

SENATE BILL NO. 324—SENATOR KIECKHEFER

MARCH 21, 2011

Referred to Committee on Finance

SUMMARY—Makes various changes concerning state financial administration. (BDR 31-748)

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 state financial administration; authorizing state agencies, under certain circumstances, to accept grants from the Federal Government without approval from the Interim Finance Committee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Interim Finance Committee must approve the
2 acceptance of certain grants by state agencies. With limited exceptions, a state
3 agency may not accept a governmental grant that exceeds \$100,000 in value
4 without approval from the Interim Finance Committee. A state agency may accept a
5 governmental grant that does not exceed \$100,000 in value if: (1) the grant is used
6 for purposes which do not involve the hiring of new employees; and (2) the agency
7 has the specific approval of the Governor or the Chief of the Budget Division of the
8 Department of Administration. (NRS 353.335) This bill authorizes a state agency to
9 accept any governmental grant, regardless of value, if the state agency has the
10 specific approval of the Governor or the Chief of the Budget Division.

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

1 **Section 1.** NRS 353.335 is hereby amended to read as follows:
2 353.335 1. Except as otherwise provided in subsections 5
3 ~~and 6,~~ *6 and 7*, a state agency may accept any gift or grant of
4 property or services from any source only if it is included in an act
5 of the Legislature authorizing expenditures of nonappropriated
6 money or, when it is not so included, if it is approved as provided in
7 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 ~~the~~:

~~(a) Gifts,~~ gifts, including grants from nongovernmental sources, not exceeding \$10,000 each in value ~~the~~ and

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

~~if~~ 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.



1 6. *A state agency may accept governmental grants if the*
2 *agency has the specific approval of the Governor or, if*
3 *the Governor delegates this power of approval to the Chief of the*
4 *Budget Division of the Department of Administration, the specific*
5 *approval of the Chief.*

6 7. This section does not apply to:

7 (a) The Nevada System of Higher Education;

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

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

13 **Sec. 2.** This act becomes effective on July 1, 2011.

