

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 529**

Introduced by Jacobson, 42.

Read first time January 22, 2025

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to the Nebraska Investment Council; to amend  
2 section 84-602.04, Reissue Revised Statutes of Nebraska, and  
3 sections 73-801, 73-806, 73-812, and 73-817, Revised Statutes  
4 Cumulative Supplement, 2024; to provide certain exemptions for the  
5 Nebraska Investment Council under the State Procurement Act and the  
6 Taxpayer Transparency Act relating to contracts; to harmonize  
7 provisions; and to repeal the original sections.  
8 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 73-801, Revised Statutes Cumulative Supplement,  
2 2024, is amended to read:

3           73-801 Sections 73-801 to 73-819 and section 5 of this act shall be  
4 known and may be cited as the State Procurement Act.

5           **Sec. 2.** Section 73-806, Revised Statutes Cumulative Supplement,  
6 2024, is amended to read:

7           73-806 ~~(1)(a) Except as otherwise provided in this section, all~~ ~~(1)~~  
8 ~~All~~ state agencies shall process and document all contracts through the  
9 state accounting system.

10           **(b)** The Director of Administrative Services shall specify the format  
11 and type of information for state agencies to provide and approve any  
12 alternatives to such formats.

13           **(c)** All state agencies shall enter the information on new contracts  
14 and amendments to existing contracts.

15           **(d)** State agency directors shall ensure that contracts are coded  
16 appropriately into the state accounting system.

17           ~~(2)(a) This section also applies~~ ~~(2) The requirements of this~~  
18 ~~section also apply~~ to the courts, the Legislature, and, except as  
19 otherwise provided in this section, any officer or state agency  
20 established by the Constitution of Nebraska. ~~7~~

21           **(b)** This section does not apply to:

22           **(i)** ~~The but not to the~~ University of Nebraska;

23           **(ii)** ~~The or the~~ Nebraska state colleges; or

24           **(iii)** The Nebraska Investment Council.

25           **(3)** The Director of Administrative Services shall establish a  
26 centralized database, either through the state accounting system or  
27 through an alternative system, which specifically identifies where a copy  
28 of each contract may be found.

29           **Sec. 3.** Section 73-812, Revised Statutes Cumulative Supplement,  
30 2024, is amended to read:

31           73-812 Except as otherwise specifically provided in section 5 of

1 ~~this act, state~~ State agency contracts shall be subject to the following  
2 requirements:

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

5 (2) ~~A state agency~~ State agencies shall not:

6 (a) ~~Enter into any contract~~ ~~enter into contracts~~ with an unspecified  
7 or unlimited duration; ~~or~~ 7

8 (b) ~~Amend any contract~~ ~~and no contract shall be amended~~ to extend  
9 the duration of the contract for a period of more than fifty percent of  
10 the initial contract term. Following the adoption of any amendment to  
11 extend the contract for a period of fifty percent or less of the initial  
12 contract term, no further extensions of the original contract shall be  
13 permitted. This subdivision does not prohibit the exercise of any renewal  
14 option expressly provided in the original contract;

15 (3) ~~A state agency~~ State agencies shall not structure any contract  
16 ~~contracts~~ to avoid any requirement ~~of the requirements~~ of the State  
17 Procurement Act;

18 (4) ~~A state agency~~ State agencies shall not enter into any contract  
19 ~~contracts~~ in excess of fifteen million dollars unless the state agency  
20 has complied with section 73-817;

21 (5) A state agency shall not enter into a contract that purports to:

22 (a) Obligate the state to indemnify a contracting party from that  
23 party's own errors, omissions, or negligence;

24 (b) Consent to the jurisdiction of another state for the purposes of  
25 court proceedings; or

26 (c) Consent to venue in another state for the purposes of court  
27 proceedings;

28 (6) The Department of Administrative Services shall be the sole and  
29 final authority on contracts for personal property by a state agency.  
30 When the approval of the Governor is required, the Governor may confer  
31 complete authority upon the Department of Administrative Services in the

1 review and approval for contract proposals;

2 (7) The Department of Administrative Services may adopt and  
3 promulgate rules and regulations to (a) develop and implement purchasing  
4 and leasing policies and procedures that ensure economical and efficient  
5 operations of state agencies and (b) carry out the State Procurement Act;

6 (8) State agencies shall use contracts designated by the division  
7 for statewide use, unless otherwise permitted by the materiel  
8 administrator; and

9 (9) The Director of Administrative Services shall not issue any  
10 warrant for the disbursement of money to pay for any contract that is not  
11 approved according to law.

12 **Sec. 4.** Section 73-817, Revised Statutes Cumulative Supplement,  
13 2024, is amended to read:

14 73-817 (1) A state agency shall not enter into a new proposed  
15 contract for services in excess of fifteen million dollars unless the  
16 state agency has conducted, prior to the advertisement for bids or the  
17 execution of the contract when section 73-813 applies, a proof-of-need  
18 analysis described in this section.

19 (2) The proof-of-need analysis shall require state agencies to  
20 provide a review of any expected long-term actual cost savings and an  
21 explanation of the analysis used to determine such savings or a  
22 justification for contracting the service if the proposed contract is not  
23 expected to result in cost savings to the state.

24 (3) Upon conclusion of the contract, if the contract was expected to  
25 result in long-term actual cost savings, the state agency shall submit an  
26 analysis of whether the contract actually produced such cost savings. If  
27 the contract did not produce the expected cost savings, the state agency  
28 shall receive certification from the division prior to entering into  
29 another contract in excess of fifteen million dollars for the same  
30 services.

31 (4) This section does not apply to the Nebraska Investment Council.

1           **Sec. 5.**    (1) The Nebraska Investment Council may, as it deems  
2 necessary, enter into any contract:

3           (a) With an unspecified or unlimited duration;

4           (b) Without complying with section 73-817;

5           (c) That indemnifies a contracting party from that party's own  
6 errors, omissions, or negligence;

7           (d) That consents to the jurisdiction of another state for the  
8 purposes of court proceedings;

9           (e) That consents to venue in another state for the purposes of  
10 court proceedings; or

11           (f) That was not designated by the division for statewide use.

12           (2) The Nebraska Investment Council may, as it deems necessary,  
13 enter into any amendment of any contract to extend the term of such  
14 contract.

15           **Sec. 6.** Section 84-602.04, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17           84-602.04 (1) The State Treasurer shall develop and maintain a  
18 single, searchable website with information on state receipts,  
19 expenditures of state funds, and contracts which is accessible by the  
20 public at no cost to access as provided in this section. The website  
21 shall be hosted on a server owned and operated by the State of Nebraska  
22 or approved by the Chief Information Officer. The naming convention for  
23 the website shall identify the website as a state government website. The  
24 website shall not include the treasurer's name, the treasurer's image,  
25 the treasurer's seal, or a welcome message.

26           (2)(a) The website established, developed, and maintained by the  
27 State Treasurer pursuant to this section shall provide such information  
28 as will document the sources of all state receipts and the expenditure of  
29 state funds by all state entities.

30           (b) The State Treasurer shall, in appropriate detail, cause to be  
31 published on the website:

1 (i) The identity, principal location, and amount of state receipts  
2 received or expended by the State of Nebraska and all of its state  
3 entities;

4 (ii) The funding or expending state entity;

5 (iii) The budget program source;

6 (iv) The amount, date, purpose, and recipient of all expenditures of  
7 state funds; and

8 (v) Such other relevant information as will further the intent of  
9 enhancing the transparency of state government financial operations to  
10 its citizens and taxpayers. The website shall include data for fiscal  
11 year 2008-09 and each fiscal year thereafter, except that for any state  
12 entity that becomes subject to this section due to the changes made by  
13 Laws 2016, LB851, the website shall include data for such state entity  
14 for fiscal year 2016-17 and each fiscal year thereafter.

15 (3) The data shall be available on the website no later than thirty  
16 days after the end of the preceding fiscal year.

17 (4)(a) The website described in this section shall include a link to  
18 the website of the Department of Administrative Services. The  
19 department's website shall contain:

20 (i) A database that includes a copy of each active contract that is  
21 a basis for an expenditure of state funds, including any amendment to  
22 such contract and any document incorporated by reference in such  
23 contract. For purposes of this subdivision, amendment means an agreement  
24 to modify a contract which has been reduced to writing and signed by each  
25 party to the contract, an agreement to extend the duration of a contract,  
26 or an agreement to renew a contract. The database shall be accessible by  
27 the public and searchable by vendor, by state entity, and by dollar  
28 amount. All state entities shall provide to the Department of  
29 Administrative Services, in electronic form, copies of such contracts for  
30 inclusion in the database beginning with contracts that are active on and  
31 after January 1, 2014, except that for any state entity that becomes

1 subject to this section due to the changes made by Laws 2016, LB851, such  
2 state entity shall provide copies of such contracts for inclusion in the  
3 database beginning with contracts that are active on and after January 1,  
4 2017; and

5 (ii) A database that includes copies of all expired contracts which  
6 were previously included in the database described in subdivision (4)(a)  
7 (i) of this section and which have not been disposed of pursuant to  
8 policies and procedures adopted under subdivision (4)(e) of this section.  
9 The database required under this subdivision shall be accessible by the  
10 public and searchable by vendor, by state entity, and by dollar amount.

11 (b) The following shall be redacted or withheld from any contract  
12 before such contract is included in a database pursuant to subdivision  
13 (4)(a) of this section:

14 (i) The social security number or federal tax identification number  
15 of any individual or business;

16 (ii) Protected health information as such term is defined under the  
17 federal Health Insurance Portability and Accountability Act of 1996, as  
18 such act existed on January 1, 2013;

19 (iii) Any information which may be withheld from the public under  
20 section 84-712.05; or

21 (iv) Any information that is confidential under state or federal  
22 law, rule, or regulation.

23 (c) The following contracts shall be exempt from the requirements of  
24 subdivision (4)(a) of this section:

25 (i) Contracts entered into by the Department of Health and Human  
26 Services that are letters of agreement for the purpose of providing  
27 specific services to a specifically named individual and his or her  
28 family;

29 (ii) Contracts entered into by the University of Nebraska or any of  
30 the Nebraska state colleges for the purpose of providing specific  
31 services or financial assistance to a specifically named individual and

1 his or her family;

2 (iii) Contracts entered into by the Department of Veterans' Affairs  
3 under section 80-401 or 80-403 for the purpose of providing aid to a  
4 specifically named veteran and his or her family;

5 (iv) Contracts entered into by the Department of Environment and  
6 Energy for the purpose of providing financing from the Dollar and Energy  
7 Saving Loan program;

8 (v) Contracts entered into by the State Department of Education  
9 under sections 79-11,121 to 79-11,132 for the purpose of providing  
10 specific goods, services, or financial assistance on behalf of or to a  
11 specifically named individual;

12 (vi) Contracts entered into by the Commission for the Blind and  
13 Visually Impaired under the Commission for the Blind and Visually  
14 Impaired Act for the purpose of providing specific goods, services, or  
15 financial assistance on behalf of or to a specifically named individual;

16 (vii) Contracts of employment for employees of any state entity. The  
17 exemption provided in this subdivision shall not apply to contracts  
18 entered into by any state entity to obtain the services of an independent  
19 contractor; and

20 (viii) Contracts entered into by the Nebraska Investment Finance  
21 Authority for the purpose of providing a specific service or financial  
22 assistance, including, but not limited to, a grant or loan, to a  
23 specifically named individual and his or her family.

24 (d) No state entity shall structure a contract to avoid any of the  
25 requirements of subdivision (4)(a) of this section.

26 (e) The Department of Administrative Services shall adopt policies  
27 and procedures regarding the creation, maintenance, and disposal of  
28 records pursuant to section 84-1212.02 for the contracts contained in the  
29 databases required under this section and the process by which state  
30 entities provide copies of the contracts required under this section.

31 (5) All state entities shall provide to the State Treasurer, at such



1 times and in such form as designated by the State Treasurer, such  
2 information as is necessary to accomplish the purposes of the Taxpayer  
3 Transparency Act.

4 (6) Nothing in this section requires the disclosure of information  
5 which is considered confidential under state or federal law or is not a  
6 public record under section 84-712.05.

7 (7) This section does not apply to the Nebraska Investment Council  
8 unless the contract requires any payment by the Department of  
9 Administrative Services on behalf of the State of Nebraska.

10 **Sec. 7.** Original section 84-602.04, Reissue Revised Statutes of  
11 Nebraska, and sections 73-801, 73-806, 73-812, and 73-817, Revised  
12 Statutes Cumulative Supplement, 2024, are repealed.