
ASSEMBLY BILL NO. 466—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE LEGISLATIVE COMMITTEE
ON HEALTH CARE)

MARCH 27, 2017

Referred to Committee on Government Affairs

SUMMARY—Revises the provisions governing contracts for services between a state agency and a former employee of a state agency. (BDR 27-354)

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 employment; revising the provisions governing a contract for services between an agency of this State and a former employee of an agency of this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 With certain exceptions, existing law prohibits officers, departments,
2 institutions, boards, commissions and other agencies in the Executive Department
3 of the State Government from entering into a contract for services with a former
4 employee of a state agency if less than 2 years have expired since the termination of
5 the former employee's employment with the State.

6 This bill excludes from this limitation a former state employee who is not
7 receiving retirement benefits under the Public Employees' Retirement System
8 during the duration of the contract.



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

Section 1. NRS 333.705 is hereby amended to read as follows:
333.705 1. Except as otherwise provided in this section, a using agency shall not enter into a contract with a person to provide services for the using agency if:

(a) The person is a current employee of an agency of this State;
(b) The person is a former employee of an agency of this State and less than 2 years have expired since the termination of the person's employment with the State; or

(c) The person is employed by the Department of Transportation for a transportation project that is entirely funded by federal money and the term of the contract is for more than 4 years,

unless the using agency submits a written disclosure to the State Board of Examiners indicating the services to be provided pursuant to the contract and the person who will be providing those services and, after reviewing the disclosure, the State Board of Examiners approves entering into a contract with the person. The requirements of this subsection apply to any person employed by a business or other entity that enters into a contract to provide services for a using agency if the person will be performing or producing the services for which the business or entity is employed.

2. The provisions of paragraph (b) of subsection 1 apply to employment through a temporary employment service. A temporary employment service providing employees for a using agency shall provide the using agency with the names of the employees to be provided to the agency. The State Board of Examiners shall not approve a contract pursuant to paragraph (b) of subsection 1 unless the Board determines that one or more of the following circumstances exist:

(a) The person provides services that are not provided by any other employee of the using agency or for which a critical labor shortage exists; or

(b) A short-term need or unusual economic circumstance exists for the using agency to contract with the person.

3. The approval by the State Board of Examiners to contract with a person pursuant to subsection 1:

(a) May occur at the same time and in the same manner as the approval by the State Board of Examiners of a proposed contract pursuant to subsection 7 of NRS 333.700; and

(b) Must occur before the date on which the contract becomes binding on the using agency.

4. A using agency may contract with a person pursuant to paragraph (a) or (b) of subsection 1 without obtaining the approval



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1 of the State Board of Examiners if the term of the contract is for less
2 than 4 months and the head of the using agency determines that an
3 emergency exists which necessitates the contract. If a using agency
4 contracts with a person pursuant to this subsection, the using agency
5 shall submit a copy of the contract and a description of the
6 emergency to the State Board of Examiners, which shall review the
7 contract and the description of the emergency and notify the using
8 agency whether the State Board of Examiners would have approved
9 the contract if it had not been entered into pursuant to this
10 subsection.

11 5. Except as otherwise provided in subsection 9, a using
12 agency shall, not later than 10 days after the end of each fiscal
13 quarter, report to the Interim Finance Committee concerning all
14 contracts to provide services for the using agency that were entered
15 into by the using agency during the fiscal quarter with a person who
16 is a current or former employee of a department, division or other
17 agency of this State.

18 6. Except as otherwise provided in subsection 9, a using
19 agency shall not contract with a temporary employment service
20 unless the contracting process is controlled by rules of open
21 competitive bidding.

22 7. Each board or commission of this State and each institution
23 of the Nevada System of Higher Education that employs a
24 consultant shall, at least once every 6 months, submit to the Interim
25 Finance Committee a report setting forth:

26 (a) The number of consultants employed by the board,
27 commission or institution;

28 (b) The purpose for which the board, commission or institution
29 employs each consultant;

30 (c) The amount of money or other remuneration received by
31 each consultant from the board, commission or institution; and

32 (d) The length of time each consultant has been employed by the
33 board, commission or institution.

34 8. A using agency, board or commission of this State and each
35 institution of the Nevada System of Higher Education:

36 (a) Shall make every effort to limit the number of contracts it
37 enters into with persons to provide services which have a term of
38 more than 2 years and which are in the amount of less than
39 \$1,000,000; and

40 (b) Shall not enter into a contract with a person to provide
41 services without ensuring that the person is in active and good
42 standing with the Secretary of State.

43 9. The provisions of subsections 1 to 6, inclusive, do not apply
44 to:



1 (a) The Nevada System of Higher Education or a board or
2 commission of this State.

3 (b) The employment of professional engineers by the
4 Department of Transportation if those engineers are employed for a
5 transportation project that is entirely funded by federal money.

6 (c) Contracts in the amount of \$1,000,000 or more entered into:

7 (1) Pursuant to the State Plan for Medicaid established
8 pursuant to NRS 422.063.

9 (2) For financial services.

10 (3) Pursuant to the Public Employees' Benefits Program.

11 (d) The employment of a person by a business or entity which is
12 a provider of services under the State Plan for Medicaid and which
13 provides such services on a fee-for-service basis or through
14 managed care.

15 *(e) The employment of a former employee of an agency of this*
16 *State who is not receiving retirement benefits under the Public*
17 *Employees' Retirement System during the duration of the*
18 *contract.*

19 **Sec. 2.** This act becomes effective on July 1, 2017.

