

**PROPOSED REGULATION OF THE  
CHIEF OF THE PURCHASING DIVISION OF THE  
DEPARTMENT OF ADMINISTRATION**

**LCB File No. R179-97**

December 3, 1997

EXPLANATION – Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AUTHORITY: §§ 2-7, NRS 333.130, 333.150, 333.155 and 333.160; § 8, NRS 233B.120 and 333.130.

**Section 1.** Chapter 333 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this regulation.

**Sec. 2.** *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Chief” means the chief of the division.*

**Sec. 4.** *“Division” means the purchasing division of the department of administration.*

**Sec. 5.** *“Using agency” has the meaning ascribed to it in NRS 333.020.*

**Sec. 6.** *A using agency may acquire an item of equipment through the division by means of:*

- 1. A direct purchase;*
- 2. A rental agreement;*
- 3. A lease; or*
- 4. A lease with an option to purchase.*

**Sec. 7.** 1. *Before a using agency may acquire through the division an item of equipment that is needed by the using agency for a fixed period and for which the cost is not included in the executive budget, the using agency must obtain from the division a determination of which method of acquiring the item of equipment is the most cost-effective and in the best interest of this state.*

2. *To obtain a determination of which method of acquiring an item of equipment is the most cost-effective and in the best interest of this state, the using agency must submit the following information to the division:*

- (a) *The estimated period for which the item of equipment is needed by the using agency.*
- (b) *The estimated cost of purchasing the item of equipment, including, without limitation:*
  - (1) *The price per unit;*
  - (2) *The associated cost of administration;*
  - (3) *The cost of transportation;*
  - (4) *The cost of installation;*
  - (5) *The cost of maintenance;*
  - (6) *The estimated life of the item of equipment;*
  - (7) *The salvage value of the item of equipment at the expiration of its estimated life; and*
  - (8) *Any other information that may materially affect the cost of purchasing the item of equipment.*

*(c) The estimated cost of renting or leasing the item of equipment, including, without limitation:*

- (1) *The amount of the required initial payment;*

- (2) *The amount of each required monthly payment;*
- (3) *The associated cost of administration;*
- (4) *The cost of transportation;*
- (5) *The cost of installation;*
- (6) *The cost of maintenance;*
- (7) *The cost of returning the item of equipment;*
- (8) *The cost of wear and tear caused to the item of equipment;*
- (9) *The estimated resale value of the item of equipment at the expiration of the term of the rental agreement or lease; and*
- (10) *Any other information that may materially affect the cost of renting or leasing the item of equipment.*

3. *After considering the information provided by the using agency pursuant to subsection 2, the division will make a determination of which method of acquiring an item of equipment is most cost-effective and in the best interest of this state and will also address the option of acquiring an item of equipment through the division by means of a lease with an option to purchase if the using agency requests the division to do so and the using agency submits to the division:*

- (a) *The information required in paragraphs (b) and (c) of subsection 2 as that information applies to a lease with an option to purchase;*
- (b) *The actual amount of each payment attributable to the purchase of the item of equipment;*
- (c) *The cost of financing the lease with an option to purchase; and*

*(d) Any other information that may materially affect the acquisition of the item of equipment by means of a lease with an option to purchase.*

**Sec. 8.** 1. *A person may petition the chief to issue a declaratory order or an advisory opinion if the person has a direct or tangible interest in the applicability of a statutory provision, regulation of the chief or decision of the chief or division.*

2. *A petition must be:*

*(a) Submitted to the chief in writing; and*

*(b) Signed by the petitioner.*

3. *If the chief receives a petition filed pursuant to this section, he will issue a declaratory order or an advisory opinion not more than 30 days after receiving the petition. A copy of the order or opinion must be mailed to the petitioner.*