

HOUSE BILL NO. 545

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/25/04

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the extension under the State Procurement Code of terms for leases
2 for real estate and certain terms for certain state contracts for goods and services; and
3 providing for an effective date."

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

5 * **Section 1.** AS 36.30 is amended by adding a new section to read:

6 **Sec. 36.30.086. Lease and contract extensions authorized. (a)**

7 Notwithstanding any other provision of this chapter, the department, the Board of
8 Regents of the University of Alaska, the legislative council, or the court system may
9 extend

10 (1) a real property lease that is entered into under this chapter for up to
11 a maximum extension of 10 years if a minimum cost savings of at least 5 percent
12 below the prevailing market rates at the time of the extension can be achieved on the
13 rent due under the lease; or

14 (2) a contract for goods or services that is entered into under this

1 chapter for up to a maximum extension of five years if a minimum cost savings of at
2 least 5 percent can be achieved on the price of the goods or services established in the
3 contract.

4 (b) The department, the University of Alaska, the court system, and the
5 Legislative Affairs Agency shall submit individually an annual report to the
6 Legislative Budget and Audit Committee detailing the leases and contracts for goods
7 or services extended and the costs savings achieved by that entity under (a) of this
8 section. Reports are due August 31 of each year.

9 * **Sec. 2.** AS 36.30.083 is repealed.

10 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
11 read:

12 **APPLICABILITY.** Notwithstanding the changes made by secs. 1 and 2 of this Act,
13 the state agencies affected by this Act may continue to act on or consider a provision of a
14 solicitation, notice of intent to award, or response to solicitation made before the effective
15 date of secs. 1 and 2 of this Act, to the extent that the provision is not inconsistent with a
16 provision of secs. 1 and 2 of this Act.

17 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
18 read:

19 **FIRST LEASE EXTENSION REPORT.** Notwithstanding AS 36.30.086(b), enacted
20 by sec. 1 of this Act, the first lease extension report under AS 36.30.086(b) is due August 31,
21 2005, and must cover fiscal year 2005.

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