

HOUSE BILL NO. 674

INTRODUCED BY BERGSAGEL  
BY REQUEST OF THE JOINT SUBCOMMITTEE ON LONG RANGE PLANNING

IN THE HOUSE

MARCH 11, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS.
	FIRST READING.
MARCH 17, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 18, 1993	PRINTING REPORT.
MARCH 23, 1993	SECOND READING, DO PASS.
MARCH 24, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 78; NOES, 22.
MARCH 25, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 26, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.
	FIRST READING.
APRIL 5, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
APRIL 6, 1993	SECOND READING, CONCURRED IN.
APRIL 7, 1993	THIRD READING, CONCURRED IN. AYES, 44; NOES, 5.
	RETURNED TO HOUSE.

IN THE HOUSE

APRIL 8, 1993	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 674  
 2 INTRODUCED BY Barnes  
 3 BY REQUEST OF THE JOINT SUBCOMMITTEE ON LONG RANGE PLANNING  
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE  
 6 LAWS RELATING TO STATE CONSTRUCTION PROJECTS; INCREASING TO  
 7 \$50,000 THE COST FOR A BUILDING THAT MAY BE CONSTRUCTED  
 8 WITHOUT LEGISLATIVE CONSENT; AUTHORIZING THE GOVERNOR TO  
 9 TRANSFER FUNDS AND AUTHORITY FOR THE EMERGENCY REPAIR OF  
 10 BUILDINGS; REMOVING THE BOARD OF EXAMINERS FROM CERTAIN  
 11 BUILDING FUNCTIONS; ALLOWING THE DEPARTMENT OF  
 12 ADMINISTRATION TO CONTRACT FOR WORK IF RESPONSIBLE BIDS ARE  
 13 NOT RECEIVED; INCREASING TO \$10,000 THE AMOUNT OF  
 14 ARCHITECTURAL, ENGINEERING, AND LAND SURVEYING SERVICES THAT  
 15 MAY BE CONTRACTED FOR BY DIRECT NEGOTIATION; AMENDING  
 16 SECTIONS 18-2-102, 18-2-103, 18-2-105, 18-2-111, 18-2-112,  
 17 18-2-301, AND 18-8-212, MCA; AND PROVIDING AN IMMEDIATE  
 18 EFFECTIVE DATE."  
 19

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

21 **Section 1.** Section 18-2-102, MCA, is amended to read:

22 "18-2-102. Authority to construct buildings. (1) Except  
 23 as provided in subsection (2) ~~of this section~~, a building  
 24 costing more than ~~\$25,000~~ \$50,000 may not be constructed  
 25 without the consent of the legislature. When a building

1 costing more than ~~\$25,000~~ \$50,000 is to be financed in such  
 2 a manner as that does not to require legislative  
 3 appropriation of ~~moneys~~ money, such the consent may be in  
 4 the form of a joint resolution.

5 (2) (a) The governor may authorize the emergency repair  
 6 or alteration of a building and is authorized to transfer  
 7 funds and authority as necessary to accomplish the project.  
 8 Transfers may not be made from the funds for an uncompleted  
 9 capital project unless the project is under the supervision  
 10 of the same agency.

11 (b) The regents of the Montana university system may  
 12 authorize the construction of revenue-producing facilities  
 13 referred to in 20-25-302 if they are to be financed wholly  
 14 from the ~~revenues--therein--described~~ revenue from the  
 15 facility.

16 (c) The regents of the Montana university system, with  
 17 the consent of the governor, may authorize the construction  
 18 of a building that is financed wholly with federal or  
 19 private ~~moneys~~ money if the construction of the building  
 20 will not result in any new programs.

21 (d) The department of military affairs, with the  
 22 consent of the governor, may authorize the construction of a  
 23 building that is financed wholly with federal or private  
 24 ~~moneys~~ money on federal land for the use or benefit of the  
 25 state."

HB 674

**Section 2.** Section 18-2-103, MCA, is amended to read:

**"18-2-103. Supervision of construction of buildings.**

(1) For the construction of a building costing more than \$25,000 \$50,000, the department of administration shall:

(a) review and accept all plans, specifications, and cost estimates prepared by architects or consulting engineers;

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

(c) solicit, accept, and reject bids and award all contracts to the lowest qualified bidder considering conformity with specifications and terms and reasonableness of the bid amount; ~~However, any contract award that is protested or any contract that is awarded to a bidder other than the lowest bidder is subject to approval by the board of examiners.~~

(d) review and approve all change orders; and up to \$25,000. ~~Any change order over \$25,000 must be with the consent of the board of examiners. The department may refer change orders under \$25,000 that affect the project scope or other unusual change orders to the board of examiners for consideration. The board of examiners shall act within 14 working days after processing completion by the department.~~

(e) accept the building when completed according to

accepted plans and specifications.

(2) The department may delegate on a project-by-project basis any powers and duties under subsection (1) to other state agencies, including units of the Montana university system, upon terms and conditions specified by the department. ~~However, any powers and duties subject to the approval of the board of examiners may not be delegated.~~

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

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

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

~~(6)~~ (5) For the construction of buildings owned or to be owned by a school district, the department of administration shall, upon request, provide inspection to ~~insure~~ ensure compliance with the plans and specifications for the

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

10 ~~†7†(6)~~ It is the intent of the legislature that student  
 11 housing and other facilities constructed under the authority  
 12 of the regents of the university system are subject to the  
 13 provisions of subsections (1) through ~~†4†(3)~~ of--this  
 14 section.

15 ~~†8†(7)~~ The department of military affairs may act as  
 16 the contracting agency for buildings constructed under the  
 17 authority of 18-2-102(2)(d); however, the department of  
 18 administration may agree to act as the contracting agency on  
 19 behalf of the department of military affairs. Montana law  
 20 applies to any controversy involving such a contract."

21 **Section 3.** Section 18-2-105, MCA, is amended to read:

22 "18-2-105. General powers and duties of department of  
 23 administration. In carrying out powers relating to the  
 24 construction of buildings, the department of administration  
 25 may:

1 (1) inspect buildings not under construction;

2 (2) contract with the federal government for advance  
 3 planning funds;

4 (3) transfer funds and authority to agencies and accept  
 5 funds and authority from agencies;

6 ~~†3†(4)~~ purchase, lease, and acquire by exchange or  
 7 otherwise, land and buildings in Lewis and Clark County and  
 8 equipment and furnishings for ~~such~~ the buildings;

9 ~~†4†(5)~~ issue and sell bonds and other securities;

10 ~~†5†(6)~~ maintain an inventory of all buildings;

11 ~~†6†(7)~~ appoint a project representative to supervise  
 12 architects' and consulting engineers' inspection of  
 13 construction of buildings to ~~assure~~ ensure that all  
 14 construction is in accordance with the contracts, plans, and  
 15 specifications. The cost of supervision may be charged  
 16 against ~~moneys~~ money available for construction.

17 ~~†7†(8)~~ negotiate deductive changes, not to exceed 7% of  
 18 the total cost of a project, with the lowest responsible  
 19 bidder when the lowest responsible bid causes the project  
 20 cost to exceed the appropriation or with the lowest  
 21 responsible bidders, if multiple contracts will be awarded  
 22 on the project, when the total of the lowest responsible  
 23 bids causes the project cost to exceed the appropriation. A  
 24 bidder is not required to negotiate ~~his~~ a bid but is  
 25 required to honor ~~his~~ the bid for the time specified in the

1 bidding documents. The department may terminate negotiations  
2 at any time. Any contract award resulting from negotiation  
3 is subject to the approval of the board of examiners."

4 **Section 4.** Section 18-2-111, MCA, is amended to read:

5 "18-2-111. Policy regarding practice of architecture --  
6 preparation of working drawings by department limited. (1)  
7 It is the policy of the state not to engage in the practice  
8 of architecture; however, this policy shall may not be  
9 construed as prohibiting the department of administration  
10 from:

11 (a) engaging in preplanning functions necessary to  
12 prepare a building program for presentation to the  
13 legislature;

14 (b) supervising construction as provided in  
15 18-2-105~~(6)~~(7); or

16 (c) preparing working drawings for minor projects.

17 (2) The department of administration is expressly  
18 prohibited from preparing working drawings for the  
19 construction of a building, with the exception of repair or  
20 maintenance projects, when the total cost of the  
21 construction will exceed \$25,000."

22 **Section 5.** Section 18-2-112, MCA, is amended to read:

23 "18-2-112. Appointment of architects and consulting  
24 engineers. The department of administration shall appoint  
25 any architect or consulting engineer retained for work on

1 any building to be constructed, remodeled, or renovated by  
2 the state of Montana, its boards, institutions, and agencies  
3 from a list of three architects or consulting engineers  
4 proposed by the state board, institution, or agency where  
5 for which the work is to be done. ~~Such appointment shall be~~  
6 ~~subject to the approval of the state board of examiners.~~ The  
7 department need not appoint an architect or consulting  
8 engineer for repair or maintenance projects."

9 **Section 6.** Section 18-2-301, MCA, is amended to read:

10 "18-2-301. Bids required -- advertising. (1) It is  
11 unlawful for the ~~board of examiners or~~ any offices,  
12 departments, institutions, or any agent of the state of  
13 Montana acting for or in behalf of the state to do, to cause  
14 to be done, or to let any contract for the construction of  
15 buildings or the alteration and improvement of buildings and  
16 adjacent grounds on behalf of and for the benefit of the  
17 state when the amount involved is \$25,000 or more without  
18 first advertising in at least one issue each week for 3  
19 consecutive weeks in two newspapers published in the state,  
20 one of which must be published at the seat of government and  
21 the other in the county where the work is to be performed,  
22 calling for sealed bids to perform such the work and stating  
23 the time and place bids will be considered.

24 (2) All such work may be done, caused to be done, or  
25 contracted for only after competitive bidding.

1       (3) If ~~no--bid-for-such-work-is-accepted,--the-work-may~~  
2 ~~not-be-done-or-accomplished.--The-work--may--be--readvertised~~  
3 ~~from--time--to-time-until-awarded-to-a-qualified-competitive~~  
4 ~~bidder. responsible bids are not received after two~~  
5 ~~attempts, the department or agency may contract for the work~~  
6 ~~in a manner determined to be cost-effective for the state.~~

7       (4) This section does not apply to work done by inmates  
8 at an institution in the department of corrections and human  
9 services."

10       **Section 7.** Section 18-8-212, MCA, is amended to read:

11       "18-8-212. **Exception.** (1) All agencies securing  
12 architectural, engineering, and land surveying services for  
13 projects for which the fees are estimated not to exceed  
14 \$5,000 \$10,000 may contract for those professional services  
15 by direct negotiation.

16       (2) No An agency may not separate service contracts or  
17 split or break projects for the purpose of circumventing the  
18 provisions of this part."

19       NEW SECTION. **Section 8.** **Effective date.** [This act] is  
20 effective on passage and approval.

-End-

APPROVED BY COMMITTEE  
ON APPROPRIATIONS

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2 INTRODUCED BY Burton  
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7 funds and authority as necessary to accomplish the project.  
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11 (b) The regents of the Montana university system may  
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14 from the revenues--therein--described revenue from the  
15 facility.

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HB 674

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 9 fund.

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 12 of the regents of the university system are subject to the  
 13 provisions of subsections (1) through †4†(3) of--this  
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- 6 †3†(4) purchase, lease, and acquire by exchange or  
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bidding documents. The department may terminate negotiations at any time. Any contract award resulting from negotiation is subject to the approval of the board of examiners."

**Section 4.** Section 18-2-111, MCA, is amended to read:

"18-2-111. Policy regarding practice of architecture -- preparation of working drawings by department limited. (1) It is the policy of the state not to engage in the practice of architecture; however, this policy shall may not be construed as prohibiting the department of administration from:

(a) engaging in preplanning functions necessary to prepare a building program for presentation to the legislature;

(b) supervising construction as provided in 18-2-105(6)(7); or

(c) preparing working drawings for minor projects.

(2) The department of administration is expressly prohibited from preparing working drawings for the construction of a building, with the exception of repair or maintenance projects, when the total cost of the construction will exceed \$25,000."

**Section 5.** Section 18-2-112, MCA, is amended to read:

"18-2-112. Appointment of architects and consulting engineers. The department of administration shall appoint any architect or consulting engineer retained for work on

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**Section 6.** Section 18-2-301, MCA, is amended to read:

"18-2-301. Bids required -- advertising. (1) It is unlawful for the ~~board of examiners or~~ any offices, departments, institutions, or any agent of the state of Montana acting for or in behalf of the state to do, to cause to be done, or to let any contract for the construction of buildings or the alteration and improvement of buildings and adjacent grounds on behalf of and for the benefit of the state when the amount involved is \$25,000 or more without first advertising in at least one issue each week for 3 consecutive weeks in two newspapers published in the state, one of which must be published at the seat of government and the other in the county where the work is to be performed, calling for sealed bids to perform the work and stating the time and place bids will be considered.

(2) All such work may be done, caused to be done, or contracted for only after competitive bidding.

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18 provisions of this part."

19       NEW SECTION. **Section 8.** Effective date. [This act] is  
20 effective on passage and approval.

-End-

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 8 Transfers may not be made from the funds for an uncompleted  
 9 capital project unless the project is under the supervision  
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11 (b) The regents of the Montana university system may  
 12 authorize the construction of revenue-producing facilities  
 13 referred to in 20-25-302 if they are to be financed wholly  
 14 from the revenues--therein--described revenue from the  
 15 facility.

16 (c) The regents of the Montana university system, with  
 17 the consent of the governor, may authorize the construction  
 18 of a building that is financed wholly with federal --

THERE ARE NO CHANGES IN THIS BILL  
 AND WILL NOT BE REPRINTED. PLEASE  
 REFER TO YELLOW COPY FOR COMPLETE TEXT.

HB 674

## HOUSE BILL NO. 674

INTRODUCED BY BERGSAGEL

BY REQUEST OF THE JOINT SUBCOMMITTEE ON LONG RANGE PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS RELATING TO STATE CONSTRUCTION PROJECTS; INCREASING TO \$50,000 THE COST FOR A BUILDING THAT MAY BE CONSTRUCTED WITHOUT LEGISLATIVE CONSENT; AUTHORIZING THE GOVERNOR TO TRANSFER FUNDS AND AUTHORITY FOR THE EMERGENCY REPAIR OF BUILDINGS; REMOVING THE BOARD OF EXAMINERS FROM CERTAIN BUILDING FUNCTIONS; ALLOWING THE DEPARTMENT OF ADMINISTRATION TO CONTRACT FOR WORK IF RESPONSIBLE BIDS ARE NOT RECEIVED; INCREASING TO \$10,000 THE AMOUNT OF ARCHITECTURAL, ENGINEERING, AND LAND SURVEYING SERVICES THAT MAY BE CONTRACTED FOR BY DIRECT NEGOTIATION; AMENDING SECTIONS 18-2-102, 18-2-103, 18-2-105, 18-2-111, 18-2-112, 18-2-301, AND 18-8-212, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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costing more than ~~\$25,000~~ \$50,000 is to be financed in such a manner as that does not to require legislative appropriation of ~~moneys money~~, such the consent may be in the form of a joint resolution.

(2) (a) The governor may authorize the emergency repair or alteration of a building and is authorized to transfer funds and authority as necessary to accomplish the project. Transfers may not be made from the funds for an uncompleted capital project unless the project is under the supervision of the same agency.

(b) The regents of the Montana university system may authorize the construction of revenue-producing facilities referred to in 20-25-302 if they are to be financed wholly from the ~~revenues--therein--described~~ revenue from the facility.

(c) The regents of the Montana university system, with the consent of the governor, may authorize the construction of a building that is financed wholly with federal or private ~~moneys money~~ if the construction of the building will not result in any new programs.

(d) The department of military affairs, with the consent of the governor, may authorize the construction of a building that is financed wholly with federal or private ~~moneys money~~ on federal land for the use or benefit of the state."

**Section 2.** Section 18-2-103, MCA, is amended to read:

**"18-2-103. Supervision of construction of buildings.**

(1) For the construction of a building costing more than \$25,000 ~~\$50,000~~, the department of administration shall:

(a) review and accept all plans, specifications, and cost estimates prepared by architects or consulting engineers;

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

(c) solicit, accept, and reject bids and award all contracts to the lowest qualified bidder considering conformity with specifications and terms and reasonableness of the bid amount; ~~However, any contract award that is protested or any contract that is awarded to a bidder other than the lowest bidder is subject to approval by the board of examiners.~~

(d) review and approve all change orders; and up to \$25,000; ~~Any change order over \$25,000 must be with the consent of the board of examiners. The department may refer change orders under \$25,000 that affect the project scope or other unusual change orders to the board of examiners for consideration. The board of examiners shall act within 14 working days after processing completion by the department.~~

(e) accept the building when completed according to

accepted plans and specifications.

(2) The department may delegate on a project-by-project basis any powers and duties under subsection (1) to other state agencies, including units of the Montana university system, upon terms and conditions specified by the department. ~~However, any powers and duties subject to the approval of the board of examiners may not be delegated.~~

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

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

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

~~(6)~~ (5) For the construction of buildings owned or to be owned by a school district, the department of administration shall, upon request, provide inspection to insure ensure compliance with the plans and specifications for the

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

10 ~~†7†(6)~~ It is the intent of the legislature that student  
 11 housing and other facilities constructed under the authority  
 12 of the regents of the university system are subject to the  
 13 provisions of subsections (1) through ~~†4†(3)~~ of--this  
 14 section.

15 ~~†8†(7)~~ The department of military affairs may act as  
 16 the contracting agency for buildings constructed under the  
 17 authority of 18-2-102(2)(d); however, the department of  
 18 administration may agree to act as the contracting agency on  
 19 behalf of the department of military affairs. Montana law  
 20 applies to any controversy involving ~~such~~ a contract."

21 **Section 3.** Section 18-2-105, MCA, is amended to read:

22 "18-2-105. General powers and duties of department of  
 23 administration. In carrying out powers relating to the  
 24 construction of buildings, the department of administration  
 25 may:

1 (1) inspect buildings not under construction;

2 (2) contract with the federal government for advance  
 3 planning funds;

4 (3) transfer funds and authority to agencies and accept  
 5 funds and authority from agencies;

6 ~~†3†(4)~~ purchase, lease, and acquire by exchange or  
 7 otherwise, land and buildings in Lewis and Clark County and  
 8 equipment and furnishings for ~~such~~ the buildings;

9 ~~†4†(5)~~ issue and sell bonds and other securities;

10 ~~†5†(6)~~ maintain an inventory of all buildings;

11 ~~†6†(7)~~ appoint a project representative to supervise  
 12 architects' and consulting engineers' inspection of  
 13 construction of buildings to ~~assure~~ ensure that all  
 14 construction is in accordance with the contracts, plans, and  
 15 specifications. The cost of supervision may be charged  
 16 against ~~moneys~~ money available for construction.

17 ~~†7†(8)~~ negotiate deductive changes, not to exceed 7% of  
 18 the total cost of a project, with the lowest responsible  
 19 bidder when the lowest responsible bid causes the project  
 20 cost to exceed the appropriation or with the lowest  
 21 responsible bidders, if multiple contracts will be awarded  
 22 on the project, when the total of the lowest responsible  
 23 bids causes the project cost to exceed the appropriation. A  
 24 bidder is not required to negotiate ~~his~~ a bid but is  
 25 required to honor ~~his~~ the bid for the time specified in the

bidding documents. The department may terminate negotiations at any time. Any contract award resulting from negotiation is subject to the approval of the board of examiners."

**Section 4.** Section 18-2-111, MCA, is amended to read:

"18-2-111. Policy regarding practice of architecture -- preparation of working drawings by department limited. (1) It is the policy of the state not to engage in the practice of architecture; however, this policy ~~shall~~ may not be construed as prohibiting the department of administration from:

(a) engaging in preplanning functions necessary to prepare a building program for presentation to the legislature;

(b) supervising construction as provided in 18-2-105~~(6)~~(7); or

(c) preparing working drawings for minor projects.

(2) The department of administration is expressly prohibited from preparing working drawings for the construction of a building, with the exception of repair or maintenance projects, when the total cost of the construction will exceed \$25,000."

**Section 5.** Section 18-2-112, MCA, is amended to read:

"18-2-112. Appointment of architects and consulting engineers. The department of administration shall appoint any architect or consulting engineer retained for work on

any building to be constructed, remodeled, or renovated by the state of Montana, its boards, institutions, and agencies from a list of three architects or consulting engineers proposed by the state board, institution, or agency where for which the work is to be done. ~~Such appointment shall be subject to the approval of the state board of examiners.~~ The department need not appoint an architect or consulting engineer for repair or maintenance projects."

**Section 6.** Section 18-2-301, MCA, is amended to read:

"18-2-301. Bids required -- advertising. (1) It is unlawful for ~~the board of examiners or~~ any offices, departments, institutions, or any agent of the state of Montana acting for or in behalf of the state to do, to cause to be done, or to let any contract for the construction of buildings or the alteration and improvement of buildings and adjacent grounds on behalf of and for the benefit of the state when the amount involved is \$25,000 or more without first advertising in at least one issue each week for 3 consecutive weeks in two newspapers published in the state, one of which must be published at the seat of government and the other in the county where the work is to be performed, calling for sealed bids to perform such the work and stating the time and place bids will be considered.

(2) All such work may be done, caused to be done, or contracted for only after competitive bidding.



1       (3) ~~If no--bid-for-such-work-is-accepted, the work may~~  
2 ~~not be done or accomplished. The work may be readvertised~~  
3 ~~from--time--to-time until awarded to a qualified competitive~~  
4 ~~bidder. responsible bids are not received after two~~  
5 ~~attempts, the department or agency may contract for the work~~  
6 ~~in a manner determined to be cost-effective for the state.~~

7       (4) This section does not apply to work done by inmates  
8 at an institution in the department of corrections and human  
9 services."

10       **Section 7.** Section 18-8-212, MCA, is amended to read:

11       "18-8-212. **Exception.** (1) All agencies securing  
12 architectural, engineering, and land surveying services for  
13 projects for which the fees are estimated not to exceed  
14 ~~\$5,000~~ \$10,000 may contract for those professional services  
15 by direct negotiation.

16       (2) ~~No~~ An agency may not separate service contracts or  
17 split or break projects for the purpose of circumventing the  
18 provisions of this part."

19       **NEW SECTION. Section 8.** Effective date. [This act] is  
20 effective on passage and approval.

-End-