

CHAPTER.....

AN ACT relating to public works; requiring the State Public Works Board to obtain prior approval from the Nevada Legislature or Interim Finance Committee before cancelling or, in certain circumstances, delaying a project authorized by the Legislature; requiring the Interim Finance Committee to consider certain criteria in determining whether to approve a change in the scope of the design or construction or the cancellation or delay of a project; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, the State Public Works Board is required to solicit bids and let all contracts for new construction or major repairs relating to public works. (NRS 341.145) This bill requires the Board to obtain the prior approval of the Nevada Legislature or, if the Legislature is not in session, the Interim Finance Committee before cancelling a project authorized by the Legislature or delaying the commencement or completion of such a project beyond the period for which money for the project was authorized. In determining whether to approve such a cancellation or delay or a change in the scope of the design or construction of a project, this bill requires the Interim Finance Committee to consider certain specified criteria.

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 341.145 is hereby amended to read as follows:

341.145 **1.** The Board:

~~{1}~~ **(a)** Shall determine whether any rebates are available from a public utility for installing devices in any state building which are designed to decrease the use of energy in the building. If such a rebate is available, the Board shall apply for the rebate.

~~{2}~~ **(b)** Shall solicit bids for and let all contracts for new construction or major repairs.

~~{3}~~ **(c)** May negotiate with the lowest responsible and responsive bidder on any contract to obtain a revised bid if:

~~{a}~~ **(1)** The bid is less than the appropriation made by the Legislature for that building project; and

~~{b}~~ **(2)** The bid does not exceed the relevant budget item for that building project as established by the Board by more than 10 percent.



~~[4-]~~ (d) May reject any or all bids.

~~[5-]~~ (e) After the contract is let, shall supervise and inspect construction and major repairs. The cost of supervision and inspection must be financed from the capital construction program approved by the Legislature.

~~[6-]~~ (f) Shall obtain prior approval from the Interim Finance Committee before authorizing any change in the scope of the design or construction of a project as that project was authorized by the Legislature, if the change increases or decreases the total square footage or cost of the project by 10 percent or more.

~~[7-]~~ (g) Except for changes that require prior approval pursuant to ~~[subsection 6-]~~ *paragraph (f)*, may authorize change orders, before or during construction:

~~[(a)]~~ (1) In any amount, where the change represents a reduction in the total awarded contract price.

~~[(b)]~~ (2) Except as otherwise provided in ~~[paragraph (e)]~~ *subparagraph (3)*, not to exceed in the aggregate 15 percent of the total awarded contract price, where the change represents an increase in that price.

~~[(e)]~~ (3) In any amount, where the total awarded contract price is less than \$50,000 and the change represents an increase not exceeding the amount of the total awarded contract price.

~~[(d)]~~ (4) In any amount, where additional money was authorized or appropriated by the Legislature and issuing a new contract would not be in the best interests of the State.

~~[8-]~~ (h) Shall specify in any contract with a design professional the period within which the design professional must prepare and submit to the Board a change order that has been authorized by the design professional. As used in this ~~[subsection,]~~ *paragraph*, “design professional” means a person with a professional license or certificate issued pursuant to chapter 623, 623A or 625 of NRS.

~~[9-]~~ (i) Has final authority to accept each building or structure, or any portion thereof, on property of the State or held in trust for any division of the State Government as completed or to require necessary alterations to conform to the contract or to codes adopted by the Board, and to file the notice of completion and certificate of occupancy for the building or structure.

(j) Shall obtain prior approval from the Legislature or the Interim Finance Committee, if the Legislature is not in session, before cancelling a project authorized by the Legislature or delaying the commencement or completion of such a project beyond the period for which money for the project was authorized.



2. In acting upon a proposed change in the scope of the design or construction of a project pursuant to paragraph (f) of subsection 1 or a proposed cancellation or delay of a project pursuant to paragraph (j) of subsection 1, the Interim Finance Committee shall consider, among other things:

(a) The reason provided by the Board for the proposed change in the scope of the design or construction or the cancellation or delay of the project.

(b) The current need for the project; and

(c) The intent of the Legislature in originally approving the project.

Sec. 2. NRS 218E.405 is hereby amended to read as follows:

218E.405 1. Except as otherwise provided in subsection 2, the Interim Finance Committee may exercise the powers conferred upon it by law only when the Legislature is not in regular or special session.

2. During a regular or special session, the Interim Finance Committee may also perform the duties imposed on it by subsection 5 of NRS 284.115, NRS 284.1729, subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 3 of NRS 341.090, NRS 341.142, ***paragraph (f) of*** subsection ~~1~~ ***1*** of NRS 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288, 353.335, 353C.226, paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375, 439.620, 439.630, 445B.830 and 538.650. In performing those duties, the Senate Standing Committee on Finance and the Assembly Standing Committee on Ways and Means may meet separately and transmit the results of their respective votes to the Chair of the Interim Finance Committee to determine the action of the Interim Finance Committee as a whole.

3. The Chair of the Interim Finance Committee may appoint a subcommittee consisting of six members of the Committee to review and make recommendations to the Committee on matters of the State Public Works Board that require prior approval of the Interim Finance Committee pursuant to subsection 3 of NRS 341.090, NRS 341.142 and ***paragraph (f) of*** subsection ~~1~~ ***1*** of NRS 341.145. If the Chair appoints such a subcommittee:

(a) The Chair shall designate one of the members of the subcommittee to serve as the chair of the subcommittee;

(b) The subcommittee shall meet throughout the year at the times and places specified by the call of the chair of the subcommittee; and



(c) The Director of the Legislative Counsel Bureau or the Director's designee shall act as the nonvoting recording secretary of the subcommittee.

Sec. 3. This act becomes effective upon passage and approval.

