplies, materials and equipment that he determines have reached the end of their useful lives to any organization described in NRS 372.3261.
  - 2. If the chief donates such commodities to a tax-supported or nonprofit school or other health or educational institution pursuant to subsection 1, the provisions of subsection 2 of NRS 333.124 do not apply.
- 9 **Sec. 2.** NRS 333.124 is hereby amended to read as follows:
- 10 333.124 1. The donated commodities account is hereby created in the
- state general fund for the use of the chief in acquiring commodities donated
- by the Federal Government and its agencies and to purchase and distribute
- 13 nutritious food in accordance with NRS 333.225.

- 2. [If] Except as otherwise provided in section 1 of this act, if a tax-supported or nonprofit school or other health or educational institution receives a donated commodity secured through the purchasing division, the chief shall charge the school or institution a fee in an amount sufficient to repay part or all of the cost of transportation and other costs incurred in acquiring the commodity.
- 3. All money received by the chief pursuant to this section must be deposited in the state treasury for credit to the donated commodities account. The interest and income earned on the money in the account must be credited to the account.
- 4. Costs of freight, storage, handling charges and other administrative expenses, including compensation of purchasing division personnel, incidental to the acquisition of the donated commodities and the administration of the supplemental food program may be paid from the donated commodities account.
  - **Sec. 3.** NRS 334.040 is hereby amended to read as follows:

- 334.040 1. The [products or any article of any state institution not required for its own consumption or use may be sold by the official in charge of such institution at its reasonable market value, and the proceeds of such sale shall be deposited in the fund or appropriation for the support of such institution and not in the general fund.
- 2. If any state institution disposes of any of its products or any article not required by it to any other state institution, the state institution selling the same shall present a claim for the agreed sale price against the institution purchasing the same, which shall be certified by the proper officer of the purchasing institution. After approval by the state board of examiners, the state controller shall draw his warrant in favor of the fund or appropriation for the support of the selling institution, and the official in charge of the selling institution is authorized to receipt for the warrant. Upon its presentation the state treasurer shall transfer the amount of the warrant to such fund or appropriation and not to the general fund.] chief of the purchasing division of the department of administration may, upon the request of a state agency, transfer any surplus supplies, materials or equipment of another state agency to the requesting state agency without cost to the requesting state agency.
- 2. The chief of the purchasing division may sell any surplus supplies, materials or equipment which is not transferred to a state agency pursuant to the provisions of subsection 1. Unless otherwise authorized by the director of the department of administration, the proceeds of the sale must be deposited in the fund from which the money to purchase the supplies, materials or equipment was expended.

**Sec. 4.** This act becomes effective upon passage and approval.

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