

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB938

Hearing Date: Thursday January 25, 2024
Committee On: Government, Military and Veterans Affairs
Introducer: Brandt
One Liner: Change provisions of the County Purchasing Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	6	Senators Aguilar, Brewer, Conrad, Halloran, Lowe, Sanders
Nay:		
Absent:	2	Senators Hunt, Raybould
Present Not Voting:		

Testimony:

Proponents:

Senator Tom Brandt
Mark Schoenrock

Darrell Zabrocki
Carl Grotelueschen
Jon Cannon

Representing:

Opening Presenter
Jefferson County/Nebraska Association of County
Officials (NACO)
Seward County
Colfax County
Nebraska Association of County Officials (NACO)

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

This bill would amend the County Purchasing Act.

Section 1 would add auctions and trades as means by which counties may obtain personal property or services.

Section 2 of the bill would clarify that the compensation paid to the county purchasing agent may be modified by mutual agreement during the course of employment and not only at the time when the employment relationship is initiated.

Section 3 would remove the current threshold amount (\$2,500) that triggers the Act's competitive bidding requirements for the sale of county personal property that has been declared surplus.



Section 4 modifies the requirements for a competitive sealed bidding process for purchases of personal property. Under current law, that process is required for purchases in excess of \$50,000. The bill proposes moving that threshold to \$70,000 on January 1, 2025, to \$90,000 on January 1, 2029, and to \$110,000 on January 1, 2034.

It also proposes changing the threshold for requiring an informal bidding process for county purchases of personal property. This process is currently required for purchases of personal property of \$10,000 or more but less than \$50,000. The bill proposes moving that range to \$15,000 to \$70,000 on January 1, 2025, then moving it to \$20,000 to \$90,000 on January 1, 2029, and then to \$25,000 to \$110,000 on January 1, 2034.

Purchases on the open market are currently authorized for amounts less than \$10,000. That limit would be increased to \$15,000 on January 1, 2025, increased again to \$20,000 on January 1, 2029, and increased once more to \$25,000 on January 1, 2034.

Section 5 of the bill would modify the conditions under which a county may waive the bidding requirements of the Act, providing that this may be accomplished through an auction. The board would have to hold a special meeting to set a maximum bid amount, and public notice of this special meeting would be required on the county website and at the county courthouse at least five days prior to the meeting. Virtual teleconferencing could be used for this special meeting. The county board would then have to ratify the auction result at another meeting following the auction. Failure to procure the property at auction would then result in the county board's being authorized to make the purchase on the open market without bidding.

Section 6 makes changes relating to the permissible methods for solicitation of sealed bids.

Section 7 would modify the thresholds governing the method used by counties for selling surplus personal property other than mobile equipment. Counties are currently authorized to sell such property without competitive bidding if the value is under \$2,500. That limit would be raised to \$3,500 on January 1, 2025, then increased again to \$4,500 on January 1, 2029, and then increased once more to \$6000 on January 1, 2034. Competitive bidding would be required for sales in excess of the limit.

This section would also modify the thresholds that apply to sales of county surplus mobile equipment. The current threshold that triggers a competitive bidding requirement for such sales is \$5,000. That limit would be raised to \$7,000 on January 1, 2025, raised to \$9,000 on January 1, 2029, and increased to \$12,000 on January 1, 2034.

Section 8 provides for a delayed operative date of January 1, 2025.

Section 9 contains the repealer.

Explanation of amendments:

The committee amendment, AM 2214, revises the public notice requirements in original Section 5 of the bill relating to a special meeting called for the purposes of approving participation in an auction. It provides greater specificity on how to proceed when a newspaper of general circulation within the county cannot be published in time to satisfy the notice requirement in the statute.

Tom Brewer, Chairperson

