

SB 117 INTRODUCED BY HALLIGAN
ALLOWING DOMESTIC CORPORATIONS TO QUALIFY FOR STATE
CONTRACT BIDDING PREFERENCE

1/16 INTRODUCED
1/16 REFERRED TO BUSINESS & INDUSTRY
1/16 FISCAL NOTE REQUESTED
1/23 FISCAL NOTE RECEIVED
DIED IN COMMITTEE

1 *Senate* BILL NO. 117
2 INTRODUCED BY _____

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW DOMESTIC
5 CORPORATIONS ORGANIZED UNDER MONTANA LAW TO QUALIFY FOR A
6 STATE CONTRACT BIDDING PREFERENCE; AND AMENDING SECTION
7 18-1-103, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 18-1-103, MCA, is amended to read:

11 "18-1-103. Residence defined. (1) For the purpose of
12 18-1-102, 18-1-103, and 18-1-112, the word "resident" shall
13 include actual residence of an individual within this state
14 for a period of more than 1 year immediately prior to
15 bidding.

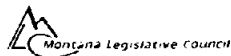
16 (2) In a partnership enterprise or an association, the
17 majority of all partners or association members shall have
18 been actual residents of the state of Montana for more than
19 1 year immediately prior to bidding.

20 (3) Domestic corporations organized under the laws of
21 the state of Montana are prima facie eligible to bid as
22 residents, ~~but this qualification may be set aside and a~~
23 ~~successful bid disallowed where it is shown to the~~
24 ~~satisfaction of the board, commission, officer, or~~
25 ~~individual charged with the responsibility for the execution~~

1 ~~of such contract that said corporation is a wholly-owned~~
2 ~~subsidiary of a foreign corporation or that said corporation~~
3 ~~was formed for the purpose of circumventing the provisions~~
4 ~~relating to residence.~~

5 (4) Notwithstanding the foregoing, any bidder on a
6 contract for purchase of products, materials, supplies, or
7 equipment, whether an individual, partnership, or
8 corporation, foreign or domestic and regardless of ownership
9 thereof, whose offered materials, supplies, or equipment are
10 manufactured or produced in this state by industry located
11 in Montana and Montana labor shall be deemed to be a
12 resident for the purpose of 18-1-102, 18-1-103, and
13 18-1-112."

-End-



-2- INTRODUCED BILL
SB-117

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB117, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to allow domestic corporations organized under Montana Law to qualify for a state contract bidding preference; and amending section 18-1-103, MCA.

ASSUMPTIONS:

1. Re-establish bidding status of vendors through a mass mailing to the state's central bidders list.
2. Current staff will have to absorb increase in workload.
3. There will be an increase in the number of bidders, approximately 4,000.

FISCAL IMPACT:

<u>Expenditures:</u>	<u>FY88</u>
Special Mailing	\$ 4,960

Funding: General Fund

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

An increase in the volume of Bidder Affidavit Forms received and processed by the Purchasing Division is indicated, once it is realized by private industry that the residency determination, as it applies to foreign corporations, has been relaxed.

 DATE 1/22/87

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

 DATE 1-23-87

MIKE HALLIGAN, PRIMARY SPONSOR

Fiscal Note for SB117, as introduced.