

ASSEMBLY BILL NO. 60—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF CLARK COUNTY)

PREFILED FEBRUARY 2, 2007

Referred to Committee on Health and Human Services

SUMMARY—Makes various changes regarding purchases by
county hospitals. (BDR 40-351)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

~

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

AN ACT relating to county hospitals; revising provision authorizing
county hospitals, in certain circumstances, to make
purchases without complying with certain statutory
competitive bidding requirements; authorizing the
governing body of each county hospital to negotiate
directly with selected vendors; providing that certain
documents relating to such purchases are public records
and requiring the documents to be kept on file at each
county hospital; and providing other matters properly
relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes county hospitals, under certain circumstances, to
2 purchase supplies, materials and equipment without complying with certain
3 statutory requirements for competitive bidding. (NRS 450.530) This bill repeals
4 certain provisions requiring the prices obtained for such purchases to be obtained
5 through a process of competitive bidding. This bill authorizes county hospitals to
6 make such purchases if the purchase price was obtained through competitive
7 bidding when contracts are awarded to the lowest bidder, or a request for proposals
8 when contracts are awarded to the vendor offering the best value. Additionally, this
9 bill authorizes a county hospital to negotiate lower prices with the vendor
10 determined to have offered the lowest price. Finally, this bill provides that certain
11 documents created pursuant to the provisions of this act are public records and must
12 be kept on file with each county hospital for at least 5 years.



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

Section 1. NRS 450.530 is hereby amended to read as follows:

450.530 ~~[A]~~

1. Except as otherwise provided in subsection 2, a county hospital that is authorized pursuant to NRS 450.191 or 450.525 to purchase supplies, materials and equipment in accordance with this section through the purchasing contracts of the company that manages the hospital or through a purchasing group may purchase the supplies, materials and equipment without complying with the requirements for competitive bidding set forth in chapter 332 of NRS if:

~~[(1)]~~ **(a) The company that manages the hospital or the purchasing group:**

(1) Obtains the price for the proposed purchase through a competitive process; and

(2) Provides the governing body of the county hospital or its authorized representative with documents pertaining to the proposed purchase, including, without limitation, ~~[the] a written summary of the lowest prices for the proposed purchase that are~~ available to the company or purchasing group, ~~[are summarized in writing and, together with a sworn]~~ the names of the vendors that are offering those prices for the proposed purchases and a written statement by an officer or agent of the company or purchasing group that the prices were obtained by the company or purchasing group through a ~~[process of competitive bidding, are presented to the governing body of the county hospital at its next regularly scheduled meeting; and~~

~~—2.] competitive process; and~~

(b) The governing body ~~[(1)]~~ or its authorized representative, after reviewing the summary and statement ~~[(, finds that the)]~~ :

(1) Finds that:

(I) If the price for the proposed purchase ~~[will be made at a lower price than the lowest price reasonably obtainable by the hospital through]~~ was obtained through a process of competitive bidding ~~[pursuant to chapter 332 of NRS or available to the hospital pursuant to NRS 333.470 and approves]~~ , the price for the proposed purchase is the lowest price available to the company or purchasing group; or

(II) If the price for the proposed purchase was obtained through a request for proposals, the price for the proposed purchase represents the best value available to the company or purchasing group; and



1 (2) Approves the proposed purchase.

2 2. If the company that manages the county hospital or the
3 purchasing group obtained the price for a proposed purchase
4 through a process of competitive bidding, the governing body of
5 the county hospital or its authorized representative may:

6 (a) Negotiate directly with the vendor offering the lowest price
7 for the proposed purchase to the company or purchasing group;
8 and

9 (b) If, as a result of the negotiations conducted pursuant to
10 paragraph (a), the vendor offers to supply the proposed purchase
11 for a price that is lower than the price the vendor made available
12 to the company or purchasing group for the proposed purchase,
13 approve the proposed purchase directly from that vendor.

14 3. Except for any document that contains proprietary
15 information, any document created as a result of the purchase of
16 supplies, materials or equipment pursuant to subsection 1 or 2 is a
17 public record and must be kept on file by the county hospital for
18 not less than 5 years.

19 4. As used in this section:

20 (a) "Best value" has the meaning ascribed to it in
21 NRS 333.020.

22 (b) "Competitive process" means a process of competitive
23 bidding or a process of a request for proposals.

24 (c) "Proprietary information" has the meaning ascribed to it
25 in NRS 333.020.

26 (d) "Request for proposals" has the meaning ascribed to it in
27 NRS 333.020.

28 Sec. 2. This act becomes effective on July 1, 2007.

