

Introduced: 4/13/71  
Referred: Labor & Management  
and Commerce

1 IN THE HOUSE

BY ORBECK AND HARRIS

2 HOUSE BILL NO. 418

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state public works construction  
7 contracts."

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

9 \* Section 1. AS 35.15.040(b) is amended to read:

10 (b) In all other cases, the award of the contract shall comply  
11 with this title, [AND] AS 37.05, and the rules and regulations  
12 promulgated under them [AND] which are consistent with this title,  
13 and shall be based on at least three competitive bids.

14 \* Sec. 2. AS 35.15 is amended by adding a new section to read:

15 Sec. 35.15.045. MANAGEMENT CONTRACTS; MANAGEMENT CONTRACTING  
16 METHOD. (a) The Legislature finds and declares that the typical  
17 "management contract" or "management contracting method" is not com-  
18 petitive bidding as that term is used in this title. The Legislature  
19 further finds and declares that this type of contract is, in fact, a  
20 "cost plus" or "time and material contract."

21 (b) In this title, the award of a "management contract" or use  
22 of the "management contracting method" is subject to the requirements  
23 of this title, AS 37.05, and the regulations promulgated under them  
24 which are consistent with this title and shall be based on at least  
25 three competitive bids.

26 (c) This form of contract or contracting method may be utilized  
27 only under those circumstances set out in regulations promulgated by  
28 the commissioner under this title and then only when specifically  
29 approved by the commissioner, the commissioner of administration and

1 the attorney general. In all events this type of contract or contrac-  
2 ting method must be for the total cost of the entire public works  
3 construction project and not merely for any portion of it.

4 \* Sec. 3. AS 35.15 is amended by adding a new section to read:

5 Sec. 35.15.055. SUBMISSION TO ATTORNEY GENERAL, ENDORSEMENT.

6 Every contract awarded under this title shall be submitted to the  
7 attorney general, or the attorney appointed according to law to repre-  
8 sent the department under which it is to be performed. The contract  
9 is not binding on the state until the appropriate attorney finds it is  
10 drawn in accordance with the requirements of this title, AS 37.05  
11 insofar as applicable, and the regulations promulgated under them,  
12 and endorses these findings on the contract. A certified copy of the  
13 contract shall be filed with the department, the Department of Adminis-  
14 tration, the attorney general, and the department under which it is  
15 to be performed.