Approved: <u>March 13, 2001</u>

Date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on February 27, 2001 in Room 123-S of the Capitol.

All members were present except: Senator Kerr (Excused)

Committee staff present: April Holman, Legislative Research Department

Bob Nugent, Revisor of Statutes

Lea Gerard, Secretary

Conferees appearing before the committee: Cory D. Peterson, Assoc. General Contractors, Kansas

Bob Totten, Kansas Contractors Association, Inc.

Dick Lauerentz, AARP

Others attending: See attached list.

Corey D. Peterson, Executive Vice President, Associated General Contractors of Kansas, testified in opposition to the inclusion of "construction" in <u>SB 227</u>. The bill provides the State of Kansas the ability to conduct on-line "reverse auctions" for construction projects (<u>Attachment 1</u>). The Associated General Contractors suggested that <u>SB 227</u> be amended by deleting the word "construction" from Page 1, Line 36. The AGC of Kansas, however, does support the ability to submit traditional sealed bids via the internet.

Bob Totten, Public Affairs Director for the Kansas Contractors Association testified to amend <u>SB 227</u> by deleting the word "construction" from being included in real time bidding procedures (<u>Attachment 2</u>). Mr. Totten explained the Kansas Contractors Association is in opposition to "real time" bidding in that there are many figures put together for large, complex projects and to require a bid change in a short period of time could create too many potential problems.

Senator Brownlee responsed that she did not agree with the suggestion that "construction" be deleted. She pointed out that the Department of Administration's proposed amendments address the issue of "real time".

Hearings closed on **SB 227.**

Senator Brungardt moved, seconded by Senator Jenkins, that the balloon amendment for SB 227, KSA Statute 10-106 be amended by striking "public sale" and adding the words "public notice sale". The voice vote was unanimous in favor of the motion.

Senator Steineger moved, seconded by Senator Jenkins, that SB 227 be conceptually amended to add reference of KDOT, Page 1, Line 40, striking "secretary of administration or another state agency purchasing agent" and insert "Secretary of Transportation or the Director of Purchases". The voice vote was unanimous in favor of the motion.

Senator Jenkins moved, seconded by Senator Steineger, that the proposed balloon amendments by the Department of Administration be adopted for SB 227. The voice vote was unanimous in favor of the motion. (Attachment 3).

Senator Steineger moved, seconded by Senator Emler, that SB 227 be recommended favorably for passage as amended. The voice vote was unanimous in favor of the motion.

A motion to approve the minutes for February 02, 06, 07, 08, 09, 12, 13 and 14 was made by Senator Jenkins, seconded by Senator Steineger. Motion passed.

Meeting adjourned.

Next meeting scheduled February 28 at 8:30 a.m.