

1 ^H BILL NO. 265
2 INTRODUCED BY Frank Moore Wesley Padonak

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT ANY STATE
5 OFFICERS OR EMPLOYEES FROM HAVING A PECUNIARY INTEREST IN
6 ANY CONTRACT MADE WITH THE STATE UNDER TITLE 82, CHAPTER 19,
7 R.C.M. 1947, AND AMENDING SECTION 82-1922, R.C.M. 1947."

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

10 Section 1. Section 82-1922, R.C.M. 1947, is amended to
11 read as follows:

12 "82-1922. Transfer of contract forbidden -- agreement
13 between bidders invalidates contracts -- interest in
14 contracts by state officers and employees forbidden --
15 penalty: (1) No contract or order or any interest therein
16 may be transferred by the party to whom the contract or
17 order is given to any other party, and the state may declare
18 void any such transfer. Collusion or secret agreements
19 between bidders for the purpose of securing any advantage to
20 the bidders as against the state in the awarding of
21 contracts is prohibited, and the state may declare the
22 contract void if the department finds sufficient evidence
23 after a contract has been let that the contract was obtained
24 by a bidder or bidders, by reason of collusive or secret
25 agreement among the bidders to the disadvantage of the

1 state.

2 (2) All rights of action, however, for a breach of a
3 contract by the contracting parties are reserved to the
4 state.

5 ~~(3) No member of the legislature or any elected or~~
6 ~~appointed state officer, including a member of any state~~
7 ~~board or commission or any deputy thereof, or employee of~~
8 ~~the state in any capacity may have a pecuniary interest in~~
9 ~~any contract made under the provisions of this chapter.~~

10 (4) A person who violates the provisions of this act
11 is guilty of a misdemeanor and shall be fined not less than
12 ~~five hundred dollars (\$500)~~ nor more than ~~five thousand~~
13 ~~dollars (\$5,000)~~ and the state of Montana shall have the
14 right at its option to declare any contract in violation of
15 the provisions of this act void ab initio."

-End-

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