

PUBLIC-PRIVATE PARTNERSHIPS

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; [Chapter 309, Laws of 2017](#)). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary: Public-private partnerships refer to a cooperative arrangement between the public sector and the private sector for building or operating a structure or infrastructure (like a toll road) for a certain period of time, usually under contract. Statutory references fall under Title 18, chapter 2 (construction contracts), chapter 3 (state building leases), and chapter 4, The Montana Procurement Act. One form of a public-private contract is outlined in the Alternative Project Delivery Contracts under Title 18, chapter 2, part 5 (enacted in 2005). These are described as a construction management contract, a general contractor construction management contract, or a design-build contract. A specific “design-build” statute exists for the Department of Transportation in 60-2-137, MCA.

Legislative Services Division Materials:

.2000 [Report](#) to the State Administration and Veterans Affairs Committee regarding procurement laws. Entitled “The Party of The First Part: A Review of Montana’s State Contracting Laws and Procedures.”

Other Materials:

The Legislative Fiscal Division reviewed funding options for infrastructure during the 2017-2018 interim. Materials discussed at the [September 2018 meeting](#) of the Legislative Finance Committee included:

- [State and Local Infrastructure Financing Options](#)
- [State Debt Comparison](#)
- [Legal Memo](#) on Public Authority
- [Coal Severance Taxes](#) and Local Infrastructure.

The June 2018 meeting of the Legislative Finance Committee included the following reports:

- [Funding Concepts](#) for State Building Projects
- [Preliminary Research](#) on Lease-to-Own Contracts and State Debt

National Conference of State Legislatures, “P3 Infrastructure Delivery: Principles for State Legislatures,” July 2017

A 2014 Report Card for Montana’s Infrastructure was developed by the American Society of Civil Engineers. See www.infrastructurereportcard.org/montana. Montana’s 2014 rating was a cumulative C-minus. The worst grade of D-minus was for schools and the best grade of B-minus was for solid waste.

Introduced Legislation

*Chapter number assigned means bill was passed and approved.

2017

[SB 335](#) – (Died in Process) - "AN ACT AUTHORIZING STATE AND LOCAL AGENCIES TO USE PUBLIC-PRIVATE PARTNERSHIPS AS AN ALTERNATIVE TO OTHER PROCUREMENT PROCEDURES; OUTLINING PROCESSES FOR DEVELOPING PUBLIC-PRIVATE PARTNERSHIPS AND TYPES OF ELIGIBLE PROJECTS; OUTLINING TYPES OF AGREEMENTS AND FINANCING OPTIONS; AMENDING SECTIONS ~~SECTION 7-5-2307, 7-8-2211, 7-8-2219, 7-8-2231, AND 60-2-107, 7-8-2219~~, MCA; AND PROVIDING AN EFFECTIVE DATE."

2015

[SB 191](#) – (Chapter Number Assigned) - AN ACT PROVIDING AN EXCEPTION FROM THE MONTANA PROCUREMENT ACT FOR CONTRACTS CONCERNING CAPITAL IMPROVEMENTS AT STATE PARKS, STATE RECREATIONAL AREAS, STATE MONUMENTS, AND STATE HISTORIC SITES; AMENDING SECTIONS 18-4-313 AND 23-1-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

2013 -- None

2011

[HB 491](#) – (Chapter Number Assigned) - AN ACT AUTHORIZING PUBLIC PROCUREMENT UNITS TO PURCHASE COOPERATIVELY FROM CERTAIN COOPERATIVE ENTITIES; AMENDING SECTION 18-4-402, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

2009

[HB 384](#) – (Chapter Number Assigned) - AN ACT GENERALLY REVISING THE MONTANA UNIFIED VOLUME CAP BOND ALLOCATION PLAN ACT; INCREASING THE FEE FOR ISSUANCE OF THE BONDS; PROVIDING THAT AS A CONDITION TO ISSUING BONDS EACH ISSUER IS REQUIRED TO PROVIDE THE LEGISLATIVE AUDITOR WITH FULL ACCESS TO ITS FINANCIAL RECORDS; PROVIDING THAT AS A CONDITION OF ISSUING BONDS THE MONTANA HIGHER EDUCATION STUDENT ASSISTANCE CORPORATION IS REQUIRED TO COMPLY WITH OPEN MEETING LAWS AND PROVIDE THE LEGISLATIVE AUDITOR WITH FULL ACCESS TO ANY MANAGEMENT OR LOAN SERVICING CONTRACTS; AMENDING SECTIONS 17-5-1302, 17-5-1312, AND 17-5-2201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Prepared By:

Pat Murdo, Research Analyst

Office of Research and Policy Analysis