

SENATE BILL 171

IN THE SENATE

January 19, 1979	Introduced and referred to Committee on State Administration.
January 22, 1979	Fiscal note requested.
January 26, 1979	Fiscal note returned.
February 12, 1979	Committee recommend bill, as amended.
February 13, 1979	Printed and placed on members' desks.
February 14, 1979	Second reading, do pass.
February 15, 1979	Considered correctly engrossed.
February 16, 1979	Third reading, passed.

IN THE HOUSE

February 17, 1979	Introduced and referred to Committee on State Administration.
March 8, 1979	Committee recommend bill, not concurred.
March 9, 1979	Report adopted. Objection.
March 16, 1979	On motion, taken from second reading and referred to Committee on State Administration.
April 20, 1979	Died in Committee.



STATE OF MONTANA

Request No. 75-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 23, 1979, there is hereby submitted a Fiscal Note for Senate Bill 171 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION

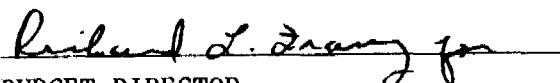
An act to require advertising and competitive bidding for leasing state office space.

FISCAL IMPACT

It is impossible to estimate a savings in the proposed Senate Bill. There could be a savings and yet it could possibly cost more to bid out each building lease. The cost for advertisement of bids is estimated to be \$6,000 per year based on an estimated 200 bids per year.

TECHNICAL NOTE

The Department of Administration suggests that the proposed legislation may conflict with 18-4-102, M.C.A.

  
BUDGET DIRECTOR  
Office of Budget and Program Planning  
Date: 1/26/79

## STATE OF MONTANA

REQUEST NO. 75-79 amended

## FISCAL NOTE

Form BD-15

In compliance with a written request received February 28, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 171 amended pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 171 is an act to require advertising and competitive bidding for leasing State office spaces and providing an effective date.

## ASSUMPTIONS:

1. The act would be effective January 1, 1980.
2. Additional F.T.E.s will be required to provide the necessary personal services; One (1) Purchasing Agent II, Grade 13 and one (1) Clerk Typist III, Grade 6.
3. There are currently 174 office space leases in the fourteen (14) first and second class cities; 51 separate leases in the Helena area and 123 leases in the other thirteen (13) cities.
4. The mileage and per diem required to hold competitive bid openings, evaluation and award in the city where the office space is desired will average three (3) days.

## FISCAL IMPACT:

	<u>FY 79-80</u>	<u>FY 80-81</u>
Proposed Law		
Personal Services	\$12,450	\$26,394
Operating Expenses	8,762	17,524
Capital Outlay	<u>2,150</u>	<u>0</u>
Total expenditures under proposed law	\$23,362	\$43,918
Expenditures under current law	<u>0</u>	<u>0</u>
Increased expenditures under proposed law	<u>\$23,362</u>	<u>\$43,918</u>

The additional cost must be funded from the State General Fund.

## LOCAL IMPACT:

None

*Richard L. Tracy*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/11/79

Approved by Committee  
on State Administration

1                   SENATE BILL NO. 171  
2           INTRODUCED BY LOCKREM, RASMUSSEN, THIESSEN, TOWE  
3  
4   A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE ADVERTISING  
5   AND COMPETITIVE BIDDING FOR LEASING STATE OFFICE SPACE; AND  
6   PROVIDING AN EFFECTIVE DATE."  
7  
8   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
9        Section 1. Leasing office space. (1) The department of  
10   administration shall advertise and receive bids for the  
11   lease of any state office space ~~IN CITIES OF THE FIRST AND~~  
12   ~~SECOND CLASS~~. Such bids shall be solicited only when there  
13   is no office space available from space currently leased or  
14   owned by the state.  
15        (2) The director of the department of administration  
16   shall implement the provisions of subsection (1) and certify  
17   that the space currently leased is inadequate for the agency  
18   or office requesting new office space.  
19        Section 2. Notice.       (1) The department of  
20   administration shall publish a notice requesting necessary  
21   office space 60 days prior to the award for any lease for  
22   office space.  
23        (2) The notice shall state:  
24        (a) the name of the agency;  
25        (b) the particular requirements of the agency;

1           (c) the number of employees;  
2           (d) the amount of square footage necessary; or  
3           (e) any special services required in the office space.  
4        Section 3. Award of leases. (1) The award of leases  
5   for the necessary office space shall be by competitive bid  
6   held in the city where the office space is desired. The  
7   department shall award the lease on the basis of competitive  
8   bid. Leased office space must meet the minimum requirements  
9   advertised by the department.  
10       (2) No lease of office space may be negotiated for a  
11   period longer than 5 years. The department may, however,  
12   renegotiate an option to renew its 5-year lease. The renewed  
13   lease may not be for a period longer than 5 years.  
14        Section 4. Effective date. This act is effective  
15   January 1, 1980.

-End-

SENATE BILL NO. 171

INTRODUCED BY LOCKREM, RASMUSSEN, THIESSEN, TOWE

A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE ADVERTISING AND COMPETITIVE BIDDING FOR LEASING STATE OFFICE SPACE; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Leasing office space. (1) The department of administration shall advertise and receive bids for the lease of any state office space ~~IN CITIES OF THE FIRST AND SECOND CLASS~~. Such bids shall be solicited only when there is no office space available from space currently leased or owned by the state.

(2) The director of the department of administration shall implement the provisions of subsection (1) and certify that the space currently leased is inadequate for the agency or office requesting new office space.

Section 2. Notice. (1) The department of administration shall publish a notice requesting necessary office space 60 days prior to the award for any lease for office space.

(2) The notice shall state:

- (a) the name of the agency;
(b) the particular requirements of the agency;

- (c) the number of employees;
(d) the amount of square footage necessary; or
(e) any special services required in the office space.

Section 3. Award of leases. (1) The award of leases for the necessary office space shall be by competitive bid held in the city where the office space is desired. The department shall award the lease on the basis of competitive bid. Leased office space must meet the minimum requirements advertised by the department.

(2) No lease of office space may be negotiated for a period longer than 5 years. The department may, however, renegotiate an option to renew its 5-year lease. The renewed lease may not be for a period longer than 5 years.

Section 4. Effective date. This act is effective January 1, 1980.

-End-