LEGISLATIVE BILL 371

Approved by the Governor March 26, 2014

Introduced by Mello, 5; Karpisek, 32; Krist, 10; Avery, 28; Pirsch, 4.

FOR AN ACT relating to state government; to adopt the Transparency in Government Procurement Act; and to declare an emergency. Be it enacted by the people of the State of Nebraska,

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

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

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

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

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

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

(2) The Legislature declares that it shall be the policy of this state that the Department of Administrative Services shall quantify the portion of its procurement spending that is reinvested with taxpayers in this state and the nation.

Sec. 3. (1) The Department of Administrative Services shall create an annual report that includes:

(a) The total number and value of contracts awarded by the department;

(b) The total number and value of contracts awarded by the department to contractors within this state;

(c) The total number and value of contracts awarded by the department to foreign contractors; and

(d) The total number of contracts awarded by the department for which a preference was given under section 73-101.01.

(2) The first such report created pursuant to subsection (1) of this section shall be submitted to the Governor and the Legislature on or before September 1, 2015, and shall include the information specified in such subsection from FY2014-15. Subsequent reports shall be submitted on or before September 1 each year thereafter and shall include the required information from the most recent fiscal year ending prior to such date. The reports submitted to the Legislature and the Governor shall be submitted electronically. Each annual report shall be made available to the public through publication on the department's web site on or before September 1 of each year.

Sec. 4. <u>Beginning on July 1, 2014, each contract awarded by the</u> <u>Department of Administrative Services shall require that the contractors</u> <u>provide to the department any and all information needed for compliance with</u> <u>section 3 of this act.</u>

Sec. 5. <u>The Transparency in Government Procurement Act applies only</u> to contracts awarded by the Department of Administrative Services on and after July 1, 2014, and does not apply to the Office of the Nebraska Capitol <u>Commission</u>.

Sec. 6. Since an emergency exists, this act takes effect when passed and approved according to law.