

SESSION OF 2015

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 246**

As Amended by Senate Committee on Utilities

**Brief\***

SB 246 would permit the Secretary of Administration to approve a new lease or renew or extend an existing lease without an energy audit being performed if the lease is for less than 20 percent of the square footage of the entire building subject to the lease or the leased space does not have a heating or cooling system.

**Background**

The bill was introduced by the Senate Committee on Ways and Means.

At the Senate Committee hearing on the bill, a representative of the Office of Facilities and Procurement Management, Department of Administration, testified in support of the bill. The representative stated the bill would not eliminate the requirement for an energy audit, but would allow the Secretary of Administration to waive the requirement in specific instances. The representative provided an example of a lease negotiated for an outdoor structure, such as a tower or land, that is not conducive to an audit. In addition, agencies are sometimes leasing only a small portion of a much larger facility and it is not feasible for a landlord to conduct an audit. There was no neutral or opposition testimony.

The Senate Committee amended the bill to strike language allowing the Secretary of Administration to

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\*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>

determine an audit is not economically feasible and provide that rationale to the Joint Committee on State Building Construction. The Senate Committee then added language that would remove the requirement for an energy audit if a lease is for less than 20 percent of the square footage of the entire building or the leased space does not have a heating or cooling system.

The fiscal note prepared by the Division of the Budget states the Department of Administration estimates enactment of the bill would have no fiscal effect on agency operations.