

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 238

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES TARR AND GARA, Tuck

Introduced: 2/21/14

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the state and municipal procurement preferences for agricultural**
2 **products harvested in the state and fisheries products harvested or processed in the**
3 **state; relating to legislative oversight of those procurement preferences; and providing**
4 **for an effective date."**

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

6 * **Section 1.** AS 24.20.271 is amended to read:

7 **Sec. 24.20.271. Powers and duties.** The legislative audit division shall

8 (1) conduct a performance post-audit of boards and commissions
9 designated in AS 44.66.010 and make the audit, together with a written report,
10 available to the legislature not later than the first day of the regular session of the
11 legislature convening in each year set out with reference to boards and commissions
12 whose activities are subject to termination as prescribed in AS 44.66; the division shall
13 notify the legislature that the audit and report are available;

14 (2) conduct a performance review of the agencies listed in

1 AS 44.66.020(a) and make the final review report available to the legislature not later
2 than the first day of the regular session convening in the year after the year designated
3 for each agency performance review in AS 44.66.020(a);

4 (3) audit at least once every three years the books and accounts of all
5 custodians of public funds and all disbursing officers of the state;

6 (4) at the direction of the Legislative Budget and Audit Committee,
7 conduct performance post-audits on any agency of state government;

8 (5) cooperate with state agencies by offering advice and assistance as
9 requested in establishing or improving the accounting systems used by state agencies;

10 (6) require the assistance and cooperation of all state officials and
11 other state employees in the inspection, examination, and audit of state agency books
12 and accounts;

13 (7) have access at all times to the books, accounts, reports, or other
14 records, whether confidential or not, of every state agency;

15 (8) ascertain, as necessary for audit verification, the amount of agency
16 funds on deposit in any bank as shown on the books of the bank; no bank may be held
17 liable for making information required under this paragraph available to the legislative
18 audit division;

19 (9) complete studies and prepare reports, memoranda, or other
20 materials as directed by the Legislative Budget and Audit Committee;

21 (10) have direct access to any information related to the management
22 of the University of Alaska and have the same right of access as exists with respect to
23 every other state agency;

24 (11) conduct an audit every two years of information found in the
25 annual reports required under AS 42.05.211 and AS 42.06.220 regarding compliance
26 by the Regulatory Commission of Alaska with the requirements of AS 42.05.175(a) -
27 (e) and of the timeline extensions made by the commission under AS 42.05.175(f),
28 and of other performance measures adopted by the commission;

29 (12) conduct audits of the Alaska film production incentive program
30 (AS 44.25.100 - 44.25.190) and make the audits available to the legislature on the first
31 day of the regular session of the legislature in 2015, 2017, and 2021;

1 **(13) conduct audits of compliance with AS 29.71.040;**

2 **(14) conduct audits of compliance with AS 36.15.050.**

3 * **Sec. 2.** AS 29.71.040(a) is amended to read:

4 (a) When agricultural products are purchased by a municipality that receives
5 state money, only agricultural products harvested in the state shall be purchased
6 whenever priced **not** [NO] more than **12** [SEVEN] percent above products harvested
7 outside the state, available, and of like quality compared with agricultural products
8 harvested outside the state.

9 * **Sec. 3.** AS 29.71.040(b) is amended to read:

10 (b) When fisheries products are purchased by a municipality that receives state
11 money, only fisheries products harvested or processed within the jurisdiction of the
12 state shall be purchased whenever priced **not** [NO] more than **12** [SEVEN] percent
13 above products harvested or processed outside the jurisdiction of the state, available,
14 and of like quality compared with fisheries products harvested or processed outside
15 the jurisdiction of the state.

16 * **Sec. 4.** AS 36.15.050(a) is amended to read:

17 (a) When agricultural products are purchased by the state or by a school
18 district that receives state money, a **12** [SEVEN] percent preference shall be applied to
19 the price of the products harvested in the state.

20 * **Sec. 5.** AS 36.15.050(b) is amended to read:

21 (b) When fisheries products are purchased by the state or by a school district
22 that receives state money, a **12** [SEVEN] percent preference shall be applied to the
23 price of the products harvested or processed within the jurisdiction of the state.

24 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 INITIAL AUDIT. The legislative audit division shall complete the first audits of
27 compliance with AS 29.71.040 and AS 36.15.050 required under AS 24.20.271, as amended
28 by sec. 1 of this Act, and shall make the audits available to the legislature on the first day of
29 the First Regular Session of the Twenty-Ninth Alaska State Legislature.

30 * **Sec. 7.** Sections 2 - 5 of this Act take effect July 1, 2016.