

Amendment No. 1148

Senate Amendment to Senate Bill No. 387 First Reprint	(BDR 28-904)
Proposed by: Senate Committee on Finance	
Amendment Box: Replaces Amendment No. 1115	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) **green bold** is newly added transitory language.

TMC



Date: 6/3/2007

S.B. No. 387—Revises various provisions governing public works and the State Public Works Board. (BDR 28-904)



SENATE BILL NO. 387—SENATORS RAGGIO, TOWNSEND, CEGAVSKE, HECK, BEERS, AMODEI, COFFIN, HARDY, HORSFORD, LEE, MATHEWS, MCGINNESS, NOLAN, RHOADS, SCHNEIDER, TITUS, WASHINGTON, WIENER AND WOODHOUSE

MARCH 19, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises various provisions governing public works and the State Public Works Board. (BDR 28-904)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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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 public works; revising the membership of the State Public Works Board; revising the duties of the Manager appointed by the Board; providing for the appointment by the Board of a deputy manager for compliance and code enforcement; revising the order in which money received by the Board for a capital improvement project must be expended; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the State Public Works Board consists of the Director of the Department of Administration and six members appointed by the Governor. (NRS 341.020) **Section 12** of this bill provides for the abolishment of the current Board, and **section 1.5** of this bill provides for the appointment of a new Board consisting of five members appointed by the Governor, one member appointed by the Majority Leader of the Senate and one member appointed by the Speaker of the Assembly. Each member serves at the pleasure of the appointing authority. **Section 3** of this bill clarifies that members and employees of the Board are entitled to receive per diem allowances and travel expenses to the extent money is available for such payments. (NRS 341.050)

Sections 4, 7 and 8 of this bill clarify that the approval required for expenditure of money for advanced planning and changes in the scope of a project is to be obtained from the Interim Finance Committee before money is committed or other action is taken. (NRS 341.090, 341.142, 341.145) **Section 10** of this bill authorizes the Interim Finance Committee to appoint a subcommittee to ~~approve~~ review certain matters of the Board that require prior approval of the Committee. (NRS 218.6827)

Under existing law, the Board may appoint a Manager who, with the approval of the Board, is authorized to appoint two deputy managers. (NRS 341.100) **Section 5** of this bill requires the Board to appoint a Manager and a deputy manager for compliance and code enforcement, each of whom must be approved by the Governor. (NRS 341.100) **Section 5** also requires the Manager, with the approval of the Board, to appoint certain deputy managers. Additionally, **section 5** revises the recipients of and expands the information that must be included in monthly reports by the Manager concerning progress on current public

works projects. **Section 5** also transfers the duty to serve as the state building official from the Manager to the deputy manager for compliance and code enforcement. **Sections 5 and 8** transfer final authority to approve the architecture of state buildings, plans, designs, types of construction, major repairs and designs of landscaping from the Board to the Manager. (NRS 341.100, 341.145)

Section 8 of this bill revises the authority of the Board concerning the negotiation of revised bids on certain contracts and change orders. (NRS 341.145) **Section 9** of this bill revises the order in which money from multiple sources must be expended on public works projects. (NRS 341.146)

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

Section 1. NRS 338.140 is hereby amended to read as follows:

338.140 1. A public body shall not draft or cause to be drafted specifications for bids, in connection with a public work:

(a) In such a manner as to limit the bidding, directly or indirectly, to any one specific concern.

(b) Except in those instances where the product is designated to match others in use on a particular public improvement either completed or in the course of completion, calling for a designated material, product, thing or service by specific brand or trade name unless the specification lists at least two brands or trade names of comparable quality or utility and is followed by the words "or equal" so that bidders may furnish any equal material, product, thing or service.

(c) In such a manner as to hold the bidder to whom such contract is awarded responsible for extra costs incurred as a result of errors or omissions by the public body in the contract documents.

(d) ~~Has~~ Except as otherwise provided in subsection 2, in such a manner as to require a bidder to furnish to the public body, whether before or after the bid is submitted, documents generated in the preparation or determination of prices included in the bid, except when requested by the public body for:

(1) A determination of the price of additional work performed pursuant to a change order;

(2) An evaluation of claims for costs incurred for the performance of additional work;

(3) Preparation for arbitration or litigation;

(4) A determination of the validity of the protest of a bid;

(5) A determination of the validity of an increase or decrease in the price of a contract in accordance with a provision in the contract which authorizes such an increase or decrease to correspond to changing market conditions; or

(6) Any combination thereof.

~~["A document furnished to a public body pursuant to this paragraph is confidential and must be returned to the bidder."]~~

2. A public body may, at the time a bid is submitted, require documents generated in the preparation or determination of prices included in the bid to be transmitted to and stored electronically by the public body or a third party. Any document furnished [to a public body] by a bidder pursuant to this [paragraph] subsection may be transmitted and stored electronically if the manner of transmission ensures that the documents are exclusively accessible to the bidder. Electronic transmission and storage of such documents does not waive or otherwise affect the proprietary interests of the bidder in the documents.

~~2. }, except that the third party or the bidder must release any document furnished pursuant to this subsection if requested by the public body pursuant to paragraph (d) of subsection 1.~~

3. In those cases involving a unique or novel product application required to be used in the public interest, or where only one brand or trade name is known to the public body, it may list only one.

~~3.4.~~ 4. Specifications must provide a period of time of at least 7 days after award of the contract for submission of data substantiating a request for a substitution of "an equal" item.

~~Section 1.1~~ Sec. 1.5. NRS 341.020 is hereby amended to read as follows:

341.020 1. The State Public Works Board ~~[, consisting of the Director of the Department of Administration and six members appointed by the Governor.]~~ is hereby created. ~~[within the Department of Administration-~~

~~2. At least one of the appointed members must have a comprehensive knowledge of the principles of administration and at least one of the appointed members must have a working knowledge of the principles of engineering or architecture.]~~

2. The Board consists of seven members appointed as follows:

(a) The Governor shall appoint:

(1) One member who has education or experience, or both, regarding the principles of engineering or architecture;

(2) One member who has education or experience, or both, regarding the principles of financing or managing public or private construction projects;

(3) One member who is licensed to practice law in this State and who has experience in the practice of construction law; and

(4) Two members who are licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.

(b) The Majority Leader of the Senate shall appoint one member who is licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.

(c) The Speaker of the Assembly shall appoint one member who is licensed in this State as a general building contractor or general engineering contractor pursuant to chapter 624 of NRS.

3. Each member of the Board serves at the pleasure of the appointing authority.

4. A vacancy on the Board must be filled by the appointing authority in the same manner as the original appointment.

Sec. 2. NRS 341.041 is hereby amended to read as follows:

341.041 1. If ~~[an appointed]~~ a member of the Board fails to attend three successive meetings of the Board, the Board shall ~~[notify the Governor]~~ provide notice of that fact, in writing, to the appointing authority who appointed that member.

2. The notice must be provided to the appointing authority within 5 days after the third successive meeting that the member fails to attend.

3. Upon receipt of the notice, the ~~[Governor]~~ appointing authority may appoint a person to replace the member ~~[for the unexpired term of that member.]~~ in the same manner as filling a vacancy on the Board.

Sec. 3. NRS 341.050 is hereby amended to read as follows:

341.050 1. Each member of the Board is entitled to receive a salary of not more than \$80 per day, as fixed by the Board, while engaged in the business of the Board.

2. ~~[While]~~ Except as otherwise provided in this subsection, while engaged in the business of the Board, each member and employee of the Board is entitled to

1 receive the per diem allowance and travel expenses provided for state officers and
2 employees generally. The per diem allowances and travel expenses must be paid
3 from money appropriated for the use of the Board ~~[H]~~, *to the extent such money is*
4 *available.*

5 **Sec. 4.** NRS 341.090 is hereby amended to read as follows:

6 341.090 1. Except as *otherwise* provided in subsections 2 and 3, the Board
7 may make expenditures necessary to carry into effect the purposes of its acts.

8 2. All expenditures made by the Board must be within the limits of the
9 appropriation provided for the use of the Board, or provided from money
10 appropriated or authorized for expenditure by the Legislature for construction work
11 or major repairs.

12 3. The Board may, with the *prior* approval of the Interim Finance Committee
13 ~~, [when the Legislature is not in regular or special session, or with the approval of~~
14 ~~the Legislature by concurrent resolution when the Legislature is in regular or~~
15 ~~special session.]~~ expend money obtained from any source for advance planning of
16 projects of capital improvement. For the purposes of this subsection, "advance
17 planning" means the preparation of floor plans, cross sections, elevations, outlines
18 of specifications, estimates of cost by category of work and perspective renderings
19 of the project.

20 **Sec. 5.** NRS 341.100 is hereby amended to read as follows:

21 341.100 1. The Board ~~[may]~~ *shall* appoint a Manager ~~[who]~~ *and a deputy*
22 *manager for compliance and code enforcement, each of whom must be approved*
23 *by the Governor. The Manager [serves] and the deputy manager for compliance*
24 *and code enforcement serve* at the pleasure of the Board and the Governor. ~~[The~~
25 ~~Board or the Governor may remove the Manager for inefficiency, neglect of duty,~~
26 ~~malfeasance or for other just cause.]~~

27 2. The Manager, with the approval of the Board, ~~[may]~~ *shall* appoint : ~~[a]~~

28 (a) *A deputy manager* for professional services ~~[and a]~~; *and*

29 (b) *A deputy manager* for administrative, fiscal and constructional services. ~~[In~~
30 ~~addition, the]~~
31 *↪ Each deputy manager appointed pursuant to this subsection serves at the*
32 *pleasure of the Manager.*

33 3. The Manager may appoint such other technical and clerical assistants as
34 may be necessary to carry into effect the provisions of this chapter.

35 ~~[3.]~~ 4. The Manager and ~~[his deputies]~~ *each deputy manager* are in the
36 unclassified service of the State. Except as otherwise provided in NRS 284.143, the
37 Manager and each deputy *manager* shall devote his entire time and attention to
38 the business of his office and shall not pursue any other business or occupation or
39 hold any other office of profit.

40 ~~[4.]~~ 5. The Manager and ~~[his]~~ *the* deputy *manager* for professional services
41 must each be a licensed professional engineer pursuant to the provisions of chapter
42 625 of NRS or an architect registered pursuant to the provisions of chapter 623 of
43 NRS.

44 6. The deputy manager for administrative, fiscal and constructional services
45 must have a comprehensive knowledge of *the* principles of administration and a
46 working knowledge of *the* principles of engineering or architecture as determined
47 by the Board.

48 ~~[5.]~~ 7. *The deputy manager for compliance and code enforcement must*
49 *have a comprehensive knowledge of building codes and a working knowledge of*
50 *the principles of engineering or architecture as determined by the Board.*

51 8. The Manager shall:

52 (a) Serve as the Secretary of the Board.

53 (b) Manage the daily affairs of the Board.

(c) Represent the Board before the Legislature.

(d) Prepare and submit to the Board, for its approval, the recommended priority for proposed capital improvement projects and provide the Board with an estimate of the cost of each project.

(e) Make recommendations to the Board for the selection of architects, engineers and contractors.

(f) Make recommendations to the Board concerning the acceptance of completed projects.

(g) ~~{Advise}~~ *Submit in writing to the Board , the Governor and the {Legislature, or the} Interim Finance Committee {if the Legislature is not in session, on}* a monthly ~~{basis of the progress of}~~ *report regarding* all public works projects which are a part of the approved capital improvement program.

~~{(h) Serve}~~ *For each such project, the monthly report must include, without limitation, a detailed description of the progress of the project which highlights any specific events, circumstances or factors that may result in:*

(1) Changes in the scope of the design or construction of the project or any substantial component of the project which increase or decrease the total {awarded contract price} square footage or cost of the project by {15} 10 percent or more ; for \$200,000 or more, whichever is greater.}

(2) Increased or unexpected costs in the design or construction of the project or any substantial component of the project which materially affect the project;

(3) Delays in the completion of the design or construction of the project or any substantial component of the project; or

(4) Any other problems which may adversely affect the design or construction of the project or any substantial component of the project.

(h) Have final authority to approve the architecture of all buildings, plans, designs, types of construction, major repairs and designs of landscaping.

9. The deputy manager for compliance and code enforcement shall serve as the building official for all buildings and structures on property of the State or held in trust for any division of the State Government.

Sec. 6. NRS 341.105 is hereby amended to read as follows:

341.105 1. When acting in the capacity of building official pursuant to ~~{paragraph (h) of subsection 5}~~ *subsection 9* of NRS 341.100, the ~~{Manager}~~ *deputy manager for compliance and code enforcement* or his designated representative may issue an order to compel the cessation of work on all or any portion of a building or structure based on health or safety reasons or for violations of applicable building codes or other laws or regulations.

2. If a person receives an order issued pursuant to subsection 1, the person shall immediately cease work on the building or structure or portion thereof.

3. Any person who willfully refuses to comply with an order issued pursuant to subsection 1 or who willfully encourages another person to refuse to comply or assists another person in refusing to comply with such an order is guilty of a misdemeanor and shall be punished as provided in NRS 193.150. Any penalties collected pursuant to this subsection must be deposited with the State Treasurer for credit to the State General Fund.

4. In addition to the criminal penalty set forth in subsection 3, the ~~{Manager}~~ *deputy manager for compliance and code enforcement* may impose an administrative penalty of not more than \$1,000 per day for each day that a person violates subsection 3.

5. If a person wishes to contest an order issued to him pursuant to subsection 1, the person may bring an action in district court. The court shall give such a proceeding priority over other civil matters that are not expressly given priority by

1 law. An action brought pursuant to this subsection does not stay enforcement of the
2 order unless the district court orders otherwise.

3 6. If a person refuses to comply with an order issued pursuant to subsection 1,
4 the ~~{Manager}~~ **deputy manager for compliance and code enforcement** may bring
5 an action in the name of the State of Nevada in district court to compel compliance
6 and to collect any administrative penalties imposed pursuant to subsection 4. The
7 court shall give such a proceeding priority over other civil matters that are not
8 expressly given priority by law. Any attorney's fees and costs awarded by the court
9 in favor of the State and any penalties collected in the action must be deposited
10 with the State Treasurer for credit to the State General Fund.

11 7. No right of action exists in favor of any person by reason of any action or
12 failure to act on the part of the Board, the ~~{Manager}~~ **deputy manager for**
13 **compliance and code enforcement** or any officers, employees or agents of the
14 Board in carrying out the provisions of this section.

15 8. As used in this section, "person" includes a government and a
16 governmental subdivision, agency or instrumentality.

17 **Sec. 7.** NRS 341.142 is hereby amended to read as follows:

18 341.142 The Board may, with the **prior** approval of the Interim Finance
19 Committee, ~~{when the Legislature is not in regular or special session, or with the~~
20 ~~approval of the Legislature by concurrent resolution when the Legislature is in~~
21 ~~regular or special session.}~~ plan a project in advance by preparing floor plans, cross
22 sections, elevations, outlines of specifications, estimates of cost by category of
23 work and perspective renderings of the project. The Board may submit preliminary
24 or advance plans or designs to qualified architects or engineers for preparation of
25 detailed plans and specifications if the Board considers it desirable. The cost of
26 preparation of preliminary or advance plans or designs, the cost of detailed plans
27 and specifications, and the cost of all architectural and engineering services are
28 charges against the appropriations made by the Legislature for any state buildings
29 or projects, or buildings or projects planned or contemplated by any state agency
30 for which the Legislature has appropriated or may appropriate money. The costs
31 must not exceed the limitations that are or may be provided by the Legislature.

32 **Sec. 8.** NRS 341.145 is hereby amended to read as follows:

33 341.145 The Board:

34 1. ~~{Has final authority to approve the architecture of all buildings, plans,~~
35 ~~designs, types of construction, major repairs and designs of landscaping.~~

36 ~~—2.}~~ Shall determine whether any rebates are available from a public utility for
37 installing devices in any state building which are designed to decrease the use of
38 energy in the building. If such a rebate is available, the Board shall apply for the
39 rebate.

40 ~~{3.}~~ 2. Shall solicit bids for and let all contracts for new construction or major
41 repairs.

42 ~~{4.}~~ 3. May negotiate with **the lowest** ~~{any}~~ responsible and responsive bidder
43 on any contract to obtain a revised bid if:

44 (a) The bid is less than the appropriation made by the Legislature for that
45 building project; and

46 (b) **The bid does not exceed** ~~{All the bids received on the contract exceeded}~~
47 the relevant budget item for that building project as established by the Board by
48 more than 10 percent.

49 ~~{5.}~~ 4. May reject any or all bids.

50 ~~{6.}~~ 5. After the contract is let, shall supervise and inspect construction and
51 major repairs. The cost of supervision and inspection must be financed from the
52 capital construction program approved by the Legislature.

~~[7-]~~ 6. Shall obtain *prior* approval from the Interim Finance Committee ~~{when the Legislature is not in regular or special session, or from the Legislature by concurrent resolution when the Legislature is in regular or special session, for}~~ *before authorizing* any change in the scope of the design or construction of a project as that project was authorized by the Legislature ~~{The Board shall adopt by regulation criteria for determining whether a change in the scope of the design or construction of a project requires such approval.~~

~~—8. May}~~, *if the change increases or decreases the total ~~awarded contract price~~ square footage or cost of the project by ~~15~~ 10 percent or more . ~~for \$200,000 or more, whichever is greater.~~*

7. *Except for changes that require prior approval pursuant to subsection 6, may* authorize change orders, before or during construction:

(a) In any amount, where the change represents a reduction in the total awarded contract price.

(b) Except as otherwise provided in paragraph (c), not to exceed in the aggregate ~~10~~ 15 percent of the total awarded contract price, where the change represents an increase in that price.

(c) In any amount, where the total awarded contract price is less than ~~10,000~~ \$50,000 and the change represents an increase not exceeding the amount of the total awarded contract price.

~~[9-]~~ (d) *In any amount, where additional money was authorized or appropriated by the Legislature and issuing a new contract would not be in the best interests of the State.*

8. Shall specify in any contract with a design professional the period within which the design professional must prepare and submit to the Board a change order that has been authorized by the design professional. As used in this subsection, “design professional” means a person with a professional license or certificate issued pursuant to chapter 623, 623A or 625 of NRS.

~~10-~~ 9. Has final authority to accept each building or structure, or any portion thereof, on property of the State or held in trust for any division of the State Government as completed or to require necessary alterations to conform to the contract or to codes adopted by the Board, and to file the notice of completion and certificate of occupancy for the building or structure.

Sec. 9. NRS 341.146 is hereby amended to read as follows:

341.146 1. The Board shall establish funds for projects of capital construction necessary to account for the program of capital construction approved by the Legislature. These funds must be used to account for all revenues, appropriations and expenditures restricted to constructing buildings and other projects which come under the supervision of the Board.

2. If a state department, board, commission or agency provides to the Board money that has not been appropriated by the Legislature for a capital improvement project, any interest earned on that money accrues to the benefit of the project. Upon a determination by the Board that the project is completed, the Board shall return any principal and interest remaining on that money to the department, board, commission or agency that had provided the money to the Board.

3. Except as otherwise provided in subsection 4, if the money actually received by the Board for a capital improvement project includes money from more than one source, the money must be expended in the following order:

(a) Money received for the project from the Federal Government;

(b) Money generated by the state department, board, commission or agency for whom the project is being performed;

(c) Money that was approved for the same or a different project during a previous biennium that has been reallocated during the current biennium for the project;

(d) ~~Proceeds~~ *Except as otherwise provided in paragraphs (e), (f) and (g), money received for the project from any other source;*

(e) Money from the issuance of general obligation bonds;

~~(e)~~ (f) Money from the State Highway Fund; and

(g) Money from the State General Fund. ~~and~~

~~(f) Any other source of money for the project.]~~

4. The provisions of subsection 3 do not apply if the receipt of any money from the Federal Government for the project is conditioned upon a different order of expenditure.

Sec. 9.3. NRS 341.161 is hereby amended to read as follows:

341.161 1. The Board may ~~[with the approval of the Interim Finance Committee when the Legislature is not in regular or special session, or with the approval of the Legislature by concurrent resolution when the Legislature is in regular or special session.]~~ let to a contractor licensed under chapter 624 of NRS a contract for services which assist the Board in the design and construction of a project of capital improvement.

2. The Board shall adopt regulations establishing procedures for:

(a) The determination of the qualifications of contractors to bid for contracts for services described in subsection 1.

(b) The bidding and awarding of such contracts, subject to the provisions of subsection 3.

(c) The awarding of construction contracts based on a final cost of the project which the contractor guarantees will not be exceeded.

(d) The scheduling and controlling of projects.

3. Bids on contracts for services which assist the Board in the design and construction of a project of capital improvement must state separately the contractor's cost for:

(a) Assisting the Board in the design and construction of the project.

(b) Obtaining all bids for subcontracts.

(c) Administering the construction contract.

4. A person who furnishes services under a contract awarded pursuant to subsection 1 is a contractor subject to all provisions pertaining to a contractor in title 28 of NRS.

Sec. 9.5. NRS 341.166 is hereby amended to read as follows:

341.166 1. The Board may ~~[with the approval of the Interim Finance Committee when the Legislature is not in regular or special session, or with the approval of the Legislature by concurrent resolution when the Legislature is in regular or special session.]~~ enter into a contract for services with a contractor licensed pursuant to chapter 624 of NRS to assist the Board:

(a) In the development of designs, plans, specifications and estimates of costs for a proposed construction project.

(b) In the review of designs, plans, specifications and estimates of costs for a proposed construction project to ensure that the designs, plans, specifications and estimates of costs are complete and that the project is feasible to construct.

2. The Board is not required to advertise for bids for a contract for services pursuant to subsection 1, but may solicit bids from not fewer than three licensed contractors and may award the contract to the lowest responsible and responsive bidder.

3. The Board shall adopt regulations establishing procedures for:

(a) The determination of the qualifications of contractors to bid for the contracts for services described in subsection 1.

(b) The bidding and awarding of such contracts.

4. If a proposed construction project for which a contractor is awarded a contract for services by the Board pursuant to subsection 1 is advertised pursuant to NRS 338.1385, that contractor may submit a bid for the contract for the proposed construction project if he is qualified pursuant to NRS 338.1375.

Sec. 9.7. NRS 341.191 is hereby amended to read as follows:

341.191 1. The Board shall submit reports and make recommendations relative to its findings to the Governor and to the Legislature. The Board shall particularly recommend to the Governor and to the Legislature the priority of construction of any ~~land-all~~ buildings or other construction work now authorized or that may hereafter be authorized or proposed.

2. The Board shall submit before October 1 of each even-numbered year its recommendations for projects for capital improvements in the next biennium. The recommendations must, to the extent practicable, provide that each project which exceeds a cost of \$10,000,000 be scheduled to receive funding for design and planning during one biennium and funding for construction in the subsequent biennium.

Sec. 10. NRS 218.6827 is hereby amended to read as follows:

218.6827 1. Except as otherwise provided in subsection 2, the Interim Finance Committee may exercise the powers conferred upon it by law only when the Legislature is not in regular or special session.

2. During a regular or special session, the Interim Finance Committee may also perform the duties imposed on it by subsection 5 of NRS 284.115, subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 3 of NRS 341.090, NRS 341.142, subsection 6 of NRS 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive, and 353.335, paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375, 439.620, 439.630, 445B.830 and 538.650. In performing those duties, the Senate Standing Committee on Finance and the Assembly Standing Committee on Ways and Means may meet separately and transmit the results of their respective votes to the Chairman of the Interim Finance Committee to determine the action of the Interim Finance Committee as a whole.

3. The Chairman of the Interim Finance Committee may appoint a subcommittee consisting of six members of the Committee to ~~approve~~ review and make recommendations to the Committee on matters of the State Public Works Board that require prior approval of the Interim Finance Committee pursuant to subsection 3 of NRS 341.090, NRS 341.142 and subsection 6 of NRS 341.145. If the Chairman appoints such a subcommittee:

(a) The Chairman shall designate one of the members of the subcommittee to serve as the chairman of the subcommittee;

(b) The subcommittee shall meet throughout the year at the times and places specified by the call of the chairman of the subcommittee; and

(c) The Director of the Legislative Counsel Bureau or his designee shall act as the nonvoting recording secretary of the subcommittee.

Sec. 10.5. NRS 353.185 is hereby amended to read as follows:

353.185 The powers and duties of the Chief are:

1. To appraise the quantity and quality of services rendered by each agency in the Executive Department of the State Government, and the needs for such services and for any new services.

2. To develop plans for improvements and economies in organization and operation of the Executive Department, and to install such plans as are approved by

1 the respective heads of the various agencies of the Executive Department, or as are
2 directed to be installed by the Governor or the Legislature.

3 3. To cooperate with the State Public Works Board in developing
4 comprehensive, long-range plans for capital improvements and the means for
5 financing them.

6 4. To devise and prescribe the forms for reports on the operations of the
7 agencies in the Executive Department to be required periodically from the several
8 agencies in the Executive Department, and to require the several agencies to make
9 such reports.

10 5. To prepare the executive budget report for the Governor's approval and
11 submission to the Legislature.

12 6. To prepare a proposed budget for the Executive Department of the State
13 Government for the next 2 fiscal years, which must:

14 (a) Present a complete financial plan for the next 2 fiscal years;

15 (b) Set forth all proposed expenditures for the administration, operation and
16 maintenance of the departments, institutions and agencies of the Executive
17 Department of the State Government, including those operating on funds
18 designated for specific purposes by the Constitution or otherwise, which must
19 include a separate statement of:

20 (1) The anticipated expense, including personnel, for the operation and
21 maintenance of each capital improvement to be constructed during the next 2 fiscal
22 years and of each capital improvement constructed on or after July 1, 1999, which
23 is to be used during those fiscal years or a future fiscal year; and

24 (2) The proposed source of funding for the operation and maintenance of
25 each capital improvement, including personnel, to be constructed during the next 2
26 fiscal years;

27 (c) Set forth all charges for interest and debt redemption during the next 2
28 fiscal years;

29 (d) Set forth all expenditures for capital projects to be undertaken and executed
30 during the next 2 fiscal years ~~++~~, and which must, to the extent practicable,
31 provide that each capital project which exceeds a cost of \$10,000,000 be
32 scheduled to receive funding for design and planning during one biennium and
33 funding for construction in the subsequent biennium; and

34 (e) Set forth the anticipated revenues of the State Government, and any other
35 additional means of financing the expenditures proposed for the next 2 fiscal years.

36 7. To examine and approve work programs and allotments to the several
37 agencies in the Executive Department, and changes therein.

38 8. To examine and approve statements and reports on the estimated future
39 financial condition and the operations of the agencies in the Executive Department
40 of the State Government and the several budgetary units that have been prepared by
41 those agencies and budgetary units, before the reports are released to the Governor,
42 to the Legislature, or for publication.

43 9. To receive and deal with requests for information as to the budgetary status
44 and operations of the executive agencies of the State Government.

45 10. To prepare such statements of unit costs and other statistics relating to
46 cost as may be required from time to time, or requested by the Governor or the
47 Legislature.

48 11. To do and perform such other and further duties relative to the
49 development and submission of an adequate proposed budget for the Executive
50 Department of the State Government of the State of Nevada as the Governor may
51 require.

52 **Sec. 11.** NRS 341.030 is hereby repealed.

1 **Sec. 12.** 1. Notwithstanding the provisions of any specific statute to the
2 contrary, the term of each person serving as a member of the State Public Works
3 Board on June 30, 2007, expires on that date.

4 2. Each appointing authority described in NRS 341.020, as amended by
5 section 1 of this act, shall, as soon as practicable after the effective date of this
6 section, make his respective appointment of members to the State Public Works
7 Board as required by that section. The term of each member so appointed begins on
8 July 1, 2007.

9 3. A person serving as a member of the State Public Works Board before
10 July 1, 2007, may be appointed to the Board pursuant to NRS 341.020, as amended
11 by section 1 of this act, if the person has the qualifications for membership set forth
12 in that section.

13 **Sec. 12.5.** 1. **The State Public Works Board, in consultation with the**
14 **Interim Finance Committee, shall establish a pilot program to determine the**
15 **efficacy and feasibility of using private project management services and**
16 **private project inspection services for construction projects in connection with**
17 **public works projects that are sponsored by the Board.**

18 2. **The pilot program must include, without limitation:**

19 (a) **At least one demonstration project in which a public work sponsored**
20 **by the Board is constructed using private project management and project**
21 **inspection services;**

22 (b) **An analysis of the costs and benefits associated with the use of private**
23 **project management and project inspection services; and**

24 (c) **Such other components as required by the Interim Finance Committee.**

25 **Sec. 13.** 1. This section and section 12 of this act become effective upon
26 passage and approval.

27 2. Section ~~12.5~~ **1.5** of this act becomes effective upon passage and approval for
28 the purpose of appointing members to the State Public Works Board, and on July 1,
29 2007, for all other purposes.

30 3. Sections **1**, 2 to 11, inclusive, **and 12.5** of this act become effective on
31 July 1, 2007.

TEXT OF REPEALED SECTION

341.030 Terms of members.

1. The members of the Board shall be appointed for terms of 4 years.

2. The term of office of each member shall begin July 1 of the year of his appointment.