

Introduced: 1/9/78  
Referred: State Affairs  
and Judiciary

1 IN THE HOUSE

BY GARDINER, NAKAK, OSE  
AND MILLER

2 HOUSE BILL NO. 557

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to employment preference for local  
7 residents; and providing for an effective date."

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

9 \* Section 1. AS 36.10.010 is amended to read:

10 Sec. 36.10.010. EMPLOYMENT PREFERENCE. In the performance of  
11 contracts let by the state or a political subdivision of the state for  
12 construction, repair, preliminary surveys, engineering studies, con-  
13 sulting, maintenance work or any other retention of services necessary  
14 to complete any given project, 95 per cent residents shall be employed  
15 where they are available and qualified. If 10 or fewer persons are  
16 employed under the contract, then 90 per cent residents shall be em-  
17 ployed where they are available and qualified. In all cases of public  
18 works projects, preference shall be given to residents. In an area  
19 which has been designated as an area impacted by an economic disaster,  
20 residents of that area shall be given employment preference as provided  
21 in AS 44.33.290, followed by other residents of the state. In any pro-  
22 ject in a rural area as defined in sec. 15(b) of this chapter and sub-  
23 ject to the provisions of this chapter, employment preference shall be  
24 given to residents of that area to the maximum feasible extent. The  
25 contracting department shall investigate the extent to which the em-  
26 ployment of local residents is practical for a particular project and  
27 shall include in the contract terms that promote the employment of  
28 local residents.

29 \* Sec. 2. AS 36.10 is amended by adding a new section to read:

1           Sec. 36.10.015. RURAL EMPLOYMENT BONUS. (a) In the performance  
2 of contracts let by the state for construction, repair, preliminary  
3 surveys, engineering studies, consulting, maintenance work, or any other  
4 retention of services necessary to complete any given project in a rural  
5 area, the state shall award the contractor a bonus for employment of  
6 residents of the project area as determined under (b) of this section.  
7 The bonus shall be equal to 25 per cent of the amount which would have  
8 been paid to those residents of the area who were hired had they been  
9 paid the minimum rates of pay published in the schedule by the Depart-  
10 ment of Labor in accordance with AS 36.05.030. If the minimum rate of  
11 pay for a given type of work is not included in the schedule, the  
12 Department of Labor shall determine the rate to be applied. A bonus  
13 paid to a contractor under this section may not exceed 10 per cent of  
14 the bid for that project.

15           (b) For purposes of this section, "project area" means the area  
16 within 40 miles of the site of the project and it shall be considered a  
17 "rural area" if it contains fewer than 2,000 residents.

18           (c) To be eligible for a bonus under this section, a contractor  
19 shall present records and other evidence which may be required to the  
20 Department of Labor for verification in accordance with regulations  
21 adopted by the department.

22 \* Sec. 3. This Act takes effect July 1, 1978.  
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