1	House BILL NO. 514
2	INTRODUCED BY Dellacy & Part
3	BY REQUEST OF THE NATURAL RESOURCES SUBCOMMITTEE OF APPROPRIATIONS
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE VALUE OF PROJECTS FOR WHICH THE
6	DEPARTMENT OF ADMINISTRATION MAY PREPARE WORKING DRAWINGS; AMENDING SECTION
7	18-2-111, MCA; AND PROVIDING AN EFFECTIVE DATE."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	
11	Section 1. Section 18-2-111, MCA, is amended to read:
12	"18-2-111. Policy regarding practice of architecture preparation of working drawings by
13	department limited. (1) It is the policy of the state not to engage in the practice of architecture; however
14	However, this policy may not be construed as prohibiting the department of administration from:
15	(a) engaging in preplanning functions necessary to prepare a building program for presentation to
16	the legislature;
17	(b) supervising construction as provided in 18-2-105(7); or
18	(c) preparing working drawings for minor projects.
19	(2) The department of administration is expressly prohibited from preparing may not prepare
20	working drawings for the construction of a building, with the exception of repair or maintenance projects,
21	when the total cost of the construction will exceed \$25,000 \$75,000."
22	
23	NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 1995.
24	-END-



### STATE OF MONTANA - FISCAL NOTE

### Fiscal Note for HB0514, as introduced

### DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the value of projects for which the Department of Administration may prepare working drawings; amending section 18-2-111, MCA; and providing an effective date.

# ASSUMPTIONS:

- 1. It is the policy of the Architecture and Engineering (A & E) Division not to compete with private sector architects or engineers.
- 2. The A & E Division will not increase the number of working drawings prepared inhouse. The division will continue to focus on repair and maintenance projects and on projects with construction costs less than \$25,000.
- 3. The A & E Division will not increase staff as a result of this legislation.

#### FISCAL IMPACT:

No fiscal impact.

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Moger Debruycher 2-17-9
ROGED DEBRUYCKER, PRIMARY SPONSOR DATE

Fiscal Note for <u>HB0514</u>, as introduced

# STATE OF MONTANA - FISCAL NOTE

# Fiscal Note for HB0514, as introduced revised

#### DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the value of projects for which the Department of Administration may prepare working drawings; amending section 18-2-111, MCA; and providing an effective date.

# ASSUMPTIONS:

#### Department of Administration:

- It is the policy of the Architecture and Engineering (A & E) Division not to compete with private sector architects or engineers.
- The A & E Division will not increase the number of working drawings prepared in-2. house. The division will continue to have responsibility for repair and maintenance projects and projects with construction costs less than \$25,000.
- The A & E Division will not increase or decrease staff as a result of this 3. legislation.
- There is no fiscal impact on the Department of Administration. 4.

# Department of Fish, Wildlife and Parks:

- There will be about 20 capital construction projects with a cost of less than \$75,000 in the 1997 biennium at a total cost of approximately \$850,000.
- For small projects, design fees average 15% and construction administration costs average 15%. It is most efficient to have the design engineer also responsible for the construction administration.
- Approximately \$255,000 (30% of \$850,000) will be saved in consulting engineer fees 7. during the 1997 biennium and the department will redirect staff time from communication and oversight of the consultants to design and administration of the projects.

### Department of Military Affairs:

The increase from \$25,000 to \$75,000 for working drawings on construction projects would allow for much needed flexibility and utilization of in-house resources when available and appropriate. This will speed up project completion time for small military projects.

#### Montana Department of Transportation (MDT):

- The effects of inflation since the inception of the \$25,000 limit will be mitigated. In current values, \$75,000 is a very limited scope of project.
- Because MDT has a registered architect, a few of the small projects will be handled 10. in-house rather than through A & E, thereby saving the 3% fee and reducing the number of small projects which must be handled by A & E.

### Montana University System:

There will be cost savings and time savings on multiple small projects across the campuses when resources are available.

### Department of State Lands:

The department typically does not have many projects of this size.

### Department of Natural Resources and Conservation:

The department typically does not have many projects of this size.

# FISCAL IMPACT:

Cost savings and time savings among various state agencies will enable redirection of those resources to more maintenance and construction.

DAVE LEWIS, BUDGET DIRECTOR

Office of Budget and Program Planning

Fiscal Note for HB0514, as introduced revised

HB 514+2

1	House BILL NO. 514
2	INTRODUCED BY Relacy chair
3	BY REQUEST OF THE NATURAL RESOURCES SUBCOMMITTEE OF APPROPRIATIONS
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24	-END-

1	House BILL NO. 514
2	INTRODUCED BY RULLING SILL NO. 514
3	BY REQUEST OF THE NATURAL RESOURCES SUBCOMMITTEE OF APPROPRIATIONS
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24	-END-



1	HOUSE BILL NO. 514
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3	BY REQUEST OF THE NATURAL RESOURCES SUBCOMMITTEE OF APPROPRIATIONS
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