

SENATE BILL NO. 233—SENATORS PARKS,
HORSFORD AND KIECKHEFER

MARCH 10, 2011

JOINT SPONSORS: ASSEMBLYMEN OCEGUERA, CONKLIN, HANSEN,
BROOKS, HARDY; ANDERSON, BUSTAMANTE ADAMS,
KIRKPATRICK AND SMITH

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning the
administration of grants. (BDR 18-1058)

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 grants; establishing the Office of Grant Procurement, Coordination and Management in the Department of Administration; setting forth the duties of the Chief of the Office; requiring all state agencies to notify the Office of any grants for which the agency applies and any which they receive; authorizing state agencies, commissions and departments to hold certain hearings relating to grants; authorizing state departments, institutions and agencies to take certain actions to carry out a grant before receiving approval from the Interim Finance Committee; increasing the monetary thresholds at which certain approval of revisions of work programs and acceptance of gifts and grants is required; increasing the amount of certain gifts and grants that certain state agencies may accept under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law provides for the Department of Administration, divides the
- 2 Department into various divisions and requires the Director of the Department to
- 3 appoint Chiefs of those divisions. (NRS 232.213, 232.215) **Sections 9 and 10** of



this bill establish the Office of Grant Procurement, Coordination and Management in the Department and require the Director to appoint the Chief of the Office. **Section 2** of this bill sets forth the qualifications for the Chief. **Section 2.5** of this bill requires the Chief to employ two persons to assist him or her in carrying out the duties of the Office. **Section 3** of this bill sets forth the duties of the Chief, which include: (1) researching and identifying federal grants which may be available to state agencies; (2) writing grants for federal funds for state agencies; (3) coordinating with members of Congress representing this State to identify and manage available federal grants and programs; (4) seeking out grants and writing grant proposals for state agencies in Nevada; and (5) keeping track of all the grants for which state agencies have applied and of all grants they have received, and, if practicable, coordinating with state and local agencies that have received grants for similar projects to ensure they do not duplicate their efforts or services.

Section 4 of this bill requires all state agencies to notify the Office of any grants for which they apply and any grants which they receive.

If a public hearing is required in connection with a grant from the Federal Government to a state agency, commission or department, **section 11.3** of this bill authorizes the agency, commission or department to either request that the hearing be included as an agenda item at a meeting of the Interim Finance Committee or conduct the hearing itself. **Section 11.5** of this bill authorizes a department, institution or agency of the Executive Department of State Government which has received a grant that requires approval from the Interim Finance Committee to take steps to carry out the grant before receiving such approval, including, without limitation, classifying positions, recruiting for positions, advertising for bids or requesting proposals if the department, institution or agency includes a statement in the notice or advertisement that any position or contract is contingent upon approval by the Interim Finance Committee.

Under the State Budget Act, a department, institution or agency of the Executive Department of State Government is required to obtain approval from the Interim Finance Committee, except in certain limited circumstances, before revising a work program in an amount more than \$20,000 if the revision will increase or decrease by 10 percent or \$50,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program. (NRS 353.220) **Section 11.7** of this bill increases the monetary threshold to an amount of more than \$30,000 if the revision will increase by 10 percent or \$75,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program. **Section 11.9** of this bill increases, under certain circumstances, the maximum amount of gifts, including grants from nongovernmental sources, that certain state agencies can accept from \$10,000 to \$20,000 and the maximum amount of governmental grants that such an agency can accept from \$100,000 to \$150,000.

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

Section 1. Chapter 232 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. 1. *The person appointed to serve as the Chief of the Office of Grant Procurement, Coordination and Management must have:*



1 (a) *Extensive expertise and experience in applying for and*
2 *receiving grants;*

3 (b) *Specialized knowledge of the process of grant writing and*
4 *approval in the public and private sector; and*

5 (c) *Proven experience in designing and managing programs*
6 *which rely solely or partially upon money received from grants.*

7 2. *The Chief shall devote his or her entire time and attention*
8 *to the business of his or her office and shall not engage in any*
9 *other gainful employment or occupation.*

10 **Sec. 2.5.** 1. *The Chief of the Office of Grant Procurement,*
11 *Coordination and Management shall employ two persons to serve*
12 *in the unclassified service of the State for the purposes set forth in*
13 *this section.*

14 2. *A person employed pursuant to this section shall, under the*
15 *direction of the Chief of the Office of Grant Procurement,*
16 *Coordination and Management, assist the Chief in carrying out*
17 *the provisions of sections 2 to 6, inclusive, of this act.*

18 **Sec. 3.** 1. *The Chief of the Office of Grant Procurement,*
19 *Coordination and Management shall:*

20 (a) *Research and identify federal grants which may be*
21 *available to state agencies.*

22 (b) *Write grants for federal funds for state agencies.*

23 (c) *Coordinate with the members of Congress representing this*
24 *State to combine efforts relating to identifying and managing*
25 *available federal grants and related programs.*

26 (d) *If requested by a state agency, research the availability of*
27 *grants and write grant proposals and applications for the state*
28 *agency, giving priority to grants:*

29 (1) *For the Department of Health and Human Services;*

30 (2) *For the Office of Energy; and*

31 (3) *Which may facilitate economic development in this*
32 *State.*

33 (e) *To the greatest extent practicable, ensure that state*
34 *agencies are aware of any grant opportunities for which they are*
35 *or may be eligible.*

36 (f) *If requested by the Director of a state agency, advise the*
37 *Director and the state agency concerning the requirements for*
38 *receiving and managing grants.*

39 (g) *To the greatest extent practicable, coordinate with state and*
40 *local agencies that have received grants for similar projects to*
41 *ensure that the efforts and services of those state and local*
42 *agencies are not duplicated.*

43 (h) *On or before January 1 of each odd-numbered year,*
44 *submit to the Director of the Legislative Counsel Bureau for*
45 *transmittal to the Legislature a report regarding all activity*



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1 *relating to the application for, receipt of and use of grants in this*
2 *State.*

3 *2. The Chief may adopt regulations to carry out the*
4 *provisions of this section and sections 4 and 5 of this act.*

5 **Sec. 4.** *In addition to any other requirement concerning*
6 *applying for or receiving a grant, a state agency shall notify the*
7 *Office of Grant Procurement, Coordination and Management, on*
8 *a form prescribed by the Office, of any grant:*

9 *1. For which the state agency applies; and*

10 *2. Which the state agency receives.*

11 **Sec. 5.** *The Office of Grant Procurement, Coordination and*
12 *Management may apply for and receive any gift, grant,*
13 *contribution or other money from any source to carry out the*
14 *provisions of sections 2 to 6, inclusive, of this act.*

15 **Sec. 6.** *1. The Account for the Office of Grant*
16 *Procurement, Coordination and Management is hereby created in*
17 *the State General Fund. The Account must be administered by the*
18 *Chief of the Office.*

19 *2. Any money accepted pursuant to section 5 of this act must*
20 *be deposited in the Account.*

21 *3. The interest and income earned on the money in the*
22 *Account, after deducting any applicable charges, must be credited*
23 *to the Account.*

24 *4. The money in the Account which is donated for a purpose*
25 *specified by the donor, within the scope of the duties of the Chief*
26 *of the Office of Grant Procurement, Coordination and*
27 *Management, must only be used for that purpose. If no purpose is*
28 *specified, the money in the Account must only be used to carry out*
29 *the duties of the Chief.*

30 *5. Claims against the Account must be paid as other claims*
31 *against the State are paid.*

32 **Sec. 7.** (Deleted by amendment.)

33 **Sec. 8.** NRS 232.212 is hereby amended to read as follows:

34 232.212 As used in NRS 232.212 to 232.2195, inclusive, *and*
35 *sections 2 to 6, inclusive, of this act*, unless the context requires
36 otherwise:

37 1. "Department" means the Department of Administration.

38 2. "Director" means the Director of the Department.

39 **Sec. 9.** NRS 232.213 is hereby amended to read as follows:

40 232.213 1. The Department of Administration is hereby
41 created.

42 2. The Department consists of a Director and the following :

43 ~~{divisions:}~~

44 (a) Budget Division.

45 (b) Risk Management Division.



(c) Hearings Division, which consists of hearing officers, compensation officers and appeals officers.

(d) Buildings and Grounds Division.

(e) Purchasing Division.

(f) Administrative Services Division.

(g) Division of Internal Audits.

(h) Office of Grant Procurement, Coordination and Management.

3. The Director may establish a Motor Pool Division or may assign the functions of the State Motor Pool to one of the other divisions of the Department.

Sec. 10. NRS 232.215 is hereby amended to read as follows:

232.215 The Director:

1. Shall appoint a Chief of the:

(a) Risk Management Division;

(b) Buildings and Grounds Division;

(c) Purchasing Division;

(d) Administrative Services Division;

(e) Division of Internal Audits; ~~and~~

(f) Office of Grant Procurement, Coordination and Management; and

(g) Motor Pool Division, if separately established.

2. Shall appoint a Chief of the Budget Division, or may serve in this position if the Director has the qualifications required by NRS 353.175.

3. Shall serve as Chief of the Hearings Division and shall appoint the hearing officers and compensation officers. The Director may designate one of the appeals officers in the Division to supervise the administrative, technical and procedural activities of the Division.

4. Is responsible for the administration, through the divisions of the Department, of the provisions of chapters 331, 333 and 336 of NRS, NRS 353.150 to 353.246, inclusive, and 353A.031 to 353A.100, inclusive, and all other provisions of law relating to the functions of the divisions of the Department.

5. Is responsible for the administration of the laws of this State relating to the negotiation and procurement of medical services and other benefits for state agencies.

6. Has such other powers and duties as are provided by law.

Sec. 11. NRS 232.2165 is hereby amended to read as follows:

232.2165 1. The Chief of:

(a) The Buildings and Grounds Division;

(b) The Purchasing Division;

(c) The Administrative Services Division;

(d) The Division of Internal Audits; and



(e) If separately established, the Motor Pool Division, of the Department serves at the pleasure of the Director, but, except as otherwise provided in subsection 2, for all purposes except removal is in the classified service of the State.

2. The Chief of the Motor Pool Division, if separately established, and the Chief of the Division of Internal Audits are in the unclassified service of the State.

3. The Chief of the Office of Grant Procurement, Coordination and Management is in the unclassified service of the State and serves at the pleasure of the Director.

Sec. 11.1. Chapter 353 of NRS is hereby amended by adding thereto the provisions set forth as sections 11.3 and 11.5 of this act.

Sec. 11.3. *If a public hearing is required in connection with a grant from the Federal Government to a state agency, commission or department, the agency, commission or department may:*

1. Request that the hearing be included as an item on the agenda of a meeting of the Interim Finance Committee; or

2. Conduct the hearing in accordance with chapter 241 of NRS.

Sec. 11.5. *A department, institution or agency of the Executive Department of the State Government that receives a grant for a program which requires the approval of the Interim Finance Committee and which requires the department, institution or agency to take action to carry out the program, including, without limitation, classifying positions, recruiting for positions, advertising for bids and requesting proposals, may begin to carry out the program before obtaining that approval if the department, institution or agency includes a statement in any notice or advertisement that the position or contract is contingent upon the approval of the Interim Finance Committee.*

Sec. 11.7. NRS 353.220 is hereby amended to read as follows:
353.220 1. The head of any department, institution or agency of the Executive Department of the State Government, whenever he or she deems it necessary because of changed conditions, may request the revision of the work program of his or her department, institution or agency at any time during the fiscal year, and submit the revised program to the Governor through the Chief with a request for revision of the allotments for the remainder of that fiscal year.

2. Every request for revision must be submitted to the Chief on the form and with supporting information as the Chief prescribes.

3. Before encumbering any appropriated or authorized money, every request for revision must be approved or disapproved in



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1 writing by the Governor or the Chief, if the Governor has by written
2 instrument delegated this authority to the Chief.

3 4. Whenever a request for the revision of a work program of a
4 department, institution or agency in an amount more than ~~[\$20,000]~~
5 **\$30,000** would, when considered with all other changes in
6 allotments for that work program made pursuant to NRS 353.215
7 and subsections 1, 2 and 3 of this section, increase or decrease by 10
8 percent or ~~[\$50,000.]~~ **\$75,000**, whichever is less, the expenditure
9 level approved by the Legislature for any of the allotments within
10 the work program, the request must be approved as provided in
11 subsection 5 before any appropriated or authorized money may be
12 encumbered for the revision.

13 5. If a request for the revision of a work program requires
14 additional approval as provided in subsection 4 and:

15 (a) Is necessary because of an emergency as defined in NRS
16 353.263 or for the protection of life or property, the Governor shall
17 take reasonable and proper action to approve it and shall report the
18 action, and his or her reasons for determining that immediate action
19 was necessary, to the Interim Finance Committee at its first meeting
20 after the action is taken. Action by the Governor pursuant to this
21 paragraph constitutes approval of the revision, and other provisions
22 of this chapter requiring approval before encumbering money for the
23 revision do not apply.

24 (b) The Governor determines that the revision is necessary and
25 requires expeditious action, he or she may certify that the request
26 requires expeditious action by the Interim Finance Committee.
27 Whenever the Governor so certifies, the Interim Finance Committee
28 has 15 days after the request is submitted to its Secretary within
29 which to consider the revision. Any request for revision which is not
30 considered within the 15-day period shall be deemed approved.

31 (c) Does not qualify pursuant to paragraph (a) or (b), it must be
32 submitted to the Interim Finance Committee. The Interim Finance
33 Committee has 45 days after the request is submitted to its Secretary
34 within which to consider the revision. Any request which is not
35 considered within the 45-day period shall be deemed approved.

36 6. The Secretary shall place each request submitted pursuant to
37 paragraph (b) or (c) of subsection 5 on the agenda of the next
38 meeting of the Interim Finance Committee.

39 7. In acting upon a proposed revision of a work program, the
40 Interim Finance Committee shall consider, among other things:

41 (a) The need for the proposed revision; and

42 (b) The intent of the Legislature in approving the budget for the
43 present biennium and originally enacting the statutes which the
44 work program is designed to effectuate.



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Sec. 11.9. NRS 353.335 is hereby amended to read as follows:

353.335 1. Except as otherwise provided in subsections 5 and 6, a state agency may accept any gift or grant of property or services from any source only if it is included in an act of the Legislature authorizing expenditures of nonappropriated money or, when it is not so included, if it is approved as provided in subsection 2.

2. If:

(a) Any proposed gift or grant is necessary because of an emergency as defined in NRS 353.263 or for the protection or preservation of life or property, the Governor shall take reasonable and proper action to accept it and shall report the action and his or her reasons for determining that immediate action was necessary to the Interim Finance Committee at its first meeting after the action is taken. Action by the Governor pursuant to this paragraph constitutes acceptance of the gift or grant, and other provisions of this chapter requiring approval before acceptance do not apply.

(b) The Governor determines that any proposed gift or grant would be forfeited if the State failed to accept it before the expiration of the period prescribed in paragraph (c), the Governor may declare that the proposed acceptance requires expeditious action by the Interim Finance Committee. Whenever the Governor so declares, the Interim Finance Committee has 15 days after the proposal is submitted to its Secretary within which to approve or deny the acceptance. Any proposed acceptance which is not considered within the 15-day period shall be deemed approved.

(c) The proposed acceptance of any gift or grant does not qualify pursuant to paragraph (a) or (b), it must be submitted to the Interim Finance Committee. The Interim Finance Committee has 45 days after the proposal is submitted to its Secretary within which to consider acceptance. Any proposed acceptance which is not considered within the 45-day period shall be deemed approved.

3. The Secretary shall place each request submitted to the Secretary pursuant to paragraph (b) or (c) of subsection 2 on the agenda of the next meeting of the Interim Finance Committee.

4. In acting upon a proposed gift or grant, the Interim Finance Committee shall consider, among other things:

(a) The need for the facility or service to be provided or improved;

(b) Any present or future commitment required of the State;

(c) The extent of the program proposed; and

(d) The condition of the national economy, and any related fiscal or monetary policies.

5. A state agency may accept:

(a) Gifts, including grants from nongovernmental sources, not exceeding ~~[\$10,000]~~ \$20,000 each in value; and



(b) Governmental grants not exceeding ~~[\$100,000]~~ \$150,000 each in value,

➔ if the gifts or grants are used for purposes which do not involve the hiring of new employees and if the agency has the specific approval of the Governor or, if the Governor delegates this power of approval to the Chief of the Budget Division of the Department of Administration, the specific approval of the Chief.

6. This section does not apply to:

(a) The Nevada System of Higher Education;

(b) The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081 or for donations, gifts or grants to be disbursed pursuant to NRS 433.395; or

(c) Artifacts donated to the Department of Cultural Affairs.

Sec. 12. (Deleted by amendment.)

Sec. 12.5. NRS 353.345 is hereby repealed.

Sec. 13. This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTION

353.345 Approval of Interim Finance Committee required for allocation of money received under federal block grant. Whenever federal funding in the form of a categorical grant of a specific program administered by a state agency, commission or department is terminated and incorporated into a block grant from the Federal Government to the State of Nevada, the state agency, commission or department must obtain the approval of the Interim Finance Committee in order to allocate the money received from any block grant.

