LEGISLATIVE BILL 1080

Approved by the Governor April 07, 2016

Introduced by Seiler, 33.

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

Section 1. Section 81-161.03, Reissue Revised Statutes of Nebraska, is amended to read:

81-161.03 The materiel division may, by written order, permit purchases, contracts, or leases to be made by any using agency directly with the vendor or supplier whenever it appears to the satisfaction of the materiel division that, because of the unique nature of the personal property, the price in connection therewith, the quantity to be purchased, the location of the using agency, the time of the use of the personal property, or any other circumstance, the interests of the state will be served better by purchasing or contracting direct than through the materiel division.

Such permission shall be revocable and shall be operative for a period not exceeding twelve months from the date of issue. Using agencies receiving such permission shall report their acts and expenditures under such orders to the materiel division in writing and furnish such agent with proper evidence that competition has been secured at such time and covering such period as may be required by the materiel division.

The materiel division shall adopt and promulgate rules and regulations establishing criteria which must be met by any agency seeking direct market purchase authorization. Purchases for miscellaneous needs may be made directly by any agency without prior approval from the materiel division for purchases of less than ten thousand dollars if the agency has completed a certification program as prescribed by the materiel division.

by any agency without prior approval from the materiel division for purchases of less than ten thousand dollars if the agency has completed a certification program as prescribed by the materiel division. The Department of Correctional Services may purchase raw materials, supplies, component parts, and equipment perishables directly for industries established pursuant to section 83-183, whether such purchases are made to fill specific orders or for general inventories. Any such purchase shall not exceed <u>fifty twenty-five</u> thousand dollars. The department shall comply with the bidding process of the materiel division and shall be subject to audit by the materiel division for such purchases.

Sec. 2. Section 81-1185, Revised Statutes Supplement, 2015, is amended to read:

81-1185 For purposes of the State Government Recycling Management Act, state government recyclable material means any product or material that has reached the end of its useful life, is obsolete, or is no longer needed by state government and for which there are readily available markets to take the material. State government recyclable material includes paper, paperboard, aluminum and other metals, yard waste, glass, tires, oil, and plastics. State government recyclable material does not include cans or other containers recycled under section 83-915.01 or material used in the production of goods or the provision of services by the correctional industries program of the Department of Correctional Services.

Sec. 3. Section 83-150, Reissue Revised Statutes of Nebraska, is amended to read:

83-150 All funds received by the Department of Correctional Services under sections 83-144 to 83-152 and from the recycling of material used in the production of goods or the provision of services by the department's correctional industries program shall be remitted to the State Treasurer for credit to the Correctional Industries Revolving Fund, which fund is hereby created. The fund shall be administered by the Director of Correctional Services. The fund (1) shall be used to pay all proper expenses incident to the administration of sections 83-144 to 83-152 and (2) may be used to carry out section 83-186.01, except that transfers from the fund to the General Fund may be made at the direction of the Legislature. Any money in the Correctional Industries Revolving Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 4. Original sections 81-161.03 and 83-150, Reissue Revised Statutes of Nebraska, and section 81-1185, Revised Statutes Supplement, 2015, are repealed.