Tenn. Code Ann. § 12-2-114

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Title 12 Public Property, Printing And Contracts
Chapter 2 Administration and Disposition of State Property
Part 1 General Provisions

Tenn. Code Ann. § 12-2-114 (2017)

## 12-2-114. State leases -- Procedure.

- (a) As used in this section, "entity" means any state agency, department, or institution of higher education of the state.
- (b) When it becomes necessary for an entity to enter into a new lease as lessee, the applicable state procurement agency, in accordance with the policy of the state building commission, shall:
  - (1) Prepare a general statement of the entity's space needs; and
- (2) Advertise, at the cost of the entity requesting the space, the entity's space needs on the web site of the state procurement agency and in a newspaper of general circulation in the city or county where the space is needed on at least one (1) occasion and at least two (2) weeks before proposals are opened, or as required by the policy of the state building commission, unless one (1) of the following exceptions is satisfied:
- (A) The annual rental will be less than an amount to be specified by the policy of the state building commission, the amount not to exceed fifty thousand dollars (\$50,000);
- **(B)** The property to be leased is owned or otherwise controlled by a city, county, or other political subdivision of the state or the federal government;
- **(C)** The space required by the entity has special and unique requirements as determined and approved by the state building commission; or
  - (D) The term of the lease will be one (1) year or less.
- **(c)** When it becomes necessary for an entity to amend a lease where it is the lessee, advertising shall not be required for:
- (1) Lease renewals where the right to renew the lease and the terms of the rental rate for the renewal term were included in the original lease;
- (2) Extensions to the term of a lease by one (1) year or less beyond the expiration date set forth in the original lease; or

- (3) Other amendments to a lease, unless required by the policy of the state building commission.
- (d) Any proposal to lease space to the entity shall contain the name of any persons who are contemplated to become financially interested in the lease and shall be made readily available and accessible for public examination.
- (e) After receipt of the proposals, the state procurement agency, in accordance with the policy of the state building commission, may then negotiate with the prospective lessors for leasing of the needed space, taking into account not only the rent offered but the type of space, the location, its suitability for the purpose, services offered by the lessor, moving costs, and all other relevant factors. The state shall enter into a lease with the proposer offering the proposal with the lowest total cost, unless a statement of justification supporting award to a different proposer has been submitted to and approved by the state building commission prior to entering into the lease.

**HISTORY:** Acts 1976, ch. 842, § 1; T.C.A., § 12-252; Acts 1980, ch. 740, § 1; 1981, ch. 196, § 1; 1981, ch. 332, § 29; 1984, ch. 754, § 1; 1989, ch. 454, §§ 4, 5; 1990, ch. 734, §§ 3, 4; 1997, ch. 402, §§ 6, 7; Acts 2013, ch. 454, § 36; 2015, ch. 382, § 1.



Tenn. Code Ann. § 12-2-115

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Title 12 Public Property, Printing And Contracts
Chapter 2 Administration and Disposition of State Property
Part 1 General Provisions

Tenn. Code Ann. § 12-2-115 (2017)

## 12-2-115. Approval of lease instrument where state is lessee or lessor.

- (a) Notwithstanding any other law to the contrary, no lease of property to the state government or any agency, department, institution or office thereof shall be entered into unless the instrument of lease is first approved as to form and legality by the attorney general and reporter. This provision shall only apply to leases which are longer than five (5) years or if the consideration for any such lease amounts to more than one hundred fifty thousand dollars (\$150,000) per year.
- (b) (1) If any proposed lease of property by or to the state government or any agency, department, institution or office thereof is longer than five (5) years or if the consideration for any such lease amounts to more than one hundred fifty thousand dollars (\$150,000) per year or such other amount as determined by the state building commission, it shall first be submitted to and approved by the state building commission.
- (2) (A) With respect to any lease of property that is not submitted to and approved by the state building commission, the office of the state architect shall, subject to such exceptions as the commission may by its policies direct, post on its web site at a minimum the following information, as applicable, regarding each such lease:
  - (i) Name or names of lessor or lessors and lessee or lessees;
  - (ii) Lease description and purpose;
  - (iii) Lease term;
- (iv) Rental rate, stated as total rent for the lease term, annual rent, and as a rent per square foot;
  - (v) Source or sources of funding;
  - (vi) Procurement method used to obtain the lease; and
  - (vii) Any other information as directed by the commission.
  - (B) In addition to the above, the state architect shall post on the office's web site any

changes to information posted in accordance with this subdivision (b)(2) as soon as practicable after the change is authorized.

- **(C)** The state architect shall ensure that all information posted on the office's web site pursuant to this subsection (b) is set forth in a manner and format consistent with the policies and procedures of the commission.
- (c) No lease of property to the state government or any agency, department, institution or office thereof shall be valid unless the requirements of this section are met.
- (d) Notwithstanding the language in § 9-4-5113 to the contrary, leases of property to the state government or any agency, department, institution or office thereof, the total cost of which is less than an amount determined pursuant to policy established by the commissioner of finance and administration and approved by the state building commission, need not be certified, as indicated in § 9-4-5113, by the commissioner.

**HISTORY:** Acts 1978, ch. 585, § 1; 1978, ch. 943, § 1; T.C.A., § 12-253; Acts 1984, ch. 754, § 2; 1985, ch. 291, § 2; 1989, ch. 454, §§ 1, 2; 1991, ch. 498, § 5; 1997, ch. 402, §§ 8-12; 2012, ch. 554, §§ 1, 2.

