

**Senate Commerce Committee
Testimony Opposing SB 107
Associated General Contractors of Kansas
February 16, 2015**

Madam Chair and members of the committee I am Jason Watkins, representing Associated General Contractors of Kansas. AGC represents over 250 Kansas construction firms and their 8,000 employees and is recognized as the "Chamber of Commerce for the Construction Industry." We would encourage you to oppose Senate Bill 107.

Our industry values the competitive bidding process in Kansas because it allows the marketplace to compile the best products, practices and prices. Our laws protect the taxpayers and requires of public entities the procedures Kansans have come to expect to ensure transparency and fair dealings.

The underlying policy objective of SB 107 will create a situation where public entities would not be required to bid just about any project if it has the effect of reducing energy costs. The bill states:

"Notwithstanding any other provision of law, elected public boards, councils, commissions and other public bodies which have authority to expend public moneys for energy projects may approve, without being subject to any competitive bidding process, expenditures for energy producing or energy savings projects, purchases or services that are intended to enable the public entity to reduce energy costs. Such approvals shall be made by the public entity in an open meeting with notice provided. "

This is a major departure from any taxpayer transparency and accountability measures.

Real world examples of bad actors currently exist in this same market space. These are two situations our industry has placed in front of the Kansas Attorney General's office where schools in western Kansas have ignored the building bidding requirements under the auspice of a conservation statute and built significant school additions. We are searching for ways to oppose those efforts just like we oppose this bill.

SB 107 furthers no valid public policy and we would urge the committee to oppose the bill.

Sincerely,

Jason P. Watkins