

**HOUSE BILL NO. 477**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVES MCGUIRE, Berkowitz**

**Introduced: 2/19/02**

**Referred: Transportation, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to procurement by state agencies; and providing for an effective date."**

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

3 \* **Section 1.** AS 36.30.005 is amended by adding a new subsection to read:

4 (d) On and after July 1, 2007, the department shall use electronic methods,  
5 including the Internet, exclusively for all of its activities under this chapter, including  
6 advertising procurement needs, giving other notices, making purchases, paying for  
7 purchases, handling billings, cataloging inventory, and determining procurement  
8 needs.

9 \* **Sec. 2.** AS 36.30.015(a) is amended to read:

10 (a) The commissioner of transportation and public facilities may **not** delegate  
11 to another agency the authority to contract for construction. [BEFORE  
12 DELEGATING AUTHORITY TO AN AGENCY UNDER THIS SUBSECTION,  
13 THE COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES  
14 SHALL MAKE A WRITTEN DETERMINATION THAT THE AGENCY IS  
15 CAPABLE OF IMPLEMENTING THE DELEGATED AUTHORITY.

1 NOTWITHSTANDING DELEGATION OF AUTHORITY UNDER THIS  
 2 SUBSECTION, CONTRACTS FOR CONSTRUCTION ARE GOVERNED BY  
 3 THIS CHAPTER AND REGULATIONS ADOPTED BY THE COMMISSIONER  
 4 OF ADMINISTRATION UNDER THIS CHAPTER.]

5 \* **Sec. 3.** AS 36.30.015(b) is amended to read:

6 (b) The commissioner of administration may **not** delegate to an agency the  
 7 authority to contract for and manage services, professional services, and supplies.  
 8 [NOTWITHSTANDING DELEGATION OF AUTHORITY UNDER THIS  
 9 SUBSECTION, AN AGENCY'S EXERCISE OF THE AUTHORITY IS  
 10 GOVERNED BY THIS CHAPTER AND REGULATIONS ADOPTED BY THE  
 11 COMMISSIONER UNDER THIS CHAPTER. BEFORE DELEGATING  
 12 AUTHORITY TO AN AGENCY UNDER THIS SUBSECTION, THE  
 13 COMMISSIONER SHALL MAKE A WRITTEN DETERMINATION THAT THE  
 14 AGENCY IS CAPABLE OF IMPLEMENTING THE DELEGATED AUTHORITY.]

15 \* **Sec. 4.** AS 36.30.015(i) is amended to read:

16 (i) Notwithstanding (e) of this section [AND THE AUTHORITY TO  
 17 DELEGATE UNDER (a) OF THIS SECTION], the Alaska Railroad Corporation,  
 18 rather than the Department of Transportation and Public Facilities, shall perform  
 19 signalization and flagging work, may perform the signalization and flagging work by  
 20 itself or by using contractors, and, if it decides to use contractors for the work, it shall  
 21 obtain the contractors by using its procurement procedures adopted under (e) of this  
 22 section.

23 \* **Sec. 5.** AS 36.30.300(e) is amended to read:

24 (e) **The** [EXCEPT FOR PROCUREMENTS OF SUPPLIES, SERVICES,  
 25 PROFESSIONAL SERVICES, OR CONSTRUCTION THAT DO NOT EXCEED  
 26 THE AMOUNT FOR SMALL PROCUREMENTS UNDER AS 36.30.320(a) AS  
 27 APPLICABLE, THE] authority to make a determination required by this section may  
 28 not be delegated [, EVEN IF THE AUTHORITY TO CONTRACT IS DELEGATED  
 29 UNDER AS 36.30.015(a) AND (b)].

30 \* **Sec. 6.** AS 36.30.305(a) is amended to read:

31 (a) A construction contract under \$100,000, or a contract for supplies,

1 services, or professional services, may be awarded without competitive sealed bidding  
 2 or competitive sealed proposals, in accordance with regulations adopted by the  
 3 commissioner. A contract may be awarded under this section only when the chief  
 4 procurement officer determines in writing that a situation exists that makes  
 5 competitive sealed bidding or competitive sealed proposals impractical or contrary to  
 6 the public interest, except that the attorney general may make the determination for  
 7 services of legal counsel, and the commissioner of transportation and public facilities  
 8 may make the determination for construction contracts under \$100,000 or  
 9 procurements for the state equipment fleet. Procurements under this section shall be  
 10 made with competition that is practicable under the circumstance. **The** [EXCEPT  
 11 FOR PROCUREMENTS OF SUPPLIES, SERVICES, PROFESSIONAL SERVICES,  
 12 OR CONSTRUCTION THAT DO NOT EXCEED THE AMOUNT FOR SMALL  
 13 PROCUREMENTS UNDER AS 36.30.320(a), AS APPLICABLE, THE] authority to  
 14 make a determination required by this section may not be delegated.

15 \* **Sec. 7.** AS 36.30.520(b) is amended to read:

16 (b) The Department of Transportation and Public Facilities [AND ANY  
 17 AGENCY TO WHOM THE COMMISSIONER OF ADMINISTRATION OR THE  
 18 COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES HAS  
 19 DELEGATED PROCUREMENT AUTHORITY UNDER AS 36.30.015] shall, by  
 20 October 1 of each year, submit to the commissioner of administration records of the  
 21 type specified in (a) of this section for emergency procurements made under  
 22 AS 36.30.310. The Department of Transportation and Public Facilities shall, [EVEN  
 23 IF PROCUREMENT AUTHORITY HAS BEEN DELEGATED UNDER  
 24 AS 36.30.015 TO ANOTHER AGENCY,] by October 1 of each year, submit to the  
 25 commissioner of administration records of the type specified in (a) of this section for  
 26 single source procurement contracts made under AS 36.30.300. The commissioner of  
 27 administration shall maintain these records as required by (a) of this section.

28 \* **Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to  
 29 read:

30 TRANSITION TO ELECTRONIC SYSTEM. (a) By July 1, 2007, the Department of  
 31 Administration shall change the system that it uses to carry out its responsibilities under

1 AS 36.30 (State Procurement Code) so that, on and after that date, the department uses  
2 electronic methods, including the Internet, exclusively for all of its activities under this  
3 chapter, including advertising procurement needs, giving other notices, making purchases,  
4 handling billings, cataloging inventory, and determining procurement needs.

5 (b) As part of the system development under (a) of this section, the Department of  
6 Administration shall develop the programs necessary to use electronic methods, including the  
7 Internet, to handle and manage regularly recurring purchases of goods. The programs  
8 developed for these recurring purchases must provide for the identification and cataloging of  
9 these recurring purchases, grouping of similar types of purchases, providing for the  
10 competition among suppliers required by AS 36.30 for the particular purchases, and providing  
11 for entering into and implementing the contracts for these recurring purchases. The  
12 department may contract with a private person to develop the programs required by this  
13 subsection.

14 (c) The Department of Administration shall submit to the legislature by February 1 of  
15 each year through February 1, 2007, a report detailing the progress that the department has  
16 made towards meeting the goal of (a) of this section.