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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

March 2, 2015

The Honorable Mark Hutton, Chairperson House Committee on Commerce, Labor and Economic Development Statehouse, Room 521-E Topeka, Kansas 66612

Dear Representative Hutton:

SUBJECT: Fiscal Note for HB 2395 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2395 is respectfully submitted to your committee.

HB 2395 would raise the total construction cost of a building or for major repairs to \$1.0 million before the Secretary of Administration must convene a meeting of the State Building Advisory Commission to prepare a list of three to five qualified firms for selection of architectural and engineering services. Under current law, the Secretary convenes a meeting if the construction or repairs to a building exceed \$750,000 when architectural services are desired or \$500,000 when engineering services are desired. The bill would eliminate this requirement. The bill would also eliminate the requirement for publishing a notice in the *Kansas Register* and for the holding of a public hearing of the State Building Advisory Commission for projects requesting alternative delivery procurement.

The Department of Administration indicates there would be no fiscal effect on agency operations if HB 2395 were enacted. The Kansas Board of Regents states that enactment of HB 2395 would reduce the time spent for advertising, reviewing qualifications, short-listing, and interviewing and selecting design professionals. Further, enactment of the bill would reduce the time spent by architectural and engineering firms generating materials, traveling, and preparing for interviews. At this point, the Board cannot estimate a fiscal effect or any administrative savings by state universities if the bill were enacted. Any fiscal effect associated with HB 2395 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget