

SENATE BILL 171

IN THE SENATE

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|-------------------|---|
| 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. |

Senate BILL NO. 171
INTRODUCED BY LOCKREM Rosamond Thiesen

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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
10 of administration shall advertise and receive bids for the
11 lease of any state office space. Such bids shall be
12 solicited only when there is no office space available from
13 space currently leased or owned by the state.

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

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

22 (2) The notice shall state:

23 (a) the name of the agency;
24 (b) the particular requirements of the agency;
25 (c) the number of employees;

1 (d) the amount of square footage necessary; or
2 (e) any special services required in the office space.
3 Section 3. Award of leases. (1) The award of leases
4 for the necessary office space shall be by competitive bid
5 held in the city where the office space is desired. The
6 department shall award the lease on the basis of competitive
7 bid. Leased office space must meet the minimum requirements
8 advertised by the department.

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

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

-End-

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.

Richard L. Drury for
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, 1979, 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 Z. Drayton
BUDGET DIRECTOR
Office of Budget and Program Planning
Date: 3/11/78

Approved by Committee
on State Administration

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2 INTRODUCED BY LOCKREM, RASMUSSEN, THIESSEN, TOWE

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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
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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
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