

Original sponsor: Rules Committee  
by request of the Governor

Offered: 5/23/75  
Referred: Rules

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 279

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to competitive bids."

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

8 \* Section 1. AS 37.05.230(1) is amended to read:

9 (1) a contract for construction and repairs, or a purchase  
10 of and contract for supplies, materials, equipment, and contractual  
11 services must be based on competitive bids; an award shall be made to  
12 the lowest responsible bidder after advertising for bids, except that  
13 (A) repealed; (B) a bid shall be awarded to an Alaska bidder if his  
14 bid is not more than 10 [FIVE] per cent higher than the lowest non-  
15 resident bidder's; and (C) competitive bids need not be required (i)  
16 for contractual services where no competition exists; (ii) for sales  
17 involving fair trade items; (iii) when, in the judgment of the pur-  
18 chasing agent, food, clothing, or medical supplies, or materials for use  
19 in laboratory and experimental studies may be purchased otherwise to the  
20 best advantage of the state; (iv) where rates are fixed by law or  
21 ordinance; (v) for items traded in on like items; or (vi) for profes-  
22 sional services;

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24 \* Sec. 2. AS 37.05.230(2) is amended to read:

25 (2) if the amount of the contractual services, purchase, or  
26 sale is estimated to exceed \$2,500 [\$1,000] sealed bids shall be  
27 solicited, when practicable, by publication in a newspaper calculated  
28 to reach prospective bidders and by posting notices in public places  
29 within the area where the work is to be performed or material furnished  
and in addition the department may also designate a trade journal for

1 publication; the department shall also solicit bids by sending notices  
2 by mail to all active prospective bidders known to it with offices  
3 within the state and all bids shall be sealed when received, and shall  
4 be opened in public at the hour stated in the notice; the department may  
5 negotiate directly if it finds that it is in the best interests of the  
6 state;

7 \* Sec. 3. AS 37.05.230(3) is amended to read:

8 (3) a contractual service, purchase or sale where the  
9 known requirements are estimated to be less than \$2,500 [\$1,000] may be  
10 made either upon competitive bids in accordance with (2) of this section  
11 or in the open market, in the discretion of the department; but, so far  
12 as practicable, shall be based on at least three competitive bids and  
13 recorded as provided in sec. 240 of this chapter; small purchases of  
14 less than \$300 [\$100] in the discretion of the department may be made on  
15 the open market, and may be by cash payment from petty cash accounts set  
16 aside for that purpose; the department shall determine the amount of the  
17 petty cash accounts needed by each state agency, and inspect the petty  
18 cash accounts at least once each year to determine that the total plus  
19 amounts of receipts for unreplenished disbursements is equal to the  
20 fixed sum of cash set aside; shortages in petty cash accounts are a  
21 personal liability of the responsible head of the agency to whom the  
22 account is set aside; the department shall make all necessary rules and  
23 regulations governing use and replenishment of petty cash funds;  
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