

HOUSE BILL NO. 146

INTRODUCED BY LORY

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE HOUSE

January 11, 1985	Introduced and referred to Committee on State Administration.
January 15, 1985	Fiscal Note requested.
January 18, 1985	Committee recommend bill do not pass. Report adopted.
January 19, 1985	Fiscal Note returned.
January 21, 1985	On motion, taken from adverse committee report and rereferred to Committee on State Administration.
January 25, 1985	Committee recommend bill do pass as amended. Report adopted.
	Bill printed and placed on members' desks.
January 28, 1985	Second reading, do pass. Considered correctly engrossed.
January 29, 1985	Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 30, 1985	Introduced and referred to Committee on State Administration.
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March 8, 1985 Committee recommend bill be
 concurred in as amended.
 Report adopted.

March 11, 1985 Second reading, concurred in.

March 13, 1985 Third reading, concurred in.
 Ayes, 50; Noes, 0.

 Returned to House with
 amendments.

IN THE HOUSE

March 14, 1985 Received from Senate.

April 2, 1985 Second reading, amendments not
 concurred in.

 On motion, Free Conference
 Committee requested.

April 12, 1985 Free Conference Committee
 appointed.

April 18, 1985 Free Conference Committee
 reported.

April 19, 1985 Second reading, Free
 Conference Committee report
 adopted.

 Third reading, Free Conference
 Committee report adopted.

 Free Conference Committee
 report adopted by Senate.

April 20, 1985 Sent to enrolling.

 Reported correctly enrolled.

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 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE
 6 LAWS RELATING TO THE DEPARTMENT OF ADMINISTRATION'S POWERS
 7 AND DUTIES CONCERNING THE SUPERVISION OF CONSTRUCTION OF
 8 STATE BUILDINGS; AUTHORIZING THE DEPARTMENT TO DELEGATE
 9 CERTAIN OF THOSE POWERS AND DUTIES TO OTHER STATE AGENCIES;
 10 RAISING THE NUMBER OF PROJECTS HANDLED INFORMALLY; AMENDING
 11 SECTION 18-2-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
 12 DATE."

13
 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 Section 1. Section 18-2-103, MCA, is amended to read:
 16 "18-2-103. Supervision of construction of buildings.
 17 (1) For the construction of a building costing more than
 18 \$25,000, the department of administration shall:

- 19 (a) review and approve all plans and working drawings
- 20 prepared by architects;
- 21 (b) approve all bond issues or other financial
- 22 arrangements and supervise and approve the expenditure of
- 23 all moneys;
- 24 (c) under the supervision and with the approval of the
- 25 board of examiners, solicit, accept, and reject bids and

1 award all contracts to the lowest qualified bidder
 2 considering conformity with specifications and terms and
 3 reasonableness of bid amount;

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

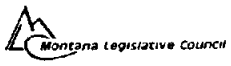
6 (e) accept the building when completed according to
 7 approved plans and specifications.

8 (2) The department may delegate any powers and duties
 9 under subsection (1) to other state agencies, including
 10 units of the Montana university system, upon terms and
 11 conditions specified by the department.

12 ~~(2)(3)~~ For repair and maintenance projects, the
 13 supervision, approval, and consent of the board of examiners
 14 are not required.

15 ~~(3)(4)~~ Before any contract under subsection (1) is
 16 awarded, two formal bids must have been received, if
 17 reasonably available.

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



1 (5) The department need not require the provisions of
 2 Montana law relating to advertising, bidding, or supervision
 3 where proposed construction costs are \$25,000 or less than
 4 \$5,000. However, with respect to a project having a
 5 proposed cost of \$25,000 or less but more than \$5,000, the
 6 agency awarding the contract must procure at least three
 7 informal bids from contractors licensed in Montana, if
 8 reasonably available.

9 (6) For the construction of buildings owned or to be
 10 owned by a school district, the department of administration
 11 shall, upon request, provide inspection to insure compliance
 12 with the plans and specifications for the construction of
 13 such buildings. "Construction" shall include construction,
 14 repair, alteration, equipping, and furnishing during
 15 construction, repair, or alteration. These services shall be
 16 provided at a cost to be contracted for between the
 17 department of administration and the school district, with
 18 the receipts to be deposited in the department of
 19 administration's construction regulation account in a state
 20 special revenue fund.

21 (7) It is the intent of the legislature that student
 22 housing and other facilities constructed under the authority
 23 of the regents of the university system are subject to the
 24 provisions of subsections (1) through ~~(3)~~ (4) of this
 25 section."

1 NEW SECTION. Section 2. Extension of authority. Any
 2 existing authority of the department of administration to
 3 make rules on the subject of the provisions of this act is
 4 extended to the provisions of this act.

5 NEW SECTION. Section 3. Effective date. This act is
 6 effective on passage and approval.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 095-85

Form BD-15

In compliance with a written request received January 15, 1985, there is hereby submitted a Fiscal Note for H.B. 146 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. 146 would allow the Department of Administration to delegate powers and duties concerning the supervision of construction of state buildings.

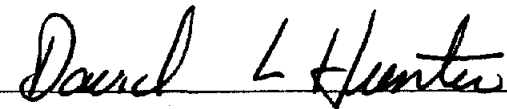
ASSUMPTIONS:

1. Those State agencies lacking construction administration staffs will continue to utilize Architecture and Engineering Division's services for repair and maintenance and other small projects.
2. Those State agencies presently having construction administration staffs will continue to administer their own repair and maintenance and other small projects.

NO FISCAL IMPACT

TECHNICAL NOTE:

Section 87-1-211, M.C.A. limits the Department of Fish, Wildlife and Parks to procuring plans for construction projects under \$5,000.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 19, 1985

APPROVED BY COMMITTEE
ON STATE ADMINISTRATION

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8 STATE BUILDINGS; AUTHORIZING THE DEPARTMENT TO DELEGATE
9 CERTAIN OF THOSE POWERS AND DUTIES TO OTHER STATE AGENCIES;
10 ~~RAISING REMOVING THE NUMBER-OF REQUIREMENT FOR DEPARTMENTAL~~
11 ~~CONCURRENCE ON CERTAIN PROJECTS HANDLED-INFORMALLY~~; AMENDING
12 SECTION 18-2-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE
13 DATE."
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16 Section 1. Section 18-2-103, MCA, is amended to read:
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18 (1) For the construction of a building costing more than
19 \$25,000, the department of administration shall:
20 (a) review and approve all plans and working drawings
21 prepared by architects;
22 (b) approve all bond issues or other financial
23 arrangements and supervise and approve the expenditure of
24 all moneys;
25 (c) under the supervision and with the approval of the

1 board of examiners, solicit, accept, and reject bids and
2 award all contracts to the lowest qualified bidder
3 considering conformity with specifications and terms and
4 reasonableness of bid amount;
5 (d) review and, with the consent of the board of
6 examiners, approve all change orders;
7 (e) accept the building when completed according to
8 approved plans and specifications.
9 (2) The department may delegate ON A
10 PROJECT-BY-PROJECT BASIS any powers and duties under
11 subsection (1) to other state agencies, including units of
12 the Montana university system, upon terms and conditions
13 specified by the department.
14 ~~(2)(3)~~ For repair and maintenance projects, the
15 supervision, approval, and consent of the board of examiners
16 are not required.
17 ~~(3)(4)~~ Before any contract under subsection (1) is
18 awarded, two formal bids must have been received, if
19 reasonably available.
20 ~~(4) The department of administration is responsible~~
21 ~~for concurring in construction projects where the proposed~~
22 ~~cost is less than \$25,000 but more than \$5,000. Before any~~
23 ~~contract under this subsection is approved for construction,~~
24 ~~alteration, repair, maintenance, or improvement, at least~~
25 ~~three informal bids, if reasonably available, shall be~~

1 ~~procured from bona fide contractors duly licensed as such in~~
2 ~~the state of Montana.~~

3 (5) The department need not require the provisions of
4 Montana law relating to advertising, bidding, or supervision
5 where proposed construction costs are \$25,000 or less than
6 \$5,000. However, with respect to a project having a
7 proposed cost of \$25,000 or less but more than \$5,000, the
8 agency awarding the contract must procure at least three
9 informal bids from contractors licensed in Montana, if
10 reasonably available.

11 (6) For the construction of buildings owned or to be
12 owned by a school district, the department of administration
13 shall, upon request, provide inspection to insure compliance
14 with the plans and specifications for the construction of
15 such buildings. "Construction" shall include construction,
16 repair, alteration, equipping, and furnishing during
17 construction, repair, or alteration. These services shall be
18 provided at a cost to be contracted for between the
19 department of administration and the school district, with
20 the receipts to be deposited in the department of
21 administration's construction regulation account in a state
22 special revenue fund.

23 (7) It is the intent of the legislature that student
24 housing and other facilities constructed under the authority
25 of the regents of the university system are subject to the

1 provisions of subsections (1) through ~~(3)~~ (4) of this
2 section."

3 NEW SECTION. Section 2. Extension of authority. Any
4 existing authority of the department of administration to
5 make rules on the subject of the provisions of this act is
6 extended to the provisions of this act.

7 NEW SECTION. Section 3. Effective date. This act is
8 effective on passage and approval.

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SENATE

STANDING COMMITTEE REPORT

March 8 19 85

MR. PRESIDENT

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE BILL No. 146

third reading copy (blue color)

carried by Senator Haffey

DELEGATION OF DEPT. OF ADMIN. CONSTRUCTION SUPERVISION TO OTHER AGENCIES

Respectfully report as follows: That HOUSE BILL No. 146

be amended as follows:

1. Title, line 11.

Following: "INFORMALLY;"

Insert: "REMOVING THE LIMITATION ON PROCUREMENT OF CONSTRUCTION PROJECTS BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS;"

2. Title, line 12.

Following: "MCA;"

Insert: "REPEALING SECTION 87-1-211, MCA;"

3. Page 4, line 3.

Following: line 2

Insert: "NEW SECTION. Section 2. Repealer. Section 87-1-211, MCA, is repealed."

Renumber: subsequent sections

AND AS AMENDED BE CONCURRED IN

~~DEPXXX~~

~~RRXOXFXX~~

Jack Haffey

Chairman.

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 13 THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS; AMENDING
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 13 subsection (1) to other state agencies, including units of
 14 the Montana university system, upon terms and conditions
 15 specified by the department.
 16 ~~(2)~~(3) For repair and maintenance projects, the
 17 supervision, approval, and consent of the board of examiners
 18 are not required.
 19 ~~(3)~~(4) Before any contract under subsection (1) is
 20 awarded, two formal bids must have been received, if
 21 reasonably available.
 22 ~~(4)--The department of administration is responsible~~
 23 ~~for concurring in construction projects where the proposed~~
 24 ~~cost is less than \$25,000 but more than \$5,000. Before any~~
 25 ~~contract under this subsection is approved for construction,~~

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4 the state of Montana.

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1 housing and other facilities constructed under the authority
2 of the regents of the university system are subject to the
3 provisions of subsections (1) through (3) (4) of this
4 section."

5 NEW SECTION. SECTION 2. REPEALER. SECTION 87-1-211,
6 MCA, IS REPEALED.

7 NEW SECTION. Section 3. Extension of authority. Any
8 existing authority of the department of administration to
9 make rules on the subject of the provisions of this act is
10 extended to the provisions of this act.

11 NEW SECTION. Section 4. Effective date. This act is
12 effective on passage and approval.

-End-

CONFERENCE COMMITTEE REPORT

Report No.1.....

...April 18, 1985....

MR. SPEAKER

We, your FREE Conference Committee on

HOUSE BILL 146, reference copy salmon

met and considered State Administration report of March 8, 1985

We recommend as follows:

1. Page 2, line 15.

Following: ". "

Insert: "However, any powers and duties subject to the approval of the board of examiners may not be delegated."

And that this Conference Committee report be adopted.

FOR THE SENATE

FOR THE HOUSE

Jack Haffey
Haffey, Chairman

Boylan
Boylan

Farrell
Farrell

Driscoll
Driscoll

Fritz
Fritz

Lory
Lory

Keyser
Keyser

ADOPT REJECT

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 12 ~~PROJECT-BY-PROJECT BASIS any powers and duties under~~
 13 ~~subsection (1) to other state agencies, including units of~~
 14 ~~the Montana university system, upon terms and conditions~~
 15 ~~specified by the department. HOWEVER, ANY POWERS AND DUTIES~~
 16 ~~SUBJECT TO THE APPROVAL OF THE BOARD OF EXAMINERS MAY NOT BE~~
 17 ~~DELEGATED.~~

18 ~~(2)(3) For repair and maintenance projects, the~~
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 8 MCA, IS REPEALED.

9 NEW SECTION. Section 3. Extension of authority. Any
 10 existing authority of the department of administration to
 11 make rules on the subject of the provisions of this act is
 12 extended to the provisions of this act.

13 NEW SECTION. Section 4. Effective date. This act is
 14 effective on passage and approval.

-End-