

BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF PUBLIC HEARING ON
2.5.603 pertaining to state procurement) PROPOSED AMENDMENT
of supplies and services)

TO: All Concerned Persons

1. On September 17, 2014, at 1:30 p.m., the Department of Administration will hold a public hearing in Room 53 of the Mitchell Building, 125 North Roberts Street, Helena, Montana, to consider the proposed amendment of the above-stated rule.

2. The Department of Administration will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact Department of Administration no later than 5:00 p.m. on September 10, 2014, to advise us of the nature of the accommodation that you need. Please contact Jodi Gollehon, Department of Administration, P.O. Box 200135, Helena, Montana 59620-0135; telephone (406) 444-7210; fax (406) 444-2529; or e-mail jgollehon@mt.gov.

3. The rule proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

2.5.603 SMALL PURCHASES OR LIMITED SOLICITATIONS OF SUPPLIES AND SERVICES (1) and (2) remain the same.

(3) The division or state agency, if authorized in a written delegation agreement, may procure ~~supplies or services~~ with a total contract value between \$5,001 and \$25,000, or supplies with a total contract value between \$5,001 and \$50,000, using a limited solicitation procedure. This procedure requires a minimum of three viable written or oral quotations, if available. The limited solicitation procedure must be documented and, wherever practical, use the department's vendor list.

(4) through (6)(d) remain the same.

AUTH: 18-4-221, MCA

IMP: 18-4-305, MCA

STATEMENT OF REASONABLE NECESSITY: The proposed changes are a recommendation from state agency directors as identified during the Governor's 2014 Effective Government Work Group meetings. Specifically, the recommendation from the work group was to increase the limited solicitation threshold from \$25,000 to \$50,000 for the purchase of supplies only. The department agrees with this recommendation because it will allow agencies to procure additional supplies in a quicker and more efficient manner. The department

will retain the \$25,000 threshold for services purchases to ensure compliance with prevailing wage rates for nonconstruction service contracts.

4. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Jodi Gollehon, Department of Administration, P.O. Box 200135, Helena, Montana 59620-0135; telephone (406) 444-7210; fax (406) 444-2529; or e-mail jgollehon@mt.gov, and must be received no later than 5:00 p.m., September 19, 2014.

5. Jodi Gollehon, Department of Administration, has been designated to preside over and conduct this hearing.

6. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 4 above or may be made by completing a request form at any rules hearing held by the department.

7. An electronic copy of this proposal notice is available through the department's web site at <http://doa.mt.gov/administrativerules.mcp>. The department strives to make the electronic copy of the notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that if a discrepancy exists between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. In addition, although the department works to keep its web site accessible at all times, concerned persons should be aware that the web site may be unavailable during some periods, due to system maintenance or technical problems.

8. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

9. With regard to the requirements of 2-4-111, MCA, the department has determined that these proposed rule amendments will not significantly and directly impact small businesses.

By: /s/ Sheila Hogan
Sheila Hogan, Director
Department of Administration

By: /s/ Marjorie L. Thomas
Marjorie L. Thomas, Rule Reviewer
Department of Administration

Certified to the Secretary of State August 11, 2014.