

Assembly Bill No. 428—Committee
on Government Affairs

CHAPTER.....

AN ACT relating to public purchasing; exempting the Nevada Rural Housing Authority from the Local Government Purchasing Act; increasing the authorized duration of a performance contract entered into by a local government; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Nevada Rural Housing Authority is considered to be a local government for the purposes of the Local Government Purchasing Act. (NRS 332.015) **Section 1** of this bill exempts the Authority from the provisions of the Act.

Existing law authorizes a local government to enter into a performance contract with a qualified service company for the purchase and installation of one or more operating cost-savings measures to reduce costs related to energy, water and the disposal of waste, and related labor costs. (NRS 332.360) Existing law also provides that the term of a performance contract may not exceed 15 years. (NRS 332.380) **Section 2** of this bill provides that the term of a performance contract may not exceed 25 years.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

Section 1. NRS 332.015 is hereby amended to read as follows:

332.015 ***1.*** For the purpose of this chapter, unless the context otherwise requires, “local government” means:

~~1-1~~ ***(a)*** Every political subdivision or other entity which has the right to levy or receive money from ad valorem taxes or other taxes or from any mandatory assessments, including counties, cities, towns, school districts and other districts organized pursuant to chapters 244, 309, 318, 379, 450, 473, 474, 539, 541, 543 and 555 of NRS.

~~1-2~~ ***(b)*** The Las Vegas Valley Water District created pursuant to the provisions of chapter 167, Statutes of Nevada 1947, as amended.

~~1-3~~ ***(c)*** County fair and recreation boards and convention authorities created pursuant to the provisions of NRS 244A.597 to 244A.655, inclusive.

~~1-4~~ ***(d)*** District boards of health created pursuant to the provisions of NRS 439.362 or 439.370.



~~15.1~~ 2. The *term does not include the* Nevada Rural Housing Authority.

Sec. 2. NRS 332.380 is hereby amended to read as follows:

332.380 1. A performance contract must provide that all payments, other than any obligations that become due if the contract is terminated before the contract expires, must be made over time.

2. Except as otherwise provided in this subsection, a performance contract, and the payments provided thereunder, may extend beyond the fiscal year in which the performance contract becomes effective for costs incurred in future fiscal years. The performance contract may extend for a term not to exceed ~~15.1~~ 25 years. The length of a performance contract may reflect the useful life of the operating cost-savings measure being installed or purchased under the performance contract.

3. The period over which payments are made on a performance contract must equal the period over which the operating cost savings are amortized. Payments on a performance contract must not commence until the operating cost-savings measures have been installed by the qualified service company.

