

SESSION OF 2009

SUPPLEMENTAL NOTE ON SENATE BILL NO. 9

As Amended by House Committee on
Education Budget

Brief*

SB 9 would establish the State Educational Institution Project Delivery Construction Procurement Act. The bill would exempt certain construction projects and construction project services at state universities from many of the requirements imposed on other state agencies when obtaining the services of hiring architects, engineers, and contractors for construction projects. The bill would apply to construction projects and construction project services financed totally with non-state moneys. (Non-state moneys include funds received from any source other than the State of Kansas or any state agency, and could include funding sources such as tuition, fees, or federal funds.)

The bill would allow state universities to use an alternative project delivery process. "Alternative project delivery" would be defined as an integrated comprehensive building design and construction process. This alternative process would use a "construction management at-risk procurement process" (defined as a construction manager or general contractor hired by the university to manage a project).

The bill would require that all contracts for construction projects and construction services be let by the university to the lowest responsible bidder based upon plans and specifications prepared for the project after receiving approval by the State Board of Regents and the Secretary of the Department of Administration, unless the use of the alternative project delivery process is determined appropriate as provided in the bill. The bill would require that a competitive bid process be used.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The bill would allow the State Board of Regents to adopt rules and regulations necessary for implementation and administration of the bill's provisions.

The provisions of the bill would expire on June 30, 2012. The bill would go into effect upon publication in the *Kansas Register*.

Background

The bill was recommended for introduction by the Kansas Board of Regents. Proponents of the bill were the Head Architect at the University of Kansas and a representative of the American Institute of Architects. A representative of the Associated General Contractors of Kansas opposed the bill.

The Senate Committee on Education amended the bill by imposing statutory requirements relating to the construction projects process, rather than allowing the State Board to adopt rules and regulations establishing those requirements.

The House Education Budget Committee amended the bill so it would expire on June 30, 2012, and would go into effect upon publication in the *Kansas Register*.

The Division of Budget fiscal note on the original bill indicated that the fiscal effect of the bill was unknown. The fiscal note further stated that the Board of Regents stated that the bill would create efficiencies by allowing design and construction to move more quickly, saving inflationary costs over the prolonged period of time required with current requirements. The fiscal note also stated that the policy and oversight responsibilities of the State Board of Regents would have no fiscal effect on operations.