

HOUSE BILL NO. 853

INTRODUCED BY KRUEGER, DRISCOLL, HARRINGTON

IN THE HOUSE

February 16, 1985	Introduced and referred to Committee on Business and Labor.
February 22, 1985	Committee recommend bill do pass as amended. Report adopted.
	Bill printed and placed on members' desks.
February 25, 1985	Second reading, do pass.
	Considered correctly engrossed.
February 26, 1985	Third reading, passed.
	Transmitted to Senate.

IN THE SENATE

March 4, 1985	Introduced and referred to Committee on Labor and Employment Relations.
March 22, 1985	Committee recommend bill be concurred in as amended. Report adopted.
	Statement of Intent attached.
March 23, 1985	Second reading, concurred in as amended.
March 25, 1985	On motion, taken from engrossing and rereferred to second reading. Motion adopted.

March 27, 1985	Second reading, concurred in as amended.
	Second reading, Statement of Intent amended.
March 28, 1985	Fiscal Note requested.
March 29, 1985	Third reading, concurred in. Ayes, 43; Noes, 6.
	Returned to House with amendments and Statement of Intent.

IN THE HOUSE

March 29, 1985	Received from Senate.
April 1, 1985	Fiscal Note returned.
April 8, 1985	Second reading, amendments and Statement of Intent concurred in.
	On motion, rules suspended and bill placed on third reading this day.
	Third reading, amendments and Statement of Intent concurred in.
	Sent to enrolling.
	Reported correctly enrolled.

1 HOUSE BILL NO. 853
2 INTRODUCED BY KRUEGER Dorell Hampton

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ALL
5 STATE CONSTRUCTION PROJECTS BE PERFORMED BY A WORK FORCE
6 CONSISTING OF AT LEAST 50 PERCENT BONA FIDE MONTANA
7 RESIDENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
8 APPLICABILITY DATE."

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

11 Section 1. Montana residents to be employed on state
12 construction contracts. (1) On any state construction
13 project funded by state funds and to which the state is a
14 signatory to the construction contract, at least 50% of the
15 worker hours on a craft-by-craft basis must be performed by
16 bona fide Montana residents, as defined in 18-2-401.

17 (2) For any contract awarded for a state construction
18 project, there must be inserted in the bid specification and
19 the contract a provision implementing the requirements of
20 subsection (1).

21 Section 2. Codification instruction. Section 1 is
22 intended to be codified as an integral part of Title 18,
23 chapter 2, and the provisions of Title 18, chapter 2, apply
24 to section 1.

25 Section 3. Severability. If a part of this act is

1 invalid, all valid parts that are severable from the invalid
2 part remain in effect. If a part of this act is invalid in
3 one or more of its applications, the part remains in effect
4 in all valid applications that are severable from the
5 invalid applications.

6 Section 4. Applicability. This act applies to state
7 construction contracts for which bids are solicited after
8 the effective date of this act.

9 Section 5. Effective date. This act is effective on
10 passage and approval.

-End-



STATE OF MONTANA

REQUEST NO. FNN 525-85

FISCAL NOTE

Form BD-15

In compliance with a written request received March 28, 19 85, there is hereby submitted a Fiscal Note for House Bill 853 Amended 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.

DESCRIPTION OF PROPOSED LEGISLATION:

Requiring a work force of at least 50% of Montana's residents.

ASSUMPTIONS:

1. FY 1986 one rule making hearing - 15 investigations in the field.
2. In FY 1987 - 15 investigations in the field.
3. Assume this bill applies only to state government entities and funds passed through from state government to other political subdivisions.

FISCAL IMPACT:

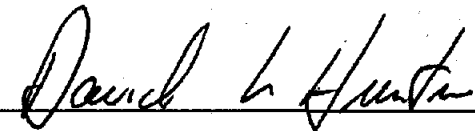
General Fund:

Expenditures under proposed law:

FY 1986	\$4,894
FY 1987	\$2,922

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Annual investigations.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: April 1, 1985

HB 853

APPROVED BY COMM. ON
BUSINESS AND LABOR

1 HOUSE BILL NO. 853

2 INTRODUCED BY KRUEGER, DRISCOLL, HARRINGTON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ALL
5 CERTAIN STATE CONSTRUCTION PROJECTS BE PERFORMED BY A WORK
6 FORCE CONSISTING OF AT LEAST 50 PERCENT BONA FIDE MONTANA
7 RESIDENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
8 APPLICABILITY DATE."

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

11 Section 1. Montana residents to be employed on state
12 construction contracts. (1) On any state construction
13 project funded by state funds, EXCEPT A PROJECT PARTIALLY
14 FUNDED WITH FEDERAL AID MONEY FROM THE UNITED STATES
15 DEPARTMENT OF TRANSPORTATION, and to which the state is a
16 signatory to the construction contract, at least 50% of the
17 worker hours on a craft-by-craft basis must be performed by
18 bona fide Montana residents, as defined in 18-2-401.

19 (2) For any contract awarded for a state construction
20 project, EXCEPT A PROJECT PARTIALLY FUNDED WITH FEDERAL AID
21 MONEY FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION,
22 there must be inserted in the bid specification and the
23 contract a provision implementing the requirements of
24 subsection (1).

25 Section 2. Codification instruction. Section 1 is

1 intended to be codified as an integral part of Title 18,
2 chapter 2, and the provisions of Title 18, chapter 2, apply
3 to section 1.

4 Section 3. Severability. If a part of this act is
5 invalid, all valid parts that are severable from the invalid
6 part remain in effect. If a part of this act is invalid in
7 one or more of its applications, the part remains in effect
8 in all valid applications that are severable from the
9 invalid applications.

10 Section 4. Applicability. This act applies to state
11 construction contracts for which bids are solicited after
12 the effective date of this act.

13 Section 5. Effective date. This act is effective on
14 passage and approval.

-End-

1 HOUSE BILL NO. 853

2 INTRODUCED BY KRUEGER, DRISCOLL, HARRINGTON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ALL
5 CERTAIN STATE CONSTRUCTION PROJECTS BE PERFORMED BY A WORK
6 FORCE CONSISTING OF AT LEAST 50 PERCENT BONA FIDE MONTANA
7 RESIDENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
8 APPLICABILITY DATE."

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

11 Section 1. Montana residents to be employed on state
12 construction contracts. (1) On any state construction
13 project funded by state funds, EXCEPT A PROJECT PARTIALLY
14 FUNDED WITH FEDERAL AID MONEY FROM THE UNITED STATES
15 DEPARTMENT OF TRANSPORTATION, and to which the state is a
16 signatory to the construction contract, at least 50% of the
17 worker hours on a craft-by-craft basis must be performed by
18 bona fide Montana residents, as defined in 18-2-401.

19 (2) For any contract awarded for a state construction
20 project, EXCEPT A PROJECT PARTIALLY FUNDED WITH FEDERAL AID
21 MONEY FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION,
22 there must be inserted in the bid specification and the
23 contract a provision implementing the requirements of
24 subsection (1).

25 Section 2. Codification instruction. Section 1 is

1 intended to be codified as an integral part of Title 18,
2 chapter 2, and the provisions of Title 18, chapter 2, apply
3 to section 1.

4 Section 3. Severability. If a part of this act is
5 invalid, all valid parts that are severable from the invalid
6 part remain in effect. If a part of this act is invalid in
7 one or more of its applications, the part remains in effect
8 in all valid applications that are severable from the
9 invalid applications.

10 Section 4. Applicability. This act applies to state
11 construction contracts for which bids are solicited after
12 the effective date of this act.

13 Section 5. Effective date. This act is effective on
14 passage and approval.

-End-

SENATE

STANDING COMMITTEE REPORT

MR. PRESIDENT

We, your committee on LABOR AND EMPLOYMENT RELATIONS

having had under consideration HOUSE BILL No. 853

third reading copy (blue)
color

REQUIRE STATE CONSTRUCTION CONTRACTS BE PERFORMED BY 50% MONTANA RESIDENTS

(Senator Lynch will carry the bill)

Respectfully report as follows: That HOUSE BILL No. 853

be amended as follows:

1. Title, line 4.
Following: "THAT"
Insert: "AT LEAST 50% OF THE WORK ON"
2. Title, lines 5 and 6.
Following: "By" on line 5
Strike: remainder of line 5 through "PERCENT" on line 6
3. Title, line 7.
Following "PROVIDING"
Strike: "AN IMMEDIATE EFFECTIVE DATE AND"
4. Page 1, line 13.
Following: "state"
Insert: "or federal"
5. Page 1, line 15.
Following: "TRANSPORTATION,"
Insert: "or where residency preference laws are specifically prohibited by federal law,"

(continued)

6. Page 1, line 17.
Following: line 16
Strike: "workers hours on a craft-by-craft basis"
Insert: "work"

7. Page 1, line 21.
Following: "TRANSPORTATION,"
Insert: "or where residency preference laws are specifically prohibited by federal law,"

8. Page 1, line 23.
Following: "provision"
Insert: ", in language approved by the commissioner of labor and industry,"

9. Page 1, line 24.
Following: "(1)."
Insert: "The bid specification and the contract must provide that at least 50% of the work on the project will be performed by bona fide Montana residents. If there are two or more contracts, and due to a lack of qualified personnel a contractor cannot guarantee that at least 50% of his work will be by Montana residents, his contract must provide that the percent the commissioner of labor and industry believes possible will be performed by Montana residents and one or more of the other contracts must provide for a higher percentage of work by Montana residents so that 50% of the total work on the project will be by Montana residents.
(3) The commissioner of labor and industry shall enforce this section and investigate complaints of its violation and may adopt rules to implement this section."

10. Page 2, lines 13 and 14.
Following: line 12
Strike: Section 5 in its entirety

AND AS AMENDED

BE CONCURRED IN

STATEMENT OF INTENT ADOPTED

AND ATTACHED

XXXXXX

XXXXXX

Chairman

SENATOR J. D. LYNCH

MR. PRESIDENT,

WE, YOUR COMMITTEE ON LABOR AND EMPLOYMENT HAVING HAD UNDER CONSIDERATION HOUSE BILL NO. 853, ATTACH THE FOLLOWING STATEMENT OF INTENT:

STATEMENT OF INTENT
HOUSE BILL 853

A statement of intent is required for this bill because section 1 grants rulemaking authority to the commissioner of labor and industry.

The rules should, at a minimum:

- (1) provide the most practical method or methods for quantifying the requirement that at least 50% of the work on a project must be performed by Montana residents so that the quantification method or methods can be applied to contracts and projects to ensure that the requirement is complied with;
- (2) include a procedure by which the commissioner will determine whether or not 50% of the work by a contractor can be performed by Montana residents, and if it cannot, what percent can be so performed; and
- (3) include procedures for investigating complaints and enforcing section 1.

1 STATEMENT OF INTENT

2 HOUSE BILL 853

3 House Labor and Employment Committee

4

5 A statement of intent is required for this bill because
6 section 1 grants rulemaking authority to the commissioner of
7 labor and industry.

8 The rules should, at a minimum:

9 (1) provide the most practical method or methods for
10 quantifying the requirement that at least 50% of the work
11 WORKERS on a project must be ~~performed-by~~ Montana residents
12 so that the quantification method or methods can be applied
13 to contracts and projects to ensure that the requirement is
14 complied with;

15 (2) include a procedure by which the commissioner will
16 determine whether or not 50% of the work-by WORKERS OF a
17 contractor ~~can-be~~ ARE performed-by Montana residents, ~~and-if~~
18 ~~it-cannot, what-percent-can-be-so-performed;~~ and

19 (3) include procedures for investigating complaints
20 and enforcing section 1.

REFERENCE BILL

HB 853

HOUSE BILL NO. 853

INTRODUCED BY KRUEGER, DRISCOLL, HARRINGTON

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT ~~ALL AT~~
~~LEAST 50% OF THE WORK ON~~ CERTAIN STATE CONSTRUCTION PROJECTS
 BE PERFORMED BY ~~A--WORK--FORCE--CONSISTING--OF--AT--LEAST--50~~
 PERCENT A WORK FORCE CONSISTING OF AT LEAST 50 PERCENT BONA
 FIDE MONTANA RESIDENTS; AND PROVIDING ~~AN IMMEDIATE EFFECTIVE~~
~~DATE AND AN APPLICABILITY DATE.~~"

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

Section 1. Montana residents to be employed on state
 construction contracts. (1) On any state construction
 project funded by state OR FEDERAL funds, EXCEPT A PROJECT
PARTIALLY FUNDED WITH FEDERAL AID MONEY FROM THE UNITED
STATES DEPARTMENT OF TRANSPORTATION, OR WHERE RESIDENCY
PREFERENCE LAWS ARE SPECIFICALLY PROHIBITED BY FEDERAL LAW
 and to which the state is a signatory to the construction
 contract, at least 50% of the ~~worker---hours---on---a~~
~~craft-by-craft--basis~~ WORK must be performed by bona fide
 Montana residents, as defined in 18-2-401.

(2) For any contract awarded for a state construction
 project, EXCEPT A PROJECT PARTIALLY FUNDED WITH FEDERAL AID
MONEY FROM THE UNITED STATES DEPARTMENT OF TRANSPORTATION,
OR WHERE RESIDENCY PREFERENCE LAWS ARE SPECIFICALLY

PROHIBITED BY FEDERAL LAW there must be inserted in the bid
 specification and the contract a provision, IN LANGUAGE
APPROVED BY THE COMMISSIONER OF LABOR AND INDUSTRY,
 implementing the requirements of subsection (1). THE BID
SPECIFICATION AND THE CONTRACT MUST PROVIDE THAT AT LEAST
50% OF THE WORK WORKERS ON THE PROJECT WILL BE PERFORMED BY
BONA FIDE MONTANA RESIDENTS. IF THERE ARE TWO OR MORE
CONTRACTS AND DUE TO A LACK OF QUALIFIED PERSONNEL A
CONTRACTOR CANNOT GUARANTEE THAT AT LEAST 50% OF HIS WORK
WORKERS WILL BE BY MONTANA RESIDENTS, HIS CONTRACT MUST
PROVIDE THAT THE PERCENT THE COMMISSIONER OF LABOR AND
INDUSTRY BELIEVES POSSIBLE WILL BE PERFORMED BY MONTANA
RESIDENTS AND ONE OR MORE OF THE OTHER CONTRACTS MUST
PROVIDE FOR A HIGHER PERCENTAGE OF WORK-BY MONTANA RESIDENTS
SO THAT 50% OF THE ~~TOTAL~~-WORK WORKERS ON THE PROJECT WILL BE
BY MONTANA RESIDENTS.

(3) THE COMMISSIONER OF LABOR AND INDUSTRY SHALL
ENFORCE THIS SECTION AND INVESTIGATE COMPLAINTS OF ITS
VIOLATION AND MAY ADOPT RULES TO IMPLEMENT THIS SECTION.

Section 2. Codification instruction. Section 1 is
 intended to be codified as an integral part of Title 18,
 chapter 2, and the provisions of Title 18, chapter 2, apply
 to section 1.

Section 3. Severability. If a part of this act is
 invalid, all valid parts that are severable from the invalid

1 part remain in effect. If a part of this act is invalid in
2 one or more of its applications, the part remains in effect
3 in all valid applications that are severable from the
4 invalid applications.

5 Section 4. Applicability. This act applies to state
6 construction contracts for which bids are solicited after
7 the effective date of this act.

8 ~~Section 5. Effective date. This act is effective on~~
9 ~~passage and approval.~~

-End-