



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2017 Assembly Bill 205

**Assembly
Amendment 1**

Memo published: May 19, 2017

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2017 ASSEMBLY BILL 205

Under **current law**, the Department of Administration (DOA) is responsible for the leasing of real property by the state, subject to approval by the Governor. [s. 16.84 (5) (a), Stats.]

For any lease involving an annual rent of more than \$500,000, **the bill** requires the DOA Secretary to sign the lease and provides a process for passive review of the lease by the Joint Committee on Finance before the lease may be entered into, extended, or renewed.

In addition, the bill requires DOA to do both of the following before entering into, renewing, or extending a lease:

- Conduct a cost-benefit analysis comparing the lease with purchasing the space or another suitable space.
- Evaluate comparable lease options within a 10-mile radius of the property proposed in the lease to ensure the lease rate per square foot does not exceed the lease rate per square foot on comparable properties or the market rate by more than 5%.

ASSEMBLY AMENDMENT 1

For purposes of the evaluating comparable lease options to ensure that a lease does not exceed the rate per square foot or the market rate by more than 5%, Assembly Amendment 1 allows DOA to evaluate comparable properties outside of a 10-mile radius if there are not sufficient comparable properties within a 10-mile radius to perform a meaningful comparison.

BILL HISTORY

Representatives Doyle and Hutton offered Assembly Amendment 1 on May 15, 2017. On May 17, 2017, the Assembly Committee on State Affairs voted to recommend adoption of the amendment on a vote of Ayes, 11; Noes, 3. On the same day, the committee voted to recommend passage of the bill, as amended, on a vote of Ayes, 10; Noes, 4.

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