

HOUSE BILL 302

Introduced by Wyatt, et al.

|      |                              |
|------|------------------------------|
| 1/21 | Introduced                   |
| 1/21 | Referred to Local Government |
| 1/21 | First Reading                |
| 2/04 | Hearing                      |
| 2/04 | Tabled in Committee          |

1 House BILL NO. 302  
 2 INTRODUCED BY Wyatt Nelson  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING FROM \$10,000  
 5 TO \$20,000 THE AMOUNT ABOVE WHICH ADVERTISED BIDDING IS  
 6 REQUIRED IN MUNICIPAL PURCHASE AND CONSTRUCTION CONTRACTS;  
 7 INCREASING THE MAXIMUM PERMISSIBLE TERMS OF MUNICIPAL  
 8 INSTALLMENT CONTRACTS FROM 5 YEARS TO 10 YEARS; INCREASING  
 9 FROM \$25,000 TO \$60,000 THE AMOUNT UNDER WHICH A  
 10 MUNICIPALITY MAY PURCHASE VEHICLES, MACHINERY, BUILDINGS,  
 11 AND CERTAIN OTHER GOODS AT PUBLIC AUCTION RATHER THAN BY  
 12 SOLICITING BIDS; REDUCING THE AMOUNT OF A CONTRACT THAT MAY  
 13 BE PAID IN INSTALLMENTS; AND AMENDING SECTIONS 7-5-4302,  
 14 7-5-4306, AND 7-5-4310, MCA."

15  
 16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 **Section 1.** Section 7-5-4302, MCA, is amended to read:

18 "7-5-4302. Competitive, advertised bidding required for  
 19 certain purchase and construction contracts. (1) Except as  
 20 provided in 7-5-4303 or 7-5-4310, all contracts for the  
 21 purchase of any automobile, truck, other vehicle, road  
 22 machinery, other machinery, apparatus, appliances, or  
 23 equipment, for any materials or supplies of any kind, or for  
 24 construction, repair, or maintenance ~~for which must be paid~~  
 25 ~~a sum exceeding \$10,000~~ \$20,000 must be let to the lowest

1 responsible bidder after advertisement for bids.

2 (2) Such The advertisement ~~shall~~ must be made in the  
 3 official newspaper of the city or town if there ~~be--such~~ is  
 4 an official newspaper, and if not, it ~~shall~~ must be made in  
 5 a daily newspaper of general circulation published in the  
 6 city or town if there ~~be--such~~ is a newspaper of general  
 7 circulation published in the city or town and, otherwise, by  
 8 posting in three of the most public places in the city or  
 9 town. Such The advertisement, if ~~by--publication~~ published in  
 10 a newspaper, ~~shall~~ must be made once each week for 2  
 11 consecutive weeks, and the second publication ~~shall~~ may not  
 12 be made ~~not~~ less than 5 days or more than 12 days before the  
 13 consideration of bids. If ~~such~~ the advertisement is made by  
 14 posting, 15 days must elapse, including the day of posting,  
 15 between the time of the posting of ~~such~~ the advertisement  
 16 and the day set for considering bids.

17 (3) The council may postpone action ~~as-to-any-such~~ on a  
 18 contract under subsection (1) until the next regular meeting  
 19 after bids are received in response to ~~such~~ the  
 20 advertisement and may reject any and all bids and  
 21 readvertise as provided herein in this section."

22 **Section 2.** Section 7-5-4306, MCA, is amended to read:

23 "7-5-4306. Use of installment purchase contract. (1)  
 24 Subject to the requirements of subsection (2), when the  
 25 amount to be paid under ~~any-such~~ a contract ~~shall--exceed~~

1 ~~exceeds~~ the ~~amount set forth in 7-5-4302(i)~~ \$4,000, the  
 2 council may provide for the payment of ~~such an~~ the amount in  
 3 installments extending over a period of not more than 5 10  
 4 years; provided that at the time of entering into ~~such~~ the  
 5 contract, there ~~shall~~ must be an unexpended balance of  
 6 appropriation in the budget for the then-current fiscal year  
 7 available and sufficient to meet and take care of ~~such~~ the  
 8 portion of the contract price ~~as is~~ payable during the  
 9 then-current fiscal year and the budget for each following  
 10 year in which any portion of ~~such~~ the purchase price is to  
 11 be paid ~~shall~~ must contain an appropriation for the purpose  
 12 of paying the ~~same~~ installment.

13 (2) When ~~such~~ the amount is extended over a term of 2  
 14 years, at least 40% ~~thereof shall~~ of the amount must be paid  
 15 the first year and the remainder the second year. When ~~such~~  
 16 the amount is extended over a term of 3 years or more, at  
 17 ~~least one-third thereof shall~~ the ratio of one to the number  
 18 of years of the term of the amount must be paid each year.  
 19 ~~if such amount is extended over a term of 4 years, at least~~  
 20 ~~one-fourth is to be paid each year, if such amount is~~  
 21 ~~extended over a term of 5 years, at least one-fifth is to be~~  
 22 ~~paid each year."~~

23 **Section 3.** Section 7-5-4310, MCA, is amended to read:

24 "7-5-4310. Use of public auction to make purchase. In  
 25 lieu of soliciting bids, the council may purchase at public

1 auction any vehicle, machinery, appliances, apparatus,  
 2 building, or materials and supplies ~~for which must be paid a~~  
 3 ~~sum that cost~~ less than \$25,000 \$60,000."

-End-