

HOUSE BILL NO. 159

INTRODUCED BY CONNELLY, HARP, B. BROWN,
COCCHIARELLA, MEASURE, FRITZ

IN THE HOUSE

JANUARY 12, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON JUDICIARY.

JANUARY 14, 1991 FIRST READING.

JANUARY 23, 1991 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

JANUARY 24, 1991 PRINTING REPORT.

JANUARY 26, 1991 SECOND READING, DO PASS AS AMENDED.

JANUARY 28, 1991 ENGROSSING REPORT.

JANUARY 30, 1991 THIRD READING, PASSED.
AYES, 81; NOES, 19.

TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 31, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON JUDICIARY.

FIRST READING.

APRIL 4, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 5, 1991 SECOND READING, CONCURRED IN.

APRIL 6, 1991 THIRD READING, CONCURRED IN.
AYES, 47; NOES, 1.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991 RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 10, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

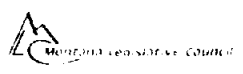
REPORTED CORRECTLY ENROLLED.

1 ~~HOUSE~~ BILL NO. 159
 2 INTRODUCED BY Connolly HART Bob Brown
 3 Legislation in session
 4 Ents A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A PERSON WHO
 5 LOSES A COMPETITIVE BID ON A CONSTRUCTION CONTRACT TO
 6 MAINTAIN AN ACTION FOR DAMAGES AGAINST A SUCCESSFUL BIDDER
 7 WHO FAILS TO PAY UNEMPLOYMENT INSURANCE OR TO CARRY WORKERS'
 8 COMPENSATION INSURANCE."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 11 NEW SECTION. Section 1. Action against successful
 12 bidder -- failure to pay unemployment insurance or to carry
 13 workers' compensation insurance. A person who loses a
 14 competitive bid on a construction contract may maintain an
 15 action for damages against a successful bidder if the
 16 successful bidder does not contribute to the state
 17 unemployment insurance fund, as required by 39-51-1103, or
 18 does not pay workers' compensation premiums, as required by
 19 39-71-401.

-End-

INTRODUCED BILL
HB 159



APPROVED BY COMMITTEE
ON JUDICIARY

1 HOUSE BILL NO. 159

2 INTRODUCED BY CONNELLY, HARP, B. BROWN,
3 COCCHIARELLA, MEASURE, FRITZ
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A PERSON WHO
6 LOSES A COMPETITIVE BID ON A CONSTRUCTION CONTRACT TO
7 MAINTAIN AN ACTION FOR DAMAGES AGAINST A SUCCESSFUL BIDDER
8 WHO FAILS TO PAY STANDARD PREVAILING WAGES OR UNEMPLOYMENT
9 INSURANCE OR TO CARRY WORKERS' COMPENSATION INSURANCE."
10

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 NEW SECTION. Section 1. Action against successful
13 bidder -- failure to pay STANDARD PREVAILING WAGES OR
14 unemployment insurance or to carry workers' compensation
15 insurance. A person who loses-a SUBMITTED THE NEXT LOWEST
16 VALID competitive bid on a construction contract may
17 maintain an action for damages against a successful bidder
18 if the successful bidder does not PAY STANDARD PREVAILING
19 WAGES, AS REQUIRED BY TITLE 18, CHAPTER 2, PART 4, DOES NOT
20 contribute to the state unemployment insurance fund, as
21 required by 39-51-1103, or does not pay workers'
22 compensation premiums, as required by 39-71-401. IF THE BIDS
23 ARE SEALED OR FOR ANY OTHER REASON KEPT CONFIDENTIAL, THE
24 PERSON WHO SOLICITED THE BIDS SHALL, ON REQUEST BY A BIDDER
25 WHO INDICATES AN INTENT TO SUE UNDER THIS SECTION, INFORM

1 THE BIDDER OF THE IDENTITY OF THE NEXT LOWEST VALID BIDDER
2 AFTER THE SUCCESSFUL BIDDER. A BIDDER SO INFORMED SHALL KEEP
3 THE IDENTITY OF THE NEXT LOWEST VALID BIDDER CONFIDENTIAL IF
4 HE DOES NOT SUE. THE MEASURE OF DAMAGES IS THE SAME AS IN A
5 CONTRACT ACTION BY AN UNSUCCESSFUL BIDDER AGAINST A PERSON
6 WHO WRONGFULLY AWARDS A CONTRACT TO ANOTHER BIDDER.

-End-

SECOND READING

HOUSE BILL NO. 159

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A PERSON WHO
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INSURANCE OR TO CARRY WORKERS' COMPENSATION INSURANCE."

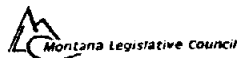
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Action against successful
bidder -- failure to pay STANDARD PREVAILING WAGES OR
unemployment insurance or to carry workers' compensation
insurance. A person who loses-a SUBMITTED THE NEXT LOWEST
VALID competitive bid on a construction contract may
maintain an action for damages against a successful bidder
if the successful bidder does not PAY STANDARD PREVAILING
WAGES--AS ON A CONTRACT WHERE PAYMENT OF THE STANDARD
PREVAILING WAGE RATE IS REQUIRED BY TITLE 18, CHAPTER 2,
PART 4, DOES NOT contribute to the state unemployment
insurance fund, as required by 39-51-1103, or does not pay
workers' compensation premiums, as required by 39-71-401. IF
THE BIDS ARE SEALED OR FOR ANY OTHER REASON KEPT
CONFIDENTIAL, THE PERSON WHO SOLICITED THE BIDS SHALL, ON

REQUEST BY A BIDDER WHO INDICATES AN INTENT TO SUE UNDER
THIS SECTION, INFORM THE BIDDER OF THE IDENTITY OF THE NEXT
LOWEST VALID BIDDER AFTER THE SUCCESSFUL BIDDER. A BIDDER SO
INFORMED SHALL KEEP THE IDENTITY OF THE NEXT LOWEST VALID
BIDDER CONFIDENTIAL IF HE DOES NOT SUE. THE MEASURE OF
DAMAGES IS THE SAME AS IN A CONTRACT ACTION BY AN
UNSUCCESSFUL BIDDER AGAINST A PERSON WHO WRONGFULLY AWARDS A
CONTRACT TO ANOTHER BIDDER.

-End-

THIRD READING



SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 4, 1991

MR. PRESIDENT:

We, your committee on Judiciary having had under consideration House Bill No. 159 (third reading copy as amended -- blue), respectfully report that House Bill No. 159 be amended and as so amended be concurred in:

1. Page 1, lines 15 and 16.

Following: "~~loses a~~" on line 15

Strike: "SUBMITTED THE NEXT LOWEST VALID"

Insert: "loses a"

2. Page 2, lines 3 through 5.

Following: "BIDDER." on line 3

Strike: remainder of line 3 through "SUE." on line 5

Insert: "Upon proof that payment by the successful bidder of standard prevailing wages, workers' compensation premiums, and contributions to the state unemployment insurance fund for the job would have increased the successful bidder's bid amount in excess of the plaintiff's bid, the plaintiff may recover damages."

3. Page 2, lines 6 through 8.

Following: "AS" on line 6

Strike: remainder of line 6 through "BIDDER" on line 8

Insert: "provided in 27-1-311, except that the total amount assessed against the successful bidder by all litigants may not exceed 10% of the successful bidder's bid"

Signed: 
Richard Pinsoneault, Chairman

JAC 4-4-91
Asst. Coord.

SB 4-4 7:10
Sec. of Senate

SENATE
HB 159

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INSURANCE OR TO CARRY WORKERS' COMPENSATION INSURANCE."

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insurance. A person who loses a ~~SUBMITTED-THE-NEXT-LOWEST~~
VALID LOSES A competitive bid on a construction contract may
maintain an action for damages against a successful bidder
if the successful bidder does not PAY STANDARD PREVAILING
WAGES, AS ON A CONTRACT WHERE PAYMENT OF THE STANDARD
PREVAILING WAGE RATE IS REQUIRED BY TITLE 18, CHAPTER 2,
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insurance fund, as required by 39-51-1103, or does not pay
workers' compensation premiums, as required by 39-71-401. IF
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INFORMED SHALL KEEP THE IDENTITY OF THE NEXT LOWEST VALID
BIDDER CONFIDENTIAL IF HE DOES NOT SUE. UPON PROOF THAT
PAYMENT BY THE SUCCESSFUL BIDDER OF STANDARD PREVAILING
WAGES, WORKERS' COMPENSATION PREMIUMS, AND CONTRIBUTIONS TO
THE STATE UNEMPLOYMENT INSURANCE FUND FOR THE JOB WOULD HAVE
INCREASED THE SUCCESSFUL BIDDER'S BID AMOUNT IN EXCESS OF
THE PLAINTIFF'S BID, THE PLAINTIFF MAY RECOVER DAMAGES. THE
MEASURE OF DAMAGES IS THE SAME AS IN A CONTRACT ACTION BY AN
UNSUCCESSFUL BIDDER AGAINST A PERSON WHO WRONGFULLY AWARDS A
CONTRACT TO ANOTHER BIDDER PROVIDED IN 27-1-311, EXCEPT THAT
THE TOTAL AMOUNT ASSESSED AGAINST THE SUCCESSFUL BIDDER BY
ALL LITIGANTS MAY NOT EXCEED 10% OF THE SUCCESSFUL BIDDER'S
BID.

-End-

