

SENATE BILL NO. 137—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF WASHOE COUNTY)

FEBRUARY 21, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to local governmental purchasing. (BDR 27-365)

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 local governmental purchasing; increasing the monetary thresholds at which local governmental purchasing contracts must be advertised or put out to bid; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a local government is required to advertise a purchasing contract if the estimated cost to perform the contract exceeds \$25,000. (NRS 332.039) Local governmental purchasing contracts that are required to be advertised must be published, and a person who submits a bid on such a contract may protest the awarding of the contract. (NRS 332.045, 332.068) This bill requires a local government to advertise a purchasing contract if the estimated annual cost required to perform the contract exceeds \$50,000.

Under existing law, if the estimated cost to perform a local governmental purchasing contract is more than \$10,000 but not more than \$25,000, the local government is not required to advertise the contract but is required to submit requests for bids to at least two persons capable of performing the contract, if available. (NRS 332.039) This bill raises the applicable range of estimated costs so that a local government is required to submit such a request for bids in connection with a purchasing contract if the estimated annual cost to perform the contract is more than \$25,000 but not more than \$50,000.

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

Section 1. NRS 332.039 is hereby amended to read as follows:
332.039 1. Except as otherwise provided by specific statute:



(a) A governing body or its authorized representative shall advertise all contracts for which the estimated **annual** amount required to perform the contract exceeds ~~[\$25,000.]~~ **\$50,000.**

(b) A governing body or its authorized representative may enter into a contract of any nature without advertising if the estimated **annual** amount required to perform the contract is ~~[\$25,000]~~ **\$50,000** or less.

(c) If the estimated **annual** amount required to perform the contract is more than ~~[\$10,000]~~ **\$25,000** but not more than ~~[\$25,000,]~~ **\$50,000**, requests for bids must be submitted or caused to be submitted by the governing body or its authorized representative 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 contract for at least 7 years after the date of execution of the contract.

2. This section does not prohibit a governing body or its authorized representative from advertising for or requesting bids regardless of the estimated **annual** amount **required** to perform the contract.

Sec. 2. This act becomes effective upon passage and approval.

