

HOUSE BILL NO. 143

1/11 Introduced
1/11 Referred to State Administration
1/15 Fiscal Note Requested
1/17 Hearing
1/18 Committee Report-Bill Do Pass
1/21 Fiscal Note Received
1/23 2nd Reading Pass As Amended
1/25 3rd Reading Pass

Transmitted to Senate

1/26 Referred to State Administration
2/01 Hearing
2/01 Tabled in Committee

1 HOUSE BILL NO. 143
 2 INTRODUCED BY Bridanow
 3 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
 6 DEPARTMENT OF ADMINISTRATION TO REVIEW COST ESTIMATES
 7 PREPARED BY ARCHITECTS FOR STATE BUILDING CONSTRUCTION
 8 PROJECTS COSTING MORE THAN \$25,000; AMENDING SECTION
 9 18-2-103, MCA; AND PROVIDING AN EFFECTIVE DATE."
 10

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

12 Section 1. Section 18-2-103, MCA, is amended to read:
 13 "18-2-103. Supervision of construction of buildings.

14 (1) For the construction of a building costing more than
 15 \$25,000, the department of administration shall:

16 (a) review and approve all plans and working drawings
 17 and review cost estimates prepared by architects;

18 (b) approve all bond issues or other financial
 19 arrangements and supervise and approve the expenditure of
 20 all moneys;

21 (c) under the supervision and with the approval of the
 22 board of examiners, solicit, accept, and reject bids and
 23 award all contracts to the lowest qualified bidder
 24 considering conformity with specifications and terms and
 25 reasonableness of bid amount;

1 (d) review and, with the consent of the board of
 2 examiners, approve all change orders;

3 (e) accept the building when completed according to
 4 approved plans and specifications.

5 (2) For repair and maintenance projects, the
 6 supervision, approval, and consent of the board of examiners
 7 are not required.

8 (3) Before any contract under subsection (1) is
 9 awarded, two formal bids must have been received, if
 10 reasonably available.

11 (4) The department of administration is responsible
 12 for concurring in construction projects where the proposed
 13 cost is less than \$25,000 but more than \$5,000. Before any
 14 contract under this subsection is approved for construction,
 15 alteration, repair, maintenance, or improvement, at least
 16 three informal bids, if reasonably available, shall be
 17 procured from bona fide contractors duly licensed as such in
 18 the state of Montana.

19 (5) The department need not require the provisions of
 20 Montana law relating to advertising, bidding, or supervision
 21 where proposed construction costs are less than \$5,000.

22 (6) For the construction of buildings owned or to be
 23 owned by a school district, the department of administration
 24 shall, upon request, provide inspection to insure compliance
 25 with the plans and specifications for the construction of



1 such buildings. "Construction" shall include construction,
2 repair, alteration, equipping, and furnishing during
3 construction, repair, or alteration. These services shall be
4 provided at a cost to be contracted for between the
5 department of administration and the school district, with
6 the receipts to be deposited in the department of
7 administration's construction regulation account in a state
8 special revenue fund.

9 (7) It is the intent of the legislature that student
10 housing and other facilities constructed under the authority
11 of the regents of the university system are subject to the
12 provisions of subsections (1) through (3) of this section."

13 NEW SECTION. Section 2. Effective date. This act is
14 effective July 1, 1985.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN094-85

Form BD-15

In compliance with a written request received January 15, 19 85, there is hereby submitted a Fiscal Note for H.B. 143 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). 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.

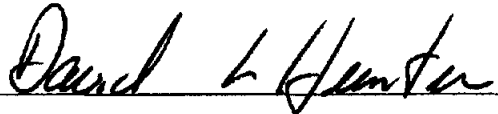
PROPOSED LEGISLATION:

H.B. 143 would require the Department of Administration to review cost estimates proposed by architects for state building construction projects costing more than \$25,000.

ASSUMPTION:

1. Architecture & Engineering Division presently reviews all building project cost estimates prepared by Architects or Engineers. If the estimate appears to be over the allowable budget, the Architect or Engineer is required to reduce the project by use of alternate bids and/or by other means. There will be no increase or decrease in the Division's workload.

NO FISCAL IMPACT.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 19, 1985

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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