Hearing Date: Friday February 24, 2017
Committee On: Government, Military and Veterans Affairs
Introducer: Lowe
One Liner: Change provisions relating to bidding and purchases, conflicts of interest in the materiel division, and facilities construction and administration

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:
Aye: 8 Senators Blood, Brewer, Briese, Craighead, Hilgers, Lowe, Murante, Wayne
Nay:
Absent:
Present Not Voting:

Verbal Testimony:
Proponents: Representing:
Senator John Lowe Introducer
Bo Botelho Department of Administrative Services
Opponents: Representing:
Neutral: Representing:

Summary of purpose and/or changes:
LB 320 has 7 operative provisions.

In the event that fewer than 3 bids for a requisition for personal property obtained in the name of the State are received, and the value of the requisition is under $50,000, section 1 allows the requisition to be awarded without a review of the standard specifications for the property upon which bids are sought. Currently, this is only available for requisitions under $25,000.

If an agency has completed a certification program as prescribed by the materiel division, section 2 allows purchases for miscellaneous needs to be made directly by the agency without prior approval for purchases of less than $25,000. Currently, this only available for purchases of less than $10,000.

Section 3 makes clear that the materiel administrator or any employee under his or her direct must not have a financial or personal interest in the purchase or leasing of any personal property by or for the state as prescribed.

Section 4 changes which capital construction projects the Department of Administrative Services has the duty to conduct inspections of. Currently, this requirement exists for projects costing $400,000 or more. LB 320 subjects the $400,000 number to the inflation adjustment conducted every 4 years by DAS, pursuant to section 81-1108.43(2).

Section 4 also changes which capital construction projects DAS must submit status and final reports to the Governor.
and the Legislative Fiscal Analyst for. Currently, reports are required for projects costing more than $500,000. LB 320 reduces this to $400,000, and subjects the $400,000 number to the inflation adjustment conducted every 4 years by DAS, pursuant to section 81-1108.43(2).

Section 5 changes which purchases through the materiel division must be conducted through various types of bidding as outlined below:

- Formal competitive sealed bidding: The current requirement is that all purchases of an estimated value of $25,000 be subject to this process. LB 320 changes this to $50,000.

- Informal competitive sealed bidding: This is currently required for all purchases of an estimated value between $10,000 and $25,000. LB 320 changes this to between $25,000 and $50,000.

- Unrestricted open market purchase: This is currently allowed for purchases of an estimated value of less than $10,000. LB 320 changes this to $25,000.

Section 6 changes requirements for real property purchased by DAS. Currently, DAS is allowed to purchase property costing less than $10,000 without legislative approval or a specific appropriation. LB 320 would change the requirements to allow for such purchases costing less than 10% of $400,000, and subjects the $400,000 number to the inflation adjustment conducted every 4 years by DAS, pursuant to section 81-1108.43(2).

John Murante, Chairperson