

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING CONTRACTS FOR STATE LOTTERY VENDORS
5 FROM THE 7-YEAR CONTRACT TERM LIMIT; AMENDING SECTION 18-4-313, MCA; AND PROVIDING AN
6 IMMEDIATE EFFECTIVE DATE."

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

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10 **Section 1.** Section 18-4-313, MCA, is amended to read:

11 **"18-4-313. Contracts -- terms, extensions, and time limits.** (1) Except as provided in subsection (2)
12 or unless otherwise provided by law, a contract, lease, or rental agreement for supplies or services may not be
13 made for a period of more than 7 years. A contract, lease, or rental agreement may be extended or renewed if
14 the terms of the extension or renewal, if any, are included in the solicitation, if funds are available for the first fiscal
15 period at the time of the agreement, and if the total contract period, including any extension or renewal, does not
16 exceed 7 years. Payment and performance obligations for succeeding fiscal periods are subject to the availability
17 and appropriation of funds for the fiscal periods.

18 (2) The contract term limit specified in subsection (1) does not apply to:

19 (a) a contract for hardware, software, or other information technology resources, which may be made
20 for a period not to exceed 10 years;

21 (b) a department of revenue liquor store contract governed by the term specified in 16-2-101;

22 (c) a department of corrections contract governed by the term specified in 53-1-203, 53-30-505, or
23 53-30-608; ~~and~~

24 (d) the department of administration state employee group benefit plans contracts governed by the term
25 specified in 2-18-811, including group benefit plan contracts made in partnership with the Montana university
26 system group benefit plan; or

27 (e) the state lottery vendor contracts approved by the lottery commission as specified in 23-7-211.

28 (3) Prior to the issuance, extension, or renewal of a contract, it must be determined that:

29 (a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and

30 (b) the contract will serve the best interests of the state by encouraging effective competition or otherwise

1 promoting economies in state procurement.

2 (4) If funds are not appropriated or otherwise made available to support continuation of performance in
3 a subsequent fiscal period, the contract must be canceled."

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5 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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