

SENATE BILL NO. 141

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR LEMAN BY REQUEST

Introduced: 4/12/99

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to construction contracts and subcontractors; relating to design-
2 build construction contracts; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 36.30.115(b) is amended to read:

5 (b) A construction contractor or the [THE] apparent low bidder for a
6 construction contract may replace a listed subcontractor if the subcontractor

7 (1) fails to comply with AS 08.18;

8 (2) files for bankruptcy or becomes insolvent;

9 (3) fails to execute a contract with the construction contractor or

10 bidder involving performance of the work for which the subcontractor was listed and
11 the construction contractor or bidder acted in good faith;

12 (4) fails to obtain bonding;

13 (5) fails to obtain insurance acceptable to the state;

14 (6) fails to perform the contract with the construction contractor or

1 bidder involving work for which the subcontractor was listed;

2 (7) must be substituted in order for the [PRIME] contractor to satisfy
3 required state and federal affirmative action requirements;

4 (8) refuses to agree or abide with the [BIDDER'S] labor agreement **of**
5 **the construction contractor or bidder**; or

6 (9) is determined by the procurement officer not to be a responsible
7 subcontractor.

8 * **Sec. 2.** AS 36.30.115 is amended by adding new subsections to read:

9 (f) In addition to the circumstances described in (b) of this section, a
10 construction contractor may request permission from the procurement officer to add
11 or replace a listed subcontractor. The request must be in writing, specifically detailing
12 the basis for the request, and include appropriate supporting documentation. The
13 procurement officer shall approve the request if the procurement officer determines in
14 writing that the requested addition or replacement is in the best interest of the state.

15 (g) The requirements of this section do not apply to a design-build construction
16 contract under AS 36.30.200(c).

17 (h) In this section, "construction contractor" means a person who enters into
18 a construction contract with an agency.

19 * **Sec. 3.** AS 36.30.210(b) is amended to read:

20 (b) An offeror for a construction contract shall submit evidence of the offeror's
21 registration under AS 08.18. A request for sealed proposals for a construction contract
22 **that is not a design-build construction contract under AS 36.30.200(c)** must require
23 the offeror, no later than five working days after the proposal that is the most
24 advantageous to the state is identified, to list subcontractors the offeror proposes to use
25 in the performance of the construction contract. The list must include the information
26 required under AS 36.30.115(a). The provisions of **AS 36.30.115(b) - (g) that apply**
27 **to a construction contractor or an apparent low bidder** [AS 36.30.115(b) - (e)]
28 apply to **offerors submitting** competitive sealed proposals for construction contracts.

29 * **Sec. 4.** AS 36.30.210 is amended by adding a new subsection to read:

30 (f) In this section, "construction contractor" has the meaning given in
31 AS 36.30.115.

1 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).