

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

May 20, 2003

LB 626

of that contract can be available, so if someone wants to look at it, they know what's in the contract, they can scrutinize it, we can get additional eyes having some scrutiny to be able to point out what maybe we could do with some of these contracts, where we could save money, or other people who may choose to bid on those contracts could do that when they come up again. All contracts for service over \$50,000 would be bid in accordance with the Materiel Division's procedures manual. Competitive bidding bids must be reviewed by Materiel and if there are changes to the proposed contract that...other than the bid documents, they also must be reviewed by Materiel before the parties may sign them--another level of some accountability and oversight that I think will be helpful. Agency directors are responsible for maintaining accurate documentation of the process used for contract selection and ensuring that services are being performed in compliance with terms of the contract--more accountability, I believe. State agency contracts for services are subject to payments being made when deliverables are received. Agencies may not enter into contracts for service with unspecified or unlimited duration. That I think is essential so that we can periodically review these contracts and relet them, rather than they go on for whoever knows how long. Agencies may not structure contracts to avoid the requirements of this act--very important. The Materiel Division may provide limited exceptions and shall promote...shall prepare a written rationale for each exception granted, which shall be kept on file. So again, if we want to see that, we have that as public documentation. Materiel Division shall preapprove all proposals for sole source contracts for services over \$25,000, except in emergencies. The DAS director shall maintain a complete record of all sole source contracts for services--good accountability again. And for each proposed contract for services over \$50,000 which has been performed by a state employee within the past year, the agency shall complete a preprocess prescribed by the Materiel Division. We will be able to get some assessment, hopefully, to make a determination if we're saving money, if it's costing us more money. That preprocess I think is extremely important and one that I'm pleased that we have partially in this bill. We will continue to assess what's going on with this over the interim. I will continue working with the administration to see where we