

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 371**

Introduced by Mello, 5; Karpisek, 32; Krist, 10.

Read first time January 18, 2013

Committee: Government, Military and Veterans Affairs

A BILL

- 1 FOR AN ACT relating to state government; to adopt the Transparency in
- 2 Government Procurement Act.
- 3 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 5 of this act shall be known and  
2 may be cited as the Transparency in Government Procurement Act.

3           Sec. 2. (1) The Legislature finds that:

4           (a) Transparency in public procurement is an important  
5 tool to deter corruption and to maintain the public's trust in  
6 government contracting;

7           (b) Taxpayers deserve to know how and where their tax  
8 dollars are being spent;

9           (c) The economy and general welfare of this state and its  
10 people and the economy and general welfare of the United States are  
11 inseparably linked to the preservation and development of  
12 manufacturing industries in this state, as well as all the other  
13 states of this nation; and

14           (d) Recognizing such link, it should be the policy of  
15 this state that, whenever possible, taxpayer dollars be reinvested  
16 with its individual and employer taxpayers in order to foster job  
17 retention and growth and to ensure a broad and healthy tax base for  
18 future investments vital to the state's infrastructure.

19           (2) The Legislature declares that it shall be the policy  
20 of this state that each state agency shall quantify the portion of  
21 its procurement spending that is reinvested with taxpayers in this  
22 state and the nation.

23           Sec. 3. (1) Each state agency shall create an annual  
24 report that includes:

25           (a) The total number and value of contracts awarded by

1 the state agency;

2 (b) The total number and value of contracts and  
3 subcontracts awarded to contractors or suppliers within this state;

4 (c) The total number and value of contracts and  
5 subcontracts awarded to foreign contractors or suppliers;

6 (d) The dollar value of any articles, materials, or  
7 supplies purchased that were manufactured outside of the United  
8 States;

9 (e) The dollar value of any articles, materials, or  
10 supplies purchased that were manufactured within this state;

11 (f) The dollar value of any services contracted for that  
12 were performed outside of the United States;

13 (g) The dollar value of any services contracted for that  
14 were performed within this state;

15 (h) If applicable, an itemized list of all waivers of any  
16 preference provided for by the laws of this state; and

17 (i) The total procurement value of funds expended on  
18 iron, steel, or manufactured goods manufactured outside the United  
19 States.

20 (2) The first such report created pursuant to subsection  
21 (1) of this section shall be submitted to the Governor and the  
22 Legislature on or before December 31, 2013, and shall include the  
23 information specified in such subsection from FY2012-13. Subsequent  
24 reports shall be submitted on or before December 31 of each year and  
25 shall include the required information from the immediately preceding

1 fiscal year. The reports submitted to the Legislature shall be  
2 submitted electronically. Each annual report shall be made available  
3 to the public through publication on each state agency's web site on  
4 or before December 31 of each year.

5 (3) A product will be deemed to be manufactured in the  
6 United States if:

7 (a) In the case of an iron or steel product, such product  
8 shall be deemed to be manufactured in the United States if all  
9 manufacturing has taken place in the United States, except  
10 metallurgical processes involving the refinement of steel additives;  
11 and

12 (b) In the case of a manufactured good, such good shall  
13 be deemed to be manufactured in the United States if:

14 (i) All of the manufacturing processes for the good take  
15 place in the United States; and

16 (ii) All of the components of the product are of United  
17 States origin. A component will be considered a good of United States  
18 origin if all of the manufacturing processes of the component have  
19 taken place in the United States, regardless of the origin of its  
20 subcomponents.

21 Sec. 4. Beginning on the effective date of this act, each  
22 contract awarded by a state agency shall require that the contractors  
23 and suppliers provide to the agency any and all information needed  
24 for agency compliance with section 3 of this act.

25 Sec. 5. For purposes of the Transparency in Government

1 Procurement Act, state agency means the State of Nebraska and any  
2 department, agency, board, commission, or institution that is  
3 responsible for procurement of products for such individual state  
4 agency.