
ASSEMBLY BILL NO. 193—COMMITTEE ON WAYS AND MEANS

FEBRUARY 21, 2011

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing the implementation of capital improvement projects. (BDR 28-920)

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 public works; requiring the State Public Works Board to obtain prior approval from the Nevada Legislature or Interim Finance Committee before cancelling or, in certain circumstances, delaying a project authorized by the Legislature; requiring the Interim Finance Committee to consider certain criteria in determining whether to approve a change in the scope of the design or construction or the cancellation or delay of a project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the State Public Works Board is required to solicit bids and
2 let all contracts for new construction or major repairs relating to public works.
3 (NRS 341.145) This bill requires the Board to obtain the prior approval of the
4 Nevada Legislature or, if the Legislature is not in session, the Interim Finance
5 Committee before cancelling a project authorized by the Legislature or delaying the
6 commencement or completion of such a project beyond the period for which money
7 for the project was authorized. In determining whether to approve such a
8 cancellation or delay or a change in the scope of the design or construction of a
9 project, this bill requires the Interim Finance Committee to consider certain
10 specified criteria.



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

1 **Section 1.** NRS 341.145 is hereby amended to read as follows:
2 341.145 1. The Board:

3 ~~1-1~~ (a) Shall determine whether any rebates are available from
4 a public utility for installing devices in any state building which are
5 designed to decrease the use of energy in the building. If such a
6 rebate is available, the Board shall apply for the rebate.

7 ~~1-2~~ (b) Shall solicit bids for and let all contracts for new
8 construction or major repairs.

9 ~~1-3~~ (c) May negotiate with the lowest responsible and
10 responsive bidder on any contract to obtain a revised bid if:

11 ~~1-a~~ (1) The bid is less than the appropriation made by the
12 Legislature for that building project; and

13 ~~1-b~~ (2) The bid does not exceed the relevant budget item for
14 that building project as established by the Board by more than 10
15 percent.

16 ~~1-4~~ (d) May reject any or all bids.

17 ~~1-5~~ (e) After the contract is let, shall supervise and inspect
18 construction and major repairs. The cost of supervision and
19 inspection must be financed from the capital construction program
20 approved by the Legislature.

21 ~~1-6~~ (f) Shall obtain prior approval from the Interim Finance
22 Committee before authorizing any change in the scope of the design
23 or construction of a project as that project was authorized by the
24 Legislature, if the change increases or decreases the total square
25 footage or cost of the project by 10 percent or more.

26 ~~1-7~~ (g) Except for changes that require prior approval pursuant
27 to ~~subsection 6-~~ paragraph (f), may authorize change orders,
28 before or during construction:

29 ~~1-a~~ (1) In any amount, where the change represents a
30 reduction in the total awarded contract price.

31 ~~1-b~~ (2) Except as otherwise provided in ~~paragraph (c)-~~
32 ~~subparagraph (3)~~, not to exceed in the aggregate 15 percent of the
33 total awarded contract price, where the change represents an
34 increase in that price.

35 ~~1-c~~ (3) In any amount, where the total awarded contract price
36 is less than \$50,000 and the change represents an increase not
37 exceeding the amount of the total awarded contract price.

38 ~~1-d~~ (4) In any amount, where additional money was authorized
39 or appropriated by the Legislature and issuing a new contract would
40 not be in the best interests of the State.

41 ~~1-8~~ (h) Shall specify in any contract with a design professional
42 the period within which the design professional must prepare and



1 submit to the Board a change order that has been authorized by the
2 design professional. As used in this ~~subsection,~~ **paragraph**,
3 “design professional” means a person with a professional license or
4 certificate issued pursuant to chapter 623, 623A or 625 of NRS.

5 ~~19.1~~ **(i)** Has final authority to accept each building or structure,
6 or any portion thereof, on property of the State or held in trust for
7 any division of the State Government as completed or to require
8 necessary alterations to conform to the contract or to codes adopted
9 by the Board, and to file the notice of completion and certificate of
10 occupancy for the building or structure.

11 **(j) Shall obtain prior approval from the Legislature or the**
12 **Interim Finance Committee, if the Legislature is not in session,**
13 **before cancelling a project authorized by the Legislature or**
14 **delaying the commencement or completion of such a project**
15 **beyond the period for which money for the project was authorized.**

16 **2. In acting upon a proposed change in the scope of the**
17 **design or construction of a project pursuant to paragraph (f) of**
18 **subsection 1 or a proposed cancellation or delay of a project**
19 **pursuant to paragraph (j) of subsection 1, the Interim Finance**
20 **Committee shall consider, among other things:**

21 **(a) The reason provided by the Board for the proposed change**
22 **in the scope of the design or construction or the cancellation or**
23 **delay of the project.**

24 **(b) The current need for the project; and**

25 **(c) The intent of the Legislature in originally approving the**
26 **project.**

27 **Sec. 2.** NRS 218E.405 is hereby amended to read as follows:

28 218E.405 1. Except as otherwise provided in subsection 2,
29 the Interim Finance Committee may exercise the powers conferred
30 upon it by law only when the Legislature is not in regular or special
31 session.

32 2. During a regular or special session, the Interim Finance
33 Committee may also perform the duties imposed on it by subsection
34 5 of NRS 284.115, NRS 284.1729, subsection 2 of NRS 321.335,
35 NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050,
36 subsection 1 of NRS 323.100, subsection 3 of NRS 341.090, NRS
37 341.142, **paragraph (f) of subsection ~~16.1~~ 1** of NRS 341.145, NRS
38 353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288,
39 353.335, 353C.226, paragraph (b) of subsection 4 of NRS 407.0762,
40 NRS 428.375, 439.620, 439.630, 445B.830 and 538.650. In
41 performing those duties, the Senate Standing Committee on Finance
42 and the Assembly Standing Committee on Ways and Means may
43 meet separately and transmit the results of their respective votes to
44 the Chair of the Interim Finance Committee to determine the action
45 of the Interim Finance Committee as a whole.



1 3. The Chair of the Interim Finance Committee may appoint a
2 subcommittee consisting of six members of the Committee to
3 review and make recommendations to the Committee on matters of
4 the State Public Works Board that require prior approval of the
5 Interim Finance Committee pursuant to subsection 3 of NRS
6 341.090, NRS 341.142 and *paragraph (f) of* subsection ~~16~~ 1 of
7 NRS 341.145. If the Chair appoints such a subcommittee:

8 (a) The Chair shall designate one of the members of the
9 subcommittee to serve as the chair of the subcommittee;

10 (b) The subcommittee shall meet throughout the year at the
11 times and places specified by the call of the chair of the
12 subcommittee; and

13 (c) The Director of the Legislative Counsel Bureau or the
14 Director's designee shall act as the nonvoting recording secretary of
15 the subcommittee.

16 **Sec. 3.** This act becomes effective upon passage and approval.

