SENATE BILL NO. 11

INTRODUCED BY THAYER

IN THE SENATE

	IN THE SENATE
DECEMBER 28, 1990	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
JANUARY 7, 1991	FIRST READING.
JANUARY 9, 1991	ON MOTION, REREFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
JANUARY 15, 1991	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 16, 1991	PRINTING REPORT.
	SECOND READING, DO PASS.
JANUARY 17, 1991	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 48; NOES, 0.
	TRANSMITTED TO HOUSE.
	IN THE HOUSE
JANUARY 17, 1991	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
JANUARY 18, 1991	FIRST READING.
FEBRUARY 8, 1991	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 9, 1991	SECOND READING, CONCURRED IN.
FEBRUARY 11, 1991	THIRD READING, CONCURRED IN.

RETURNED TO SENATE.

AYES, 99; NOES, 0.

IN THE SENATE

FEBRUARY 11, 1991

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

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1	SENATE BILL NO. 11
2	INTRODUCED BY THAYER
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR
5	RECIPROCAL BID PREFERENCE ON PUBLIC CONTRACTS FOR
6	CONSTRUCTION, REPAIR, OR PUBLIC WORKS; AND AMENDING SECTION
7	18-1-102, MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	Section 1. Section 18-1-102, MCA, is amended to read:
11	"18-1-102. State contracts to lowest resident bidder.
12	(1) (a) In order to provide for an orderly administration of
13	the business of the state of Montana in awarding public
14	contracts for the purchase of goods and for construction,
15	repair, and public works of all kinds, a public agency shall
16	award:
17	(i) a public contract for construction, repair, or
18	public works to the lowest responsible resident bidder whose
19	biddoes-not-exceed-the-applicable-percentage-when-compared
20	to-the-lowest-responsible-nonresident-bidderThe-applicable
21	percentage-is-the-greater-of:
22	tA}~-3%;-or
23	(B)the-percentage-that-applies-to-a-resident-bidder-in
24	the-award-of-a-public-contract-for-construction;-repair;or

public-works-in-the-nonresident-bidder's-state-of-residence;

- 1 without regard to residency. However, a resident bidder must
- 2 be allowed a preference on a contract against the bid of any
- nonresident bidder from any state or country that enforces a
- preference for resident bidders. The preference given to
- resident bidders of this state must be equal to the
- preference given in the other state or country.
- 7 (ii) a public contract for the purchase of goods, if the
- goods are comparable in quality and performance, to the
- lowest responsible resident bidder whose:
- 10 (A) bid is not more than 3% higher than that of the
- 11 lowest responsible nonresident bidder;
- 12 (B) offered goods are Montana-made and whose bid is not
- 13 more than 5% higher than that of the lowest responsible
- 14 nonresident bidder: or
- 15 (C) offered goods are Montana-made and whose bid is not
- 16 more than 3% higher than that of the lowest responsible
- resident bidder whose offered goods are not Montana-made. 17
- 1.8 (b) (i) If both subsections (1)(a)(ii)(B)
- (1)(a)(ii)(C) are applicable to bids for a contract, the 19
- 20 contract must be awarded to the resident bidder whose
- offered goods are Montana-made if the bid is: 21
- (A) not more than 3% higher than that of a resident 22
- bidder whose offered goods are not Montana-made; and 23
- 24 (B) not more than 5% higher than that of the
- nonresident bidder. 25

INTRODUCED BILL

- 1 (ii) However, no combination of preferences under this 2 subsection may exceed 5%.
- (2) The preferences in this section apply:
- (a) whether the law requires advertisement for bids or
- does not require advertisement for bids; and
- (b) to contracts involving funds obtained from the
 - federal government unless expressly prohibited by the laws
- 8 of the United States or regulations adopted pursuant
- 9 thereto."

-End-

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5	RECIPROCAL BID PREFERENCE ON PUBLIC CONTRACTS FOR
6	CONSTRUCTION, REPAIR, OR PUBLIC WORKS; AND AMENDING SECTION
7	18-1-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."
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è	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	Section 1. Section 18-1-102, MCA, is amended to read:
11	"18-1-102. State contracts to lowest resident bidder.
12	(1) (a) In order to provide for an orderly administration of
13	the business of the state of Montana in awarding public
14	contracts for the purchase of goods and for construction,
15	repair, and public works of all kinds, a public agency shall
16	award:
17	(i) a public contract for construction, repair, or
18	public works to the lowest responsible resident bidder whose
19	biddoes-not-exceed-the-applicable-percentage-when-compared
20	to-the-lowest-responsible-nonresident-bidderThe-applicable
21	percentage-is-the-greater-of:
22	th)3%;-or
23	(B)the-percentage-that-applies-to-a-resident-bidder-in
24	the-award-of-a-public-contract-for-construction-repairor

public-works-in-the-nonresident-bidder's-state-of-residence;

-	without re-	gar.	d to resid	iency.	However,	a reside	ent i	blader	must
2	be allowed	a	preference	on a	contract	against	the	bid of	any

- 3 nonresident bidder from any state or country that enforces a
- 4 preference for resident bidders. The preference given to
- 5 resident bidders of this state must be equal to the
- 6 preference given in the other state or country.
- 7 (ii) a public contract for the purchase of goods, if the 8 goods are comparable in quality and performance, to the 9 lowest responsible resident bidder whose:
- 10 (A) bid is not more than 3% higher than that of the
 11 lowest responsible nonresident bidder;
- 12 (B) offered goods are Montana-made and whose bid is not
 13 more than 5% higher than that of the lowest responsible
 14 nonresident bidder; or
- 15 (C) offered goods are Montana-made and whose bid is not 16 more than 3% higher than that of the lowest responsible 17 resident bidder whose offered goods are not Montana-made.
- 18 (b) (i) If both subsections (1)(a)(ii)(B) and
 19 (1)(a)(ii)(C) are applicable to bids for a contract, the
 20 contract must be awarded to the resident bidder whose
 21 offered goods are Montana-made if the bid is:
- 22 (A) not more than 3% higher than that of a resident 23 bidder whose offered goods are not Montana-made; and
- 24 (B) not more than 5% higher than that of the 25 nonresident bid'er.

SECOND READING

1	(ii) However, no combination of preferences under t	his
2	subsection may exceed 5%.	
3	(2) The preferences in this section apply:	
4	(a) whether the law requires advertisement for bids	or

- 5 does not require advertisement for bids; and
- 6 (b) to contracts involving funds obtained from the
- 7 federal government unless expressly prohibited by the laws
- 8 of the United States or regulations adopted pursuant
- 9 thereto."
- 10 NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS
- 11 EFFECTIVE ON PASSAGE AND APPROVAL.

-End-

SB 0011/02

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(B) not

nonresident bidder.

more

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l 3	the business of the state of Montana in awarding public
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19	biddoes-not-exceed-the-applicable-percentage-when-compared
20	to-the-lowest-responsible-nonresident-bidder:-The-applicable
21	percentage-is-the-greater-of:
22	(A)3%;-or
23	(B)the-percentage-that-applies-to-a-resident-bidder-in
24	the-award-of-a-public-contract-for-construction;-repair;o

public-works-in-the-nonresident-bidder's-state-of-residence-

52nd Legislature

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resident	bidders	of th	s stat	e must	be	equal	_to_	the
preferenc	e given i	n the of	her sta	ate or c	ountry	<u>.</u>		
(ii)	a public	contract	for the	ne purch	ase of	goods	, if	the
goods ar	e compar	able i	n quali	ity and	perf	ormance	, to	the
lowest re	sponsible	reside	nt bidde	er whose	: .			
(A)	bid is no	t more	than 3%	higher	than	that	of	the
lowest re	sponsible	nonres	ident b	idder;				
(B)	offered g	oods ar	• Montai	na-made	and wi	nose bi	d is	not
more tha	an 5% hi	gher t	nan th	at of th	e low	est res	pons	ible
nonreside	ent bidder	; or						
(C)	offered g	oods ar	e Monta	na-mađe	and w	nose bi	d is	not
more than	1 3% highe	r than	that (of the	lowe	st res	anoq	ible
resident	bidder wh	ose off	ered go	ods are	not M	ontana-	-made	
(b)	(i) If	both	subse	ctions	(1)(a)(ii)((B)	and
(1)(a)(i	i)(C) are	applica	ble to	bids fo	r a	contra	act,	the
contract	must be	award	ed to	the re	siden	t bid	ier w	hose
offered o	goods are	Montana	-made i	f the bi	d is:			
(A)	not more	than 3%	higher	than t	hat	of a	resi	deni

without regard to residency. However, a resident bidder must be allowed a preference on a contract against the bid of any nonresident bidder from any state or country that enforces a preference for resident bidders. The preference given to

than 5% higher than that of the

bidder whose offered goods are not Montana-made; and

THIRD READING

1	(ii) However, no combination of preferences under	this
2	subsection may exceed 5%.	

- (2) The preferences in this section apply:
- (a) whether the law requires advertisement for bids or
- does not require advertisement for bids; and
- 6 (b) to contracts involving funds obtained from the
- federal government unless expressly prohibited by the laws
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- 10 NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS
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1	without regard to	residency.	However,	a resident	bidder	must
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- 20 contract must be awarded to the resident bidder whose

offered goods are Montana-made if the bid is:

- 22 (A) not more than 3% higher than that of a resident bidder whose offered goods are not Montana-made; and
- 24 5% higher than that of the 25 nonresident bidder. REFERENCE BIL

1	(ii) However, no combination of preferences under this
2	subsection may exceed 5%.
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4	(a) whether the law requires advertisement for bids or
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6	(b) to contracts involving funds obtained from the
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