

SENATE BILL 397

Introduced by Eck

2/15	Introduced
2/15	First Reading
2/15	Referred to Business & Industry
2/15	Fiscal Note Requested
2/20	Fiscal Note Received
2/21	Fiscal Note Printed
2/22	Hearing
2/23	Committee Report--Bill Not Passed
2/23	Adverse Committee Report Adopted

1 Senate BILL NO. 397
2 INTRODUCED BY Eck

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO SPECIFICALLY APPLY
5 THE LAW REQUIRING A PREFERENCE FOR MONTANA PURCHASES TO THE
6 PROCUREMENT OF COMPUTER SYSTEMS AND SERVICES; AND AMENDING
7 SECTION 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, the procurement of
15 computer systems and services, and for construction, repair,
16 and public works of all kinds, a public agency shall award:

17 (i) a public contract for the procurement of computer
18 systems and services or for construction, repair, or public
19 works to the lowest responsible resident bidder whose bid
20 does not exceed the applicable percentage when compared to
21 the lowest responsible nonresident bidder. The applicable
22 percentage is the greater of:

- 23 (A) 3%; or
- 24 (B) the percentage that applies to a resident bidder in
- 25 the award of a public contract for construction, repair, or

1 public works in the nonresident bidder's state of residence.

2 (ii) a public contract for the purchase of goods, if the
3 goods are comparable in quality and performance, to the
4 lowest responsible resident bidder whose:

5 (A) bid is not more than 3% higher than that of the
6 lowest responsible nonresident bidder;

7 (B) offered goods are Montana-made and whose bid is not
8 more than 5% higher than that of the lowest responsible
9 nonresident bidder; or

10 (C) offered goods are Montana-made and whose bid is not
11 more than 3% higher than that of the lowest responsible
12 resident bidder whose offered goods are not Montana-made.

13 (b) (i) If both subsections (1)(a)(ii)(B) and
14 (1)(a)(ii)(C) are applicable to bids for a contract, the
15 contract must be awarded to the resident bidder whose
16 offered goods are Montana-made if the bid is:

17 (A) not more than 3% higher than that of a resident
18 bidder whose offered goods are not Montana-made; and

19 (B) not more than 5% higher than that of the
20 nonresident bidder.

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

23 (2) The preferences in this section apply:

- 24 (a) whether the law requires advertisement for bids or
- 25 does not require advertisement for bids; and



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1 (b) to contracts involving funds obtained from the
2 federal government unless expressly prohibited by the laws
3 of the United States or regulations adopted pursuant
4 thereto."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0397, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act to specifically apply the law requiring a preference for Montana purchases to the procurement of computer systems and services; and amending section 18-1-102, MCA.

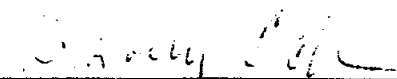
ASSUMPTIONS:

1. The proposed legislation adds the procurement of computer systems and services to the statute requiring the award of state contracts to the lowest resident bidder.
2. Current law requires the state to award a bid to a resident vendor if the resident vendor's bid is not more than 3% higher than the lowest responsible nonresident bidder.
3. Experience from prior bids indicates Montana vendors of computer systems and services are at least 10% higher than nonresident vendors.
4. The proposed legislation will not significantly impact current trends in the award of bids for goods and services.

FISCAL IMPACT:

None.


ROD SUNDSTED, BUDGET DIRECTOR 2/20/91
Office of Budget and Program Planning DATE


DOROTHY ECK, PRIMARY SPONSOR 2/21/91
Fiscal Note for SB0397, as introduced DATE
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