

Introduced: 3/8/63  
Referred: Labor and  
Management

BY MESSRS. LEONARD  
AND SANDERS

1 IN THE HOUSE

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state construction con-  
7 tract procedures; and providing for an  
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. It appears desirable, and in the best interests  
11 of the state government, for the State of Alaska, or any of its  
12 agencies in contracting for construction in which all or part, are  
13 state moneys, to use the single contract system of procurement  
14 under which the prime contractor is solely responsible to the  
15 state for completion and has undivided responsibility therefor  
16 and full control and authority to coordinate and complete, but  
17 that such system shall include procedures under which subcontracts  
18 for the work involved should be finalized as far as practicable  
19 prior to the submission of bids or proposals to give the state  
20 government or its agencies the full benefit of competitive sub-  
21 contract prices, as well as maximum efficiency in performance, and  
22 that such procedures shall be so established as to eliminate the  
23 unfair trade practices of bid shopping by prime contractors and  
24 bid peddling by subcontractors and other unfair trade practices  
25 in connection with bidding on state works.

26 \* Sec. 2. AS 37.05 is amended by adding new sections to read:

27 Sec. 37.05.233. SINGLE CONTRACT SYSTEM. (a) It shall  
28 be the policy of the State of Alaska to eliminate, insofar as  
29 possible, the practices of bid shopping and bid peddling in

1 connection with the construction, alteration and repair of  
2 state works.

3 (b) At the time of bidding to an agency of the State of  
4 Alaska, or of any work in which state moneys are included for  
5 the construction, alteration or repair of any state work, the  
6 prime contractor shall state to such agency not only the  
7 qualifications and experience on his part which are necessary  
8 for the efficient performance of the work which such prime  
9 contractor undertakes for himself, but also the name, quali-  
10 fications and experience on the part of one subcontractor in  
11 each work category under such prime contractor with respect  
12 to the work to be performed by each subcontractor.

13 (c) In the interest of efficiency, economy and fair  
14 practices in connection with the construction, alteration and  
15 repair of state work, each agency of the state shall take  
16 such action as may be necessary and appropriate to insure,  
17 (1) that competition among subcontractors be completed prior  
18 to submission of their bids to the prime contractor and, (2)  
19 that, as a result of prior competition among subcontractors,  
20 the bid to the prime contractor will reflect the lowest bids  
21 of the subcontractor.

22 Sec. 37.05.234. CONSEQUENCE OF NONCOMPLIANCE. (a) No  
23 state agency shall award to or enter into a contract for con-  
24 struction, alteration or repair of state work unless the  
25 prime contractor shall have complied with all provisions of  
26 secs. 233 - 235 of this chapter. If the prime contractor  
27 fails to enter into a contract with the subcontractor named  
28 in the bid, he shall first notify the state agency in writing  
29 the name and the qualifications of the substitute subcontractor.

1 or and the amount of the new subcontractor's bid.

2 (b) In the event the state agency determines that the  
3 substitute subcontractor meets the standards required, the  
4 total net contract price of the prime contractor to the state  
5 agency shall be adjusted by the net difference in cost if  
6 such substitution resulted in a lower cost to the prime con-  
7 tractor.

8 Sec. 37.05.235. SHORT TITLE. Secs. 233 - 235 of this  
9 chapter may be cited as the State Construction Contract Pro-  
10 cedures Act.

11 \* Sec. 3. This Act takes effect on the day after its passage  
12 and approval or on the day it becomes law without such approval.  
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