



March 10, 2016

Representative Kurt Olson, Chair
House Labor & Commerce Committee
Alaska State Capitol
Juneau, Alaska 99801-1182

Re: House Bill 313

Dear Chairman Olson:

The purpose of this letter is to lend our support to passage of HB 313, "An Act relating to the public construction contracts, including the application of prevailing wage rates." We appreciate your sponsorship of this legislation and hope to see it pass during this session.

Raising the floor of "public construction contracts" to \$75,000.00 is good public policy for those who must adhere to state and local government procurement projects. Central Peninsula Hospital supports this change in statute for many reasons.

First and foremost, the \$25,000 threshold is too low as most projects that occur in our facility exceed that amount. However, there are multiple projects annually that fall beneath the new proposed limit. This legislation will reduce costs for projects and allow us to stretch our capital dollars appropriated to projects that are below the proposed new threshold.

This change in statute will also allow local governments to stretch their capital dollars as a significant budget crisis has eliminated small and large capital appropriations passing through to municipalities. This requires local dollars to be appropriated for capital projects that must be funded to protect local infrastructure.

Thank you again for sponsoring this legislation and let me know if there is anything we can do to help you or your committee to move it through to final passage.

Sincerely,

Rick Davis
CEO
Central Peninsula

cc: Kenai Peninsula Legislative Delegation
Alaska State Hospital & Nursing Home Association

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member of
the Planetree
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