

# **One Hundred Fifth Legislature - Second Session - 2018**

## **Introducer's Statement of Intent**

### **LB814**

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**Chairperson: Senator John Murante**

**Committee: Government, Military and Veterans Affairs**

**Date of Hearing: February 21, 2018**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The intent of LB814 is to provide an appeal mechanism under the Administrative Procedures Act for the award of significant State services contracts to ensure both good business practices for the State, due process for vendors, and ultimately attract more qualified and experienced vendors to state solicitations.

Unlike in most states and at the federal level Nebraska currently does not provide for an independent appeal process of an award of State service contracts leaving the Department of Administrative Services, the agency which awards the contracts, in the awkward position of resolving disputes to which it is a party.

This situation has resulted in multimillion dollar losses in the past when oversights in the award process made awards to bidders ill suited to perform. Further, history has demonstrated that because of the uncertainty resulting from a lack of due process and independent review major potential national bidders decline to invest in a costly bid process which has the potential to be less than adequate.

**Principal Introducer:** \_\_\_\_\_

Senator Paul Schumacher