

HOUSE BILL 85

By McCormick

AN ACT to amend Tennessee Code Annotated, Title 12,
Chapter 2, Part 1, relative to state leases.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-2-114, is amended by deleting subsection (a) and substituting instead the following language:

(a) When it becomes necessary for any agency of the state to lease space, the commissioner of general services, through the state of Tennessee real estate asset management (STREAM) division, shall prepare a general statement of the agency's needs, and shall advertise the needs by posting the advertisement on the central procurement office's web site or in a newspaper of general circulation in the city or county, or city and county, where the space is needed. The advertisement shall be posted on the web site or run on one (1) occasion in the newspaper at least two (2) weeks before proposals are opened. The cost of the advertisement shall be borne by the state or agency requesting the space.

SECTION 2. Tennessee Code Annotated, Section 12-2-114, is further amended by deleting subdivisions (b)(1) and (b)(3)(B) and substituting instead the following language:

(1) When the annual rental will be less than an amount to be specified by policy of the state building commission, the amount not to exceed fifty thousand dollars (\$50,000), or when the term of the lease will be one (1) year or less;

(3)(B) If negotiations for a supplemental lease agreement to provide for additional space indicate the lessor will require a modification of the original lease term to cover both the existing space and the additional increment, then the transaction shall

be treated as a new lease and shall require posting on the central procurement office's web site or in its newspaper advertising; or

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.