LEGISLATURE OF NEBRASKA

ONE HUNDRED SEVENTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 652

Introduced by Wayne, 13.

Read first time January 20, 2021

Committee: Government, Military and Veterans Affairs

- 1 A BILL FOR AN ACT relating to economic development; to adopt the Nebraska
- 2 Historically Underutilized Business Program Act; and to provide an
- 3 operative date.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 11 of this act shall be known and may be

- 2 <u>cited as the Nebraska Historically Underutilized Business Program Act.</u>
- 3 Sec. 2. (1) The Legislature finds:
- 4 (a) That the promotion of HUBs is a matter of state concern,
- 5 particularly in communities which contain a large number of HUBs;
- 6 (b) That it is necessary and expedient to require the inclusion of
- 7 certain provisions in contracts with constitutional offices and state
- 8 <u>agencies to promote and encourage the creation of business opportunities</u>
- 9 for HUBs of this state, and businesses in economic redevelopment areas,
- 10 to promote equality of access to public contracts;
- 11 (c) That it is in the best interest of the people of Nebraska to
- 12 promote the interests of HUBs because it is vital that all Nebraskans
- 13 have an opportunity to contribute economically by participating in
- 14 <u>business opportunities existing in government;</u>
- 15 (d) That a coordinated effort is necessary to eliminate any barriers
- 16 impeding equal opportunity for HUBs doing business with a constitutional
- 17 office or state agency;
- 18 (e) That the utilization of HUBs is critical to creating a vibrant,
- 19 sustainable, and diverse business community in Nebraska; and
- 20 <u>(f) That it is the policy of this state to encourage the use of HUBs</u>
- 21 by constitutional offices and state agencies and to assist such offices
- 22 and agencies in the implementation of this policy through means that are
- 23 <u>neutral as to race, ethnicity, and gender.</u>
- 24 (2) The purpose of the Nebraska Historically Underutilized Business
- 25 Program Act is to promote full and equal business opportunities for all
- 26 <u>businesses</u> in an effort to remedy disparities in state and local
- 27 <u>procurement and contracting.</u>
- 28 (3) The Nebraska Historically Underutilized Business Program Act
- 29 <u>describes the minimum steps and requirements to be undertaken by a</u>
- 30 government entity to fulfill the state's HUB policy and attain
- 31 aspirational goals.

1 Sec. 3. For purposes of the Nebraska Historically Underutilized

- 2 <u>Business Program Act:</u>
- 3 <u>(1) Applicant means a person or business that applies to the</u>
- 4 Commissioner of Labor for certification as a HUB;
- 5 (2) Application means the Department of Labor's form for applicants
- 6 to request certification as a HUB;
- 7 (3) Bidder means any person or business seeking to be awarded a
- 8 government entity contract;
- 9 (4) Commodities means any tangible good provided by a contractor to
- 10 the state;
- 11 (5) Contract means any contract awarded by a government entity
- 12 whereby the government entity is committed to expend or does expend
- 13 public funds, including, but not limited to, any public funds received
- 14 from other government entities, tax incentive programs, or tax-increment
- 15 financing expenditures, including public funds used for construction,
- 16 work, labor services, financial services, technical services,
- 17 professional services, supplies, equipment, materials, or any combination
- 18 of the foregoing;
- 19 (6) Contractor means a person or business that contracts with a
- 20 government entity to provide commodities or services, including
- 21 professional services;
- 22 (7) Economic redevelopment area means an area in the State of
- 23 Nebraska in which: (a) The average rate of unemployment in the area
- 24 during the period covered by the most recent federal decennial census or
- 25 American Community Survey 5-Year Estimate by the United States Bureau of
- 26 the Census is at least one hundred fifty percent of the average rate of
- 27 <u>unemployment in the state during the same period; and (b) the average</u>
- 28 poverty rate in the area is twenty percent or more for the total federal
- 29 <u>census tract or tracts or federal census block group or block groups in</u>
- 30 the area;
- 31 (8) Government entity means any of the following:

- 1 (a) Constitutional office; or
- 2 (b) State agency;
- 3 (9)(a) Historically underutilized business or HUB means:
- 4 (i) A participant in the United States Department of
- 5 Transportation's disadvantaged business enterprise program and that
- 6 adheres to the requirements and guidance contained in 49 C.F.R. part 26,
- 7 Participation By Disadvantaged Business Enterprises In Department of
- 8 <u>Transportation Financial Assistance Programs</u>, as such part existed on
- 9 January 1, 2021; or
- 10 (ii) Any person or business with its principal place of business
- 11 <u>located within an economic redevelopment area and is:</u>
- 12 <u>(A) A contractor, including a building constructor or heavy and</u>
- 13 civil engineering constructor as described in subsectors 236 and 237,
- 14 respectively, of the NAICS whose average annual gross receipts from the
- 15 past three years do not exceed the size standard of XX million dollars or
- 16 the size standard in number of employees, twenty-five percent of the
- 17 NAICS for those subsectors of the NAICS as published in the current
- 18 United States Small Business Administration Table of Small Business Size
- 19 Standards matched to the North American Industry Classification System
- 20 <u>subsectors;</u>
- 21 (B) A specialty trade contractor as described in subsector 238 of
- 22 the NAICS whose average annual gross receipts from the past three years
- 23 do not exceed the size standard of XX million dollars or the size
- 24 standard in number of employees, twenty-five percent of the NAICS for
- 25 those subsectors of the NAICS as published in the current United States
- 26 Small Business Administration Table of Small Business Size Standards
- 27 <u>matched to the North American Industry Classification System subsectors;</u>
- 28 or
- 29 (C) An entity whose average annual gross receipts from the past
- 30 three years do not exceed the size standard of XX million dollars or the
- 31 size standard in number of employees, twenty-five percent of the NAICS as

- 1 published in the current United States Small Business Administration
- 2 <u>Table of Small Business Standards matched to the North American Industry</u>
- 3 Classification System subsectors; and that is not an affiliate or
- 4 <u>subsidiary of a business in its field of operation; and</u>
- 5 (b) HUB cannot be:
- 6 (i) A manufacturer's representative; a franchise, unless operating
- 7 as an independent entrepreneur utilizing a franchise name only; a
- 8 business for which the owner is an owner or part owner of another similar
- 9 business; or a non-stocking retailer or wholesaler; or
- 10 (ii) An entity whose owners:
- 11 (A) Have a net worth more than the sum of one million five hundred
- 12 thousand dollars after excluding the equity of the individual or
- 13 <u>individuals in the business seeking certification and such individual's</u>
- 14 equity in their primary residences; or
- 15 (B) Hold more than ten percent ownership in any other single
- business, unless the other business is certified as a HUB;
- 17 (10) HUB subcontracting plan means a written document that outlines
- 18 the use of subcontractors, which is required to be submitted with a
- 19 response to a government entity solicitation for which subcontracting
- 20 opportunities have been determined by the government entity to be
- 21 probable. The HUB subcontracting plan subsequently becomes a provision of
- 22 the awarded contract and shall be monitored for compliance by the
- 23 government entity during the term of the contract;
- 24 (11) North American Industry Classification System or NAICS means
- 25 the standard established by the United States Office of Management and
- 26 <u>Budget and used by federal statistical agencies in classifying business</u>
- 27 <u>establishments for the purpose of collecting, analyzing, and publishing</u>
- 28 <u>statistical data related to the United States business economy;</u>
- 29 (12) Owner means any person or business holding any percentage
- 30 <u>ownership in a business;</u>
- 31 (13) Prime contractor is a person or business that is awarded a

- 1 government entity contract;
- 2 (14) Principal place of business means the location where the owner
- 3 or owners of the business direct, control, and coordinate the business's
- 4 <u>daily operations and activities;</u>
- 5 (15) Professional services means services of licensed or registered
- 6 professions;
- 7 (16) Reside, when used in reference to a requirement that a person
- 8 reside within this state, means that a person:
- 9 (a) Physically resides in this state for a period of not less than
- 10 twelve consecutive months prior to submitting an application for HUB
- 11 <u>certification and lists Nebraska as such person's residency in such</u>
- 12 <u>person's most recent federal tax return; or</u>
- 13 <u>(b) Has established, to the satisfaction of the Department of</u>
- 14 Revenue, a Nebraska domicile for a period of time sufficient to
- 15 <u>demonstrate an intention to permanently reside in this state consistently</u>
- 16 over a substantial period of time;
- 17 (17) Respondent means a person or business that submits a response;
- 18 (18) Response means a submission made in answer to an invitation for
- 19 bids, requests for proposals, or other purchase solicitation documents,
- 20 which may take the form of a bid, proposal, offer, or other applicable
- 21 expression of interest;
- 22 (19) Subcontractor means a person or business who contracts with a
- 23 prime contractor to work or contribute toward completing work for a
- 24 government entity;
- 25 <u>(20) Tier I HUB means any HUB that:</u>
- 26 <u>(a) Has its principal place of business located within an economic</u>
- 27 <u>redevelopment area; and</u>
- 28 <u>(b) Has twenty percent or more of its employees residing within an</u>
- 29 <u>economic redevelopment area;</u>
- 30 (21) Tier II HUB means any HUB that:
- 31 (a) Has its principal place of business located within an economic

- 1 redevelopment area; or
- 2 (b) Has twenty percent or more of its employees residing within an
- 3 <u>economic redevelopment area; and</u>
- 4 (22) Tier III HUB means any HUB that is not a Tier I HUB or Tier II
- 5 HUB.
- 6 Sec. 4. (1) A business desiring to be certified as a HUB must
- 7 complete a form prescribed by the Department of Labor or participate in
- 8 <u>the Department of Transportation's Nebraska Unified Certification</u>
- 9 Program.
- 10 (2) The Department of Labor may request any additional information
- 11 <u>determined necessary to evaluate a business's qualifications for</u>
- 12 certification prior to a decision to certify an applicant as a HUB.
- 13 (3) Once a business has been certified as a HUB, the certification
- 14 shall remain in place for five years, as long as the certification status
- 15 of the business does not change. The business must complete an annual
- 16 affidavit of certification that states its current certification status,
- 17 regardless of whether variables have changed. A business may apply to be
- 18 recertified as a HUB if the business maintains its qualifications for
- 19 certification, subject to the limits set forth in this section. A HUB
- 20 shall only be permitted to recertify four times for a maximum of twenty
- 21 years. No business that was initially certified as a HUB shall
- 22 participate in the HUB program for a period greater than twenty-five
- 23 years.
- 24 (4) When a business no longer meets the criteria of the HUB program,
- 25 the business shall be decertified and shall no longer participate in the
- 26 program. However, if a business is certified to participate in the
- 27 program at the time it enters into any contract, the business shall
- 28 remain certified for that contract only until the expiration of the
- 29 contract. Nothing in this subsection shall prohibit the Department of
- 30 Labor or the Department of Transportation from decertifying any business
- 31 that violates any rule, policy, or procedure of the HUB program.

- 1 Sec. 5. (1) Each government entity shall make a good faith effort
- 2 to utilize HUBs in contracts for construction, services, including
- 3 professional and consulting services, and commodities purchases. Each
- 4 government entity may achieve the statewide or office, agency, or
- 5 political subdivision-specific annual HUB goals specified in the
- 6 constitutional office's or state agency's appropriations request or the
- 7 political subdivision's budget by contracting directly with HUBs or
- 8 <u>indirectly through subcontracting opportunities.</u>
- 9 (2) The statewide HUB reporting categories are:
- 10 (a) Heavy construction other than building contracts;
- 11 (b) All building construction, including general contractors and
- 12 operative builders contracts;
- 13 (c) All special trade construction contracts;
- 14 (d) Professional services contracts;
- 15 (e) All other services contracts; and
- 16 (f) Commodities contracts.
- 17 (3) Priorities shall be set forth as follows: If there is an
- 18 adequate number of qualified and certified HUB bidders or applicants,
- 19 <u>first priority shall be given to Tier I HUBs; if not, then the next</u>
- 20 priority will be given to Tier II HUBs; and then Tier III HUBs.
- 21 (4) Government entities must establish their own specific HUB goals
- 22 for each procurement category outlined in subsections (2) and (3) of this
- 23 section. Such goals should be based on:
- 24 (a) A government entity's fiscal year expenditures and total
- 25 contract expenditures;
- 26 (b) The availability to a government entity of HUBs in each
- 27 procurement category;
- 28 (c) The government entity's historic utilization of HUBs;
- 29 (d) The government entity's identification of potential
- 30 subcontracting opportunities in all contracts and the requirement of a
- 31 HUB subcontracting plan for contracts of two hundred thousand dollars or

1 more over the life of the contract, including any renewals, where such

- 2 opportunities exist;
- 3 (e) The identification of HUB subcontracting or HUB prime
- 4 contracting in contracts that are less than two hundred thousand dollars,
- 5 <u>whenever possible; and</u>
- 6 (f) Other relevant factors.
- 7 (5) Each government entity that considers entering into a contract
- 8 <u>with an expected value of two hundred thousand dollars or more over the</u>
- 9 life of the contract, including any renewals, shall, before the
- 10 government entity solicits bids, proposals, offers, or other applicable
- 11 expressions of interest, determine whether subcontracting opportunities
- 12 <u>are probable under the contract pursuant to subsection (6) of this</u>
- 13 <u>section</u>. Factors in determining a government entity's good faith effort
- 14 and if subcontracting opportunities are probable shall include:
- 15 (i) Preparation and distribution of information on procurement
- 16 procedures in a manner that encourages participation in contracts by all
- 17 businesses;
- 18 (ii) Examining the scope of work to be performed under the proposed
- 19 contract and determining if it is likely that some of the work may be
- 20 <u>performed by a subcontractor;</u>
- 21 (iii) Researching the HUB directory compiled under section 7 of this
- 22 act, Internet resources, or other directories as identified by the
- 23 Commissioner of Labor, for HUBs, that may be available to perform the
- 24 <u>contract work;</u>
- 25 (iv) Where feasible, assessment of bond and insurance requirements
- 26 and design requirements that reasonably permit more than one business to
- 27 perform the work;
- 28 (v) Division of proposed requisitions into reasonable lots in
- 29 keeping with industry standards and competitive bid requirements;
- 30 (vi) Determining if subcontracting is probable for only a subset of
- 31 the work expected to be performed or the funds to be expended under the

- 1 contract;
- 2 <u>(vii)</u> Reviewing the history of similar government entity purchasing
- 3 <u>transactions;</u>
- 4 (viii) Specification of reasonable, realistic delivery schedules
- 5 consistent with a government entity's actual requirements; and
- 6 (ix) Ensuring that specifications, terms, and conditions reflect a
- 7 government entity's actual requirements, are clearly stated, and do not
- 8 <u>impose unreasonable or unnecessary contract requirements.</u>
- 9 (6)(a) If the government entity determines, as set forth in
- 10 <u>subsection</u> (5) of this section, that <u>subcontracting</u> opportunities are
- 11 probable, the government entity shall require that each response include
- 12 a HUB subcontracting plan in order to be considered responsive.
- 13 <u>(b) The HUB subcontracting plan shall be submitted with the</u>
- 14 respondent's response on or before the due date for responses, except for
- 15 construction contracts involving alternative delivery methods. For
- 16 construction contracts involving alternative delivery methods, the HUB
- 17 subcontracting plan may be submitted up to twenty-four hours following
- 18 the date and time that responses are due.
- 19 (c) Responses that do not include a completed HUB subcontracting
- 20 plan in accordance with this subsection shall be rejected.
- 21 (d) If a properly submitted HUB subcontracting plan contains minor
- 22 deficiencies such as a failure to sign or date the plan or a failure to
- 23 submit already-existing evidence that three HUBs were contacted, the
- 24 government entity may contact the respondent for clarification to the
- 25 plan, if it contains sufficient evidence that the respondent developed
- 26 <u>and submitted the plan in good faith. The respondent shall have twenty-</u>
- 27 <u>four hours to clarify the plan or cure a defect in the plan.</u>
- 28 (e) If the government entity determines that a submitted HUB
- 29 <u>subcontracting plan was not developed in good faith, the government</u>
- 30 entity shall treat that as a material failure to comply with advertised
- 31 specifications, and the subject response shall be rejected. The reasons

- 1 for rejection shall be recorded in the procurement file.
- 2 (f) The HUB subcontracting plan shall include the following:
- 3 (i) Certification that respondent has made a good faith effort to
- 4 meet the requirements of this section. When determining whether a good
- 5 faith effort has been made in the development of the required HUB
- 6 subcontracting plan, a government entity shall require the respondent to
- 7 submit supporting documentation explaining how the respondent has made a
- 8 good faith effort according to the following criteria:
- 9 <u>(A) How the respondent provided written justification of the</u>
- 10 selection process if the selected subcontractor was not a HUB;
- 11 (B) How the respondent provided documentation of meeting one or more
- of the following requirements:
- 13 <u>(I) Notifying at least three HUBs of the subcontracting</u>
- 14 opportunities that the respondent intended to subcontract. The respondent
- 15 shall provide such notice to three or more HUBs per each subcontracting
- 16 <u>opportunity that provides the type of work required for each</u>
- 17 subcontracting opportunity identified in the contract specifications or
- 18 any other subcontracting opportunity the respondent cannot complete with
- 19 its own equipment, supplies, materials, and employees. The notification
- 20 shall be in writing, and the respondent must document the HUBs contacted
- 21 on the forms prescribed by the Commissioner of Labor. The notice shall,
- 22 in all instances, include the scope of the work, adequate information
- 23 about bonding, insurance, the availability of plans, the specifications,
- 24 required qualifications, identity of a contact person, and other
- 25 requirements of the contract allowing reasonable time for HUBs to
- 26 participate effectively. The notice shall be provided to potential HUB
- 27 <u>subcontractors at least seven working days prior to submission of the</u>
- 28 respondent's response, unless circumstances require a different time
- 29 period, which is determined by the government entity and documented in
- 30 the contract file;
- 31 (II) Submitting documentation that one hundred percent of all

1 available subcontracting opportunities will be performed by one or more

- 2 HUBs; or
- 3 (III) Submitting documentation that one or more HUB subcontractors
- 4 will be utilized;
- 5 (C) How the HUB subcontracting plan identified the areas of
- 6 <u>subcontracting to be performed by the HUB;</u>
- 7 (D) How the identification of subcontractors will be used during the
- 8 course of the contract;
- 9 (E) The expected percentage of work to be subcontracted; and
- 10 (F) The approximate dollar value of that percentage of work.
- 11 (g) A government entity shall require a respondent to state whether
- 12 it is a certified HUB.
- 13 (h) The successful respondent shall provide all additional
- 14 documentation required by the government entity to demonstrate compliance
- 15 with good faith effort requirements prior to contract award. If the
- 16 successful respondent fails to provide supporting documentation such as
- 17 telephone logs, fax transmittals, or electronic mail within the timeframe
- 18 specified by the government entity to demonstrate compliance with this
- 19 subsection prior to contract award, that respondent's response shall be
- 20 rejected.
- 21 (i) If the respondent is able to fulfill all of the potential
- 22 subcontracting opportunities identified with its own equipment, supplies,
- 23 materials, and employees, the respondent must sign an affidavit and
- 24 provide a statement explaining how the respondent intends to fulfill each
- 25 subcontracting opportunity. The respondent must agree to provide the
- 26 following, if requested by the government entity:
- 27 (i) Evidence of existing staffing to meet contract objectives; and
- 28 (ii) Monthly certified payroll records showing company staff fully
- 29 <u>engaged in the contract.</u>
- 30 (j)(i) Prime contractors shall maintain business records documenting
- 31 compliance with the HUB subcontracting plan and shall submit a compliance

report in a format required by the Commissioner of Labor to the 1

- 2 contracting government entity as a condition for payment.
- 3 (ii) During the term of the contract, the government entity shall
- 4 monitor the HUB subcontracting plan to determine if the value of the
- subcontracts to HUBs meets or exceeds the HUB subcontracting provisions 5
- specified in the contract. Accordingly, each government entity may audit 6
- 7 and require a prime contractor to report to the government entity the
- identity and the amount paid to its subcontractors. 8
- 9 (iii) If the selected respondent decides to subcontract any part of
- 10 the contract in a manner that is not consistent with its HUB
- subcontracting plan, the selected respondent must submit a revised HUB 11
- subcontracting plan before subcontracting any of the work under the 12
- 13 contract. If the selected respondent subcontracts any of the work without
- prior authorization, the selected respondent is deemed to have breached 14
- 15 the contract and is subject to any remedial actions provided by
- applicable state law and the Nebraska Historically Underutilized Business 16
- 17 Program Act. A government entity shall report such breaches to the
- 18 Department of Labor.
- 19 (k) If, at any time during the term of the contract, the selected
- respondent desires to make changes to the approved HUB subcontracting 20
- 21 plan, proposed changes must be received for prior review and approval by
- 22 the government entity before changes will be effective under the
- 23 contract. The government entity shall approve changes by amending the
- 24 contract or by another form of written approval by the government entity.
- 25 The reasons for amendments or other written approval shall be recorded in
- 26 the procurement file.
- 27 (1) If, after the bid opening and during contract performance, the
- successful contractor determines that a HUB identified in the bid is 28
- unable to perform successfully or is not performing satisfactorily, such 29
- contractor shall make every reasonable effort to replace a HUB 30
- subcontractor with another HUB. Prior to substituting such replacement 31

HUB, the apparent successful contractor must show good cause for the 1

- 2 replacement. All substitutions shall be approved in writing.
- 3 (m) If a government entity expands the original scope of work
- 4 through a change order or contract amendment, including a contract
- renewal that expands the scope of work, the government entity shall 5
- determine if the additional scope of work contains additional probable 6
- 7 subcontracting opportunities not identified in the initial solicitation.
- If the government entity determines probable subcontracting opportunities 8
- 9 exist, the government entity shall require the selected respondent to
- 10 submit a HUB subcontracting plan or revised HUB subcontracting plan for
- the additional probable subcontracting opportunities. 11
- 12 (n) If a determination is made that the prime contractor failed to
- 13 implement the HUB subcontracting plan in good faith, the government
- entity, in addition to any other remedies, may bar the contractor from 14
- 15 further contracting opportunities with the government entity. In
- addition, if the prime contractor failed to implement the HUB 16
- 17 subcontracting plan in good faith, the government entity may revoke the
- contract for breach of contract and make a claim against the prime 18
- 19 contractor.
- (o) All HUBs will be paid no later than twenty-one days after the 20
- submission of their invoice and all prime contractors utilizing a HUB 21
- 22 subcontracting plan will be paid no later than thirty days after the
- 23 submission of their invoice.
- 24 Sec. 6. (1) Refusal or noncompliance by a contractor or
- 25 subcontractor to comply with any portion of the Nebraska Historically
- <u>Underutilized Business Program Act may subject the offending party to any</u> 26
- 27 or all of the following penalties:
- 28 (a) Withholding payments that are due to the contractor who is in
- violation under the involved contract until it is determined that the 29
- contractor or subcontractor is in compliance with the provisions of the 30
- 31 contract; or

1 (b) Exclusion from bidding on any contracts with the government

- 2 <u>entity until such time as the contractor or subcontractor demonstrates</u>
- 3 that it has established and will carry out the policies of the program.
- 4 (2) In the event the sanctions or penalties contained in subsection
- 5 (1) of this section are invoked, the government entity shall notify the
- 6 contractor or subcontractor of the facts or circumstances which formed
- 7 the basis for the allegation that the contractor or subcontractor has not
- 8 complied with the act. Such notice shall be in writing and received at
- 9 least ten days prior to any action being taken by the government entity,
- 10 during which time the contractor or subcontractor may clarify or make
- 11 corrections.
- 12 (3) A protest under this section shall be in accordance with the
- 13 Administrative Procedure Act or, if the government entity is a political
- 14 subdivision, the protest shall be in the same manner as under the
- 15 Administrative Procedure Act. An appeal shall only be made after all
- 16 administrative remedies have been exhausted.
- 17 Sec. 7. (1) The Department of Labor shall compile, in the most
- 18 cost-efficient form, a directory of businesses certified as HUBs, and
- 19 <u>shall post the directory on the department's web site.</u>
- 20 (2) The Department of Labor shall update the directory and provide
- 21 access to the HUB directory electronically or in another acceptable form.
- 22 (3) The Department of Labor shall provide a copy of the directory to
- 23 <u>every government entity in January and July of each year.</u>
- 24 Sec. 8. (1) Each government entity shall make publicly available
- 25 the information set forth in this section and any other information
- 26 required by the Department of Labor not later than November 15 of each
- 27 year. The information must include:
- 28 (a) The number and dollar amount of contracts awarded and paid to
- 29 certified HUBs;
- 30 (b) An analysis of the relative level of opportunity for HUBs for
- 31 various categories of acquired goods and services;

- 1 (c) The goals established under the Nebraska Historically
- 2 <u>Underutilized Business Program Act for contracting with HUBs during the</u>
- 3 two calendar years preceding the calendar year in which the information
- 4 is submitted;
- 5 (d) A statement regarding whether the goals established were met
- 6 during the two calendar years preceding the calendar year in which the
- 7 information is submitted; and
- 8 (e) If the goals established were not met during the two calendar
- 9 years preceding the calendar year in which the information is submitted,
- 10 an explanation of why the goals were not met.
- 11 (2) Each constitutional office or state agency must include as part
- 12 of its appropriations request a detailed report for consideration by the
- 13 Appropriations Committee of the Legislature that shows the extent to
- 14 which the office or agency complied with the Nebraska Historically
- 15 <u>Underutilized Business Program Act during the two calendar years</u>
- 16 preceding the calendar year in which the request is submitted. To the
- 17 extent the constitutional office or state agency does not comply, the
- 18 report must demonstrate the reasons for noncompliance. The extent to
- 19 which a constitutional office or state agency complies with the Nebraska
- 20 Historically Underutilized Business Program Act and rules and regulations
- 21 of the Director of Administrative Services adopted and promulgated to
- 22 assist in carrying out the act is considered a key performance measure
- 23 for purposes of the appropriations process.
- 24 Sec. 9. (1) The Nebraska Historically Underutilized Business
- 25 Program Act applies to all contracts entered into by a government entity
- 26 <u>with an expected value of two hundred thousand dollars or more,</u>
- 27 <u>including:</u>
- 28 (a) Contracts for the acquisition of a good or service; and
- 29 <u>(b) Contracts for or related to the construction of a public</u>
- 30 <u>building</u>, road, or other public work.
- 31 (2) The Nebraska Historically Underutilized Business Program Act

- 1 applies to a contract without regard to:
- 2 (a) Whether the contract is otherwise subject to the act; or
- 3 (b) The source of funds for the contract, except that to the extent
- 4 federal funds are used to pay for the contract, the act does not apply if
- 5 federal law prohibits the application of the act in relation to the
- 6 expenditure of federal funds.
- 7 Sec. 10. The Nebraska Historically Underutilized Business Program
- 8 Act shall not apply to any emergency contract resulting from a natural
- 9 disaster, tornado, blizzard, flood, energy shortage, or similar
- 10 <u>occurrence, so long as a mayor or other head of a political subdivision</u>
- or the Governor declares such an occurrence to be an emergency.
- Sec. 11. <u>The Commissioner of Labor may adopt and promulgate rules</u>
- 13 <u>and regulations to administer the Nebraska Historically Underutilized</u>
- 14 Business Program Act.
- 15 Sec. 12. This act becomes operative on July 1, 2022.