

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 978

FINAL READING

Introduced by Craighead, 6.

Read first time January 14, 2016

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to the Department of Administrative Services;
2 to amend sections 81-118.02, 81-1108.15, and 81-1108.43, Reissue
3 Revised Statutes of Nebraska; to change provisions relating to the
4 state purchasing card program and facilities construction and
5 administration; to eliminate obsolete provisions relating to a
6 United States Savings Bond withholding program and the selling or
7 leasing of a state building; to harmonize provisions; to repeal the
8 original sections; and to outright repeal sections 81-1126, 81-1127,
9 81-1128, 81-1129, and 90-244, Reissue Revised Statutes of Nebraska.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-118.02, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 81-118.02 (1) A state purchasing card program shall be created. The
4 State Treasurer and the Director of Administrative Services shall
5 determine the type of purchasing card or cards utilized in the state
6 purchasing card program. The State Treasurer shall contract with one or
7 more financial institutions, card-issuing banks, credit card companies,
8 charge card companies, debit card companies, or third-party merchant
9 banks capable of operating the state purchasing card program on behalf of
10 the state and those political subdivisions that participate in the state
11 contract for such services. After the state purchasing card program has
12 been in existence for two years, a joint report issued from the State
13 Treasurer and the director shall be submitted to the Legislature and the
14 Governor not later than January 1, 2001. The report shall include, but
15 not be limited to, the utilization, costs, and benefits of the program.
16 The state purchasing card program shall be administered by the Department
17 of Administrative Services. The department may adopt and promulgate rules
18 and regulations as needed for the implementation of the state purchasing
19 card program. The department ~~may shall~~ adopt and promulgate rules and
20 regulations providing authorization instructions for all transactions.
21 Expenses associated with the state purchasing card program shall be
22 considered, for purposes of this section, as an administrative or
23 operational expense.

24 (2) Any state official, state agency, or political subdivision may
25 utilize the state purchasing card program for the purchase of goods and
26 services for and on behalf of the State of Nebraska.

27 (3) Vendors accepting the state's purchasing card shall obtain
28 authorization for all transactions in accordance with the department's
29 authorization instructions. Authorization shall be from the financial
30 institution, card-issuing bank, credit card company, charge card company,
31 debit card company, or third-party merchant bank contracted to provide

1 such service to the State of Nebraska. Each transaction shall be
2 authorized in accordance with the instructions provided by the department
3 for each state official, state agency, or political subdivision.

4 (4) An itemized receipt for purposes of tracking expenditures shall
5 accompany all state purchasing card purchases. In the event that an
6 itemized receipt does not accompany such a purchase, the Department of
7 Administrative Services shall have the authority to temporarily or
8 permanently suspend state purchasing card purchases in accordance with
9 rules and regulations adopted and promulgated by the department.

10 (5) Upon the termination or suspension of employment of an
11 individual using a state purchasing card, such individual's state
12 purchasing card account shall be immediately closed and he or she shall
13 return the state purchasing card to the department or agency from which
14 it was obtained.

15 (6) No officer or employee of the state shall use a state purchasing
16 card for any unauthorized use as determined by the department by rule and
17 regulation.

18 Sec. 2. Section 81-1108.15, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 81-1108.15 (1) Except as provided in the Nebraska State Capitol
21 Preservation and Restoration Act, the division shall have the primary
22 functions and responsibilities of statewide facilities planning,
23 facilities construction, and facilities administration and shall adopt
24 and promulgate rules and regulations to carry out this section.

25 (2) Facilities planning shall include the following responsibilities
26 and duties:

27 (a) To maintain utilization records of all state-owned, state-
28 occupied, and vacant facilities;

29 (b) To coordinate comprehensive capital facilities planning;

30 (c) To define and review program statements based on space
31 utilization standards;

1 (d) To prepare or review planning and construction documents;

2 (e) To develop and maintain time-cost schedules for capital
3 construction projects;

4 (f) To assist the Governor and the Legislative Fiscal Analyst in the
5 preparation of the capital construction budget recommendations;

6 (g) To maintain a complete inventory of all state-owned, state-
7 occupied, and vacant sites and structures and to review the proposals for
8 naming such sites and structures;

9 (h) To determine space needs of all state agencies and establish
10 space-allocation standards; and

11 (i) To cause a state comprehensive capital facilities plan to be
12 developed.

13 (3) Facilities construction shall include the following powers and
14 duties:

15 (a) To maintain close contact with and conduct inspections of each
16 project so as to assure execution of time-cost schedules and efficient
17 contract performance if such project's total design and construction cost
18 is equal to or greater than the project cost set by subdivision (1)(a) of
19 section 81-1108.43 more than fifty thousand dollars;

20 (b) To perform final acceptance inspections and evaluations; and

21 (c) To coordinate all change or modification orders and progress
22 payment orders.

23 (4) Facilities administration shall include the following powers and
24 duties:

25 (a) To serve as state leasing administrator or agent for all
26 facilities to be leased for use by the state and for all state-owned
27 facilities to be rented to state agencies or other parties subject to
28 section 81-1108.22. The division shall remit the proceeds from any
29 rentals of state-owned facilities to the State Treasurer for credit to
30 the State Building Revolving Fund and the State Building Renewal
31 Assessment Fund;

1 (b) To provide all maintenance, repairs, custodial duties, security,
2 and administration for all buildings and grounds owned or leased by the
3 State of Nebraska except as provided in subsections (5) and (6) of this
4 section;

5 (c) To be responsible for adequate parking and the designation of
6 parking stalls or spaces, including access aisles, in offstreet parking
7 facilities for the exclusive use of handicapped or disabled or
8 temporarily handicapped or disabled persons pursuant to section 18-1737;

9 (d) To ensure that all state-owned, state-occupied, and vacant
10 facilities are maintained or utilized to their maximum capacity or to
11 dispose of such facilities through lease, sale, or demolition;

12 (e) To submit electronically an annual report to the Appropriations
13 Committee of the Legislature and the Committee on Building Maintenance
14 regarding the amount of property leased by the state and the availability
15 of state-owned property for the needs of state agencies;

16 (f) To report monthly time-cost data on projects to the Governor and
17 the Clerk of the Legislature. The report submitted to the Clerk of the
18 Legislature shall be submitted electronically;

19 (g) To administer the State Emergency Capital Construction
20 Contingency Fund;

21 (h) To submit status reports to the Governor and the Legislative
22 Fiscal Analyst after each quarter of a construction project is completed
23 detailing change orders and expenditures to date. The report submitted to
24 the Legislative Fiscal Analyst shall be submitted electronically. Such
25 reports shall be required on all projects costing five hundred thousand
26 dollars or more and on such other projects as may be designated by the
27 division; and

28 (i) To submit a final report on each project to the Governor and the
29 Legislative Fiscal Analyst. The report submitted to the Legislative
30 Fiscal Analyst shall be submitted electronically. Such report shall
31 include, but not be limited to, a comparison of final costs and

1 appropriations made for the project, change orders, and modifications and
2 whether the construction complied with the related approved program
3 statement. Such reports shall be required on all projects costing five
4 hundred thousand dollars or more and on such other projects as may be
5 designated by the division.

6 (5) Subdivisions (4)(b), (c), and (d) of this section shall not
7 apply to (a) state-owned facilities to be rented to state agencies or
8 other parties by the University of Nebraska, the Nebraska state colleges,
9 the Department of Aeronautics, the Department of Roads, and the Board of
10 Educational Lands and Funds, (b) buildings and grounds owned or leased
11 for use by the University of Nebraska, the Nebraska state colleges, and
12 the Board of Educational Lands and Funds, (c) buildings and grounds
13 owned, leased, or operated by the Department of Correctional Services,
14 (d) facilities to be leased for nonoffice use by the Department of Roads,
15 (e) buildings or grounds owned or leased by the Game and Parks Commission
16 if the application of such subdivisions to the buildings or grounds would
17 result in ineligibility for or repayment of federal funding, (f)
18 buildings or grounds of the state park system, state recreation areas,
19 state historical parks, state wildlife management areas, or state
20 recreational trails, or (g) other buildings or grounds owned or leased by
21 the State of Nebraska which are specifically exempted by the division
22 because the application of such subdivisions would result in the
23 ineligibility for federal funding or would result in hardship on an
24 agency, board, or commission due to other exceptional or unusual
25 circumstances, except that nothing in this subdivision shall prohibit the
26 assessment of building rental depreciation charges to tenants of
27 facilities owned by the state and under the direct control and
28 maintenance of the division.

29 (6) Security for all buildings and grounds owned or leased by the
30 State of Nebraska in Lincoln, Nebraska, except the buildings and grounds
31 described in subsection (5) of this section, shall be the responsibility

1 of the Nebraska State Patrol. The Nebraska State Patrol shall consult
2 with the Governor, the Chief Justice, the Executive Board of the
3 Legislative Council, and the State Capitol Administrator regarding
4 security policy within the State Capitol and capitol grounds.

5 (7) Each member of the Legislature shall receive an electronic copy
6 of the reports required by subdivisions (4)(f), (h), and (i) of this
7 section by making a request for them to the State Building Administrator.
8 The information on such reports shall be submitted to the division by the
9 agency responsible for the project.

10 Sec. 3. Section 81-1108.43, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 81-1108.43 (1) No state agency or department shall:

13 (a) Perform ~~perform~~ for itself any of the services normally
14 performed by a professional engineer or architect in the preparation of
15 plans and specifications for the construction, reconstruction, or
16 alteration of any building or in the administration of the construction
17 documents and final approval of the project when the total project cost
18 is four hundred thousand dollars or more; ~~and no state agency shall~~

19 (b) Employ ~~employ~~ its own work force for any such construction,
20 reconstruction, or alteration of capital facilities when the total
21 project cost is fifty thousand dollars or more.

22 (2) The Department of Administrative Services shall adjust the
23 dollar amounts in subsection (1) of this section every four years
24 beginning January 1, 2002, to account for inflationary and market
25 changes. The adjustments shall be based on percentage changes in a
26 construction cost index and any other published index relevant to
27 operations and utilities costs, as selected by the department.

28 (3) This section shall not apply to the Department of Roads or to
29 any public power district, public power and irrigation district,
30 irrigation district, or metropolitan utilities district. If, during the
31 program statement review provided for under section 81-1108.41, it is

1 determined that existing or standard plans and specifications are
2 available or required for the project, the division may authorize an
3 exemption from this section. The Director of Administrative Services
4 shall not issue any warrant in payment for any work on a capital
5 construction project unless the state agency or department files a
6 certificate that it has complied with the provisions of this section.

7 Sec. 4. Original sections 81-118.02, 81-1108.15, and 81-1108.43,
8 Reissue Revised Statutes of Nebraska, are repealed.

9 Sec. 5. The following sections are outright repealed: Sections
10 81-1126, 81-1127, 81-1128, 81-1129, and 90-244, Reissue Revised Statutes
11 of Nebraska.