Unofficial Draft Copy

67th Legislature LC 2808

1	JOINT RESOLUTION NO
2	INTRODUCED BY
3	(Primary Sponsor)
4	A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5	MONTANA REQUESTING AN INTERIM STUDY OF PROCUREMENT PRACTICES BY THE DEPARTMENT
6	OF PUBLIC HEALTH AND HUMAN SERVICES; AND REQUIRING THAT THE RESULTS OF THE STUDY BE
7	REPORTED TO THE 68TH LEGISLATURE.
8	
9	WHEREAS, the Montana Procurement Act has several beneficial purposes, including ensuring fair and
10	equitable treatment of all persons who deal with the procurement system in the State of Montana, providing
11	increased economy in state procurement activities, maximizing the purchasing value of public funds, and
12	providing for increased public confidence in the procedures followed by the state in procuring services; and
13	WHEREAS, the Montana Department of Public Health and Human Services frequently deviates from
14	and does not follow the Montana Procurement Act in procuring services from vendors; and
15	WHEREAS, the last two financial compliance audits conducted on the Department of Public Health and
16	Human Services by the Legislative Auditor's Office found that the agency failed to follow the Montana
17	Procurement Act during the 2017 and 2019 bienniums; and
18	WHEREAS, the audits found that the Department of Public Health and Human Services regularly failed
19	to enter into contracts for chemical dependency evaluations, support services, one-on-one youth supervision,
20	and urinary analyses for youth in the foster care program; and
21	WHEREAS, the Department of Public Health and Human Services has attempted to justify its
22	procurement practices with several different explanations, including that the act interferes with federal
23	procurement policies and constrains the Department of Public Health and Human Services from finding vendors
24	in emergency situations; and
25	WHEREAS, the audits found that some vendors who were not required to follow the Montana
26	Procurement Act received more than \$500,000 from the Department of Public Health and Human Services,
27	including one vendor who received nearly \$900,000.
28	



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1	NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
2	THE STATE OF MONTANA:
3	That the Legislative Council be requested to designate an appropriate interim committee or statutory
4	committee, pursuant to section 5-5-217, MCA, to study the procurement practices of the Department of Public
5	Health and Human Services.
6	BE IT FURTHER RESOLVED, that the study:
7	(1) identify the circumstances under which the Department of Public Health and Human Services
8	deviates from the Montana Procurement Act and how frequently those circumstances occur;
9	(2) identify the policies and procedures that the agency uses when determining whether it must follow
10	the standard procurement practices or how it otherwise determines whether to seek bids or proposals for
11	services;
12	(3) review the statutes and administrative rules related to state agency procurement, including the
13	federal laws and regulations governing public assistance programs, the procurement procedures for federally
14	funded programs administered by the Department of Public Health and Human Services, and the state statutes
15	and administrative rules specific to the provision of human services;
16	(4) determine whether practical obstacles, including the emergency needs of clients served by the
17	agency, affect the department's procurement procedures; and
18	(5) obtain an accounting of the amount of money the department has paid to vendors who were
19	selected outside of the standard procurement process.
20	BE IT FURTHER RESOLVED, that the study include input from appropriate stakeholders.
21	BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
22	requirements, be concluded prior to September 15, 2022.
23	BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
24	comments, or recommendations of the appropriate committee, be reported to the 68th Legislature.

- END -



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- 2 - LC 2808