

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 1159**

Introduced by Krist, 10.

Read first time January 19, 2012

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to state contracts for services; to amend  
2 sections 71-5666, 71-5667, 71-5668, 73-501, 73-502,  
3 73-504, 73-505, 73-506, 73-509, and 81-154.01, Reissue  
4 Revised Statutes of Nebraska, sections 79-8,137 and  
5 79-8,137.04, Revised Statutes Cumulative Supplement,  
6 2010, section 73-507, Reissue Revised Statutes of  
7 Nebraska, as amended by section 5, Legislative Bill 4,  
8 One Hundred Second Legislature, First Special Session,  
9 2011, and section 3, Legislative Bill 4, One Hundred  
10 Second Legislature, First Special Session, 2011; to  
11 provide additional requirements for contracts valued at  
12 twenty-five million dollars or more; to provide duties  
13 for state agencies and the materiel division of the  
14 Department of Administrative Services; to define and  
15 redefine terms; to eliminate obsolete provisions; to  
16 harmonize provisions; to repeal the original sections;  
17 and to outright repeal sections 73-301, 73-302, 73-303,

1                   73-304, 73-305, and 73-306, Reissue Revised Statutes of  
2                   Nebraska, and section 73-307, Reissue Revised Statutes of  
3                   Nebraska, as amended by section 4, Legislative Bill 4,  
4                   One Hundred Second Legislature, First Special Session,  
5                   2011.

6    Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 71-5666, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           71-5666 Each student loan recipient shall execute an  
4 agreement with the state. Such agreement shall be exempt from the  
5 requirements of sections 73-501 to 73-509 and sections 10 to 12 of  
6 this act and shall include the following terms, as appropriate:

7           (1) The borrower agrees to practice the equivalent of one  
8 year of full-time practice of an approved specialty in a designated  
9 health profession shortage area in Nebraska for each year of  
10 education for which a loan is received and agrees to accept medicaid  
11 patients in his or her practice;

12           (2) If the borrower practices an approved specialty in a  
13 designated health profession shortage area in Nebraska, the loan  
14 shall be forgiven as provided in this section. Practice in a  
15 designated area shall commence within three months of the completion  
16 of formal education, which may include a period not to exceed five  
17 years to complete specialty training in an approved specialty. The  
18 commission may approve exceptions to the three-month restriction upon  
19 showing good cause. Loan forgiveness shall occur on a quarterly  
20 basis, with completion of the equivalent of three months of full-time  
21 practice resulting in the cancellation of one-fourth of the annual  
22 loan amount;

23           (3) If the borrower practices an approved specialty in  
24 Nebraska but not in a designated health profession shortage area,  
25 practices a specialty other than an approved specialty in Nebraska,

1 or practices outside Nebraska, the borrower shall repay one hundred  
2 fifty percent of the outstanding loan principal with interest at a  
3 rate of eight percent simple interest per year from the date of  
4 default. Such repayment shall commence within six months of the  
5 completion of formal education, which may include a period not to  
6 exceed five years to complete specialty training in an approved  
7 specialty, and shall be completed within a period not to exceed twice  
8 the number of years for which loans were awarded;

9 (4) If a borrower who is a medical, dental, or doctorate-  
10 level mental health student determines during the first or second  
11 year of medical, dental, or doctorate-level mental health education  
12 that his or her commitment to the loan program cannot be honored, the  
13 borrower may repay the outstanding loan principal, plus six percent  
14 simple interest per year from the date the loan was granted, prior to  
15 graduation from medical or dental school or a mental health practice  
16 program without further penalty or obligation. Master's level mental  
17 health and physician assistant student loan recipients shall not be  
18 eligible for this provision;

19 (5) If the borrower discontinues the course of study for  
20 which the loan was granted, the borrower shall repay one hundred  
21 percent of the outstanding loan principal. Such repayment shall  
22 commence within six months of the date of discontinuation of the  
23 course of study and shall be completed within a period of time not to  
24 exceed the number of years for which loans were awarded; and

25 (6) In the event of a borrower's total and permanent

1 disability or death, the unpaid debt accrued under the Rural Health  
2 Systems and Professional Incentive Act shall be canceled.

3           Sec. 2. Section 71-5667, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           71-5667 Loan agreements executed prior to July 1, 2007,  
6 under the Nebraska Medical Student Assistance Act or the Rural Health  
7 Systems and Professional Incentive Act may be renegotiated and new  
8 agreements executed to reflect the terms required by section 71-5666.  
9 No funds repaid by borrowers under the terms of agreements executed  
10 prior to July 1, 2007, shall be refunded. Any repayments being made  
11 under the terms of prior agreements may be discontinued upon  
12 execution of a new agreement if conditions permit. Any agreement  
13 renegotiated pursuant to this section shall be exempt from the  
14 requirements of sections 73-501 to 73-509 and sections 10 to 12 of  
15 this act.

16           Sec. 3. Section 71-5668, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           71-5668 Each loan repayment recipient shall execute an  
19 agreement with the department and a local entity. Such agreement  
20 shall be exempt from the requirements of sections 73-501 to 73-509  
21 and sections 10 to 12 of this act and shall include, at a minimum,  
22 the following terms:

23           (1) The loan repayment recipient agrees to practice his  
24 or her profession, and a physician, dentist, nurse practitioner, or  
25 physician assistant also agrees to practice an approved specialty, in

1 a designated health profession shortage area for at least three years  
2 and to accept medicaid patients in his or her practice;

3 (2) In consideration of the agreement by the recipient,  
4 the State of Nebraska and a local entity within the designated health  
5 profession shortage area will provide equal funding for the repayment  
6 of the recipient's qualified educational debts, in amounts up to  
7 twenty thousand dollars per year per recipient for physicians,  
8 dentists, and psychologists and up to ten thousand dollars per year  
9 per recipient for physician assistants, nurse practitioners,  
10 pharmacists, physical therapists, occupational therapists, and mental  
11 health practitioners toward qualified educational debts for up to  
12 three years. The department shall make payments directly to the  
13 recipient; and

14 (3) If the loan repayment recipient discontinues practice  
15 in the shortage area prior to completion of the three-year  
16 requirement, the recipient shall repay to the state one hundred  
17 twenty-five percent of the total amount of funds provided to the  
18 recipient for loan repayment. Upon repayment by the recipient to the  
19 department, the department shall reimburse the local entity its share  
20 of the funds.

21 Sec. 4. Section 73-501, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23 73-501 The purposes of sections 73-501 to 73-509 and  
24 sections 10 to 12 of this act are to establish a standardized, open,  
25 and fair process for selection of contractual services using

1 performance-based contracting methods to the maximum extent  
2 practicable and to create an accurate reporting of expended funds for  
3 contractual services. This process shall promote a standardized  
4 method of selection for state contracts for services, assuring a fair  
5 assessment of qualifications and capabilities for project completion.  
6 There shall also be an accountable, efficient reporting method of  
7 expenditures for these services.

8           Sec. 5. Section 73-502, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10                 73-502 For purposes of sections 73-501 to 73-509 and  
11 sections 10 to 12 of this act:

12                 (1) Contract for services means any contract that  
13 directly engages the time or effort of an independent contractor  
14 whose purpose is to perform an identifiable task, study, or report  
15 rather than to furnish an end item of supply, goods, equipment, or  
16 material;

17                 (2) Emergency means necessary to meet an urgent or  
18 unexpected requirement or when health and public safety or the  
19 conservation of public resources is at risk;

20                 (3) Materiel division means the materiel division of the  
21 Department of Administrative Services established in section 81-1118;

22                 (4) Occasional means seasonal, irregular, or fluctuating  
23 in nature;

24                 (5) Performance standards means the performance level  
25 required by the State of Nebraska to meet contract requirements under

1 sections 73-501 to 73-509 and sections 10 to 12 of this act and  
2 includes standards that are measurable, including quality, quantity,  
3 and timeliness, and structured to permit an assessment of the  
4 contractor's performance.

5 ~~(4)~~(6) Sole source means of such a unique nature that  
6 the contractor selected is clearly and justifiably the only  
7 practicable source to provide the service. Determination that the  
8 contractor selected is justifiably the sole source is based on either  
9 the uniqueness of the service or sole availability at the location  
10 required; ~~and~~

11 ~~(5)~~(7) State agency ~~or agency~~ means any ~~state~~ agency,  
12 board, or commission of this state other than the University of  
13 Nebraska, the Nebraska state colleges, the courts, the Legislature,  
14 or any officer or state agency established by the Constitution of  
15 Nebraska; ~~and~~ -

16 (8) Temporary means a finite period of time with respect  
17 to a specific task or result relating to a contract for services.

18 Sec. 6. Section 73-504, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 73-504 Except as provided in section 73-507:

21 (1) All state agencies shall comply with the review and  
22 competitive bidding processes provided in this section for contracts  
23 for services. Unless otherwise exempt, no state agency shall expend  
24 funds for contracts for services without complying with this section;

25 (2) All proposed state agency contracts for services ~~in~~

1 ~~excess of valued at more than fifty thousand dollars but less than~~  
2 ~~twenty-five million dollars~~ shall be bid in the manner prescribed by  
3 the materiel division procurement manual, ~~or a process approved by~~  
4 ~~the Director of Administrative Services.~~ Bidding may be performed at  
5 the state agency level if the state agency employs an individual who  
6 has been trained as a contracting officer by the Department of  
7 Administrative Services pursuant to section 10 of this act or by the  
8 materiel division. Any state agency may request that the materiel  
9 division conduct the competitive bidding process;

10 (3) If the bidding process is at the state agency level,  
11 then state agency directors shall ensure that bid documents for each  
12 contract for services ~~in excess of valued at more than fifty thousand~~  
13 ~~dollars but less than twenty-five million dollars~~ are prereviewed by  
14 the materiel division and that any changes to the proposed contract  
15 that differ from the bid documents in the proposed contract for  
16 services are reviewed by the materiel division before signature by  
17 the parties;

18 (4) State agency directors, in cooperation with the  
19 materiel division, shall be responsible for appropriate public notice  
20 of an impending contractual services project ~~in excess of valued at~~  
21 ~~more than fifty thousand dollars but less than twenty-five million~~  
22 ~~dollars~~ in accordance with the materiel division's procurement manual  
23 and sections 73-501 to 73-509 and sections 10 to 12 of this act; and

24 (5) State agency directors, in cooperation with the  
25 materiel division, shall be responsible for ensuring that a request

1 for contractual services ~~in excess of~~ valued at more than fifty  
2 thousand dollars but less than twenty-five million dollars is filed  
3 with the materiel division for dissemination or web site access to  
4 vendors interested in competing for contracts for services.

5           Sec. 7. Section 73-505, Reissue Revised Statutes of  
6 Nebraska, is amended to read:

7           73-505 State agency directors shall be responsible for  
8 maintaining accurate documentation of the process used for selection  
9 of all contracts for services valued at less than twenty-five million  
10 dollars and for ensuring and documenting that services required under  
11 the contract are being performed in compliance with the terms of the  
12 contract for services. Such documentation shall be kept with each  
13 contract for services.

14           Sec. 8. Section 73-506, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16           73-506 State agency contracts for services shall be  
17 subject to the following requirements:

18           (1) Payments shall be made when contractual deliverables  
19 are received or in accordance with specific contractual terms and  
20 conditions;

21           (2) State agencies ~~may shall~~ not enter into contracts for  
22 services with an unspecified or unlimited duration; ~~and~~

23           (3) State agencies ~~may shall~~ not structure contracts for  
24 services to avoid any of the requirements of sections 73-501 to  
25 73-509 and sections 10 to 12 of this act; and -

1           (4) State agencies may propose contracts for services  
2 valued at twenty-five million dollars or more but only the materiel  
3 division may enter into such contracts.

4           Sec. 9. Section 73-507, Reissue Revised Statutes of  
5 Nebraska, as amended by section 5, Legislative Bill 4, One Hundred  
6 Second Legislature, First Special Session, 2011, is amended to read:

7           73-507 (1) Subject to review by the Director of  
8 Administrative Services, the materiel division shall provide  
9 procedures to grant limited exceptions from ~~the provisions of~~  
10 sections 73-504, 73-508, and 73-509 and sections 10 to 12 of this act  
11 for:

12           (a) Sole source and emergency contracts; and

13           (b) Other circumstances or specific contracts when any of  
14 the requirements of sections 73-504, 73-508, and 73-509 and sections  
15 10 to 12 of this act are not appropriate for or are not compatible  
16 with the circumstances or contract. The materiel division shall  
17 provide a written rationale which shall be kept on file when granting  
18 an exception under this subdivision.

19           (2) The following types of contracts for services are not  
20 subject to sections 73-504, 73-508, and 73-509 and sections 10 to 12  
21 of this act:

22           (a) Contracts for services subject to the Nebraska  
23 Consultants' Competitive Negotiation Act;

24           (b) Contracts for services subject to federal law,  
25 regulation, or policy or state statute, under which a state agency is

1 required to use a different selection process or to contract with an  
2 identified contractor or type of contractor;

3 (c) Contracts for professional legal services and  
4 services of expert witnesses, hearing officers, or administrative law  
5 judges retained by state agencies for administrative or court  
6 proceedings;

7 (d) Contracts involving state or federal financial  
8 assistance passed through by a state agency to a political  
9 subdivision;

10 (e) Contracts with direct providers of medical,  
11 behavioral, or developmental health services, child care, or child  
12 welfare services to an individual;

13 (f) Agreements for services to be performed for a state  
14 agency by another state or local government agency or contracts made  
15 by a state agency with a local government agency for the direct  
16 provision of services to the public;

17 (g) Agreements for services between a state agency and  
18 the University of Nebraska, the Nebraska state colleges, the courts,  
19 the Legislature, or other officers or state agencies established by  
20 the Constitution of Nebraska;

21 (h) Department of Insurance contracts for financial or  
22 actuarial examination, for rehabilitation, conservation,  
23 reorganization, or liquidation of licensees, and for professional  
24 services related to residual pools or excess funds under the agency's  
25 control;

1 (i) Department of Roads contracts for all road and bridge  
2 projects;

3 (j) Nebraska Investment Council contracts; and

4 (k) Contracts under section 3 of this act.

5 Sec. 10. (1) The materiel division shall not enter into a  
6 proposed contract for services valued at twenty-five million dollars  
7 or more until the state agency has submitted to the materiel division  
8 a requisition form developed by the Department of Administrative  
9 Services, including the proof-of-need analysis described in this  
10 section.

11 (2) The materiel division shall develop guidelines for  
12 state agencies to use in conducting a proof-of-need analysis. The  
13 guidelines shall require state agencies to provide at least the  
14 following information:

15 (a) A description of the service that is the subject of  
16 the proposed contract;

17 (b) The reason for purchase of the service rather than  
18 the use or hiring of state employees, including, but not limited to,  
19 whether there is an administrative restriction on hiring additional  
20 state employees;

21 (c) A review of any long-term actual cost savings of the  
22 contract and an explanation of the analysis used to determine such  
23 savings;

24 (d) An explanation of the process by which the state  
25 agency will include adequate control mechanisms to ensure that the

1 services are provided pursuant to the terms of the contract,  
2 including a description of the method by which the control mechanisms  
3 will ensure the quality of services provided by the contract;

4 (e) Identification of the specific state agency employee  
5 who will monitor the contract for services for performance;

6 (f) Identification and description of whether the service  
7 requested is temporary or occasional;

8 (g) An assessment of the feasibility of alternatives  
9 within the state agency to contract for performance of the services;

10 (h) A justification for entering into the contract for  
11 services if:

12 (i) The proposed contract will not result in cost savings  
13 to the state; and

14 (ii) The public's interest in having the particular  
15 service performed directly by the state agency exceeds the public's  
16 interest in the proposed contract;

17 (i) Any federal requirements that the service be provided  
18 by a person other than the state agency;

19 (j) Demonstration by the state agency that it has taken  
20 formal and positive steps to consider alternatives to such contract,  
21 including reorganization, reevaluation of services, and reevaluation  
22 of performance; and

23 (k) A description of any relevant legal issues, including  
24 barriers to contracting for the service or requirements that the  
25 state agency contract for the service.

1           (3) The materiel division shall review the proof-of-need  
2 analysis submitted pursuant to this section and determine the level  
3 of risk to this state and to any individual served by the contract,  
4 if applicable. If the materiel division determines that the level of  
5 risk is within reasonable parameters, the contracting process may  
6 continue. If the materiel division finds one or more areas of the  
7 contract that could pose an unreasonable level of risk, the materiel  
8 division may (a) request additional information from the state agency  
9 or (b) solicit additional information from other sources as is deemed  
10 appropriate.

11           (4) Only the materiel division has the authority to  
12 legally bind the State of Nebraska by entering into, administering,  
13 and terminating, if necessary, a contract for services valued at  
14 twenty-five million dollars or more. The materiel division shall  
15 ensure performance of all necessary actions for effective  
16 contracting, ensure compliance with the terms of the contract, and  
17 safeguard the interests of the State of Nebraska regarding contracts  
18 for services.

19           (5) The Department of Administrative Services shall  
20 develop training requirements for contracting officers and provide  
21 training for individuals employed by state agencies who act as  
22 contracting officers for such agency.

23           Sec. 11. Any state agency entering into a contract for  
24 services shall develop a performance work statement that shall, to  
25 the maximum extent practicable:

1           (a) Describe the work that is the subject of the contract  
2 for services in terms of required results rather than the process by  
3 which the work will be accomplished or the number of hours provided  
4 to complete the work;

5           (b) Enable assessment of work performance against  
6 performance standards; and

7           (c) Rely on the use of performance standards and  
8 financial incentives in a competitive environment to encourage  
9 contractors to develop and institute innovative and cost-effective  
10 methods of performing such work.

11           Sec. 12. A state agency entering into a contract for  
12 services may request that a contractor submit a proposed quality  
13 assurance monitoring plan for consideration, but regardless of  
14 whether the contractor submits such plan, the agency shall adopt a  
15 final quality assurance monitoring plan before entering into such  
16 contract.

17           Sec. 13. Section 79-8,137, Revised Statutes Cumulative  
18 Supplement, 2010, is amended to read:

19           79-8,137 (1)(a) Prior to receiving any money from a loan  
20 pursuant to the Attracting Excellence to Teaching Program, an  
21 eligible student shall enter into a contract with the department.  
22 Such contract shall be exempt from the requirements of sections  
23 73-501 to 73-509 and sections 10 to 12 of this act.

24           (b) For eligible students who applied for the first time  
25 prior to April 23, 2009, the contract shall require that if (i) the

1 borrower is not employed as a teacher in Nebraska for a time period  
2 equal to the number of years required for loan forgiveness pursuant  
3 to subsection (2) of this section and is not enrolled as a full-time  
4 student in a graduate program within six months after obtaining an  
5 undergraduate degree for which a loan from the program was obtained  
6 or (ii) the borrower does not complete the requirements for  
7 graduation within five consecutive years after receiving the initial  
8 loan under the program, then the loan must be repaid, with interest  
9 at the rate fixed pursuant to section 45-103 accruing as of the date  
10 the borrower signed the contract, and an appropriate penalty as  
11 determined by the department may be assessed. If a borrower fails to  
12 remain enrolled at an eligible institution or otherwise fails to meet  
13 the requirements of an eligible student, repayment of the loan shall  
14 commence within six months after such change in eligibility. The  
15 State Board of Education may by rules and regulations provide for  
16 exceptions to the conditions of repayment pursuant to this  
17 subdivision based upon mitigating circumstances.

18 (c) For eligible students who apply for the first time on  
19 or after April 23, 2009, the contract shall require that if (i) the  
20 borrower is not employed as a full-time teacher teaching in an  
21 approved or accredited school in Nebraska and teaching at least a  
22 portion of the time in the shortage area for which the loan was  
23 received for a time period equal to the number of years required for  
24 loan forgiveness pursuant to subsection (3) of this section and is  
25 not enrolled as a full-time student in a graduate program within six

1 months after obtaining an undergraduate degree for which a loan from  
2 the program was obtained or (ii) the borrower does not complete the  
3 requirements for graduation within five consecutive years after  
4 receiving the initial loan under the program, then the loan shall be  
5 repaid with interest at the rate fixed pursuant to section 45-103  
6 accruing as of the date the borrower signed the contract and actual  
7 collection costs as determined by the department. If a borrower fails  
8 to remain enrolled at an eligible institution or otherwise fails to  
9 continue to be an eligible student, repayment of the loan shall  
10 commence within six months after such change in eligibility. The  
11 State Board of Education may by rule and regulation provide for  
12 exceptions to the conditions of repayment pursuant to this  
13 subdivision based upon mitigating circumstances.

14 (2) If the borrower applied for the first time prior to  
15 April 23, 2009, and (a) successfully completes the teacher education  
16 program and becomes certified pursuant to sections 79-806 to 79-815,  
17 (b) becomes employed as a teacher in this state within six months of  
18 becoming certified, and (c) otherwise meets the requirements of the  
19 contract, payments shall be suspended for the number of years that  
20 the borrower is required to remain employed as a teacher in this  
21 state under the contract. For each year that the borrower teaches in  
22 Nebraska pursuant to the contract, payments shall be forgiven in an  
23 amount equal to the amount borrowed for one year, except that if the  
24 borrower teaches in a school district that is in a local system  
25 classified as very sparse as defined in section 79-1003 or teaches in

1 a school district in which at least forty percent of the students are  
2 poverty students as defined in section 79-1003, payments shall be  
3 forgiven each year in an amount equal to the amount borrowed for two  
4 years.

5 (3) If the borrower applies for the first time on or  
6 after April 23, 2009, and (a) successfully completes the teacher  
7 education program and major for which the borrower is receiving a  
8 forgivable loan pursuant to the program and becomes certified  
9 pursuant to sections 79-806 to 79-815 with an endorsement in the  
10 shortage area for which the loan was received, (b) becomes employed  
11 as a full-time teacher teaching at least a portion of the time in the  
12 shortage area for which the loan was received in an approved or  
13 accredited school in this state within six months of becoming  
14 certified, and (c) otherwise meets the requirements of the contract,  
15 payments shall be suspended for the number of years that the borrower  
16 is required to remain employed as a teacher in this state under the  
17 contract. Beginning after the first two years of teaching full-time  
18 in Nebraska following graduation for the degree for which the loan  
19 was received, for each year that the borrower teaches full-time in  
20 Nebraska pursuant to the contract, the loan shall be forgiven in an  
21 amount equal to three thousand dollars, except that if the borrower  
22 teaches full-time in a school district that is in a local system  
23 classified as very sparse as defined in section 79-1003, teaches in a  
24 school building in which at least forty percent of the formula  
25 students are poverty students as defined in section 79-1003, or

1 teaches in an accredited or approved private school in Nebraska in  
2 which at least forty percent of the enrolled students qualified for  
3 free lunches as determined by the most recent data available from the  
4 department, payments shall be forgiven each year in an amount equal  
5 to six thousand dollars.

6 Sec. 14. Section 79-8,137.04, Revised Statutes Cumulative  
7 Supplement, 2010, is amended to read:

8 79-8,137.04 (1) Prior to receiving any money from a loan  
9 pursuant to the Enhancing Excellence in Teaching Program, an eligible  
10 student shall enter into a contract with the department. Such  
11 contract shall be exempt from the requirements of sections 73-501 to  
12 73-509 and sections 10 to 12 of this act. The contract shall require  
13 that if (a) the borrower is not employed as a full-time teacher  
14 teaching in an approved or accredited school in Nebraska for a time  
15 period equal to the number of years required for loan forgiveness  
16 pursuant to subsection (2) of this section or (b) the borrower does  
17 not complete the requirements for graduation within five consecutive  
18 years after receiving the initial loan under the program, then the  
19 loan shall be repaid, with interest at the rate fixed pursuant to  
20 section 45-103 accruing as of the date the borrower signed the  
21 contract and actual collection costs as determined by the department.  
22 If a borrower fails to remain enrolled at an eligible institution or  
23 otherwise fails to meet the requirements of an eligible student,  
24 repayment of the loan shall commence within six months after such  
25 change in eligibility. The State Board of Education may by rules and

1 regulations provide for exceptions to the conditions of repayment  
2 pursuant to this subsection based upon mitigating circumstances.

3 (2) If the borrower (a) successfully completes the  
4 eligible graduate program and major for which the borrower is  
5 receiving a forgivable loan pursuant to the Enhancing Excellence in  
6 Teaching Program and maintains certification pursuant to sections  
7 79-806 to 79-815, (b) maintains employment as a teacher in an  
8 approved or accredited school in this state, and (c) otherwise meets  
9 the requirements of the contract, payments shall be suspended for the  
10 number of years that the borrower is required to remain employed as a  
11 teacher in this state under the contract. Beginning after the first  
12 two years of teaching full-time in Nebraska following graduation for  
13 the degree for which the loan was received, for each year that the  
14 borrower teaches full-time in Nebraska pursuant to the contract, the  
15 loan shall be forgiven in an amount equal to three thousand dollars,  
16 except that if the borrower teaches full-time in a school district  
17 that is in a local system classified as very sparse as defined in  
18 section 79-1003, teaches in a school building in which at least forty  
19 percent of the students are poverty students as defined in section  
20 79-1003, or teaches in an accredited or approved private school in  
21 Nebraska in which at least forty percent of the enrolled students  
22 qualified for free lunches as determined by the most recent data  
23 available from the department, payments shall be forgiven each year  
24 in an amount equal to six thousand dollars.

25 Sec. 15. Section 81-154.01, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2           81-154.01 The materiel division shall make available  
3 copies of current purchase agreements and standard specifications to  
4 the University of Nebraska. The University of Nebraska may utilize  
5 such purchase agreements if it determines that it would be to its  
6 advantage to do so. The materiel division may utilize purchase  
7 agreements entered into by the University of Nebraska upon a finding  
8 by the materiel administrator that the use of such agreements would  
9 be in the best interests of the state. ~~For purposes of this section,~~  
10 ~~purchase agreements do not include contracts for personal services~~  
11 ~~subject to sections 73-301 to 73-307.~~

12           Sec. 16. Section 3, Legislative Bill 4, One Hundred  
13 Second Legislature, First Special Session, 2011, is amended to read:

14           Sec. 3. (1) The department may collaborate with a federal  
15 agency or agencies in a review under the National Environmental  
16 Policy Act involving a supplemental environmental impact statement  
17 for oil pipeline projects within, through, or across the state. Prior  
18 to entering into such shared jurisdiction and authority with a  
19 federal agency or agencies, the department shall enter into a  
20 memorandum of understanding with such federal agency or agencies that  
21 sets forth the responsibilities and schedules that will lead to an  
22 effective and timely review under the National Environmental Policy  
23 Act involving a supplemental environmental impact statement.

24           (2) Since the objectives of the process are to ensure  
25 adequate information gathering, full and careful agency and public

1 review, objective preparation of a supplemental environmental impact  
2 statement, adherence to a defined schedule, and an appropriate role  
3 for a pipeline carrier which avoids the appearance of conflicts of  
4 interest, it is the intent of the Legislature that the state fully  
5 fund the process of preparation of a supplemental environmental  
6 impact statement and that no fees will be required of an applicant.  
7 The department may contract with outside vendors in the process of  
8 preparation of a supplemental environmental impact statement. The  
9 department shall make every reasonable effort to ensure that each  
10 vendor has no conflict of interest or relationship to any pipeline  
11 carrier that applies for an oil pipeline permit.

12 (3) In order for the process to be efficient and  
13 expeditious, the department's contracts with vendors pursuant to this  
14 section for a supplemental environmental impact statement shall not  
15 be subject to the Nebraska Consultants' Competitive Negotiation Act  
16 or sections ~~73-301 to 73-306~~ or ~~73-501 to 73-509~~ and sections 10 to  
17 12 of this act.

18 (4) After the supplemental environmental impact statement  
19 is prepared, the department shall submit it to the Governor. Within  
20 thirty days after receipt of the supplemental environmental impact  
21 statement from the department, the Governor shall indicate, in  
22 writing, to the federal agency or agencies involved in the review as  
23 to whether he or she approves any of the routes reviewed in the  
24 supplemental environmental impact statement.

25 Sec. 17. Original sections 71-5666, 71-5667, 71-5668,

1 73-501, 73-502, 73-504, 73-505, 73-506, 73-509, and 81-154.01,  
2 Reissue Revised Statutes of Nebraska, sections 79-8,137 and  
3 79-8,137.04, Revised Statutes Cumulative Supplement, 2010, section  
4 73-507, Reissue Revised Statutes of Nebraska, as amended by section  
5 5, Legislative Bill 4, One Hundred Second Legislature, First Special  
6 Session, 2011, and section 3, Legislative Bill 4, One Hundred Second  
7 Legislature, First Special Session, 2011, are repealed.

8           Sec. 18. The following sections are outright repealed:  
9 Sections 73-301, 73-302, 73-303, 73-304, 73-305, and 73-306, Reissue  
10 Revised Statutes of Nebraska, and section 73-307, Reissue Revised  
11 Statutes of Nebraska, as amended by section 4, Legislative Bill 4,  
12 One Hundred Second Legislature, First Special Session, 2011.