

SENATE BILL NO. 140—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DEPARTMENT OF
EMPLOYMENT, TRAINING AND REHABILITATION)

FEBRUARY 21, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations. (BDR 27-609)

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 purchasing; requiring organizations that wish to participate in the Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations to register with and submit quarterly reports to the Rehabilitation Division of the Department of Employment, Training and Rehabilitation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Rehabilitation Division of the Department of Employment, Training and Rehabilitation to establish a Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations. (NRS 334.025) Existing law also authorizes an exception to the competitive bidding process for purchasing by the State and by local governments from organizations and agencies whose primary purpose is the training and employment of persons with mental or physical disabilities. (NRS 332.117, 333.375) **Sections 1-3** of this bill require organizations that wish to participate in the Program and qualify for the exemption to the competitive bidding process to register with, and to submit quarterly reports to, the Rehabilitation Division.

Section 4 of this bill requires the Administrator of the Division to review the registration and reporting requirements imposed by this bill and to report on that review to the 75th Session of the Nevada Legislature.

Section 5 of this bill repeals the expiration of section 14 of chapter 377, Statutes of Nevada 2005, at page 1445. Thus, the changes made by section 14 of that chapter of Statutes of Nevada to NRS 334.025 will no longer expire by



* S B 1 4 0 R 1 *

17 limitation on June 30, 2013, and the Program will continue to be administered by
18 the Division instead of a Committee on Employment of Persons with Disabilities
19 created by the Governor.

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

1 **Section 1.** NRS 332.117 is hereby amended to read as follows:
2 332.117 1. ~~[A]~~ *In accordance with the Program to*
3 *Encourage and Facilitate Purchases by Agencies of Commodities*
4 *and Services From Organizations established pursuant to NRS*
5 *334.025, a* governing body of a local government or its authorized
6 representative may award, without complying with the requirements
7 for competitive bidding set forth in this chapter, a contract for
8 services or for the purchase of supplies, materials, equipment or
9 labor to an organization or agency whose primary purpose is the
10 training and employment of persons with a mental or physical
11 disability, including, without limitation, a community-based training
12 center for the care and training of mentally and functionally retarded
13 persons described in chapter 435 of NRS.

14 2. An organization or agency that ~~[wishes]~~ :

15 (a) ~~Wishes~~ to submit a bid for such a contract must ~~[establish]~~ :

16 (1) *Register with the Rehabilitation Division of the*
17 *Department of Employment, Training and Rehabilitation as*
18 *required pursuant to NRS 334.025; and*

19 (2) *Establish* a fair-market price for those services, supplies,
20 materials, equipment or labor by conducting a market survey and
21 must include the survey with the bid submitted to the local
22 government.

23 (b) *Is awarded such a contract must report quarterly to the*
24 *Rehabilitation Division as required pursuant to NRS 334.025.*

25 **Sec. 2.** NRS 333.375 is hereby amended to read as follows:

26 333.375 1. The provisions of NRS 331.100 notwithstanding,
27 *and in accordance with the Program to Encourage and Facilitate*
28 *Purchases by Agencies of Commodities and Services From*
29 *Organizations established pursuant to NRS 334.025, the*
30 Purchasing Division may award without accepting competitive bids
31 a contract for services or the purchase of commodities to
32 organizations or agencies whose primary purpose is the training and
33 employment of persons with a mental or physical disability,
34 including, without limitation, a community-based training center for
35 the care and training of mentally and functionally retarded persons
36 described in chapter 435 of NRS.

37 2. An organization or agency that ~~[wishes]~~ :

38 (a) ~~Wishes~~ to submit a bid for such a contract must ~~[establish]~~ :



* S B 1 4 0 R 1 *

(1) Register with the Rehabilitation Division of the Department of Employment, Training and Rehabilitation as required pursuant to NRS 334.025; and

(2) Establish a fair-market price for those services or commodities by conducting a market survey and must include the survey with the bid submitted to the Purchasing Division.

(b) Is awarded such a contract must report quarterly to the Rehabilitation Division as required pursuant to NRS 334.025.

Sec. 3. NRS 334.025 is hereby amended to read as follows:

334.025 1. The Rehabilitation Division of the Department of Employment, Training and Rehabilitation shall establish and administer a Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations.

2. The Program may include:

(a) A method for assisting an agency that wishes to purchase commodities or services from an organization to locate such commodities and services that meet the needs of the agency;

(b) A method for assisting an organization to locate an agency that wishes to purchase commodities or services from organizations;

(c) A method for encouraging agencies to purchase commodities and services from organizations;

(d) A method to review objections to an award of a contract to an organization, which method must be limited to a review of the process used for awarding the contract to ensure that the appropriate procedures were followed in awarding the contract;

(e) The establishment of a percentage, not to exceed 4 percent, of the full amount of payment to an organization which is awarded a contract for all commodities and services to be provided to the agency pursuant to the contract that is sufficient to pay the cost to the Rehabilitation Division of establishing and administering the Program; and

(f) A method for collecting information from an agency in a report to the Rehabilitation Division, which report may include, without limitation:

(1) The number of persons currently employed at the agency who are mentally or physically disabled; and

(2) The number of contracts the agency has entered into pursuant to the Program which are currently in effect and a list of the organizations with which the agency has entered such contracts.

3. An organization that wishes to participate in the Program must register with the Rehabilitation Division on a form prescribed by the Administrator before contacting any agency concerning entering into a contract pursuant to the Program.

4. In administering the Program, the Rehabilitation Division shall, upon request of an agency or organization, assist the agency or



1 organization in establishing a contract for the purchase of
2 commodities or services.

3 ~~[4.]~~ 5. A contract entered into pursuant to the Program must
4 provide for a payment to the Rehabilitation Division in an amount
5 equal to the full amount of payment to the organization for all
6 commodities and services to be provided to the agency pursuant to
7 the contract multiplied by the percentage established pursuant to
8 paragraph (e) of subsection 2.

9 ~~[5.]~~ 6. *An organization that has entered into a contract with
10 an agency pursuant to the Program shall report quarterly to the
11 Rehabilitation Division, on a form prescribed by the
12 Administrator, such information as the Rehabilitation Division
13 deems necessary to administer the Program.*

14 7. *The Administrator may adopt regulations to carry out the
15 provisions of this section.*

16 8. As used in this section:

17 (a) *“Administrator” means the Administrator of the
18 Rehabilitation Division of the Department of Employment,
19 Training and Rehabilitation.*

20 (b) *“Agency” means a local government as defined in NRS
21 332.015 and using agencies as defined in NRS 333.020.*

22 ~~[(b)]~~ (c) *“Organization” means an organization whose primary
23 purpose is the training and employment of mentally or physically
24 disabled persons, including, without limitation, community-based
25 training centers for the care and training of mentally and
26 functionally retarded persons described in chapter 435 of NRS.*

27 **Sec. 4.** 1. The Administrator of the Rehabilitation Division
28 of the Department of Employment, Training and Rehabilitation shall
29 review the registration and reporting requirements imposed by the
30 amendatory provisions of this act.

31 2. The Administrator shall prepare a report summarizing the
32 review and submit the report by July 1, 2008, to the Director of the
33 Legislative Counsel Bureau for transmittal to the Legislative
34 Commission and to the 75th Session of the Nevada Legislature. The
35 report must be made available to the general public.

36 **Sec. 5.** Section 18 of Chapter 377, Statutes of Nevada 2005, at
37 page 1445, is hereby amended to read as follows:

38 Sec. 18. 1. This section and sections 1 to ~~[4.]~~ 13,
39 inclusive, and 17 of this act become effective upon passage
40 and approval and expire by limitation on June 30, 2013.

41 2. *Section 14 of this act becomes effective upon
42 passage and approval.*

43 3. Section 16 of this act becomes effective on July 1,
44 2005.



* S B 1 4 0 R 1 *

- 1 ~~3.~~ 4. Section 15 of this act becomes effective on
- 2 July 1, 2007, and expires by limitation on June 30, 2013.
- 3 **Sec. 6.** This act becomes effective upon passage and approval.

