

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 790

Introduced by Slama, 1.

Read first time January 08, 2020

Committee:

1 A BILL FOR AN ACT relating to state purchasing; to amend sections 73-507,
2 81-153, and 81-1118.06, Reissue Revised Statutes of Nebraska; to
3 provide exceptions to certain bidding requirements and contract
4 approval procedures; to provide and change powers and duties of the
5 materiel division of the Department of Administrative Services; and
6 to repeal the original sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 73-507, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 73-507 (1) Subject to review by the Director of Administrative
4 Services, the division shall provide procedures to grant limited
5 exceptions from sections 73-504, 73-508, and 73-509 for:

6 (a) Sole source contracts, emergency contracts, and contracts for
7 services when the price has been established by the federal General
8 Services Administration or competitively bid by another state or group of
9 states, a group of states and any political subdivision of any other
10 state, a political subdivision of another state, or a cooperative
11 purchasing organization on behalf of a group of states or political
12 subdivisions; and

13 (b) Other circumstances or specific contracts when any of the
14 requirements of sections 73-504, 73-508, and 73-509 are not appropriate
15 for or are not compatible with the circumstances or contract. The
16 division shall provide a written rationale which shall be kept on file
17 when granting an exception under this subdivision.

18 (2) The following types of contracts for services are not subject to
19 sections 73-504, 73-508, 73-509, and 73-510:

20 (a) Contracts for services subject to the Nebraska Consultants'
21 Competitive Negotiation Act;

22 (b) Contracts for services subject to federal law, regulation, or
23 policy or state statute, under which a state agency is required to use a
24 different selection process or to contract with an identified contractor
25 or type of contractor;

26 (c) Contracts for professional legal services and services of expert
27 witnesses, hearing officers, or administrative law judges retained by
28 state agencies for administrative or court proceedings;

29 (d) Contracts involving state or federal financial assistance passed
30 through by a state agency to a political subdivision;

31 (e) Contracts with a value of fifteen million dollars or less with

1 direct providers of medical, behavioral, or developmental health
2 services, child care, or child welfare services to an individual;

3 (f) Agreements for services to be performed for a state agency by
4 another state or local government agency or contracts made by a state
5 agency with a local government agency for the direct provision of
6 services to the public;

7 (g) Agreements for services between a state agency and the
8 University of Nebraska, the Nebraska state colleges, the courts, the
9 Legislature, or other officers or state agencies established by the
10 Constitution of Nebraska;

11 (h) Department of Insurance contracts for financial or actuarial
12 examination, for rehabilitation, conservation, reorganization, or
13 liquidation of licensees, and for professional services related to
14 residual pools or excess funds under the agency's control;

15 (i) Department of Transportation contracts for all road and bridge
16 projects;

17 (j) Nebraska Investment Council contracts; and

18 (k) Contracts under section 57-1503.

19 Sec. 2. Section 81-153, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 81-153 The materiel division shall have the power and duty to:

22 (1) Purchase or contract for, in the name of the state, the personal
23 property required by the using agencies and the state;

24 (2) Promulgate, apply, and enforce standard specifications
25 established as provided in section 81-154;

26 (3) Sell and dispose of personal property that is not needed by the
27 state or its using agencies as provided in section 81-161.04 or initiate
28 trade-ins when determined to be in the best interest of the state;

29 (4) Determine the utility, quality, fitness, and suitability of all
30 personal property tendered or furnished;

31 (5) Make rules and regulations consistent with sections 81-145 to

1 81-171 and 81-1118 to 81-1118.06 to carry into effect the provisions
2 thereof. Such rules and regulations shall include provisions for
3 modifying and terminating purchase contracts and the cost principles to
4 be used in such modification or termination;

5 (6) Employ such clerical, technical, and other assistants as may be
6 necessary to properly administer such sections, fix their compensation,
7 and prescribe their duties in connection therewith, subject to existing
8 laws and appropriations;

9 (7) Allow the purchase of personal property without competitive
10 bidding when the price has been established by the federal General
11 Services Administration or to allow the purchase of personal property by
12 participation in a contract competitively bid by another state or group
13 of states, a group of states and any political subdivision of any other
14 state, a political subdivision of another state, or a cooperative
15 purchasing organization on behalf of a group of states or political
16 subdivisions. The division may also give consideration to a sheltered
17 workshop pursuant to section 48-1503 in making such purchases;

18 (8) Enter into any personal property lease agreement when it appears
19 to be in the best interest of the state; and

20 (9) Negotiate purchases and contracts when conditions exist to
21 defeat the purpose and principles of public competitive bidding.

22 Sec. 3. Section 81-1118.06, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 81-1118.06 (1) The purposes of the state purchasing bureau created
25 by section 81-1118 are:

26 (a) (1) To increase public confidence in the procedures followed in
27 public procurement;

28 (b) (2) To insure the fair and equitable treatment of all persons
29 who deal with the procurement system of this state;

30 (c) (3) To provide increased economy in state procurement activities
31 and maximize to the fullest extent practicable the purchasing value of

1 the public funds of the state;

2 (d) (4) To foster effective broad-based competition within the free
3 enterprise system; and

4 (e) (5) To provide safeguards for the maintenance of a procurement
5 system of quality and integrity.

6 (2) The state purchasing bureau may lead the negotiation of a
7 contract competitively bid for goods or services in which the state is
8 interested and on behalf of a cooperative purchasing organization on
9 behalf of a group of states or political subdivisions.

10 Sec. 4. Original sections 73-507, 81-153, and 81-1118.06, Reissue
11 Revised Statutes of Nebraska, are repealed.