## LEGISLATURE OF NEBRASKA

## ONE HUNDRED FOURTH LEGISLATURE

SECOND SESSION

## **LEGISLATIVE BILL 1080**

FINAL READING

Introduced by Seiler, 33.

Read first time January 20, 2016

Committee: Government, Military and Veterans Affairs

- A BILL FOR AN ACT relating to the Department of Correctional Services; to
  amend sections 81-161.03 and 83-150, Reissue Revised Statutes of
  Nebraska, and section 81-1185, Revised Statutes Supplement, 2015; to
  increase the dollar amount authorized for direct purchases for
  correctional industries; to change provisions relating to recyclable
  material used by the correctional industries program; and to repeal
  the original sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-161.03, Reissue Revised Statutes of Nebraska,

- 2 is amended to read:
- 3 81-161.03 The materiel division may, by written order, permit
- 4 purchases, contracts, or leases to be made by any using agency directly
- 5 with the vendor or supplier whenever it appears to the satisfaction of
- 6 the materiel division that, because of the unique nature of the personal
- 7 property, the price in connection therewith, the quantity to be
- 8 purchased, the location of the using agency, the time of the use of the
- 9 personal property, or any other circumstance, the interests of the state
- 10 will be served better by purchasing or contracting direct than through
- 11 the materiel division.
- 12 Such permission shall be revocable and shall be operative for a
- 13 period not exceeding twelve months from the date of issue. Using agencies
- 14 receiving such permission shall report their acts and expenditures under
- 15 such orders to the materiel division in writing and furnish such agent
- 16 with proper evidence that competition has been secured at such time and
- 17 covering such period as may be required by the materiel division.
- 18 The materiel division shall adopt and promulgate rules and
- 19 regulations establishing criteria which must be met by any agency seeking
- 20 direct market purchase authorization. Purchases for miscellaneous needs
- 21 may be made directly by any agency without prior approval from the
- 22 materiel division for purchases of less than ten thousand dollars if the
- 23 agency has completed a certification program as prescribed by the
- 24 materiel division.
- The Department of Correctional Services may purchase raw materials,
- 26 supplies, component parts, and equipment perishables directly for
- 27 industries established pursuant to section 83-183, whether such purchases
- 28 are made to fill specific orders or for general inventories. Any such
- 29 purchase shall not exceed <u>fifty</u> <del>twenty-five</del> thousand dollars. The
- 30 department shall comply with the bidding process of the materiel division
- 31 and shall be subject to audit by the materiel division for such

LB1080 2016

- 1 purchases.
- 2 Sec. 2. Section 81-1185, Revised Statutes Supplement, 2015, is
- 3 amended to read:
- 4 81-1185 For purposes of the State Government Recycling Management
- 5 Act, state government recyclable material means any product or material
- 6 that has reached the end of its useful life, is obsolete, or is no longer
- 7 needed by state government and for which there are readily available
- 8 markets to take the material. State government recyclable material
- 9 includes paper, paperboard, aluminum and other metals, yard waste, glass,
- 10 tires, oil, and plastics. State government recyclable material does not
- 11 include cans or other containers recycled under section 83-915.01 or
- 12 <u>material used in the production of goods or the provision of services by</u>
- 13 the correctional industries program of the Department of Correctional
- 14 Services.
- 15 Sec. 3. Section 83-150, Reissue Revised Statutes of Nebraska, is
- 16 amended to read:
- 17 83-150 All funds received by the Department of Correctional Services
- 18 under sections 83-144 to 83-152 and from the recycling of material used
- 19 in the production of goods or the provision of services by the
- 20 department's correctional industries program shall be remitted to the
- 21 State Treasurer for credit to the Correctional Industries Revolving Fund,
- 22 which fund is hereby created. The fund shall be administered by the
- 23 Director of Correctional Services. The fund (1) shall be used to pay all
- 24 proper expenses incident to the administration of sections 83-144 to
- 25 83-152 and (2) may be used to carry out section 83-186.01, except that
- 26 transfers from the fund to the General Fund may be made at the direction
- 27 of the Legislature. Any money in the Correctional Industries Revolving
- 28 Fund available for investment shall be invested by the state investment
- 29 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
- 30 State Funds Investment Act.
- 31 Sec. 4. Original sections 81-161.03 and 83-150, Reissue Revised

1 Statutes of Nebraska, and section 81-1185, Revised Statutes Supplement,

2 2015, are repealed.