

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT
LB980

Hearing Date: Thursday February 04, 2010
Committee On: Government, Military and Veterans Affairs
Introducer: Wallman
One Liner: Change personal services contract requirements and provide restrictions on privatization contracts

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye:	6	Senators Avery, Giese, Janssen, Krist, Price, Sullivan
Nay:	1	Senator Karpisek
Absent:	1	Senator Pahls
Present Not Voting:		

Proponents:

Senator Norm Wallman
Joseph Fuxa

Representing:

Introducer
Nebraska Association of Public Employees

Opponents:

Laura Peterson
Mark Pohlmann

Representing:

Department of Administrative Services
American Council of Engineering Companies of
Nebraska

Neutral:

Representing:

Summary of purpose and/or changes:

LB 980 forbids the Director of Administrative Services from approving a privatization contract unless all of the following requirements are met:

1. The state agency provides written notice to the collective-bargaining agent of the intent to seek to enter into a privatization contract thirty-five days before the bidding process;
2. The proposed contract is projected to result in over-all cost savings to the state of at least 10% above the cost of having a state employee provide the service; and
3. When comparing the cost of having service provided by state employee versus the cost of a contractor, the expected costs should be compared over the life of the contract.

The bill defines privatization contract as a contract for personal services by a person other than a state employee who provides human labor at \$50,000 or more annually. Also, the contract must result in a reduction in force of at least one permanent state employee.

Bill Avery, Chairperson