SENATE BILL NO. 206—SENATORS DONDERO LOOP, PARKS, SPEARMAN, WOODHOUSE, ATKINSON; BROOKS, CANCELA, CANNIZZARO, DENIS, HARRIS, OHRENSCHALL, RATTI AND SCHEIBLE

FEBRUARY 18, 2019

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to state financial administration. (BDR 31-806)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to state financial administration; requiring staff to the Interim Finance Committee and staff to the Governor to coordinate, to the extent practicable, to standardize certain forms and materials; authorizing the Interim Finance Committee to grant provisional approval to a grant acceptance proposal under certain circumstances; reducing the time the Interim Finance Committee has to consider such a proposed acceptance before the proposal is automatically deemed approved; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, before accepting certain grants an agency must submit a proposed acceptance to the Interim Finance Committee for approval. The Interim Finance Committee has 45 days to make a decision regarding the proposal. If no action is taken in this time, the proposed acceptance is deemed approved. (NRS 353.335) Section 2 of this bill requires the staff to the Interim Finance Committee to coordinate with the staff to the Governor to standardize the application materials an agency is required to submit as part of a proposed acceptance. Section 3 of this bill authorizes the Interim Finance Committee to grant provisional approval to a proposed acceptance for federal grant before the grant is awarded under certain circumstances. Section 4 of this bill reduces the time the Interim Finance Committee has to consider a proposed acceptance before it is automatically deemed approved from 45 days to 30 days.





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

- **Section 1.** Chapter 353 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.
- Sec. 2. The staff to the Interim Finance Committee shall coordinate with the staff to the Governor, to the extent practicable, to:
- 1. Standardize the forms used and the materials requested for each application for proposed acceptance of a gift or grant of property or services; and
- 2. Develop application requirements for each proposed acceptance of a gift or grant of property or services that are substantially similar to the application requirements for a federal grant.
- Sec. 3. The Interim Finance Committee may grant a state agency provisional approval to accept a grant of property or services if the agency has submitted an application for a federal grant and the grant has yet to be awarded.
 - **Sec. 4.** 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. It:

- (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] 30 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] 30-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 \$20,000 each in value; and
- (b) Governmental grants not exceeding \$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 Office of Finance, 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 435.490; or
- (c) Artifacts donated to the Department of Tourism and Cultural Affairs.
 - **Sec. 5.** This act becomes effective on July 1, 2019.





