

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 540**

Introduced by Vargas, 7; Conrad, 46; Fredrickson, 20; Hunt, 8.

Read first time January 17, 2023

Committee:

- 1 A BILL FOR AN ACT relating to public lettings; to amend section 73-101,
- 2 Reissue Revised Statutes of Nebraska; to require public entities to
- 3 notify bidders of certain requirements and provide for enforcement
- 4 of such requirements as prescribed; and to repeal the original
- 5 section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 73-101, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 73-101 (1) Whenever the State of Nebraska, or any department or any  
4 agency thereof, any county board, county clerk, county highway  
5 superintendent, the mayor and city council or commissioner of any  
6 municipality, any entity created pursuant to the Interlocal Cooperation  
7 Act or the Joint Public Agency Act, or the officers of any school  
8 district, township, or other governmental subdivision, shall advertise  
9 for bids in pursuance of any statutes of the State of Nebraska, on any  
10 road contract work or any public improvements work, or for supplies,  
11 construction, repairs, and improvements, and in all other cases where  
12 bids for supplies or work, of any character whatsoever, are received for  
13 the various departments and agencies of the state, and other subdivisions  
14 and agencies enumerated in this section; ~~they~~

15 (a) Such public entity shall fix not only the day upon which such  
16 bids shall be returned, received, or opened, as provided by other  
17 statutes, but shall also fix the hour at which such bids shall close, or  
18 be received or opened, and ~~they~~ shall also provide that such bids shall  
19 be immediately and simultaneously opened in the presence of the bidders,  
20 or representatives of the bidders, when the hour is reached for the bids  
21 to close. If bids are being opened on more than one contract, the  
22 officials having in charge the opening of such bids may, if they deem it  
23 advisable, award each contract as the bids are opened; and -

24 (b) Such public entity shall inform bidders with contract bids  
25 exceeding five hundred thousand dollars that such bidders are required,  
26 upon request by the public entity, to (i) submit proof of workers'  
27 compensation insurance from all contractors and subcontractors, at every  
28 tier of subcontracting, (ii) submit a list of subcontractors, at every  
29 tier of subcontracting, performing work under such contract, and (iii)  
30 provide for direct deposit or check with record of payments for all  
31 workers employed, and all independent contractors performing work, on the

1 project. The public entity shall have the right to inspect a contractor's  
2 or subcontractor's records as needed in order to confirm compliance with  
3 such requirements. Any refusal by a contractor or subcontractor to comply  
4 with such requirements shall subject the offending contractor or  
5 subcontractor to the withholding of payments due such contractor or  
6 subcontractor until compliance has been achieved and exclusion from  
7 future contracts. If any such sanctions are invoked, the public entity  
8 shall notify the contractor or subcontractor of the facts and  
9 circumstances that formed the basis of the allegation that the contractor  
10 or subcontractor has not complied with such requirements, and such notice  
11 shall be in writing and received by the contractor or subcontractor at  
12 least ten days prior to any action being taken.

13 (2) Sections 73-101 to 73-106 shall not apply to the State Park  
14 System Construction Alternatives Act or sections 39-2808 to 39-2823.

15 Sec. 2. Original section 73-101, Reissue Revised Statutes of  
16 Nebraska, is repealed.