

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1190

Introduced by McKinney, 11.

Read first time January 12, 2024

Committee: Government, Military and Veterans Affairs

1 A BILL FOR AN ACT relating to government contracting; to adopt the

2 Professional Service Contract Reporting 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 may be
2 cited as the Professional Service Contract Reporting Act.

3 Sec. 2. For purposes of the Professional Service Contract Reporting
4 Act:

5 (1) City means a city of the metropolitan class;

6 (2) County means a county in this state with a population of more
7 than five hundred thousand inhabitants as determined by the most recent
8 federal decennial census;

9 (3) Division means the materiel division of the Department of
10 Administrative Services;

11 (4) Economic redevelopment area means an area in the State of
12 Nebraska in which:

13 (a) The average rate of unemployment in the area during the period
14 covered by the most recent federal decennial census or American Community
15 Survey 5-Year Estimate by the United States Bureau of the Census is at
16 least one hundred fifty percent of the average rate of unemployment in
17 the state during the same period; and

18 (b) The average poverty rate in the area is twenty percent or more
19 for the federal census tract in the area;

20 (5) Fiscal year means the twelve-month period used by the city,
21 county, or state agency for budgeting purposes;

22 (6) Professional service contract means a contract awarded by a
23 city, county, or state agency for the provision of legal services,
24 accounting services, financial consulting services, management consulting
25 services, health care services, engineering services, architectural
26 services, information technology services, marketing and advertising
27 services, human resources consulting services, environmental consulting
28 services, or education and training services;

29 (7) Qualified census tract means a qualified census tract as defined
30 in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on January 1,
31 2024;

1 (8) State agency means any agency, board, or commission of this
2 state other than the University of Nebraska, the Nebraska state colleges,
3 the courts, the Legislature, or any officer or state agency established
4 by the Constitution of Nebraska; and

5 (9) State aid has the same meaning as in section 13-518.

6 Sec. 3. On or before August 1, 2024, and on or before August 1 of
7 each year thereafter, each city, county, and state agency shall submit a
8 report to the division containing the following information:

9 (1) The name and address of each individual or entity that was
10 awarded a professional service contract during the most recently
11 completed fiscal year and the type of professional service involved in
12 each such contract;

13 (2) The total dollar value of professional service contracts awarded
14 during the most recently completed fiscal year;

15 (3) The total dollar value of professional service contracts awarded
16 during the most recently completed fiscal year to an individual or entity
17 located within an economic redevelopment area or a qualified census
18 tract; and

19 (4) A description of any efforts made by the city, county, or state
20 agency to increase the number of contracts awarded to individuals and
21 entities located within economic redevelopment areas and qualified census
22 tracts.

23 Sec. 4. On or before September 1, 2024, and on or before September
24 1 of each year thereafter, the division shall compile the information
25 reported under section 3 of this act and shall electronically submit a
26 comprehensive report regarding such information to the Governor, the
27 Clerk of the Legislature, and the Urban Affairs Committee of the
28 Legislature. The division shall also make the comprehensive report
29 available on the website of the Department of Administrative Services.

30 Sec. 5. If any city or county fails to submit an annual report to
31 the division as required under section 3 of this act, the division shall

1 send notification of the noncompliance to the governing body of the
2 relevant city or county and to the State Treasurer. The State Treasurer
3 shall then suspend distribution of state aid allocated to the city or
4 county until the annual report is submitted. The funds shall be held for
5 six months until the city or county complies. If the city or county
6 complies within the six-month period, it shall receive the suspended
7 funds. If the city or county fails to comply within the six-month period,
8 the suspended funds shall be forfeited and shall be redistributed to
9 other recipients of the state aid or, in the case of homestead exemption
10 reimbursement, returned to the General Fund.