

SENATE BILL No. 115

By Committee on Ways and Means

2-7

1 AN ACT ~~repealing K.S.A. 75-5002 and 75-5003; relating to the highway advisory~~
2 ~~commission concerning state agencies and other public bodies; amending~~
3 **K.S.A. 75-3715 and 75-3716 and K.S.A. 2010 Supp. 74-72,123 and**
4 **repealing the existing sections; also repealing K.S.A. 75-5002 and 75-5003.**
5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 **New Section 1. (a) [For purposes of sections 1 through 4, and**
8 **amendments thereto,] the legislature finds that performance measures**
9 **are an important management tool that has been utilized by state**
10 **agencies for numerous years.**

11 **(b) The legislature finds that the use of quantifiable performance**
12 **measures can be used by the governor and the legislature to assess the**
13 **effectiveness over time of programs and actions of each state agency.**
14

15 **New Sec. 2. As used in sections 1 through 3[4], and amendments**
16 **thereto:**

17 **(a) "State agency" shall be defined as set forth in K.S.A. 75-3049,**
18 **and amendments thereto, except that the university of Kansas hospital**
19 **authority shall not be included in such definition for the purposes of**
20 **sections 1 through 3[4], and amendments thereto; and**

21 **(b) "performance measures" means a quantitative or qualitative**
22 **indicator used to assess state agency performance, including outcome**
23 **and output indicators.**

24 **New Sec. 3. (a) Each state agency shall consult with a**
25 **representative of the department of legislative research and the**
26 **director of the budget or the director's designee to modify each**
27 **agency's performance measures to standardize those performance**
28 **measures and to utilize best practices across all state agencies.**

29 **(b) On or before October 1 of each year, each state agency shall**
30 **submit an annual report based on those performance measures to the**
31 **legislative budget committees, the director of the budget and the**
32 **secretary of administration.**

33 **(c) The required reports in subsection (b) sent to the department**
34 **of administration shall be posted on the website created pursuant to**

1 K.S.A. 2010 Supp. 74-72,123, and amendments thereto.

2 New Sec. 4. Sections 1 through 3[4], and amendments thereto,
3 shall be part of and supplemental to article 30 of chapter 75 of the
4 Kansas Statutes Annotated, and amendments thereto.

5 Sec. 5. K.S.A. 2010 Supp. 74-72,123 is hereby amended to read as
6 follows: 74-72,123. (a) As used in the Kansas taxpayer transparency
7 act:

8 (1) "Searchable website" means a website that allows the public
9 to search and aggregate the information identified in subsection (b)
10 including requirements that the website offer the public the ability to
11 efficiently search and display data, and ascertain the total amounts of
12 revenues and expenditures (A) of funds established within the state
13 treasury in an aggregate or summary form in a manner determined by
14 the secretary of administration, (B) of compensation paid to public
15 employees employed by state agencies, and (C) of bond debt as
16 specified in this act.

17 (2) "Agency" means any entity or instrumentality of the state of
18 Kansas as defined in K.S.A. 75-3701, and amendments thereto, and
19 any other entity or instrumentality delegated statutory authority by
20 the legislature to issue bonds and to collect revenue for the purpose of
21 repaying bonds issued under authority delegated by statute.

22 (3) "Board" means the public finance transparency board.

23 (b) No later than March 1, 2009, the secretary of administration
24 shall develop and operate a single, searchable website accessible by the
25 public at no cost to access, that includes:

26 (1) Annual expenditures, as determined by the secretary of
27 administration and as available within the central accounting system
28 and state payroll system, shall include, but not be limited to:

29 (A) Disbursements by any state agency from funds established
30 within the state treasury;

31 (B) bond debt payments;

32 (C) salaries and wages including, but not limited to,
33 compensation paid to individual employees of state agencies;

34 (D) contractual services including, but not limited to, amounts
35 paid to individual vendors;

36 (E) commodities including, but not limited to, amounts paid to
37 individual vendors;

38 (F) capital outlay including, but not limited to, amounts paid to
39 individual vendors;

40 (G) debt service including, but not limited to, amounts of bond
41 interest paid and sources of funds paid for individual bond issues;

42 (H) aid to local units including, but not limited to, amounts paid
43 to individual units of government for individually identifiable aid

1 programs;

2 (I) other assistance and benefits;

3 (J) capital improvements including, but not limited to, amounts
4 of bond principal paid and sources of funds paid for individual bond
5 issues; and

6 (K) tax expenditures as reported by the secretary of revenue in
7 the annual tax expenditure report.

8 (2) Annual revenues, as determined by the secretary of
9 administration and as available within the central accounting system,
10 shall include, but not be limited to:

11 (A) Receipts or deposits by any state agency into funds
12 established within the state treasury;

13 (B) taxes including, but not limited to, compulsory contributions
14 imposed by the state for the purpose of financing services;

15 (C) agency earnings including, but not limited to, amounts
16 collected by each agency for merchandise sold, services performed,
17 licenses and permits issued, or regulation;

18 (D) revenue for the use of money and property including, but not
19 limited to, amounts received for compensation for the use of state-
20 owned money and property;

21 (E) gifts, donations and federal grants including, but not limited
22 to, amounts received from public and private entities to aid in support
23 of a specific function or other governmental activity;

24 (F) other revenue including, but not limited to, receipts not
25 classified elsewhere; and

26 (G) non-revenue receipts including, but not limited to, all receipts
27 that do not constitute revenue.

28 (3) Annual bonded indebtedness which shall include, but not be
29 limited to the amount of the total original obligation stated in terms of
30 principal and interest, the term of the obligation, the source of funding
31 for repayment of the obligation, the amounts of principal and interest
32 previously paid to reduce the obligation, the balance remaining of the
33 obligation, any refinancing of the obligation, and the cited statutory
34 authority to issue such bonds.

35 (4) *The annual performance measures report of each state agency as*
36 *required pursuant to section 3, and amendments thereto.*

37 ~~(4)~~(5) Any other relevant information specified by the secretary
38 of administration after consulting with and seeking the advice of the
39 public finance transparency board as established in K.S.A. 2010 Supp.
40 74-72,124, and amendments thereto.

41 (c) The single website provided for in subsection (b) of this section
42 shall include data for fiscal year 2003 and each fiscal year thereafter.
43 The website shall be designed so that such data shall be retained on

1 the single website for not less than 10 years and shall include data for
2 the most recent fiscal years. Data that is available in the central
3 accounting system and state payroll system shall be on the single
4 website as soon as possible, but not later than 45 days after the last
5 day of the preceding fiscal year. The secretary of administration shall
6 develop policies and procedures to make data available from any other
7 source. Nothing in this act shall require the secretary of
8 administration to provide information on the website that is not
9 available in the central accounting system and the state payroll system
10 at the time of initial implementation of the website. After
11 implementation of the initial website, the public finance transparency
12 board shall advise the secretary of administration on incorporating
13 additional information described by this act from any other source of
14 information available to the secretary of administration including
15 information submitted by state agencies pursuant to subsection (d) of
16 this section.

17 (d) Any state agency shall provide, at the request of the secretary
18 of administration, such information as is necessary to accomplish the
19 purposes of this act.

20 (e) Nothing in this act shall permit or require the disclosure of
21 information which is considered confidential by state or federal law.

22 Sec. 6. K.S.A. 75-3715 is hereby amended to read as follows: 75-
23 3715. The director of the budget shall:

24 (a) Keep in continuous touch with the operations, plans and needs
25 of state agencies, and with the sources and amounts of revenue and
26 other receipts of the state;

27 (b) analyze the quantity and quality of services rendered by each
28 agency, and the needs for such services and for any new services;

29 (c) prepare under the supervision of the incoming governor, the
30 budget report for submission to the legislature;

31 (d) prepare a legislative measure or measures reflecting the
32 incoming governor's budget;

33 (e) consider and act on applications for transfers between
34 appropriations of the same agency as provided by law;

35 (f) survey such work programs and periodical allotment requests
36 submitted by state agencies as are required by this act;

37 (g) report to the governor and to the incoming governor on the
38 operation of the budget system and advise and assist the governor,
39 incoming governor, state finance council, legislature and its ways and
40 means and appropriations committees on request, concerning any
41 matters relating to the budget; ~~and~~

42 (h) provide management analysis service to state agencies; ~~and~~

43 (i) *consult with each state agency and a representative of the*

1 *legislative research department to modify each agency's performance*
2 *measures to standardize those performance measures and to utilize best*
3 *practices across all state agencies.*

4 **Sec. 7. K.S.A. 75-3716 is hereby amended to read as follows: 75-**
5 **3716. The director of the budget shall prepare the budget report, with**
6 **the related legislative measure or measures, for the incoming**
7 **governor's approval and submission to the legislature. The director of**
8 **the budget shall, on or before September ~~first~~ 1 of each year, furnish to**
9 **every state agency or person authorized to spend or receive state funds**
10 **a sufficient number of budget estimate forms. The forms shall be**
11 **prepared by the director of the budget and shall be so designed as to**
12 **show actual expenditures for at least the last preceding completed**
13 **fiscal year, estimated expenditures for the current fiscal year, and**
14 **requests for each succeeding fiscal year, and data for like periods with**
15 **respect to receipts and actual or estimated balances at the end of such**
16 **fiscal years.**

17 **The director of the budget may require the estimated expenditures**
18 **to be classified so as to set forth the data by funds, state agencies,**
19 **character and objects of expenditures, which expenditures may also be**
20 **required to be classified by functions and activities. The director of the**
21 **budget may require the revenue estimates to show the basis upon**
22 **which the estimates were made and the factors involved in the same,**
23 **and to be classified so as to show receipts by funds, and sources and**
24 **types of income. The director of the budget may require such further**
25 **detail, work programs, supplemental and supporting data, and such**
26 **information as may be necessary to carry out the provisions of this**
27 **act.**

28 *The director shall also consider the annual performance measures*
29 *reports submitted to the director pursuant to section 3, and amendments*
30 *thereto.*

31 **New Sec. 8. Sections 8 through 22, and amendments thereto, shall**
32 **be known and may be cited as the Kansas advisory council on**
33 **privatization and public-private partnerships act.**

34 **New Sec. 9. (a) For the purposes of sections ~~1 through 4~~[8**
35 **through 22], and amendments thereto, it is the public policy of this**
36 **state to provide the highest quality services at the lowest possible cost**
37 **to taxpayers. Efficiency can only be achieved, however, if decisions**
38 **about how government services are provided are governed by the**
39 **following fundamental principles:**

40 **(1) The state government should not compete with private**
41 **businesses that provide the same goods and services;**

42 **(2) the state government should not replicate, duplicate or**
43 **compete with not-for-profit organizations that provide the same goods**

1 and services;

2 (3) the state government should not replicate, duplicate or
3 compete with the federal government or local units of government that
4 provide the same goods and services;

5 (4) there are certain functions and operations of state government
6 that are inherently governmental and cannot be outsourced, and these
7 activities are intimately related to the public interest; and

8 (5) when activities are clearly not governmental functions and
9 operations, the state government should conduct a rigorous
10 comparison of private business or not-for-profit organizational costs
11 with the costs of the state government providing those functions and
12 operations.

13 (b) The purpose of the Kansas advisory council on privatization
14 and public-private partnerships is:

15 (1) To ensure that each state agency focuses on its core mission,
16 and delivers goods and services effectively and efficiently by
17 leveraging resources and contracting with private business suppliers
18 or not-for-profit organizations if those entities can more effectively
19 and efficiently provide such goods and services thereby reducing the
20 cost of government while expanding those services to the greatest
21 number of citizens;

22 (2) to develop a comprehensive and detailed process to analyze
23 opportunities to improve the efficiency, cost-effectiveness and quality
24 of state governmental services, operations, functions and activities;
25 and

26 (3) to evaluate for feasibility, cost-effectiveness and efficiency,
27 business cases that potentially could be outsourced and make
28 recommendations to state agencies prior to the outsourcing of goods or
29 services.

30 New Sec. 10. As used in sections 8 through 22, and amendments
31 thereto:

32 (a) “Activity” means the provision of goods or services or the
33 performance of any function or operation by a state agency.

34 (b) “Affiliated” means a person who directly or indirectly
35 through one or more intermediaries, controls or is controlled by, or is
36 under common control with, a specified entity.

37 (c) “Business case” means any proposal to outsource a state
38 agency activity or eliminate replication or duplication of a state
39 agency activity and operations carried out by a private business, not-
40 for-profit organization or other government agency.

41 (d) “Contractor” means any private business or not-for-profit
42 organization that contracts with a state agency to perform an activity
43 previously performed by such state agency.

1 (e) “State agency” means any department, authority, office or
2 other governmental agency, including the board of regents and any
3 postsecondary educational institution, of this state. The term shall not
4 include any political subdivision of the state, municipality or other
5 unit of local government.

6 New Sec. 11. (a) There is hereby created a body politic and
7 corporate to be known as the Kansas advisory council on privatization
8 and public-private partnerships. The Kansas advisory council on
9 privatization and public-private partnerships is hereby constituted a
10 public instrumentality and the exercise of the authority and powers
11 conferred by the Kansas advisory council on privatization and public-
12 private partnerships act shall be deemed and held to be the
13 performance of an essential governmental function.

14 (b) The council shall consists of 11 members as follows:

15 (1) One member, who shall be either the lieutenant governor or
16 the chief executive of a state agency, who shall be appointed by the
17 governor;

18 (2) two members, who shall be engaged in private business and
19 are not members of the legislature, appointed by the governor;

20 (3) three members, who shall be engaged in private business and
21 only one of whom may be a member of the legislature, appointed by
22 the president of the senate;

23 (4) three members, who shall be engaged in private business and
24 only one of whom may be a member of the legislature, appointed by
25 the speaker of the house of representatives;

26 (5) one member, who shall be engaged in private business and who
27 shall not be a member of the legislature, appointed by the minority
28 leader of the senate; and

29 (6) one member, who shall be engaged in private business and
30 who shall not be a member of the legislature, appointed by the
31 minority leader of the house of representatives.

32 (c) Members shall be subject to confirmation by the senate as
33 provided in K.S.A. 75-4315b, and amendments thereto. Except as
34 provided by K.S.A. 46-2601, and amendments thereto, no person
35 appointed to the council shall exercise any power, duty or function as a
36 member of the council until confirmed by the senate.

37 (d) Members shall serve for a term of two years. Terms of
38 members appointed pursuant to this section shall expire on March 15.
39 In the case of the member who is a state official, such member shall
40 serve for a term of two years, or until such member ceases to hold
41 public office, whichever occurs first. Members shall serve until a
42 successor is appointed and confirmed.

43 (e) After the expiration of a member’s term, or whenever a

1 vacancy occurs a member shall be appointed as described in
2 subsection (a). In the event of a vacancy the appointment shall be for
3 the remainder of the unexpired portion of the term. Any member is
4 eligible for reappointment for successive two-year terms.

5 (f) No member shall appoint a designee to serve in such member's
6 place on the council.

7 (g) The council shall annually elect a member as chairperson. The
8 member appointed pursuant to paragraph (a)(1) and any member
9 who is a member of the legislature is not eligible to serve as
10 chairperson.

11 (h) The council shall meet at least four times a year at the call of
12 the chairperson. A quorum shall consist of a majority of the members
13 of the council.

14 (i) Members attending council meetings shall be entitled to
15 compensation and expenses as provided in K.S.A. 75-3223, and
16 amendments thereto.

17 New Sec. 12. [(a)] In order to achieve its purpose as provided in
18 the Kansas advisory council on privatization and public-private
19 partnerships act, the council shall:

20 (1) Review and evaluate the possibility of outsourcing goods or
21 services provided by a state agency to a private business or not-for-
22 profit organization that is able to provide the same type of good or
23 service and whether such action would result in cost savings to the
24 state;

25 (2) review and evaluate the possibility of outsourcing operations
26 or functions of a state agency to a private business or not-for-profit
27 organization that is able to more efficiently and cost-effectively
28 perform such operation or function;

29 (3) review and evaluate instances where a state agency is
30 providing goods or services in competition with one or more private
31 businesses to determine ways to eliminate such competition;

32 (4) review and evaluate instances where a state agency is
33 providing goods or services that replicate, duplicate or compete with
34 one or more not-for-profit organizations or federal or local units of
35 government;

36 (5) make any requests it deems necessary to state agencies for an
37 inventory of such agency's activities that may be outsourced, or that
38 compete with, replicate or duplicate activities provided by private
39 entities or federal or local units of government;

40 (6) develop and implement a standard process for reviewing
41 business cases pursuant to the Kansas advisory council on
42 privatization and public-private partnerships act;

43 (7) make recommendations to state agencies regarding the

1 outsourcing of operations, functions and the provision of goods and
2 services based on the council’s review and evaluation of business cases
3 pursuant to the Kansas advisory council on privatization and public-
4 private partnerships act; and

5 (8) identify and distribute information regarding the best
6 practices in outsourcing efforts to state agencies.

7 (b) The council may appoint advisory groups, provided, at least
8 one member of the council is appointed to each such group.

9 (c) The council shall annually prepare and submit a report to the
10 governor, the committee on ways and means of the senate and the
11 committee on appropriations of the house of representatives. The
12 report shall be submitted no later than January 15, and shall contain
13 details of the council’s activities for the immediately preceding year
14 and include the following:

15 (1) Recommendations on methods of delivering government
16 services that would improve the efficiency, effectiveness and delivery
17 of government services;

18 (2) outsourcing efforts of state agencies, including the number of
19 business cases reviewed, those recommended for outsourcing and the
20 state agency action on the business case; and

21 (3) information on all outsourcing contracts entered into the
22 preceding year, including, the dollar value of each outsourcing
23 contract, descriptions of performance results, any breach of contract
24 or inadequate performance, and the status of extensions, renewals and
25 amendments of outsourcing contracts.

26 **New Sec. 13.** The staff of the legislative research department shall
27 provide such assistance as may be requested by the Kansas advisory
28 council on privatization and public-private partnerships.

29 **New Sec. 14.** [(a)]A business case may be submitted by the
30 governor, any member of the legislature, any state agency, a private
31 business, a not-for-profit organization or any government entity that is
32 not a state agency. A business case shall be submitted in the manner
33 and form prescribed by the council.

34 (b) A business case shall include the following:

35 (1) A description of the state agency activity the council is to
36 review and evaluate;

37 (2) a description of the private market for such activity; and

38 (3) a proposal as to the price to be paid by the state agency if such
39 activity were outsourced.

40 (c) If the business case is submitted by a state agency, the
41 following shall also be included in the business case:

42 (1) A description and analysis of the agency’s performance with
43 respect to such activity;

1 (2) an analysis comparing the potential costs and savings to the
2 agency between outsourcing the activity and continuing to perform
3 such activity;

4 (3) a citation to existing legal authority for outsourcing such
5 activity;

6 (4) a transition plan that addresses changes in personnel,
7 equipment, office location and communication with clients and the
8 general public should such activity be outsourced;

9 (5) a description of any legislative action necessary to accomplish
10 the outsourcing of such activity; and

11 (6) a description of specific performance standards that a
12 contractor must meet in performing such activity, including:

13 (A) Specific and measurable goals to be met by the contractor;

14 (B) a plan to ensure compliance by the contractor with all
15 applicable laws and regulations; and

16 (C) a contingency plan addressing the contractor's
17 nonperformance or inadequate performance of such activity.

18 (d) If the business case is submitted by an entity other than a
19 state agency, the council shall send a copy of the submitted business
20 case to the state agency currently performing the activity in question.
21 The state agency shall have 30 days from receipt of the business case
22 to submit a response to the council. The response shall include those
23 items set forth in subsection (c).

24 (e) The council may review and evaluate any business case that is
25 submitted to the council to determine: (1) If there is competition,
26 replication or duplication of an activity by a state agency with a
27 private business, not-for-profit organization or other government
28 entity; (2) whether such activity may be outsourced such state agency;
29 and (3) the costs and savings that will likely result from such
30 outsourcing.

31 (f) In conducting its review and evaluation of a business case the
32 council shall consider the state agency's response submitted pursuant
33 to subsection (d), if applicable, and determine whether the activity in
34 question is an inherent governmental function that cannot be
35 outsourced, or a commercial activity which may be performed by an
36 entity other than the state agency. The council may hold public
37 hearings, seek advice from advisory groups and request additional
38 information from the state agency.

39 (g) Any member of the council that is either employed by the
40 state agency which is performing the activity that is the subject of a
41 business case under review, or is affiliated with a private business or
42 not-for-profit organization that could perform such activity shall not
43 participate in the review and evaluation of that particular business

1 case.

2 (h) Upon completion of its review and evaluation the council shall
3 prepare a report on its findings and recommendations. Copies of the
4 council's final report on a business case shall be sent to the entity that
5 initially submitted the business case, and the state agency which
6 performs the activity that is the subject of the business case.

7 (i) Any state agency receiving a report pursuant to subsection (h)
8 shall submit a response to the council within 45 days after receipt of
9 the report. The response shall include the agency decision with respect
10 to outsourcing or eliminating the activity, the reasons supporting the
11 decision and the implementation date, if any.

12 New Sec. 15. Any contract entered into by a state agency with a
13 private business or not-for-profit organization which is an agreement
14 for the private business or not-for-profit organization to perform an
15 activity previously performed by the state agency shall include the
16 following:

17 (a) A specific scope of work statement clearly identifying the
18 activity to be performed by the contractor;

19 (b) if services are being provided, an agreement as to what
20 constitutes adequate provision of such services, and the ability of the
21 state agency to resume provision of such services if not adequately
22 provided by the contractor;

23 (c) a specific transition plan providing for the transfer of the
24 activities in question to the contractor;

25 (d) specific and measurable performance standards that must be
26 met by the contractor;

27 (e) a provision granting the state agency access to all relevant
28 documents and records of the contractor necessary for the purposes of
29 verifying the contractor is meeting all performance standards and
30 auditing the contractor's performance;

31 (f) a provision requiring the contractor to interview and consider
32 for employment any state employee previously employed by the state
33 agency who expresses an interest in such employment; and

34 (g) a contingency plan for transferring such activity back to the
35 state agency in the event the contractor does not meet the required
36 performance standards.

37 New Sec. 16. (a) When any contract for the purchase of goods
38 or services by any state agency, as that term is defined in K.S.A. 75-
39 3701, and amendments thereto, is not awarded to a vendor after such
40 vendor has submitted the lowest bid for such contract, the director of
41 purchasing of the department of administration shall prepare a
42 written explanation detailing the reasons why such vendor was not
43 awarded the contract and why the deficiencies in such vendor's bid

1 could not be remedied to the satisfaction of the director. In the event
2 the contract is awarded by a state agency other than the department
3 of administration, such state agency shall prepare a written
4 explanation detailing the reasons why such vendor was not awarded
5 the contract and why the deficiencies in such vendor's bid could not be
6 remedied to the satisfaction of the head of such state agency, and
7 submit such written explanation to the director of purchasing of the
8 department of administration.

9 (b) On or before January 12, the director of purchasing of the
10 department of administration shall transmit to the standing
11 committee on appropriations of the house of representatives, the
12 standing committee on ways and means of the senate and Kansas
13 advisory council on privatization and public-private partnerships a
14 report that shall include all written explanations prepared in
15 accordance with this section during the immediately preceding year.

16 (c) The provisions of this section shall not apply to contracts that
17 are subject to the provisions of K.S.A. 75-5801 et seq., and
18 amendments thereto, or K.S.A. 75-1250 et seq., and amendments
19 thereto, or to contracts in support of the planning, development or
20 implementation of a road, bridge or public transportation
21 construction program of the department of transportation.

22 New Sec. 17. (a) When any contract for the purchase of goods
23 or services by any state agency, as that term is defined in K.S.A. 75-
24 3701, and amendments thereto, is not awarded to a vendor that is: (1)
25 Domiciled in this state; (2) proposing to have the work which is the
26 subject matter of the contract performed by employees subject to
27 Kansas income withholding taxes; and (3) subject to Kansas income
28 taxes, the director of purchasing of the department of administration
29 shall prepare a written explanation detailing the reasons why such
30 vendor was not awarded the contract and why the deficiencies in such
31 vendor's bid could not be remedied to the satisfaction of the director.
32 In the event the contract is awarded by a state agency other than the
33 department of administration, such state agency shall prepare a
34 written explanation detailing the reasons why such vendor was not
35 awarded the contract and why the deficiencies in such vendor's bid
36 could not be remedied to the satisfaction of the head of such state
37 agency, and submit such written explanation to the director of
38 purchasing of the department of administration.

39 (b) On or before January 12, the director of purchasing of the
40 department of administration shall transmit to the standing
41 committee on appropriations of the house of representatives, the
42 standing committee on ways and means of the senate and the Kansas
43 advisory council on privatization and public-private partnerships a

1 report that shall include all written explanations prepared in
2 accordance with this section during the immediately preceding year.

3 (c) The provisions of this section shall not apply to contracts that
4 are subject to the provisions of K.S.A. 75-5801 et seq., and
5 amendments thereto, or K.S.A. 75-1250 et seq., and amendments
6 thereto, to contracts in support of the planning, development or
7 implementation of a road, bridge or public transportation
8 construction program of the department of transportation or to
9 contracts for building construction.

10 (d) For purposes of this section, the term "building construction"
11 means furnishing labor, equipment, material or supplies used or
12 consumed for the design, construction, alteration, renovation, repair
13 or maintenance of a building or structure; including multilevel
14 parking structures and stand-alone parking lots.

15 New Sec. 18. (a) Any contract for the purchase of goods or
16 services by any state agency, as that term is defined in K.S.A. 75-3701,
17 and amendments thereto, which includes a provision for the automatic
18 renewal or extension of such contract, shall be reviewed by the head of
19 such agency to determine if such contract shall be allowed to be
20 automatically renewed or extended. Such review shall include an
21 evaluation of the cost savings the agency might benefit from if the
22 agency were to terminate the contract and issue a new request for
23 proposal. If the head of the state agency determines that it is in the
24 agency's best interest to allow the contract to be automatically
25 renewed or extended, then the head of the state agency shall prepare a
26 written explanation detailing the reasons why such contract was
27 allowed to be automatically renewed or extended and submit such
28 written explanation to the director of purchasing of the department of
29 administration.

30 (b) On or before January 12, the director of purchasing of the
31 department of administration shall transmit to the standing
32 committee on appropriations of the house of representatives, the
33 standing committee on ways and means of the senate and the Kansas
34 advisory council on privatization and public-private partnerships a
35 report that shall include all written explanations prepared in
36 accordance with this section during the immediately preceding year.

37 (c) The provisions of this section shall not apply to contracts that
38 are subject to the provisions of K.S.A. 75-5801 et seq., and
39 amendments thereto, or K.S.A. 75-1250 et seq., and amendments
40 thereto, or to contracts in support of the planning, development or
41 implementation of a road, bridge or public transportation
42 construction program of the department of transportation.

43 New Sec. 19. The provisions of sections 16 through 18, and

1 amendments thereto, shall not apply to any activity conducted by or
2 under the authority of the state board of regents, or to any contract
3 entered into by the state board of regents or any postsecondary
4 educational institution, as defined by K.S.A. 74-3201b, and
5 amendments thereto.

6 New Sec. 20. The provisions of the Kansas advisory council on
7 privatization and public-private partnerships act shall only apply to
8 state agencies that receive state appropriations, state general funds or
9 federal funds appropriated through the state.

10 New Sec. 21. If any provision of sections 8 through 22, and
11 amendments thereto, or the application thereof to any persons or
12 circumstances is held invalid, such invalidity shall not affect other
13 provisions or application of the act which can be given effect without
14 the invalid provisions or application and to this end the provisions of
15 sections 8 through 22, and amendments thereto, are declared to be
16 severable.

17 New Sec. 22. The provisions of sections 8 through 22, and
18 amendments thereto, shall expire on July 1, 2014.

19 ~~Section 1. K.S.A. 75-5002 and 75-5003 are hereby repealed.~~

20 Sec. 23. K.S.A. 75-3715, 75-3716, 75-5002 and 75-5003 and K.S.A.
21 2010 Supp. 74-72,123 are hereby repealed.

22 Sec. 24. This act shall take effect and be in force from and after
23 its publication in the statute book.

24 ~~Sec. 2. This act shall take effect and be in force from and after its~~
25 ~~publication in the statute book.~~

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