

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 869

Introduced by Nantkes, 46; Rogert, 16; White, 8.

Read first time January 11, 2008

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to state government; to amend sections 73-501,
2 73-502, 73-504, and 73-506, Reissue Revised Statutes of
3 Nebraska; to require disclosures relating to contracts
4 for services; to harmonize provisions; and to repeal the
5 original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Prior to contracting or as a requirement for
2 the solicitation of any contract for services, any prospective
3 vendor shall disclose in a statement of work where services will
4 be performed under the contract, including any subcontracts, and
5 whether any services under the contract or any subcontracts are
6 anticipated to be performed outside the United States or the state.
7 If the prospective vendor anticipates that services under the
8 contract or any subcontracts will be performed outside the United
9 States or the state, the vendor shall provide in its statement of
10 work a provision setting forth why it is necessary or advantageous
11 to go outside the United States or the state to perform the
12 contract or any subcontracts.

13 Sec. 2. Section 73-501, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 73-501 The purposes of sections 73-501 to 73-509 and
16 section 1 of this act are to establish a standardized, open, and
17 fair process for selection of contractual services and to create
18 an accurate reporting of expended funds for contractual services.
19 This process shall promote a standardized method of selection
20 for state contracts for services, assuring a fair assessment of
21 qualifications and capabilities for project completion. There shall
22 also be an accountable, efficient reporting method of expenditures
23 for these services.

24 Sec. 3. Section 73-502, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 73-502 For purposes of sections 73-501 to 73-509 and
2 section 1 of this act:

3 (1) Contract for services means any contract that
4 directly engages the time or effort of an independent contractor
5 whose purpose is to perform an identifiable task, study, or report
6 rather than to furnish an end item of supply, goods, equipment,
7 or material;

8 (2) Emergency means necessary to meet an urgent or
9 unexpected requirement or when health and public safety or the
10 conservation of public resources is at risk;

11 (3) Materiel division means the materiel division of
12 the Department of Administrative Services established in section
13 81-1118;

14 (4) Sole source means of such a unique nature that the
15 contractor selected is clearly and justifiably the only practicable
16 source to provide the service. Determination that the contractor
17 selected is justifiably the sole source is based on either the
18 uniqueness of the service or sole availability at the location
19 required; and

20 (5) State agency or agency means any state agency, board,
21 or commission other than the University of Nebraska, the Nebraska
22 state colleges, the courts, the Legislature, or any officer or
23 agency established by the Constitution of Nebraska.

24 Sec. 4. Section 73-504, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 73-504 Except as provided in section 73-507:

2 (1) All state agencies shall comply with the review
3 and competitive bidding processes provided in this section for
4 contracts for services. Unless otherwise exempt, no state agency
5 shall expend funds for contracts for services without complying
6 with this section;

7 (2) All proposed state agency contracts for services
8 in excess of fifty thousand dollars shall be bid in the manner
9 prescribed by the materiel division procurement manual or a process
10 approved by the Director of Administrative Services. Bidding may be
11 performed at the state agency level or by the materiel division.
12 Any state agency may request that the materiel division conduct the
13 competitive bidding process;

14 (3) If the bidding process is at the state agency level,
15 then state agency directors shall ensure that bid documents for
16 each contract for services in excess of fifty thousand dollars
17 are prereviewed by the materiel division and that any changes
18 to the proposed contract that differ from the bid documents in
19 the proposed contract for services are reviewed by the materiel
20 division before signature by the parties;

21 (4) State agency directors, in cooperation with the
22 materiel division, shall be responsible for appropriate public
23 notice of an impending contractual services project in excess of
24 fifty thousand dollars in accordance with the materiel division's
25 procurement manual and sections 73-501 to 73-509 and section 1 of

1 this act; and

2 (5) State agency directors, in cooperation with the
3 materiel division, shall be responsible for ensuring that a request
4 for contractual services in excess of fifty thousand dollars
5 is filed with the materiel division for dissemination or web
6 site access to vendors interested in competing for contracts for
7 services.

8 Sec. 5. Section 73-506, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 73-506 State agency contracts for services shall be
11 subject to the following requirements:

12 (1) Payments shall be made when contractual deliverables
13 are received or in accordance with specific contractual terms and
14 conditions;

15 (2) State agencies may not enter into contracts for
16 services with an unspecified or unlimited duration; and

17 (3) State agencies may not structure contracts for
18 services to avoid any of the requirements of sections 73-501
19 to 73-509 and section 1 of this act.

20 Sec. 6. Original sections 73-501, 73-502, 73-504, and
21 73-506, Reissue Revised Statutes of Nebraska, are repealed.