

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 978**

FINAL READING

Introduced by Craighead, 6.

Read first time January 14, 2016

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to the Department of Administrative Services;  
2 to amend sections 81-118.02, 81-1108.15, and 81-1108.43, Reissue  
3 Revised Statutes of Nebraska; to change provisions relating to the  
4 state purchasing card program and facilities construction and  
5 administration; to eliminate obsolete provisions relating to a  
6 United States Savings Bond withholding program and the selling or  
7 leasing of a state building; to harmonize provisions; to repeal the  
8 original sections; and to outright repeal sections 81-1126, 81-1127,  
9 81-1128, 81-1129, and 90-244, Reissue Revised Statutes of Nebraska.  
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-118.02, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 81-118.02 (1) A state purchasing card program shall be created. The  
4 State Treasurer and the Director of Administrative Services shall  
5 determine the type of purchasing card or cards utilized in the state  
6 purchasing card program. The State Treasurer shall contract with one or  
7 more financial institutions, card-issuing banks, credit card companies,  
8 charge card companies, debit card companies, or third-party merchant  
9 banks capable of operating the state purchasing card program on behalf of  
10 the state and those political subdivisions that participate in the state  
11 contract for such services. After the state purchasing card program has  
12 been in existence for two years, a joint report issued from the State  
13 Treasurer and the director shall be submitted to the Legislature and the  
14 Governor not later than January 1, 2001. The report shall include, but  
15 not be limited to, the utilization, costs, and benefits of the program.  
16 The state purchasing card program shall be administered by the Department  
17 of Administrative Services. The department may adopt and promulgate rules  
18 and regulations as needed for the implementation of the state purchasing  
19 card program. The department ~~may shall~~ adopt and promulgate rules and  
20 regulations providing authorization instructions for all transactions.  
21 Expenses associated with the state purchasing card program shall be  
22 considered, for purposes of this section, as an administrative or  
23 operational expense.

24 (2) Any state official, state agency, or political subdivision may  
25 utilize the state purchasing card program for the purchase of goods and  
26 services for and on behalf of the State of Nebraska.

27 (3) Vendors accepting the state's purchasing card shall obtain  
28 authorization for all transactions in accordance with the department's  
29 authorization instructions. Authorization shall be from the financial  
30 institution, card-issuing bank, credit card company, charge card company,  
31 debit card company, or third-party merchant bank contracted to provide

1 such service to the State of Nebraska. Each transaction shall be  
2 authorized in accordance with the instructions provided by the department  
3 for each state official, state agency, or political subdivision.

4 (4) An itemized receipt for purposes of tracking expenditures shall  
5 accompany all state purchasing card purchases. In the event that an  
6 itemized receipt does not accompany such a purchase, the Department of  
7 Administrative Services shall have the authority to temporarily or  
8 permanently suspend state purchasing card purchases in accordance with  
9 rules and regulations adopted and promulgated by the department.

10 (5) Upon the termination or suspension of employment of an  
11 individual using a state purchasing card, such individual's state  
12 purchasing card account shall be immediately closed and he or she shall  
13 return the state purchasing card to the department or agency from which  
14 it was obtained.

15 (6) No officer or employee of the state shall use a state purchasing  
16 card for any unauthorized use as determined by the department by rule and  
17 regulation.

18 Sec. 2. Section 81-1108.15, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 81-1108.15 (1) Except as provided in the Nebraska State Capitol  
21 Preservation and Restoration Act, the division shall have the primary  
22 functions and responsibilities of statewide facilities planning,  
23 facilities construction, and facilities administration and shall adopt  
24 and promulgate rules and regulations to carry out this section.

25 (2) Facilities planning shall include the following responsibilities  
26 and duties:

27 (a) To maintain utilization records of all state-owned, state-  
28 occupied, and vacant facilities;

29 (b) To coordinate comprehensive capital facilities planning;

30 (c) To define and review program statements based on space  
31 utilization standards;

1 (d) To prepare or review planning and construction documents;

2 (e) To develop and maintain time-cost schedules for capital  
3 construction projects;

4 (f) To assist the Governor and the Legislative Fiscal Analyst in the  
5 preparation of the capital construction budget recommendations;

6 (g) To maintain a complete inventory of all state-owned, state-  
7 occupied, and vacant sites and structures and to review the proposals for  
8 naming such sites and structures;

9 (h) To determine space needs of all state agencies and establish  
10 space-allocation standards; and

11 (i) To cause a state comprehensive capital facilities plan to be  
12 developed.

13 (3) Facilities construction shall include the following powers and  
14 duties:

15 (a) To maintain close contact with and conduct inspections of each  
16 project so as to assure execution of time-cost schedules and efficient  
17 contract performance if such project's total design and construction cost  
18 is equal to or greater than the project cost set by subdivision (1)(a) of  
19 section 81-1108.43 more than fifty thousand dollars;

20 (b) To perform final acceptance inspections and evaluations; and

21 (c) To coordinate all change or modification orders and progress  
22 payment orders.

23 (4) Facilities administration shall include the following powers and  
24 duties:

25 (a) To serve as state leasing administrator or agent for all  
26 facilities to be leased for use by the state and for all state-owned  
27 facilities to be rented to state agencies or other parties subject to  
28 section 81-1108.22. The division shall remit the proceeds from any  
29 rentals of state-owned facilities to the State Treasurer for credit to  
30 the State Building Revolving Fund and the State Building Renewal  
31 Assessment Fund;

1 (b) To provide all maintenance, repairs, custodial duties, security,  
2 and administration for all buildings and grounds owned or leased by the  
3 State of Nebraska except as provided in subsections (5) and (6) of this  
4 section;

5 (c) To be responsible for adequate parking and the designation of  
6 parking stalls or spaces, including access aisles, in offstreet parking  
7 facilities for the exclusive use of handicapped or disabled or  
8 temporarily handicapped or disabled persons pursuant to section 18-1737;

9 (d) To ensure that all state-owned, state-occupied, and vacant  
10 facilities are maintained or utilized to their maximum capacity or to  
11 dispose of such facilities through lease, sale, or demolition;

12 (e) To submit electronically an annual report to the Appropriations  
13 Committee of the Legislature and the Committee on Building Maintenance  
14 regarding the amount of property leased by the state and the availability  
15 of state-owned property for the needs of state agencies;

16 (f) To report monthly time-cost data on projects to the Governor and  
17 the Clerk of the Legislature. The report submitted to the Clerk of the  
18 Legislature shall be submitted electronically;

19 (g) To administer the State Emergency Capital Construction  
20 Contingency Fund;

21 (h) To submit status reports to the Governor and the Legislative  
22 Fiscal Analyst after each quarter of a construction project is completed  
23 detailing change orders and expenditures to date. The report submitted to  
24 the Legislative Fiscal Analyst shall be submitted electronically. Such  
25 reports shall be required on all projects costing five hundred thousand  
26 dollars or more and on such other projects as may be designated by the  
27 division; and

28 (i) To submit a final report on each project to the Governor and the  
29 Legislative Fiscal Analyst. The report submitted to the Legislative  
30 Fiscal Analyst shall be submitted electronically. Such report shall  
31 include, but not be limited to, a comparison of final costs and

1 appropriations made for the project, change orders, and modifications and  
2 whether the construction complied with the related approved program  
3 statement. Such reports shall be required on all projects costing five  
4 hundred thousand dollars or more and on such other projects as may be  
5 designated by the division.

6 (5) Subdivisions (4)(b), (c), and (d) of this section shall not  
7 apply to (a) state-owned facilities to be rented to state agencies or  
8 other parties by the University of Nebraska, the Nebraska state colleges,  
9 the Department of Aeronautics, the Department of Roads, and the Board of  
10 Educational Lands and Funds, (b) buildings and grounds owned or leased  
11 for use by the University of Nebraska, the Nebraska state colleges, and  
12 the Board of Educational Lands and Funds, (c) buildings and grounds  
13 owned, leased, or operated by the Department of Correctional Services,  
14 (d) facilities to be leased for nonoffice use by the Department of Roads,  
15 (e) buildings or grounds owned or leased by the Game and Parks Commission  
16 if the application of such subdivisions to the buildings or grounds would  
17 result in ineligibility for or repayment of federal funding, (f)  
18 buildings or grounds of the state park system, state recreation areas,  
19 state historical parks, state wildlife management areas, or state  
20 recreational trails, or (g) other buildings or grounds owned or leased by  
21 the State of Nebraska which are specifically exempted by the division  
22 because the application of such subdivisions would result in the  
23 ineligibility for federal funding or would result in hardship on an  
24 agency, board, or commission due to other exceptional or unusual  
25 circumstances, except that nothing in this subdivision shall prohibit the  
26 assessment of building rental depreciation charges to tenants of  
27 facilities owned by the state and under the direct control and  
28 maintenance of the division.

29 (6) Security for all buildings and grounds owned or leased by the  
30 State of Nebraska in Lincoln, Nebraska, except the buildings and grounds  
31 described in subsection (5) of this section, shall be the responsibility

1 of the Nebraska State Patrol. The Nebraska State Patrol shall consult  
2 with the Governor, the Chief Justice, the Executive Board of the  
3 Legislative Council, and the State Capitol Administrator regarding  
4 security policy within the State Capitol and capitol grounds.

5 (7) Each member of the Legislature shall receive an electronic copy  
6 of the reports required by subdivisions (4)(f), (h), and (i) of this  
7 section by making a request for them to the State Building Administrator.  
8 The information on such reports shall be submitted to the division by the  
9 agency responsible for the project.

10 Sec. 3. Section 81-1108.43, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 81-1108.43 (1) No state agency or department shall:

13 (a) Perform ~~perform~~ for itself any of the services normally  
14 performed by a professional engineer or architect in the preparation of  
15 plans and specifications for the construction, reconstruction, or  
16 alteration of any building or in the administration of the construction  
17 documents and final approval of the project when the total project cost  
18 is four hundred thousand dollars or more; ~~and no state agency shall~~

19 (b) Employ ~~employ~~ its own work force for any such construction,  
20 reconstruction, or alteration of capital facilities when the total  
21 project cost is fifty thousand dollars or more.

22 (2) The Department of Administrative Services shall adjust the  
23 dollar amounts in subsection (1) of this section every four years  
24 beginning January 1, 2002, to account for inflationary and market  
25 changes. The adjustments shall be based on percentage changes in a  
26 construction cost index and any other published index relevant to  
27 operations and utilities costs, as selected by the department.

28 (3) This section shall not apply to the Department of Roads or to  
29 any public power district, public power and irrigation district,  
30 irrigation district, or metropolitan utilities district. If, during the  
31 program statement review provided for under section 81-1108.41, it is

1 determined that existing or standard plans and specifications are  
2 available or required for the project, the division may authorize an  
3 exemption from this section. The Director of Administrative Services  
4 shall not issue any warrant in payment for any work on a capital  
5 construction project unless the state agency or department files a  
6 certificate that it has complied with the provisions of this section.

7       Sec. 4. Original sections 81-118.02, 81-1108.15, and 81-1108.43,  
8 Reissue Revised Statutes of Nebraska, are repealed.

9       Sec. 5. The following sections are outright repealed: Sections  
10 81-1126, 81-1127, 81-1128, 81-1129, and 90-244, Reissue Revised Statutes  
11 of Nebraska.