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BILL: SB 32 Makes various changes regarding Task Force for the Fund for a Healthy Nevada.

NEVADA DEPARTMENT OF HUMAN RESOURCES, DIRECTOR'S OFFICE

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Good afternoon Chairman Koivisto and members of the Health and Human Services Committee. I am Laura Hale, Management Analyst for the Department of Human Resources, Director's Office, and Grants Administrator for the Fund for a Healthy Nevada. I am here to support SB 32, which would allow the use of grant agreements rather than contracts for allocation of grant funds. The bill would also revise statute language to be consistent with the practice of biennial application cycles.

Currently, we are advised by the Attorney General's office to set up contracts for all grantees awarded through the Fund for a Healthy Nevada. Because there is no specific guidance in Nevada Revised Statutes or in the State Administrative Manual for awarding of state funds, the contracting procedure is a default mechanism to ensure appropriate checks and balances. However, the contract language is intended for independent contractors who are providing direct services to the state, rather than for grantees providing services to the general public. This creates legal concerns for our grantees that can cause considerable processing delays.

In addition to the legal concerns with the contract language, the practical implementation of contracts extends the processing time by six to eight weeks, adding significant burden for staff and possibly delaying services to the community.

We believe the non-contracting procedures already in place provide proper checks and balances. The grants are recommended by the Task Force for the Fund for a Healthy Nevada, through public hearings; the funding of grants is achieved in accordance with the Department's internal control procedures; and the State Treasurer's Office releases funds for reimbursement of grantee expenditures. In addition, NRS 439.630 requires that any recommendations for funding of state entities must be approved by the Interim Finance Committee.

ASSEMBLY HEALTH AND HUMAN SERVICES

DATE: 03/03/03 ROOM: 3138 EXHIBIT F

SUBMITTED BY: Laura Hale