

## 1 HOUSE BILL NO. 680

2 INTRODUCED BY K. WALSH, E. TILLEMAN, L. JONES, G. OBLANDER, J. DARLING

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4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING TRADE AND COMMERCE LAWS;  
5 REVISING CONTRACT TERM LIMITS FOR THE MONTANA HERITAGE PRESERVATION AND  
6 DEVELOPMENT COMMISSION; AMENDING SECTION 22-3-1003, MCA; AND PROVIDING AN IMMEDIATE  
7 EFFECTIVE DATE."

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

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11 **Section 1.** Section 22-3-1003, MCA, is amended to read:

12 **"22-3-1003. Powers of commission -- contracts -- rules.** (1) (a) The Montana heritage preservation  
13 and development commission may contract with private organizations to assist in carrying out the purpose of  
14 22-3-1001. The term of a contract may not exceed 20 years.

15 (b) The provisions of Title 18 may not be construed as prohibiting contracts under this section from  
16 being let by direct negotiation. The contracts may be entered into directly with a vendor and are not subject to  
17 state procurement laws.

18 (c) Architectural and engineering review and approval do not apply to the historic renovation  
19 projects or projects at historic sites unless stated in specific state appropriations for construction permitted  
20 under the commission's jurisdiction.

21 (d) The contracts must provide for the payment of prevailing wages.

22 (e) A contract for supplies or services, or both, may be negotiated in accordance with commission  
23 rules.

24 (f) Management activities must be undertaken to encourage the operation of properties in a  
25 manner that results in economic stability.

26 (g) Contracts may include the lease of property managed by the commission. Provisions for the  
27 renewal of a contract must be contained in the contract.

28 (2) The contract term limit specified in subsection (1)(a) does not apply to a commercial lease with

private organizations that invest substantial capital in property managed by the commission. The contract term limit pursuant to this subsection (2) may be for a period not to exceed 99 years.

~~(2)~~(3) (a) Except as provided in subsection ~~(2)~~ ~~(3)~~(b), the commission may not contract for the construction of a building, as defined in 18-2-101, in excess of \$300,000 without the consent of the legislature. Building construction must be in conformity with applicable guidelines developed by the national park service of the U.S. department of the interior, the Montana historical society, and the Montana department of fish, wildlife, and parks. Funding for these projects must pass through directly to the commission.

(b) The commission may contract for the preservation, stabilization, or maintenance of existing structures or buildings for an amount that exceeds \$300,000 without legislative consent if the commission determines that waiting for legislative consent would cause unnecessary damage to the structures or buildings or would result in a significant increase in cost to conduct those activities in the future.

~~(3)~~(4) (a) Subject to subsection ~~(3)~~ ~~(4)~~(b), the commission, as part of a contract, shall require that a portion of any profit be reinvested in the property and that a portion be used to pay the administrative costs of the property and the commission.

(b) The commission shall deposit the portion of profits not used for administrative costs and restoration of the properties in the general fund.

~~(4)~~(5) The commission may solicit funds from other sources, including the federal government, for the management and operation of properties.

~~(5)~~(6) (a) The commission may use volunteers to further the purposes of this part.

(b) The commission and volunteers stand in the relationship of employer and employee for purposes of and as those terms are defined in Title 39, chapter 71. The commission shall provide each volunteer with workers' compensation coverage, as provided in Title 39, chapter 71, during the course of the volunteer's assistance.

~~(6)~~(7) Volunteers are not salaried employees and are not entitled to wages and benefits. The commission may, in its discretion, reimburse volunteers for their otherwise uncompensated out-of-pocket expenses, including but not limited to their expenditures for transportation, food, and lodging.

~~(7)~~(8) The commission shall establish a subcommittee composed of an equal number of members of the Montana historical society board of trustees and commission members to review and recommend the sale

1 of personal property from the former Bovey assets acquired by the 55th legislature. A recommendation to sell  
2 may be presented to the commission only if the recommendation is supported by a majority of the members of  
3 the subcommittee.

4 ~~(8)~~(9) The commission shall adopt rules establishing a policy for making acquisitions and sales of real  
5 and personal property. With respect to each acquisition or sale, the policy must give consideration to:

- 6 (a) whether the property represents the state's culture and history;  
7 (b) whether the property can become economically stable;  
8 (c) whether the property can contribute to the economic and social enrichment of the state;  
9 (d) whether the property lends itself to programs to interpret Montana history;  
10 (e) whether the acquisition or sale will create significant social and economic impacts to affected  
11 local governments and the state;  
12 (f) whether the sale is supported by the director of the Montana historical society;  
13 (g) whether the commission should include any preservation covenants in a proposed sale  
14 agreement for real property;  
15 (h) whether the commission should incorporate any design review ordinances established by  
16 Virginia City into a proposed sale agreement for real property; and  
17 (i) other matters that the commission considers necessary or appropriate.

18 ~~(9)~~(10) Except as provided in subsection ~~(11)~~ (12), the proceeds of any sale under subsection ~~(8)~~(9)  
19 must be placed in the account established in 22-3-1004.

20 ~~(10)~~(11) Public notice and the opportunity for a hearing must be given in the geographical area of a  
21 proposed acquisition or sale of real property before a final decision to acquire or sell the property is made. The  
22 commission shall approve proposals for acquisition or sale of real property and recommend the approved  
23 proposal to the board of land commissioners.

24 ~~(11)~~(12) The commission, working with the board of investments, may establish trust funds to benefit  
25 historic properties. Interest from any trust fund established under this subsection must be used to preserve and  
26 manage assets owned by the commission.

27 ~~(12)~~(13) Prior to the convening of each regular session, the commission shall report to the governor and  
28 the legislature, as provided in 5-11-210, concerning financial activities during the prior biennium, including the

1 acquisition or sale of any assets."

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

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