

SENATE BILL NO. 82—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE ATTORNEY GENERAL)

PREFILED DECEMBER 15, 2010

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to governmental information systems. (BDR 19-267)

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 governmental administration; requiring the Chief of the Office of Information Security of the Department of Information Technology to investigate and resolve certain matters relating to security breaches of information systems of certain state agencies and elected officers; authorizing the Director of the Department or the Chief of the Office of Information Security to inform members of certain governmental entities of such security breaches; amending the membership and increasing certain terms of office of the Information Technology Advisory Board; revising the authority of the Department to provide services and equipment to local governmental agencies; requiring certain agencies and officers that use the equipment and information services of the Department to report certain incidents to the Office of Information Security; making various other changes relating to governmental information systems; requiring the Chief of the Purchasing Division of the Department of Administration and local governments to publish certain advertisements for bids or proposals on their respective Internet websites; and providing other matters properly relating thereto.



\* S B 8 2 R 2 \*

**Legislative Counsel's Digest:**

1 **Section 4** of this bill requires the Chief of the Office of Information Security of  
2 the Department of Information Technology to investigate and resolve any security  
3 breach or unauthorized acquisition of computerized data that materially  
4 compromises the security, confidentiality or integrity of an information system of a  
5 state agency or elected officer that uses the equipment or services of the  
6 Department. **Section 4** also authorizes the Director to inform the members of  
7 certain boards and commissions of such security breaches and unauthorized  
8 acquisitions.

9 **Section 12** of this bill adds the Attorney General or his or her designee to and  
10 removes the Superintendent of Public Instruction or his or her designee from the  
11 membership of the Information Technology Advisory Board. **Section 12** also  
12 increases from one person to three persons the number of members who are  
13 appointed to the Board by the Governor as representatives of a city or county in this  
14 State and increases from 2 to 4 years the term of the members of the Board who are  
15 appointed by the Governor.

16 Under existing law, the Department is authorized to provide services to  
17 counties, cities and towns, and their agencies, if there are sufficient resources  
18 available. (NRS 242.141) **Section 13** of this bill authorizes the Department to  
19 provide services to those local governmental agencies if the provision of services  
20 would result in reduced costs to the State for equipment and services.

21 Under existing law, the Department is responsible for the information systems  
22 of state agencies and elected state officers that are required to use its services and  
23 equipment. (NRS 242.171) **Section 14** of this bill adds certain testing and  
24 monitoring of information systems to the duties of the Department.

25 Under existing law, all users of equipment or services of the Department are  
26 required to comply with certain regulations. (NRS 242.181) **Section 15** of this bill  
27 requires such users to report security-related noncompliance and unauthorized  
28 access to their information systems or applications of their information systems to  
29 the Office of Information Security of the Department within 24 hours after  
30 discovery.

31 Existing law requires the Chief of the Purchasing Division of the Department of  
32 Administration to publish advertisements for bids or proposals for commodities or  
33 services in at least one newspaper of general circulation in the State. (NRS  
34 333.310) **Section 20** of this bill requires the Chief to publish the advertisement on  
35 the Internet website of the Purchasing Division and in a newspaper.

36 Under existing law, local governments are required to publish advertisements  
37 for bids or proposals for purchasing and public works in a newspaper. (NRS  
38 332.045, 338.1378, 338.1385, 338.143, 338.1692, 338.1723, 338.1907 and  
39 496.090) **Sections 19 and 26-28** of this bill require a local government to publish  
40 such advertisements on the Internet website of the local government, if the local  
41 government maintains an Internet website, in addition to publishing such  
42 advertisements in a newspaper.

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

1 **Section 1.** Chapter 242 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2, 3 and 4, of this act.

3 **Sec. 2.** *“Local governmental agency” means any branch,*  
4 *agency, bureau, board, commission, department or division of a*  
5 *county, incorporated city or town in this State.*



1     **Sec. 3.** *“Security validation” means a process or processes*  
2 *used to ensure that an information system or a network associated*  
3 *with an information system is resistant to any known threat.*

4     **Sec. 4. 1.** *The Chief of the Office of Information Security*  
5 *shall investigate and resolve any breach of an information system*  
6 *of a state agency or elected officer that uses the equipment or*  
7 *services of the Department or an application of such an*  
8 *information system or unauthorized acquisition of computerized*  
9 *data that materially compromises the security, confidentiality or*  
10 *integrity of such an information system.*

11     **2.** *The Director or Chief of the Office of Information*  
12 *Security, at his or her discretion, may inform members of the*  
13 *Technological Crime Advisory Board created by NRS 205A.040,*  
14 *the Nevada Commission on Homeland Security created by NRS*  
15 *239C.120 and the Information Technology Advisory Board*  
16 *created by NRS 242.122 of any breach of an information system of*  
17 *a state agency or elected officer or application of such an*  
18 *information system or unauthorized acquisition of computerized*  
19 *data that materially compromises the security, confidentiality or*  
20 *integrity of such an information system.*

21     **Sec. 5.** NRS 242.011 is hereby amended to read as follows:

22     242.011 As used in this chapter, unless the context otherwise  
23 requires, the words and terms defined in NRS 242.015 to 242.068,  
24 inclusive, *and sections 2 and 3 of this act* have the meanings  
25 ascribed to them in those sections.

26     **Sec. 6.** NRS 242.055 is hereby amended to read as follows:

27     242.055 “Information service” means any service relating to  
28 the creation, maintenance, operation , *security validation, testing,*  
29 *continuous monitoring* or use of an information system.

30     **Sec. 7.** NRS 242.057 is hereby amended to read as follows:

31     242.057 “Information system” means any communications or  
32 computer equipment, computer software, procedures, personnel or  
33 technology used to collect, process, distribute or store information .  
34 ~~[within the Executive Branch of State Government.]~~

35     **Sec. 8.** NRS 242.059 is hereby amended to read as follows:

36     242.059 “Information technology” means any information,  
37 information system or information service acquired, developed,  
38 operated, maintained or otherwise used . ~~[within the Executive~~  
39 ~~Branch of State Government.]~~

40     **Sec. 9.** NRS 242.071 is hereby amended to read as follows:

41     242.071 1. The Legislature hereby determines and declares  
42 that the creation of the Department of Information Technology is  
43 necessary for the coordinated, orderly and economical processing of  
44 information in State Government, to ensure economical use of



1 information systems and to prevent the unnecessary proliferation of  
2 equipment and personnel among the various state agencies.

3 2. The purposes of the Department are:

4 (a) To perform information services for state agencies.

5 (b) To provide technical advice but not administrative control of  
6 the information systems within the state agencies ~~[, county agencies  
7 and governing bodies and agencies of incorporated cities and  
8 towns.]~~ *and, as authorized, of local governmental agencies.*

9 **Sec. 10.** NRS 242.101 is hereby amended to read as follows:

10 242.101 1. The Director shall:

11 (a) Appoint the chiefs of the ~~[divisions]~~ *Programming Division  
12 and the Communication and Computing Division of the  
13 Department who are* in the unclassified service of the State;

14 (b) *Appoint the Chief of the Office of Information Security  
15 who is in the classified service of the State;*

16 (c) Administer the provisions of this chapter and other  
17 provisions of law relating to the duties of the Department; and

18 ~~[(e)]~~ (d) Carry out other duties and exercise other powers  
19 specified by law.

20 2. The Director may form committees to establish standards  
21 and determine criteria for evaluation of policies relating to  
22 informational services.

23 **Sec. 11.** (Deleted by amendment.)

24 **Sec. 12.** NRS 242.122 is hereby amended to read as follows:

25 242.122 1. There is hereby created an Information  
26 Technology Advisory Board. The Board consists of:

27 (a) One member appointed by the Majority Floor Leader of the  
28 Senate from the membership of the Senate Standing Committee on  
29 Finance . ~~[during the immediately preceding session of the  
30 Legislature.]~~

31 (b) One member appointed by the Speaker of the Assembly  
32 from the membership of the Assembly Standing Committee on  
33 Ways and Means . ~~[during the immediately preceding session of the  
34 Legislature.]~~

35 (c) Two representatives of using agencies which are major users  
36 of the services of the Department. The Governor shall appoint the  
37 two representatives. Each such representative serves for a term of  
38 ~~[2]~~ 4 years. For the purposes of this paragraph, an agency is a  
39 "major user" if it is among the top five users of the services of the  
40 Department, based on the amount of money paid by each agency for  
41 the services of the Department during the immediately preceding  
42 biennium.

43 (d) The Director of the Department of Administration or his or  
44 her designee.



1 (e) ~~[The Superintendent of Public Instruction of the Department~~  
2 ~~of Education or his or her designee.~~

3 ~~—(f) Three] The Attorney General or his or her designee.~~

4 (f) *Five* persons appointed by the Governor ~~[in July of each odd-~~  
5 ~~numbered year]~~ as follows:

6 (1) ~~[One person] Three persons~~ who ~~[represents] represent~~ a  
7 city or county in this State ~~[;]~~, *at least one of whom is engaged in*  
8 *the information technology or information security;* and

9 (2) Two persons who represent the information technology  
10 industry but who:

11 (I) Are not employed by this State;

12 (II) Do not hold any elected or appointed office in State  
13 Government;

14 (III) Do not have an existing contract or other agreement  
15 to provide information services, systems or technology to an agency  
16 of this State; and

17 (IV) Are independent of and have no direct or indirect  
18 pecuniary interest in a corporation, association, partnership or other  
19 business organization which provides information services, systems  
20 or technology to an agency of this State.

21 2. Each person appointed pursuant to paragraph (f) of  
22 subsection 1 serves for a term of ~~[2] 4~~ years. No person so appointed  
23 may serve more than 2 consecutive terms.

24 3. At the first regular meeting of each calendar year, the  
25 members of the Board shall elect a Chair by majority vote.

26 **Sec. 13.** NRS 242.141 is hereby amended to read as follows:

27 242.141 To facilitate the economical processing of data  
28 throughout the State Government, the Department may provide  
29 service for agencies not under the control of the Governor, upon the  
30 request of any such agency. ~~[If there are sufficient resources~~  
31 ~~available to the Department, it] The Department~~ may provide  
32 services, *including, without limitation, purchasing services,* to  
33 ~~[counties, cities and towns and to their agencies.] a local~~  
34 *governmental agency upon request, if provision of such services*  
35 *will result in reduced costs to the State for equipment and services.*

36 **Sec. 14.** NRS 242.171 is hereby amended to read as follows:

37 242.171 1. The Department is responsible for:

38 (a) The applications of information systems;

39 (b) Designing and placing those *information* systems in  
40 operation;

41 (c) Any application of an information system which it furnishes  
42 to state agencies and officers after negotiation; and

43 (d) The ~~[writing,] security validation,~~ testing, *including,*  
44 *without limitation, penetration testing,* and ~~[performance-of~~  
45 ~~programs.] continuous monitoring of information systems,~~



1 ↪ for ~~[the state]~~ *using* agencies and ~~[elected state officers which are~~  
2 ~~required to use its services.]~~ *for state agencies and officers which*  
3 *use the equipment or services of the Department pursuant to*  
4 *subsection 2 of NRS 242.131.*

5 2. The Director shall review and approve or disapprove,  
6 pursuant to standards for justifying cost, any application of an  
7 information system having an estimated developmental cost of  
8 \$50,000 or more. No using agency may commence development  
9 work on any such applications until approval and authorization have  
10 been obtained from the Director.

11 3. *As used in this section, “penetration testing” means a*  
12 *method of evaluating the security of an information system or*  
13 *application of an information system by simulating unauthorized*  
14 *access to the information system or application.*

15 **Sec. 15.** NRS 242.181 is hereby amended to read as follows:

16 242.181 1. Any state agency or elected state officer which  
17 uses the equipment or services of the Department shall adhere to the  
18 regulations, standards, practices, policies and conventions of the  
19 Department.

20 2. *Each state agency or elected state officer described in*  
21 *subsection 1 shall report any suspected incident of:*

22 (a) *Unauthorized access to an information system or*  
23 *application of an information system of the Department used by*  
24 *the state agency or elected state officer; and*

25 (b) *Noncompliance with the regulations, standards, practices,*  
26 *policies and conventions of the Department that is identified by the*  
27 *Department as security-related,*

28 ↪ *to the Office of Information Security of the Department within*  
29 *24 hours after discovery of the suspected incident. If the Office*  
30 *determines that an incident of unauthorized access or*  
31 *noncompliance occurred, the Office shall immediately report the*  
32 *incident to the Director. The Director shall assist in the*  
33 *investigation and resolution of any such incident.*

34 3. The Department shall provide services to each *state* agency  
35 *and elected state officer described in subsection 1* uniformly with  
36 respect to degree of service, priority of service, availability of  
37 service and cost of service.

38 **Sec. 16.** NRS 242.191 is hereby amended to read as follows:

39 242.191 1. Except as otherwise provided in subsection 3, the  
40 amount receivable from ~~[an]~~ *a state agency or officer or local*  
41 *governmental* agency ~~[availing itself of]~~ *which uses* the services of  
42 the Department must be determined by the Director in each case and  
43 include:

44 (a) The annual expense, including depreciation, of operating and  
45 maintaining the Communication and Computing Division,



1 distributed among the agencies in proportion to the services  
2 performed for each agency.

3 (b) A service charge in an amount determined by distributing the  
4 monthly installment for the construction costs of the computer  
5 facility among the agencies in proportion to the services performed  
6 for each agency.

7 2. The Director shall prepare and submit monthly to the *state*  
8 *agencies and officers and local governmental* agencies for which  
9 services of the Department have been performed an itemized  
10 statement of the amount receivable from each *state agency or*  
11 *officer or local governmental* agency.

12 3. The Director may authorize, if in his or her judgment the  
13 circumstances warrant, a fixed cost billing, including a factor for  
14 depreciation, for services rendered to ~~an~~ *a state agency or officer*  
15 *or local governmental* agency.

16 **Sec. 17.** NRS 242.231 is hereby amended to read as follows:

17 242.231 Upon the receipt of a statement submitted pursuant to  
18 subsection 2 of NRS 242.191, each *state agency or officer* shall  
19 authorize the State Controller by transfer or warrant to draw money  
20 from the agency's account in the amount of the statement for  
21 transfer to or placement in the Fund for Information Services.

22 **Sec. 18.** NRS 205.4765 is hereby amended to read as follows:

23 205.4765 1. Except as otherwise provided in subsection 6, a  
24 person who knowingly, willfully and without authorization:

- 25 (a) Modifies;
- 26 (b) Damages;
- 27 (c) Destroys;
- 28 (d) Discloses;
- 29 (e) Uses;
- 30 (f) Transfers;
- 31 (g) Conceals;
- 32 (h) Takes;
- 33 (i) Retains possession of;
- 34 (j) Copies;
- 35 (k) Obtains or attempts to obtain access to, permits access to or  
36 causes to be accessed; or
- 37 (l) Enters,

38 ↪ data, a program or any supporting documents which exist inside  
39 or outside a computer, system or network is guilty of a  
40 misdemeanor.

41 2. Except as otherwise provided in subsection 6, a person who  
42 knowingly, willfully and without authorization:

- 43 (a) Modifies;
- 44 (b) Destroys;
- 45 (c) Uses;



- 1 (d) Takes;  
2 (e) Damages;  
3 (f) Transfers;  
4 (g) Conceals;  
5 (h) Copies;  
6 (i) Retains possession of; or  
7 (j) Obtains or attempts to obtain access to, permits access to or  
8 causes to be accessed,  
9 ↳ equipment or supplies that are used or intended to be used in a  
10 computer, system or network is guilty of a misdemeanor.  
11 3. Except as otherwise provided in subsection 6, a person who  
12 knowingly, willfully and without authorization:  
13 (a) Destroys;  
14 (b) Damages;  
15 (c) Takes;  
16 (d) Alters;  
17 (e) Transfers;  
18 (f) Discloses;  
19 (g) Conceals;  
20 (h) Copies;  
21 (i) Uses;  
22 (j) Retains possession of; or  
23 (k) Obtains or attempts to obtain access to, permits access to or  
24 causes to be accessed,  
25 ↳ a computer, system or network is guilty of a misdemeanor.  
26 4. Except as otherwise provided in subsection 6, a person who  
27 knowingly, willfully and without authorization:  
28 (a) Obtains and discloses;  
29 (b) Publishes;  
30 (c) Transfers; or  
31 (d) Uses,  
32 ↳ a device used to access a computer, network or data is guilty of a  
33 misdemeanor.  
34 5. Except as otherwise provided in subsection 6, a person who  
35 knowingly, willfully and without authorization introduces, causes to  
36 be introduced or attempts to introduce a computer contaminant into  
37 a computer, system or network is guilty of a misdemeanor.  
38 6. If the violation of any provision of this section:  
39 (a) Was committed to devise or execute a scheme to defraud or  
40 illegally obtain property;  
41 (b) Caused response costs, loss, injury or other damage in excess  
42 of \$500; or  
43 (c) Caused an interruption or impairment of a public service,  
44 including, without limitation, a governmental operation, a system of



1 public communication or transportation or a supply of water, gas or  
2 electricity,

3 ➔ the person is guilty of a category C felony and shall be punished  
4 as provided in NRS 193.130, and may be further punished by a fine  
5 of not more than \$100,000. In addition to any other penalty, the  
6 court shall order the person to pay restitution.

7 *7. The provisions of this section do not apply to a person*  
8 *performing any testing, including, without limitation, penetration*  
9 *testing, of an information system of an agency that uses the*  
10 *equipment or services of the Department of Information*  
11 *Technology that is authorized by the Director of the Department of*  
12 *Information Technology or the chief of the Office of Information*  
13 *Security of the Department. As used in this subsection:*

14 (a) *“Information system” has the meaning ascribed to it in*  
15 *NRS 242.057.*

16 (b) *“Penetration testing” has the meaning ascribed to it in*  
17 *NRS 242.171.*

18 **Sec. 19.** NRS 332.045 is hereby amended to read as follows:

19 332.045 1. The advertisement required by paragraph (a) of  
20 subsection 1 of NRS 332.039 must ~~be published at least once and~~  
21 ~~not less than 7 days before the opening of bids. The advertisement~~  
22 ~~must~~ be by notice to bid and must be published ~~in~~:

23 (a) *In a newspaper qualified pursuant to chapter 238 of NRS*  
24 *that has a general circulation within the county wherein the local*  
25 *government, or a major portion thereof, is situated ~~in~~ at least once*  
26 *and not less than 7 days before the opening of bids; and*

27 (b) *On the Internet website of the local government, if the local*  
28 *government maintains an Internet website, every day for not less*  
29 *than 7 days before the opening of bids.*

30 2. The notice must state:

31 (a) The nature, character or object of the contract.

32 (b) If plans and specifications are to constitute part of the  
33 contract, where the plans and specifications may be seen.

34 (c) The time and place where bids will be received and opened.

35 (d) Such other matters as may properly pertain to giving notice  
36 to bid.

37 **Sec. 20.** NRS 333.310 is hereby amended to read as follows:

38 333.310 1. An advertisement must contain a general  
39 description of the classes of commodities or services for which a bid  
40 or proposal is wanted and must state:

41 (a) The name and location of the department, agency, local  
42 government, district or institution for which the purchase is to be  
43 made.

44 (b) Where and how specifications and quotation forms may be  
45 obtained.



1 (c) If the advertisement is for bids, whether the Chief is  
2 authorized by the using agency to be supplied to consider a bid for  
3 an article that is an alternative to the article listed in the original  
4 request for bids if:

5 (1) The specifications of the alternative article meet or  
6 exceed the specifications of the article listed in the original request  
7 for bids;

8 (2) The purchase of the alternative article results in a lower  
9 price; and

10 (3) The Chief deems the purchase of the alternative article to  
11 be in the best interests of the State of Nevada.

12 (d) Notice of the preference set forth in NRS 333.3366.

13 (e) The date and time not later than which responses must be  
14 received by the Purchasing Division.

15 (f) The date and time when responses will be opened.

16 ➔ The Chief or a designated agent of the Chief shall approve the  
17 copy for the advertisement.

18 2. Each advertisement must be published ~~in~~:

19 (a) *In* at least one newspaper of general circulation in the State.  
20 The selection of the newspaper to carry the advertisement must be  
21 made in the manner provided by this chapter for other purchases, on  
22 the basis of the lowest price to be secured in relation to the paid  
23 circulation ~~in~~; and

24 (b) *On the Internet website of the Purchasing Division.*

25 **Sec. 21.** (Deleted by amendment.)

26 **Sec. 22.** (Deleted by amendment.)

27 **Sec. 23.** (Deleted by amendment.)

28 **Sec. 24.** (Deleted by amendment.)

29 **Sec. 25.** (Deleted by amendment.)

30 **Sec. 26.** NRS 338.1723 is hereby amended to read as follows:

31 338.1723 1. A public body shall advertise for preliminary  
32 proposals for the design and construction of a public work by a  
33 design-build team. ~~in~~ *The advertisement must be published:*

34 (a) *In* a newspaper qualified pursuant to chapter 238 of NRS  
35 that is published in the county where the public work will be  
36 performed ~~in~~ *at least once and not less than 7 days before the*  
37 *opening of bids; and*

38 (b) *On the Internet website of the public body, if the public*  
39 *body maintains an Internet website, every day for not less than 7*  
40 *days before the opening of bids.*

41 ➔ If no qualified newspaper is published in the county where the  
42 public work will be performed, the required advertisement must be  
43 published in some qualified newspaper that is printed in the State of  
44 Nevada and has a general circulation in the county.



1 2. A request for preliminary proposals published pursuant to  
2 subsection 1 must include, without limitation:

3 (a) A description of the public work to be designed and  
4 constructed;

5 (b) An estimate of the cost to design and construct the public  
6 work;

7 (c) The dates on which it is anticipated that the separate phases  
8 of the design and construction of the public work will begin and  
9 end;

10 (d) The date by which preliminary proposals must be submitted  
11 to the public body;

12 (e) If the proposal is for a public work of the State, a statement  
13 setting forth that the prime contractor must be qualified to bid on a  
14 public work of the State pursuant to NRS 338.1379 before  
15 submitting a preliminary proposal;

16 (f) A description of the extent to which designs must be  
17 completed for both preliminary and final proposals and any other  
18 requirements for the design and construction of the public work that  
19 the public body determines to be necessary;

20 (g) A list of the requirements set forth in NRS 338.1721;

21 (h) A list of the factors and relative weight assigned to each  
22 factor that the public body will use to evaluate design-build teams  
23 who submit a proposal for the public work;

24 (i) Notice that a design-build team desiring to submit a proposal  
25 for the public work must include with its proposal the information  
26 used by the public body to determine finalists among the design-  
27 build teams submitting proposals pursuant to subsection 2 of NRS  
28 338.1725 and a description of that information; and

29 (j) A statement as to whether a design-build team that is selected  
30 as a finalist pursuant to NRS 338.1725 but is not awarded the  
31 design-build contract pursuant to NRS 338.1727 will be partially  
32 reimbursed for the cost of preparing a final proposal and, if so, an  
33 estimate of the amount of the partial reimbursement.

34 **Sec. 27.** NRS 338.1907 is hereby amended to read as follows:

35 338.1907 1. A governing body may designate one or more  
36 energy retrofit coordinators for the buildings occupied by the local  
37 government.

38 2. If such a coordinator is designated, upon request by or  
39 consultation with an officer or employee of the local government  
40 who is responsible for the budget of a department, board,  
41 commission or other entity of the local government, the coordinator  
42 may request the approval of the governing body to advertise a  
43 request for proposals to retrofit a building, or any portion thereof,  
44 that is occupied by the department, board, commission or other



1 entity, to make the use of energy in the building, or portion thereof,  
2 more efficient.

3 3. Upon approval of the governing body, the coordinator shall  
4 prepare a request for proposals for the retrofitting of one or more  
5 buildings, or any portion thereof, which includes:

6 (a) The name and location of the coordinator;

7 (b) A brief description of the requirements for the initial audit of  
8 the use of energy and the retrofitting;

9 (c) Where and how specifications of the requirements for the  
10 initial audit of the use of energy and the retrofitting may be  
11 obtained;

12 (d) The date and time not later than which proposals must be  
13 received by the coordinator; and

14 (e) The date and time when responses will be opened.

15 4. The request for proposals must be published :

16 (a) *On the Internet website of the governing body, if the*  
17 *governing body maintains an Internet website, every day for not*  
18 *less than 7 days before the opening of bids; and ~~in~~*

19 (b) *In a newspaper qualified pursuant to chapter 238 of NRS*  
20 *that is published in the county where the public work will be*  
21 *performed ~~in~~ at least once and not less than 7 days before the*  
22 *opening of bids.*

23 *↳ If no qualified newspaper is published in the county where the*  
24 *public work will be performed, the required advertisement must be*  
25 *published in some qualified newspaper that is printed in the State of*  
26 *Nevada and has a general circulation in the county where the public*  
27 *work will be performed.*

28 5. After receiving the proposals but before making a decision  
29 on the proposals, the coordinator shall consider:

30 (a) The best interests of the local government;

31 (b) The experience and financial stability of the persons  
32 submitting the proposals;

33 (c) Whether the proposals conform with the terms of the request  
34 for proposals;

35 (d) The prices of the proposals; and

36 (e) Any other factor disclosed in the request for proposals.

37 6. The coordinator shall determine the relative weight of each  
38 factor before a request for proposals is advertised. The weight of  
39 each factor must not be disclosed before the date proposals are  
40 required to be submitted to the coordinator.

41 7. After reviewing the proposals, if the coordinator determines  
42 that the dollar value of the annual energy savings resulting from the  
43 retrofit will meet or exceed the total annual contract payments to be  
44 made by the local government, including any financing charges to  
45 be incurred by the local government over the life of the contract, the



1 coordinator shall select the best proposal and request the approval of  
2 the governing body to award the contract. The request for approval  
3 must include the proposed method of financing the audit and  
4 retrofit, which may include an installment contract, a shared savings  
5 contract or any other contract for a reasonable financing  
6 arrangement. Such a contract may commit the local government to  
7 make payments beyond the fiscal year in which the contract is  
8 executed or beyond the terms of office of the governing body, or  
9 both.

10 8. Before approving a retrofit pursuant to this section, the  
11 governing body shall evaluate any projects that would utilize shared  
12 savings as a method of payment or any method of financing that  
13 would commit the local government to make payments beyond the  
14 fiscal year in which the contract is executed or beyond the terms of  
15 office of the governing body to ensure that:

16 (a) The dollar value of the annual energy savings resulting from  
17 the retrofit will meet or exceed the total annual contract payments to  
18 be made by the local government related to the retrofit, including  
19 any financing charges to be incurred by the local government over  
20 the life of the contract; and

21 (b) The local government is likely to continue to occupy the  
22 building for the entire period required to recoup the cost of the  
23 retrofit in energy savings.

24 9. Upon approval of the governing body, the coordinator shall  
25 execute the contract and notify each officer or employee who is  
26 responsible for the budget of a department, board, commission or  
27 other entity which occupies a portion of a building that will be  
28 retrofitted of the amount of money it will be required to pay  
29 annually for its portion of the retrofit.

30 10. A change order to a contract executed pursuant to this  
31 section may not be approved by the local government if the cost of  
32 the change order would cause the dollar value of the annual energy  
33 savings resulting from the retrofit to be less than the total annual  
34 contract payments to be made by the local government, including  
35 financing charges to be incurred by the local government over the  
36 life of the contract, unless approval of the change order is more  
37 economically feasible than termination of the retrofit.

38 11. NRS 338.1385 and 338.143 do not apply to a project for  
39 which a request for proposals is advertised and the contract is  
40 awarded pursuant to the provisions of this section.

41 **Sec. 28.** NRS 496.090 is hereby amended to read as follows:

42 496.090 1. In operating an airport or air navigation facility or  
43 any other facilities appertaining to the airport owned, leased or  
44 controlled by a municipality, the municipality may, except as



\* S B 8 2 R 2 \*

1 limited by the terms and conditions of any grant, loan or agreement  
2 pursuant to NRS 496.180, enter into:

3 (a) Contracts, leases and other arrangements with any persons:

4 (1) Granting the privilege of using or improving the airport  
5 or air navigation facility, or any portion or facility thereof, or space  
6 therein, for commercial purposes. The municipality may, if it  
7 determines that an improvement benefits the municipality,  
8 reimburse the person granted the privilege for all or any portion of  
9 the cost of making the improvement.

10 (2) Conferring the privilege of supplying goods,  
11 commodities, things, services or facilities at the airport or air  
12 navigation facility or other facilities.

13 (3) Making available services to be furnished by the  
14 municipality or its agents or by other persons at the airport or air  
15 navigation facility or other facilities.

16 (4) Providing for the maintenance of the airport or air  
17 navigation facility, or any portion or facility thereof, or space  
18 therein.

19 (5) Allowing residential occupancy of property acquired by  
20 the municipality.

21 (b) Contracts for the sale of revenue bonds or other securities  
22 whose issuance is authorized by the Local Government Securities  
23 Law or NRS 496.150 or 496.155, for delivery within 10 years after  
24 the date of the contract.

25 2. In each case the municipality may establish the terms and  
26 conditions and fix the charges, rentals or fees for the privileges or  
27 services, which must be reasonable and uniform for the same class  
28 of privilege or service and must be established with due regard to  
29 the property and improvements used and the expenses of operation  
30 to the municipality.

31 3. Except as otherwise provided in this subsection, and as an  
32 alternative to the procedure provided in subsection 2 of NRS  
33 496.080, to the extent of its applicability, the governing body of any  
34 municipality may authorize it to enter into any such contracts, leases  
35 and other arrangements with any persons, as provided in this  
36 section, for a period not exceeding 50 years, upon such terms and  
37 conditions as the governing body deems proper. The provisions of  
38 this subsection must not be used to circumvent the requirement set  
39 forth in subsection 2 of NRS 496.080 that the disposal of real  
40 property be made by public auction.

41 4. Before entering into any such contract, lease or other  
42 arrangements, the municipality shall publish notice of its intention  
43 in general terms *on the Internet website of the municipality, if the*  
44 *municipality maintains an Internet website, for a period of not less*  
45 *than 10 consecutive days, and* in a newspaper of general circulation



1 within the municipality at least once a week for 21 days or three  
2 times during a period of 10 days. If there is not a newspaper of  
3 general circulation within the municipality, the municipality shall  
4 post a notice of its intention in a public place at least once a week  
5 for 30 days. The notice must specify that a regular meeting of the  
6 governing body is to be held, at which meeting any interested  
7 person may appear. No such contract, lease or other arrangement  
8 may be entered into by the municipality until after the notice has  
9 been given and a meeting held as provided in this subsection.

10 5. Any member of a municipality's governing body may vote  
11 on any such contract, lease or other arrangement notwithstanding  
12 the fact that the term of the contract, lease or other arrangement may  
13 extend beyond the member's term of office.

14 **Sec. 29.** Notwithstanding the provisions of NRS 242.122, as  
15 amended by section 12 of this act, the existing members of the  
16 Information Technology Advisory Board who are appointed to  
17 2-year terms by the Governor pursuant to NRS 242.122 may  
18 continue to serve as a member of the Board until the expiration of  
19 their current terms and until the Governor appoints successors to  
20 4-year terms pursuant to NRS 242.122, as amended by section 12 of  
21 this act. If a position on the Board becomes vacant on or after  
22 July 1, 2011, the vacancy must be filled in the manner provided in  
23 NRS 242.122, as amended by section 12 of this act.

24 **Sec. 30.** This act becomes effective on July 1, 2011.



