

**Amendment No. 580**

Assembly Amendment to Assembly Bill No. 463

(BDR 23-1057)

**Proposed by:** Assemblywoman Smith**Amendment Box:** Conflicts with Amendment No. 348.**Amends:** Summary: Yes Title: Yes 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"/>
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<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 dashed underlining*** is newly added transitory language.

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LJM/BJE



Date: 4/28/2009

A.B. No. 463—Restricts a department, division or other agency of this State or a local government from employing a person as a consultant.  
(BDR 23-1057)

## ASSEMBLY BILL NO. 463—ASSEMBLYWOMAN SMITH

MARCH 16, 2009

Referred to Committee on Government Affairs

SUMMARY—Restricts a department, division or other agency of this State ~~for a local government~~ from employing a person as a consultant. (BDR 23-1057)

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 ~~is omitted material~~ is material to be omitted.

AN ACT relating to governmental administration; restricting a department, division or other agency of this State ~~for a local government~~ from employing a person as a consultant; requiring ~~a school district~~ **certain entities** to submit to the Interim Finance Committee a report concerning each consultant employed by the ~~school district~~ entity; **requiring that contracts with consultants and temporary employment services be awarded by open competitive bidding; requiring that information concerning the use of consultants and temporary employment services be included and explained in the budget process by a state agency; requiring the Legislative Auditor to conduct an audit concerning the use of contracts with consultants by state agencies;** and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1      Section 1 of this bill restricts a department, division or other agency of this State ~~for a local government~~ from employing a person as a consultant for the agency ~~or for local government unless~~. **Section 1 requires** the Interim Finance Committee ~~to approve~~ to ~~approve~~ the employment ~~and any of the following~~ of a consultant under certain circumstances ~~exist~~, as determined by the Interim Finance Committee: (1) the person provides services that are not provided by any other employee of the agency or local government or for which a critical labor shortage exists; or (2) a short term need or unusual economic circumstance exists for the agency or local government to employ the person. **Section 1 prohibits** the Interim Finance Committee from approving ~~and limits the approval of~~ the employment of the person as a consultant if the person is a former employee of a department, division or other agency of this State ~~for a local government~~ and at least 1 year has not expired before the person is employed as a consultant. **Section 1** also requires each **board, commission, school district, and institution of the Nevada System of Higher Education** to submit to the Interim Finance Committee, at least once every 6 months, a report concerning each consultant employed by the ~~school district~~ entity. **Section 1 also requires that contracts with consultants and temporary employment services be awarded by open competitive bidding.** **Section 2.5 of this bill requires that information concerning the use of consultants and temporary employment services be included and explained in the budget process by a state agency.** **Section 2.7 of this bill requires the Legislative Auditor**

20  
21 to conduct an audit of the use by agencies of the Executive Branch of State Government  
of contracts with consultants.

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

1      **Section 1.** Chapter ~~284~~ 284 of NRS is hereby amended by adding thereto a  
2 new section to read as follows:

3      1. Notwithstanding any provision of law to the contrary and except Except  
4 as otherwise provided in subsection 6, a department, division or other agency  
5 of this State [or a local government] shall not employ, by contract or otherwise, a  
6 person to provide services as a consultant for the agency [or local government]  
7 unless, before the person is employed by the agency or local government:

8      (a) The if:

9      (a) The person is a current employee of an agency of this State;  
10     (b) The person is a former employee of an agency of this State and less than  
11 1 year has expired since the termination of his employment with the State; or  
12     (c) The term of the contract is for more than 2 years, or is amended or  
13 otherwise extended beyond 2 years,

14     ~~unless, before the person is employed by the agency, the Interim Finance~~  
15 ~~Committee approves the employment of the person. ; and~~

16     ~~(b) Any~~

17     2. The provisions of paragraph (b) of subsection 1 apply to employment  
18 through a temporary employment service. A temporary employment service  
19 providing employees for a state agency shall provide the agency with the names  
20 of the employees to be provided to the agency. The Interim Finance Committee  
21 shall not approve the employment of a consultant pursuant to paragraph (b) of  
22 subsection 1 unless the Interim Finance Committee determines that one or more  
23 of the following circumstances exist : ; as determined by the Interim Finance  
24 Committee.]

25     ~~(1) (a) The person provides services that are not provided by any other~~  
26 ~~employee of the agency [or local government] or for which a critical labor~~  
27 ~~shortage exists; or~~

28     ~~(2) (b) A short-term need or unusual economic circumstance exists for~~  
29 ~~the agency [or local government] to employ the person as a consultant.~~

30     ~~If a person specified in subsection 1 is a former employee of a~~  
31 ~~department, division or other agency of this State or a local government, the~~  
32 ~~Interim Finance Committee shall not approve the employment of the person as a~~  
33 ~~consultant for an agency or local government specified in that subsection unless~~  
34 ~~at least 1 year has expired after the termination of that former employment.]~~

35     3. Notwithstanding any provision of law to the contrary, each} Except as  
36 otherwise provided in subsection 6, a department, division or other agency of this  
37 State shall report to the Interim Finance Committee whenever it employs, by  
38 contract or otherwise, a person to provide services as a consultant for the agency  
39 who is a former employee of a department, division or other agency of this State.

40     4. Except as otherwise provided in subsection 6, a department, division or  
41 other agency of this State shall not contract with a consultant or a temporary  
42 employment service unless the contracting process is controlled by rules of open  
43 competitive bidding.

44     5. Each board or commission of this State, each school district in this State  
45 and each institution of the Nevada System of Higher Education that employs a

1       **consultant shall, at least once every 6 months, submit to the Interim Finance**  
2       **Committee a report setting forth:**

3       **(a) The number of consultants employed by the board, commission, school**  
4       **district ~~or~~ or institution;**

5       **(b) The purpose for which the board, commission, school district or**  
6       **institution employs each consultant; and**

7       **(c) The amount of money or other remuneration received by each consultant**  
8       **from the board, commission, school district ~~or~~ or institution; and**

9       **(d) The length of time each consultant has been employed by the board,**  
10      **commission, school district or institution.**

11      **6. The provisions of subsections 1 to 4, inclusive, do not apply to the Nevada**  
12      **System of Higher Education or a board or commission of this State.**

13      **7. For the purposes of this section, "consultant" includes any person**  
14      **employed by a business or other entity that is providing consulting services if the**  
15      **person will be performing or producing the work for which the business or entity**  
16      **is employed.**

17      **Sec. 2.** NRS 218.6827 is hereby amended to read as follows:

18      218.6827 1. Except as otherwise provided in subsection 2, the Interim  
19      Finance Committee may exercise the powers conferred upon it by law only when  
20      the Legislature is not in regular or special session.

21      2. During a regular or special session, the Interim Finance Committee may  
22      also perform the duties imposed on it by subsection 5 of NRS 284.115, subsection 2  
23      of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050,  
24      subsection 1 of NRS 323.100, subsection 3 of NRS 341.090, NRS 341.142,  
25      subsection 6 of NRS 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771,  
26      inclusive, and 353.335, paragraph (b) of subsection 4 of NRS 407.0762, NRS  
27      428.375, 439.620, 439.630, 445B.830 and 538.650 ~~and section 1 of this act.~~ In  
28      performing those duties, the Senate Standing Committee on Finance and the  
29      Assembly Standing Committee on Ways and Means may meet separately and  
30      transmit the results of their respective votes to the Chairman of the Interim Finance  
31      Committee to determine the action of the Interim Finance Committee as a whole.

32      3. The Chairman of the Interim Finance Committee may appoint a  
33      subcommittee consisting of six members of the Committee to review and make  
34      recommendations to the Committee on matters of the State Public Works Board  
35      that require prior approval of the Interim Finance Committee pursuant to subsection  
36      3 of NRS 341.090, NRS 341.142 and subsection 6 of NRS 341.145. If the  
37      Chairman appoints such a subcommittee:

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

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

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

44      **Sec. 2.5. NRS 353.210 is hereby amended to read as follows:**

45      353.210 1. Except as otherwise provided in subsection 6, on or before  
46      September 1 of each even-numbered year, all departments, institutions and other  
47      agencies of the Executive Department of the State Government, and all agencies of  
48      the Executive Department of the State Government receiving state money, fees or  
49      other money under the authority of the State, including those operating on money  
50      designated for specific purposes by the Nevada Constitution or otherwise, shall  
51      prepare, on blanks furnished them by the Chief, and submit to the Chief:

1               (a) The number of positions within the department, institution or agency that  
2 have been vacant for at least 12 months, the number of months each such position  
3 has been vacant and the reasons for each such vacancy; ~~and~~

4               (b) Any existing contracts the department, institution or agency has with  
5 consultants or temporary employment services, the proposed expenditures for  
6 such contracts in the next 2 fiscal years and the reasons for the use of such  
7 consultants or services; and

8               (c) Estimates of their expenditure requirements, together with all anticipated  
9 income from fees and all other sources, for the next 2 fiscal years compared with  
10 the corresponding figures of the last completed fiscal year and the estimated figures  
11 for the current fiscal year.

12              2. The Chief shall direct that one copy of the forms submitted pursuant to  
13 subsection 1, accompanied by every supporting schedule and any other related  
14 material, be delivered directly to the Fiscal Analysis Division of the Legislative  
15 Counsel Bureau on or before September 1 of each even-numbered year.

16              3. The Budget Division of the Department of Administration shall give  
17 advance notice to the Fiscal Analysis Division of the Legislative Counsel Bureau of  
18 any conference between the Budget Division of the Department of Administration  
19 and personnel of other state agencies regarding budget estimates. A Fiscal Analyst  
20 of the Legislative Counsel Bureau or his designated representative may attend any  
21 such conference.

22              4. The estimates of expenditure requirements submitted pursuant to  
23 subsection 1 must be classified to set forth the data of funds, organizational units,  
24 and the character and objects of expenditures, and must include a mission statement  
25 and measurement indicators for each program. The organizational units may be  
26 subclassified by functions and activities, or in any other manner at the discretion of  
27 the Chief.

28              5. If any department, institution or other agency of the Executive Department  
29 of the State Government, whether its money is derived from state money or from  
30 other money collected under the authority of the State, fails or neglects to submit  
31 estimates of its expenditure requirements as provided in this section, the Chief may,  
32 from any data at hand in his office or which he may examine or obtain elsewhere,  
33 make and enter a proposed budget for the department, institution or agency in  
34 accordance with the data.

35              6. Agencies, bureaus, commissions and officers of the Legislative  
36 Department, the Public Employees' Retirement System and the Judicial Department  
37 of the State Government shall submit to the Chief for his information in preparing  
38 the proposed executive budget the budgets which they propose to submit to the  
39 Legislature.

40              Sec. 2.7. 1. The Legislative Auditor shall conduct an audit concerning  
41 the use by agencies of the Executive Branch of State Government of contracts  
42 with consultants. The State Controller shall provide such information as is  
43 requested by the Legislative Auditor to assist with the completion of the audit.

44              2. The Legislative Auditor shall present a final written report of the audit  
45 to the Audit Subcommittee of the Legislative Commission not later than  
46 February 7, 2011.

47              3. The provisions of NRS 218.737 to 218.893, inclusive, apply to the audit  
48 performed pursuant to this section.

49              Sec. 3. The amendatory provisions of section 1 of this act do not apply to a  
50 contract of employment specified in that section that is entered into or renewed  
51 before the effective date of this act.

52              Sec. 4. This act becomes effective upon passage and approval.