

**PROPOSED REGULATION OF THE ADMINISTRATOR OF THE
REHABILITATION DIVISION OF THE DEPARTMENT OF
EMPLOYMENT, TRAINING AND REHABILITATION**

Section 1. Chapter 232 of NAC is hereby amended by adding thereto a new section to read as follows:

1. A registering organization must submit to the Division a copy of each contract it proposes to enter into pursuant to the Program to Encourage and Facilitate Purchase by Agencies of Commodities and Services from Organizations pursuant to NRS 334.025.

2. The Division will review the contract to determine whether the organization has sufficient capacity, capital, training and experience to successfully perform the terms of the contract. The Division will notify the organization within 15 days after receiving a contract pursuant to this section whether it approves the organization entering into the contract. If the Division does not approve the organization entering into the contract, it shall provide a statement explaining the reasons for its denial. If the Division fails to act on the proposed contract within 15 days after receiving it, the contract shall be deemed approved.

3. An organization denied approval by the Division to enter into a contract pursuant to this section, may request an administrative hearing pursuant to NAC _____ within 15 days after receiving a notice of denial from the Division.

Sec. 2. Chapter 232 of NAC is hereby amended by adding thereto a new section to read as follows:

Each contract entered into pursuant to the Program to Encourage and Facilitate Purchase by Agencies of Commodities and Services from Organizations pursuant to NRS 334.025 must contain provisions requiring the organization to:

- 1. Register with the Division pursuant to NRS 334.025 and section ____ of these proposed regulations;*
- 2. Obtain written approval from the Division to enter into and perform the contract; and*
- 3. Comply with the provisions of NRS 334.025 and the regulations adopted pursuant thereto.*

Sec. 3. Chapter 232 of NAC is hereby amended by adding thereto a new section to read as follows:

1. A registering organization must register with the Division each contract it enters into pursuant to the Program to Encourage and Facilitate Purchase by Agencies of Commodities and Services from Organizations pursuant to NRS 334.025.

2. As part of the registration, the organization shall provide a copy of the final, executed contract, together with any amendments, attachments or exhibits thereto.

3. The Division may withdraw its approval for the organization to perform the contract if it finds that:

- a. The organization does not qualify as an organization whose primary purpose is the training and employment of persons with a mental or physical disability;*

- b. Performance of the contract does not primarily benefit through training or employment persons with a mental or physical disability;*
 - c. The organization has failed to provide the reports required by section ____ of these proposed regulations*
 - d. The organization has failed to pay the fee required by section ____ of these proposed regulations; or*
 - e. The organization has, in the judgment of the Division, failed to adequately perform its obligations under the contract.*
- 4. If the Division withdraws its approval for the organization to perform the contract it shall notify the organization in writing and provide a statement of its reasons for the denial. The organization may request mediation or an administrative hearing pursuant to ____ within 15 days after receiving a notice of withdrawal of approval from the Division.*

Sec. 4. Chapter 232 of NAC is hereby amended by adding thereto a new section to read as follows:

The Division may require an organization to pay to the Division not more than 4% of payments received under a contract approved pursuant to NAC ____ to ____, inclusive, as and for the Division's costs to establish and administer the Program to Encourage and Facilitate Purchase by Agencies of Commodities and Services from Organizations pursuant to NRS 334.025, on such terms and conditions as the Division shall specify.

Sec. 5. Chapter 232 of NAC is hereby amended by adding thereto a new section to read as follows:

****TEXT OF SECTION on REPORTING REQUIREMENTS***

(*Currently the Reporting Requirements Section is under review by the Legislative Council Bureau)