

Alaska State Legislature

Legislative Affairs Agency

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MEMORANDUM

TO: Representative Sara Hannan, Chair
Legislative Council

FROM: JC Kestel, Procurement Officer

DATE: April 9, 2026

SUBJ: Proposed Amendments to the Alaska Legislative Procurement Procedures

The Legislative Affairs Agency proposes three amendments to the Alaska Legislative Procurement Procedures to improve clarity, reduce administrative burden, and increase flexibility in the procurement process while maintaining existing oversight and approval requirements.

Amendment 1 – Increase to Small Procurement Threshold (LB&A Committee)

This amendment creates a carve-out in Sec. 020(a)(2) for the Legislative Budget and Audit Committee, increasing its small procurement threshold from \$40,000 to \$50,000. This mirrors the existing authority provided to the Legislative Council under Sec. 020(a)(2)(A).

This change aligns the Legislative Budget and Audit Committee's procurement authority with that of Legislative Council and reflects the scale of expenditures typically reviewed by the Committee. It will reduce administrative burden for routine procurements while maintaining existing controls for other entities.

This amendment also includes technical, grammatical, and conforming edits to Sec. 020 made by Legislative Legal to ensure Consistency with current procurement practices.

Amendment 2 – Transportation Services Exemption

This amendment adds language to Sec. 020(a) to exempt transportation services from the Legislative Procurement Procedures.

Due to limited carrier availability—particularly for travel to and from Juneau—and increasing transportation and relocation costs, competitive solicitation is often impractical. This change allows the Agency to secure transportation services more efficiently in situations where only one viable provider exists.

Amendment 3 - Expanded Use of State Cooperative Contracts

This amendment updates Sec. 040(a)(2) to allow the Legislature to utilize contracts competitively procured by the Department of Transportation and Public Facilities (DOT&PF), in addition to those procured by the Department of Administration.

This reflects the shift of statewide contracting responsibilities from the Department of Administration to DOT&PF and preserves flexibility should those responsibilities change in the future.

Use of these contracts would eliminate the need for a separate legislative solicitation; however, all existing legislative contract approval requirements would remain unchanged.

This amendment also clarifies that “products” includes “supplies,” ensuring consistency with current procurement practices.

I am happy to answer questions or provide additional detail.

Attachment

FIRST MOTION: I move that Legislative Council adopt amendment 1 to the Alaska Legislative Procurement Procedures.

SECOND MOTION: I move that Legislative Council adopt amendment 2 to the Alaska Legislative Procurement Procedures.

THIRD MOTION: I move that Legislative Council adopt amendment 3 to the Alaska Legislative Procurement Procedures.

AMENDMENT NO. 1
4/9/26

* **Section 1.** Sec. 020, Alaska Legislative Procurement Procedures, is amended to read:

Sec. 020. APPLICATION. These procedures apply to all contracts entered into [AFTER DECEMBER 31, 1987,] for services, professional services, supplies, or construction to be provided to a legislative agency or legislative committee except:

(1) employment contracts;

(2) contracts that do not exceed

(A) \$50,000 each year and that are entered into by the Legislative Council, **the Legislative Budget and Audit Committee**, [OR] the Legislative Affairs Agency, **the Legislative Finance Division, or the Legislative Audit Division**;

(B) \$40,000 each year and that are authorized by a legislative agency or legislative committee, other than a contract under (A) of this paragraph;

(3) contracts for utilities; in this paragraph, "utilities" includes water, heat, sewer, telephone services and garbage;

(4) contracts with a state agency, including a department, the University of Alaska, **or** [AND] a public corporation;

(5) contracts to purchase memberships in professional and legislative organizations;

(6) contracts to handle an emergency situation, including a situation that arises because of fire, flood, equipment failure, or other compelling reason; to qualify for this exemption, the procurement officer shall make a written determination that there is an emergency, and the determination must recite the facts on which the determination is based;

(7) contracts for the purchase of maintenance services for equipment, **maintenance services for** software, or both;

(8) contracts for hospitality or government protocol; and

(9) contracts for artifacts or art.

AMENDMENT NO. 2

4/9/26

* **Section 1.** Sec. 020, Alaska Legislative Procurement Procedures, is amended to read:

Sec. 020. APPLICATION. These procedures apply to all contracts entered into after December 31, 1987, for services, professional services, supplies, or construction to be provided to a legislative agency or legislative committee except:

(1) employment contracts;

(2) contracts that do not exceed

(A) \$50,000 each year and that are entered into by the Legislative Council or the Legislative Affairs Agency;

(B) \$40,000 each year and that are authorized by a legislative agency or legislative committee, other than a contract under (A) of this paragraph;

(3) contracts for utilities; in this paragraph, "utilities" includes water, heat, sewer, telephone services and garbage;

(4) contracts with a state agency, including a department, the University of Alaska, and a public corporation;

(5) contracts to purchase memberships in professional and legislative organizations;

(6) contracts to handle an emergency situation, including a situation that arises because of fire, flood, equipment failure, or other compelling reason; to qualify for this exemption, the procurement officer shall make a written determination that there is an emergency, and the determination must recite the facts on which the determination is based;

(7) contracts for the purchase of maintenance services for equipment, software, or both;

(8) contracts for hospitality or government protocol; [AND]

(9) contracts for artifacts or art; **and**

(10) contracts for transportation services.

AMENDMENT NO. 3

4/9/26

* **Section 1.** Sec. 040(a), Alaska Legislative Procurement Procedures, is amended to read:

(a) A contract is exempt from the solicitation requirements of sec. 030 and from sec. 145,
if

(1) the procurement officer determines in writing that

(A) it is not practicable to award a contract by competitive sealed bidding, competitive sealed proposals, or other competitive method; and

(B) award of the contract under this paragraph is in the agency's or committee's best interest;

(2) the contract is with a contractor that the Department of Administration **or the Department of Transportation and Public Facilities** has selected by competitive bidding to provide to state agencies the service, **supplies**, [PRODUCT,] leased space, or construction that is the subject of the contract; or

(3) the contract is for legal services.