

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 445

Introduced by von Gillern, 4.

Read first time January 21, 2025

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to state buildings; to amend sections 72-803,
2 73-307, 81-1108.15, 81-1701, 82-316, 85-106, and 85-304, Reissue
3 Revised Statutes of Nebraska, and section 73-101, Revised Statutes
4 Cumulative Supplement, 2024; to adopt the State Building
5 Construction Alternatives Act; to change provisions relating to
6 planning, bidding, construction, and procurement for state
7 buildings; to eliminate provisions relating to procurement of art
8 for state buildings; to harmonize provisions; to repeal the original
9 sections; and to outright repeal sections 82-317, 82-318, 82-319,
10 82-320, 82-321, 82-322, 82-323, 82-324, 82-325, 82-326, 82-327,
11 82-328, 82-329, 85-106.01, 85-106.02, 85-106.03, 85-304.01,
12 85-304.02, and 85-304.03, Reissue Revised Statutes of Nebraska.
13 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Sections 1 to 19 of this act shall be known and may be
2 cited as the State Building Construction Alternatives Act.

3 **Sec. 2.** For purposes of the State Building Construction
4 Alternatives Act:

5 (1) Alternative technical concept means changes suggested by a
6 qualified, eligible, short-listed design-builder to the division's basic
7 configurations, project scope, design, or construction criteria;

8 (2) Best value-based selection process means a process of selecting
9 a design-builder using price, schedule, and qualifications for evaluation
10 factors;

11 (3) Construction manager means the legal entity which proposes to
12 enter into a construction manager-general contractor contract pursuant to
13 the State Building Construction Alternatives Act;

14 (4) Construction manager-general contractor contract means a
15 contract which is subject to a qualification-based selection process
16 between the division and a construction manager to furnish
17 preconstruction services during the design development phase of the
18 project and, if an agreement can be reached which is satisfactory to the
19 division, construction services for the construction phase of the
20 project;

21 (5) Construction services means activities associated with building
22 the project;

23 (6) Design-build contract means a contract between the division and
24 a design-builder which is subject to a best value-based selection process
25 to furnish (a) architectural, engineering, and related design services
26 and (b) labor, materials, supplies, equipment, and construction services;

27 (7) Design-builder means the legal entity which proposes to enter
28 into a design-build contract;

29 (8) Division means the state building division;

30 (9) Preconstruction services means all nonconstruction-related
31 services that a construction manager performs in relation to the design

1 of the project before execution of a contract for construction services.
2 Preconstruction services includes, but is not limited to, cost
3 estimating, value engineering studies, constructability reviews, delivery
4 schedule assessments, and life-cycle analysis;

5 (10) Project performance criteria means the performance requirements
6 of the project suitable to allow the design-builder to make a proposal.
7 Performance requirements shall include, but are not limited to, the
8 following, if required by the project: Capacity, durability, standards,
9 ingress and egress requirements, description of the site, surveys, soil
10 and environmental information concerning the site, material quality
11 standards, design and milestone dates, site development requirements,
12 compliance with applicable law, and other criteria for the intended use
13 of the project;

14 (11) Proposal means an offer in response to a request for proposals
15 (a) by a design-builder to enter into a design-build contract or (b) by a
16 construction manager to enter into a construction manager-general
17 contractor contract;

18 (12) Qualification-based selection process means a process of
19 selecting a construction manager based on qualifications;

20 (13) Request for proposals means the documentation by which the
21 division solicits proposals; and

22 (14) Request for qualifications means the documentation or
23 publication by which the division solicits qualifications.

24 **Sec. 3.** (1) Except as otherwise provided in subsection (2) of this
25 section, the purpose of the State Building Construction Alternatives Act
26 is to provide the division with alternative methods of contracting for
27 state buildings for which the division has responsibility pursuant to
28 subsection (1) of section 81-1108.15. The alternative methods of
29 contracting shall be available to the division for use on any project
30 regardless of the funding source. The State Building Construction
31 Alternatives Act shall govern the design-build and construction manager-

1 general contractor procurement processes for the division.

2 (2) The State Building Construction Alternatives Act does not apply
3 to projects to which the Public Water and Natural Resources Project
4 Contracting Act, the State Park System Construction Alternatives Act, or
5 the Transportation Innovation Act apply. The State Building Construction
6 Alternatives Act does not apply to the University of Nebraska or the
7 state colleges.

8 **Sec. 4.** The division, in accordance with the State Building
9 Construction Alternatives Act, may solicit and execute a design-build
10 contract or a construction manager-general contractor contract for state
11 buildings for which the division has responsibility pursuant to
12 subsection (1) of section 81-1108.15 except as otherwise provided in
13 section 3 of this act.

14 **Sec. 5.** The division may hire an architect licensed pursuant to the
15 Engineers and Architects Regulation Act or an engineer licensed pursuant
16 to the act to assist the division with the development of project
17 performance criteria and requests for proposals, with evaluation of
18 proposals, with evaluation of the construction to determine adherence to
19 the project performance criteria, and with any additional services
20 requested by the division to represent its interests in relation to a
21 project. The procedures used to hire such person or organization shall
22 comply with the Nebraska Consultants' Competitive Negotiation Act. The
23 person or organization hired shall be ineligible to be included as a
24 provider of other services in a proposal for the project for which he or
25 she has been hired and shall not be employed by or have a financial or
26 other interest in a design-builder or construction manager who will
27 submit a proposal.

28 **Sec. 6.** The division shall adopt guidelines for entering into a
29 design-build contract or construction manager-general contractor
30 contract. The guidelines shall include the following:

31 (1) Preparation and content of requests for qualifications;

1 (2) Preparation and content of requests for proposals;

2 (3) Qualification and short-listing of design-builders and
3 construction managers. The guidelines shall provide that the division
4 will evaluate prospective design-builders and construction managers based
5 on the information submitted to the division in response to a request for
6 qualifications and will select a short list of design-builders or
7 construction managers who shall be considered qualified and eligible to
8 respond to the request for proposals;

9 (4) Preparation and submittal of proposals;

10 (5) Procedures and standards for evaluating proposals;

11 (6) Procedures for negotiations between the division and the design-
12 builders or construction managers submitting proposals prior to the
13 acceptance of a proposal if any such negotiations are contemplated; and

14 (7) Procedures for the evaluation of construction under a design-
15 build contract to determine adherence to the project performance
16 criteria.

17 **Sec. 7.** The process for selecting a design-builder and entering
18 into a design-build contract shall be in accordance with sections 8 to 11
19 of this act.

20 **Sec. 8.** (1) The division shall prepare a request for qualifications
21 for design-build proposals and shall prequalify design-builders. The
22 request for qualifications shall describe the project in sufficient
23 detail to permit a design-builder to respond. The request for
24 qualifications shall identify the maximum number of design-builders the
25 division will place on a short list as qualified and eligible to receive
26 a request for proposals.

27 (2) A person or organization hired by the division under section 5
28 of this act shall be ineligible to compete for a design-build contract on
29 the same project for which the person or organization was hired.

30 (3)(a) The request for qualifications shall be published:

31 (i) In a newspaper of statewide circulation once a week for three

1 consecutive weeks prior to the deadline for receiving requests for
2 qualifications; or

3 (ii) For twenty-one consecutive calendar days prior to the deadline
4 for receiving requests for qualifications on a website designated by the
5 division that is accessible to the public.

6 (b) The division may publish notice both in such a newspaper and on
7 such a website as described in this subsection.

8 (4) The division shall create a short list of qualified and eligible
9 design-builders in accordance with the guidelines adopted pursuant to
10 section 6 of this act. The division shall select at least two prospective
11 design-builders, except that if only one design-builder has responded to
12 the request for qualifications, the division may, in its discretion,
13 proceed or cancel the procurement. The request for proposals shall be
14 sent only to the design-builders placed on the short list.

15 **Sec. 9.** The division shall prepare a request for proposals for each
16 design-build contract. The request for proposals shall contain, at a
17 minimum, the following elements:

18 (1) The guidelines adopted by the division in accordance with
19 section 6 of this act. The identification of a publicly accessible
20 location of the guidelines, either physical or electronic, shall be
21 considered compliance with this subdivision;

22 (2) The proposed terms and conditions of the design-build contract,
23 including any terms and conditions which are subject to further
24 negotiation;

25 (3) A project statement which contains information about the scope
26 and nature of the project;

27 (4) A statement regarding alternative technical concepts including
28 the process and time period in which such concepts may be submitted,
29 confidentiality of the concepts, and ownership of the rights to the
30 intellectual property contained in such concepts;

31 (5) Project performance criteria;

1 (6) Budget parameters for the project;

2 (7) Any bonding and insurance required by law or as may be
3 additionally required by the division;

4 (8) The criteria for evaluation of proposals and the relative weight
5 of each criterion. The criteria shall include, but are not limited to,
6 the cost of the work, construction experience, design experience, and the
7 financial, personnel, and equipment resources available for the project.
8 The relative weight to apply to any criterion shall be at the discretion
9 of the division based on each project, except that in all cases, the cost
10 of the work shall be given a relative weight of at least fifty percent;

11 (9) A requirement that the design-builder provide a written
12 statement of the design-builder's proposed approach to the design and
13 construction of the project, which may include graphic materials
14 illustrating the proposed approach to design and construction and shall
15 include price proposals;

16 (10) A requirement that the design-builder agree to the following
17 conditions:

18 (a) At the time of the design-build proposal, the design-builder
19 must furnish to the division a written statement identifying the
20 architect or engineer who will perform the architectural or engineering
21 work for the project. The architect or engineer engaged by the design-
22 builder to perform the architectural or engineering work with respect to
23 the project must have direct supervision of such work and may not be
24 removed by the design-builder prior to the completion of the project
25 without the written consent of the division;

26 (b) At the time of the design-build proposal, the design-builder
27 must furnish to the division a written statement identifying the general
28 contractor who will provide the labor, material, supplies, equipment, and
29 construction services. The general contractor identified by the design-
30 builder may not be removed by the design-builder prior to completion of
31 the project without the written consent of the division;

1 (c) A design-builder offering design-build services with its own
2 employees who are design professionals licensed to practice in Nebraska
3 must (i) comply with the Engineers and Architects Regulation Act by
4 procuring a certificate of authorization to practice architecture or
5 engineering and (ii) submit proof of sufficient professional liability
6 insurance in the amount required by the division; and

7 (d) The rendering of architectural or engineering services by a
8 licensed architect or engineer employed by the design-builder must
9 conform to the Engineers and Architects Regulation Act; and

10 (11) Other information or requirements which the division, in its
11 discretion, chooses to include in the request for proposals.

12 **Sec. 10.** The division shall pay a stipend to qualified design-
13 builders that submit responsive proposals but are not selected. Payment
14 of the stipend shall give the division ownership of the intellectual
15 property contained in the proposals and alternative technical concepts.
16 The amount of the stipend shall be at the discretion of the division. The
17 refusal to pay or accept the stipend shall leave the intellectual
18 property contained in the proposals and alternative technical concepts in
19 the possession of the creator of the proposals and alternative technical
20 concepts.

21 **Sec. 11.** (1) Design-builders shall submit proposals as required by
22 the request for proposals. The division may meet with individual design-
23 builders prior to the time of submitting the proposal and may have
24 discussions concerning alternative technical concepts. If an alternative
25 technical concept provides a solution that is equal to or better than the
26 requirements in the request for proposals and the alternative technical
27 concept is acceptable to the division, it may be incorporated as part of
28 the proposal by the design-builder. Notwithstanding any other provision
29 of state law to the contrary, alternative technical concepts shall be
30 confidential and not disclosed to other design-builders or members of the
31 public from the time the proposals are submitted until such proposals are

1 opened by the division.

2 (2) Proposals shall be sealed and shall not be opened until
3 expiration of the time established for making the proposals as set forth
4 in the request for proposals.

5 (3) Proposals may be withdrawn at any time prior to the opening of
6 such proposals in which case no stipend shall be paid. The division shall
7 have the right to reject any and all proposals at no cost to the division
8 other than any stipend for design-builders who have submitted responsive
9 proposals. The division may thereafter solicit new proposals using the
10 same or different project performance criteria or may cancel the design-
11 build solicitation.

12 (4) The division shall rank the design-builders in order of best
13 value pursuant to the criteria in the request for proposals. The division
14 may meet with design-builders prior to ranking.

15 (5) The division may attempt to negotiate a design-build contract
16 with the highest ranked design-builder selected by the division and may
17 enter into a design-build contract after negotiations. If the division is
18 unable to negotiate a satisfactory design-build contract with the highest
19 ranked design-builder, the division may terminate negotiations with that
20 design-builder. The division may then undertake negotiations with the
21 second highest ranked design-builder and may enter into a design-build
22 contract after negotiations. If the division is unable to negotiate a
23 satisfactory contract with the second highest ranked design-builder, the
24 division may undertake negotiations with the third highest ranked design-
25 builder, if any, and may enter into a design-build contract after
26 negotiations.

27 (6) If the division is unable to negotiate a satisfactory contract
28 with any of the ranked design-builders, the division may either revise
29 the request for proposals and solicit new proposals or cancel the design-
30 build process under the State Building Construction Alternatives Act.

31 **Sec. 12.** The process for selecting a construction manager and

1 entering into a construction manager-general contractor contract shall be
2 in accordance with sections 13 to 16 of this act.

3 **Sec. 13.** (1) The division shall prepare a request for
4 qualifications for construction manager-general contractor contract
5 proposals and shall prequalify construction managers. The request for
6 qualifications shall describe the project in sufficient detail to permit
7 a construction manager to respond. The request for qualifications shall
8 identify the maximum number of eligible construction managers the
9 division will place on a short list as qualified and eligible to receive
10 a request for proposals.

11 (2)(a) The request for qualifications shall be published:

12 (i) In a newspaper of statewide circulation once a week for three
13 consecutive weeks prior to the deadline for receiving requests for
14 qualifications; or

15 (ii) For twenty-one consecutive calendar days prior to the deadline
16 for receiving requests for qualifications on a website designated by the
17 division that is accessible to the public.

18 (b) The division may publish notice both in such a newspaper and on
19 such a website as described in this subsection.

20 (3) The division shall create a short list of qualified and eligible
21 construction managers in accordance with the guidelines adopted pursuant
22 to section 6 of this act. The division shall select at least two
23 construction managers, except that if only one construction manager has
24 responded to the request for qualifications, the division may, in its
25 discretion, proceed or cancel the procurement. The request for proposals
26 shall be sent only to the construction managers placed on the short list.

27 **Sec. 14.** The division shall prepare a request for proposals for
28 each construction manager-general contractor contract. The request for
29 proposals shall contain, at a minimum, the following elements:

30 (1) The guidelines adopted by the division in accordance with
31 section 6 of this act. The identification of a publicly accessible

1 location of the guidelines, either physical or electronic, shall be
2 considered compliance with this subdivision;

3 (2) The proposed terms and conditions of the contract, including any
4 terms and conditions which are subject to further negotiation;

5 (3) Any bonding and insurance required by law or as may be
6 additionally required by the division;

7 (4) General information about the project which will assist the
8 division in its selection of the construction manager, including a
9 project statement which contains information about the scope and nature
10 of the project, the project site, the schedule, and the estimated budget;

11 (5) The criteria for evaluation of proposals and the relative weight
12 of each criterion;

13 (6) A statement that the construction manager shall not be allowed
14 to sublet, assign, or otherwise dispose of any portion of the contract
15 without consent of the division. In no case shall the division allow the
16 construction manager to sublet more than seventy percent of the work,
17 excluding specialty items; and

18 (7) Other information or requirements which the division, in its
19 discretion, chooses to include in the request for proposals.

20 **Sec. 15.** (1) Construction managers shall submit proposals as
21 required by the request for proposals.

22 (2) Proposals shall be sealed and shall not be opened until
23 expiration of the time established for making the proposals as set forth
24 in the request for proposals.

25 (3) Proposals may be withdrawn at any time prior to signing a
26 contract for preconstruction services. The division shall have the right
27 to reject any and all proposals at no cost to the division. The division
28 may thereafter solicit new proposals or may cancel the construction
29 manager-general contractor procurement process.

30 (4) The division shall rank the construction managers in accordance
31 with the qualification-based selection process and pursuant to the

1 criteria in the request for proposals. The division may meet with
2 construction managers prior to the ranking.

3 (5) The division may attempt to negotiate a contract for
4 preconstruction services with the highest ranked construction manager and
5 may enter into a contract for preconstruction services after
6 negotiations. If the division is unable to negotiate a satisfactory
7 contract for preconstruction services with the highest ranked
8 construction manager, the division may terminate negotiations with that
9 construction manager. The division may then undertake negotiations with
10 the second highest ranked construction manager and may enter into a
11 contract for preconstruction services after negotiations. If the division
12 is unable to negotiate a satisfactory contract with the second highest
13 ranked construction manager, the division may undertake negotiations with
14 the third highest ranked construction manager, if any, and may enter into
15 a contract for preconstruction services after negotiations.

16 (6) If the division is unable to negotiate a satisfactory contract
17 for preconstruction services with any of the ranked construction
18 managers, the division may either revise the request for proposals and
19 solicit new proposals or cancel the construction manager-general
20 contractor contract process under the State Building Construction
21 Alternatives Act.

22 **Sec. 16.** (1) Before the construction manager begins any
23 construction services, the division shall:

24 (a) Conduct an independent cost estimate for the project; and

25 (b) Conduct contract negotiations with the construction manager to
26 develop a construction manager-general contractor contract for
27 construction services.

28 (2) If the construction manager and the division are unable to
29 negotiate a contract, the division may use other contract procurement
30 processes as provided by law. Persons or organizations who submitted
31 proposals but were unable to negotiate a contract with the division shall

1 be eligible to compete in the other contract procurement processes.

2 **Sec. 17.** A design-build contract and a construction manager-general
3 contractor contract may be conditioned upon later refinements in scope
4 and price and may permit the division in agreement with the design-
5 builder or construction manager to make changes in the project without
6 invalidating the contract.

7 **Sec. 18.** Nothing in the State Building Construction Alternatives
8 Act shall limit or reduce statutory or regulatory requirements regarding
9 insurance.

10 **Sec. 19.** The division may adopt and promulgate rules and
11 regulations to carry out the State Building Construction Alternatives
12 Act.

13 **Sec. 20.** Section 72-803, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 72-803 (1) The state and any department or agency thereof, subject
16 to the powers of the state building division of the Department of
17 Administrative Services, shall have general charge of the erection of new
18 buildings which are being erected for such department or agency, the
19 repair and improvement of buildings under the control of such department
20 or agency, including fire escapes, and the improvement of grounds under
21 the control of such department or agency.

22 (2) Buildings and other improvements costing more than seventy-five
23 fifty thousand dollars shall be (a) constructed under the general charge
24 of the department or agency as provided in subsection (1) of this section
25 and (b) let by contract to the lowest responsible bidder after proper
26 advertisement as set forth in subsection (4) of this section. The
27 Department of Administrative Services shall adjust the dollar amounts in
28 this subsection every four years beginning January 1, 2026, to account
29 for inflationary and market changes. The department shall select a
30 construction cost index or any other published index relevant to
31 operations and utilities costs and shall base the adjustments on the

1 percentage changes in such index.

2 (3) The successful bidder at the letting shall enter into a contract
3 with the department or agency, prepared as provided for by subsection (4)
4 of this section, and shall furnish a bond for the faithful performance of
5 his or her contract, except that a performance bond shall not be required
6 for any project which has a total cost of one hundred thousand dollars or
7 less unless the department or agency includes a bond requirement in the
8 specifications for the project.

9 (4) When contracts are to be let by the department or agency as
10 provided in subsection (2) of this section, advertisements shall be
11 published in accordance with rules and regulations adopted and
12 promulgated by the state building division stating that sealed proposals
13 will be received by the department or agency at its office on the date
14 therein stated for the furnishing of materials, the construction of
15 buildings, or the making of repairs or improvements and that plans and
16 specifications can be seen at the office of the department or agency. All
17 bids or proposals shall be accompanied by a certified check or by a bid
18 bond in a sum fixed by the department or agency and payable thereto. All
19 such contracts shall be awarded to the lowest responsible bidder, but the
20 right shall be reserved to reject any and all bids. Whenever any material
21 described in any contract can be obtained from any state institution, the
22 department or agency shall exclude it from such a contract.

23 **Sec. 21.** Section 73-101, Revised Statutes Cumulative Supplement,
24 2024, is amended to read:

25 73-101 Whenever the State of Nebraska, or any department or any
26 agency thereof, any county board, county clerk, county highway
27 superintendent, the mayor and city council or commissioner of any
28 municipality, any entity created pursuant to the Interlocal Cooperation
29 Act or the Joint Public Agency Act, or the officers of any school
30 district, township, or other governmental subdivision, shall advertise
31 for bids in pursuance of any statutes of the State of Nebraska, on any

1 road contract work or any public improvements work, or for supplies,
2 construction, repairs, and improvements, and in all other cases where
3 bids for supplies or work, of any character whatsoever, are received for
4 the various departments and agencies of the state, and other subdivisions
5 and agencies enumerated in this section, they shall fix not only the day
6 upon which such bids shall be returned, received, or opened, as provided
7 by other statutes, but shall also fix the hour at which such bids shall
8 close, or be received or opened, and they shall also provide that such
9 bids shall be immediately and simultaneously opened in the presence of
10 the bidders, or representatives of the bidders, when the hour is reached
11 for the bids to close. Such bids may be withheld from disclosure until an
12 intent to award is issued. If bids are being opened on more than one
13 contract, the officials having in charge the opening of such bids may, if
14 they deem it advisable, award each contract as the bids are opened.
15 Sections 73-101 to 73-106 shall not apply to the State Building
16 Construction Alternatives Act, the State Park System Construction
17 Alternatives Act, or sections 39-2808 to 39-2823.

18 **Sec. 22.** Section 73-307, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 73-307 Sections 73-301 to 73-306 shall not apply to the Nebraska
21 Consultants' Competitive Negotiation Act, the State Building Construction
22 Alternatives Act, the State Park System Construction Alternatives Act,
23 sections 39-2808 to 39-2823, or section 57-1503.

24 Sections 73-301 to 73-306 shall not be construed to apply to
25 renewals of contracts already approved pursuant to or not subject to such
26 sections, to amendments to such contracts, or to renewals of such
27 amendments unless the amendments would directly cause or result in the
28 replacement by the private entity of additional permanent state employees
29 or positions greater than the replacement caused by the original
30 contract.

31 **Sec. 23.** Section 81-1108.15, Reissue Revised Statutes of Nebraska,

1 is amended to read:

2 81-1108.15 (1) Except as provided in the Nebraska State Capitol
3 Preservation and Restoration Act, the division shall have the primary
4 functions and responsibilities of statewide facilities planning,
5 facilities construction, and facilities administration and shall adopt
6 and promulgate rules and regulations to carry out this section.

7 (2) Facilities planning shall include the following responsibilities
8 and duties:

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

11 (b) To coordinate comprehensive capital facilities planning;

12 (c) To define and review program statements based on space
13 utilization standards;

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

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

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

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

22 (h) To determine space needs of all state agencies and establish
23 space-allocation standards; ~~and~~

24 (i) To cause a state comprehensive capital facilities plan to be
25 developed; ~~and -~~

26 (j) To carry out the State Building Construction Alternatives Act.

27 (3) Facilities construction shall include the following powers and
28 duties:

29 (a) To maintain close contact with and conduct inspections of each
30 project so as to assure execution of time-cost schedules and efficient
31 contract performance if such project's total design and construction cost

1 is equal to or greater than the project cost set by subdivision (1)(a) of
2 section 81-1108.43 as adjusted by subsection (2) of section 81-1108.43;

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

4 (c) To coordinate all change or modification orders and progress
5 payment orders.

6 (4) Facilities administration shall include the following powers and
7 duties:

8 (a) To serve as state leasing administrator or agent for all
9 facilities to be leased for use by the state and for all state-owned
10 facilities to be rented to state agencies or other parties subject to
11 section 81-1108.22. The division shall remit the proceeds from any
12 rentals of state-owned facilities to the State Treasurer for credit to
13 the State Building Revolving Fund and the State Building Renewal
14 Assessment Fund;

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

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

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

26 (e) To submit electronically a report ~~an annual report to the~~
27 ~~Appropriations Committee of the Legislature and the Committee on Building~~
28 ~~Maintenance~~ regarding the amount of property leased by the state and the
29 availability of state-owned property for the needs of state agencies,
30 upon request by the Appropriations Committee of the Legislature, the
31 Committee on Building Maintenance, or a member of the Legislature;

1 ~~(f) To report monthly time-cost data on projects to the Governor and~~
2 ~~the Clerk of the Legislature. The report submitted to the Clerk of the~~
3 ~~Legislature shall be submitted electronically;~~

4 (f) ~~(g)~~ To administer the State Emergency Capital Construction
5 Contingency Fund;

6 (g) ~~(h)~~ To submit status reports to the Governor and the Legislative
7 Fiscal Analyst after each quarter of a construction project is completed
8 detailing change orders and expenditures to date. The report submitted to
9 the Legislative Fiscal Analyst shall be submitted electronically. Such
10 reports shall be required on all projects costing an amount equal to or
11 greater than the amount set forth in subdivision (1)(a) of section
12 81-1108.43 as adjusted by subsection (2) of section 81-1108.43 and on
13 such other projects as may be designated by the division; and

14 (h) ~~(i)~~ To submit a final report on each project to the Governor and
15 the Legislative Fiscal Analyst. The report submitted to the Legislative
16 Fiscal Analyst shall be submitted electronically. Such report shall
17 include, but not be limited to, a comparison of final costs and
18 appropriations made for the project, change orders, and modifications and
19 whether the construction complied with the related approved program
20 statement. Such reports shall be required on all projects costing an
21 amount equal to or greater than the amount set forth in subdivision (1)
22 (a) of section 81-1108.43 as adjusted by subsection (2) of section
23 81-1108.43 and on such other projects as may be designated by the
24 division.

25 (5) Subdivisions (4)(b), (c), and (d) of this section shall not
26 apply to (a) state-owned facilities to be rented to state agencies or
27 other parties by the University of Nebraska, the Nebraska state colleges,
28 the Department of Transportation, and the Board of Educational Lands and
29 Funds, (b) buildings and grounds owned or leased for use by the
30 University of Nebraska, the Nebraska state colleges, and the Board of
31 Educational Lands and Funds, (c) buildings and grounds owned, leased, or

1 operated by the Department of Correctional Services, (d) facilities to be
2 leased for nonoffice use by the Department of Transportation, (e)
3 buildings or grounds owned or leased by the Game and Parks Commission if
4 the application of such subdivisions to the buildings or grounds would
5 result in ineligibility for or repayment of federal funding, (f)
6 buildings or grounds of the state park system, state recreation areas,
7 state historical parks, state wildlife management areas, or state
8 recreational trails, or (g) other buildings or grounds owned or leased by
9 the State of Nebraska which are specifically exempted by the division
10 because the application of such subdivisions would result in the
11 ineligibility for federal funding or would result in hardship on an
12 agency, board, or commission due to other exceptional or unusual
13 circumstances, except that nothing in this subdivision shall prohibit the
14 assessment of building rental depreciation charges to tenants of
15 facilities owned by the state and under the direct control and
16 maintenance of the division.

17 (6) Security for all buildings and grounds owned or leased by the
18 State of Nebraska in Lincoln, Nebraska, except the buildings and grounds
19 described in subsection (5) of this section, shall be the responsibility
20 of the Nebraska State Patrol. The Nebraska State Patrol shall consult
21 with the Governor, the Chief Justice, the Executive Board of the
22 Legislative Council, and the State Capitol Administrator regarding
23 security policy within the State Capitol and capitol grounds.

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

29 **Sec. 24.** Section 81-1701, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 81-1701 The purpose of the Nebraska Consultants' Competitive

1 Negotiation Act is to provide managerial control over competitive
2 negotiations by the state for acquisition of professional architectural,
3 engineering, landscape architecture, or land surveying services. The act
4 does not apply to (1) contracts under section 57-1503, (2) contracts
5 under subsection (6) of section 39-1349, (3) contracts under sections
6 39-2808 to 39-2823 except as provided in section 39-2810, ~~or~~ (4)
7 contracts under the State Park System Construction Alternatives Act
8 except as provided in section 37-1719, or (5) contracts under the State
9 Building Construction Alternatives Act except as provided in section 5 of
10 this act.

11 **Sec. 25.** Section 82-316, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 82-316 There is hereby created the Nebraska Arts Council Cash Fund.
14 The fund shall contain all sums of money received from fees from any
15 conference, performance, or exhibition held by the council or by groups
16 who have contracted with the council for such events ~~and all sums of~~
17 ~~money collected under section 82-326.~~ The Nebraska Arts Council shall use
18 the fund to pay the costs related to the administration and sponsoring of
19 any conference, performance, or exhibition by the Nebraska Arts Council
20 or by groups who have contracted with the council for such events ~~or to~~
21 ~~pay the costs related to the repair, restoration, and maintenance of~~
22 ~~artwork installed under sections 82-317 to 82-329, 85-106 to 85-106.03,~~
23 ~~and 85-304 to 85-304.03.~~ All disbursements shall be made upon warrants
24 drawn by the Director of Administrative Services. Any money in the fund
25 available for investment shall be invested by the state investment
26 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
27 State Funds Investment Act.

28 **Sec. 26.** Section 85-106, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 85-106 The Board of Regents shall have the power:

31 (1) To enact laws for the government of the university;

1 (2) To elect a president, vice presidents, chancellors, vice
2 chancellors, deans, associate deans, assistant deans, directors,
3 associate directors, assistant directors, professors, associate
4 professors, assistant professors, instructors, other members of the
5 faculty staff, and employees generally of the university and to provide
6 for academic tenure for professors, associate professors, and assistant
7 professors;

8 (3) To prescribe the duties of such persons not inconsistent with
9 section 85-1,105;

10 (4) To fix their compensation;

11 (5) To provide, in its discretion, retirement benefits for present
12 and future employees of the university, subject to the following:

13 (a) The cost of such retirement benefits shall be funded in
14 accordance with sound actuarial principles with the necessary
15 contributions for both past service and future service being treated in
16 the university budget in the same way as any other operating expense;

17 (b) The university contribution under any such retirement plan shall
18 be (i) the rate established by the Board of Regents and not more than
19 eight percent of each university employee's full-time salary or wage
20 earnings for any calendar year before any agreement for reduction of
21 salary or wage earnings and (ii) pursuant to an agreement for reduction
22 of salary or wage earnings, the amount of the reduction of salary or wage
23 earnings;

24 (c) Each employee's contribution shall be the rate established by
25 the Board of Regents and shall not be required to exceed the university's
26 contribution under subdivision (5)(b)(i) of this section, except that in
27 lieu of making such contribution, each such employee may enter into an
28 agreement for reduction of salary or wages for the purchase by the Board
29 of Regents of annuity contracts for such employee, under the provisions
30 of the Internal Revenue Code, but the amount of the reduction of salary
31 or wages allowable under this subdivision may not include credit for

1 service prior to March 29, 1972;

2 (d) The retirement benefits of any employee for service prior to
3 September 1, 1961, shall be those provided under the retirement plan then
4 in force, which benefits shall not be abridged, except that such
5 retirement benefits shall become fully vested in the event of an
6 employee's termination of employment if such employee has at least ten
7 years of service at the date of termination;

8 (e) Continued contributions to the system until the date of
9 retirement as provided in section 85-606; and

10 (f) The investment of retirement funds shall be pursuant to the
11 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
12 Act, but no change in the type of investment of such funds shall be made
13 without the prior approval of the Board of Regents;

14 (6) To equalize and provide for uniform benefits for all present and
15 future employees, including group life insurance, group hospital-medical
16 insurance, group long-term disability income insurance, and retirement
17 benefits;

18 (7) To provide, through the University Extension Division, for the
19 holding of classes at various localities throughout the state avoiding
20 unnecessary duplication of courses offered by other educational
21 institutions in such localities and consistent with the orders of the
22 Coordinating Commission for Postsecondary Education issued pursuant to
23 sections 85-1413 and 85-1414;

24 (8) To remove the president, vice presidents, chancellors, vice
25 chancellors, deans, associate deans, assistant deans, directors,
26 associate directors, assistant directors, professors, associate
27 professors, assistant professors, instructors, other members of the
28 faculty staff, and employees generally, when the interests of the
29 university require it; and

30 (9) To pay expenses for recruitment of academic, administrative,
31 professional, and managerial personnel.

1 The Board of Regents shall institute a continuing program of
2 preventive maintenance and a program of deferred maintenance consistent
3 with the provisions of the Deferred Building Renewal Act and shall
4 consult with the Nebraska Arts Council and acquire works of art for the
5 original construction of any public building under its supervision
6 consistent with sections 82-317 to 82-329 and 85-106.01 to 85-106.03.

7 **Sec. 27.** Section 85-304, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 85-304 (1) The Board of Trustees of the Nebraska State Colleges
10 shall have the power:

11 (a) To appoint a president and such other persons as may be required
12 for each state college;

13 (b) To fix their compensation and prescribe their duties;

14 (c) To remove all persons appointed, but the affirmative votes of
15 four members of the board shall be necessary to remove a president or an
16 assistant during the time for which such persons were appointed;

17 (d) Through an extension division, to provide for holding of classes
18 at various localities throughout the state, avoiding unnecessary
19 duplication of courses offered by other educational institutions in such
20 localities;

21 (e) To acquire real and personal property and dispose of the same
22 whenever any of the state colleges will be benefited thereby, but no
23 grounds upon which any buildings of any of the state colleges are located
24 shall be disposed of without the consent of the Legislature;

25 (f) To pay expenses for recruitment of academic, administrative,
26 professional, and managerial personnel; and

27 (g) To provide benefits for all present and future employees,
28 including group life insurance, group hospital-medical insurance, and
29 group long-term disability income insurance.

30 ~~(2) The board shall have the duty:~~

31 (2) The board shall ~~(a) To~~ institute a continuing program of

1 preventive maintenance and a program of deferred maintenance consistent
2 with the provisions of the Deferred Building Renewal Act. ; and

3 ~~(b) To consult with the Nebraska Arts Council and acquire works of~~
4 ~~art for the original construction of any public building under its~~
5 ~~supervision consistent with sections 82-317 to 82-329 and 85-304 to~~
6 ~~85-304.03.~~

7 **Sec. 28.** Original sections 72-803, 73-307, 81-1108.15, 81-1701,
8 82-316, 85-106, and 85-304, Reissue Revised Statutes of Nebraska, and
9 section 73-101, Revised Statutes Cumulative Supplement, 2024, are
10 repealed.

11 **Sec. 29.** The following sections are outright repealed: Sections
12 82-317, 82-318, 82-319, 82-320, 82-321, 82-322, 82-323, 82-324, 82-325,
13 82-326, 82-327, 82-328, 82-329, 85-106.01, 85-106.02, 85-106.03,
14 85-304.01, 85-304.02, and 85-304.03, Reissue Revised Statutes of
15 Nebraska.