

Original sponsor: Eliason

Offered: 5/25/78
Referred: Rules

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 766
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing home rule and general law municipi-
7 palities to exempt contractors from certain bond re-
8 quirements in the construction or repair of public
9 works projects."

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

11 * Section 1. AS 36.25 is amended by adding a new section to read:

12 Sec. 36.25.025. OPTIONAL MUNICIPAL EXEMPTION. A municipality, by
13 ordinance adopted by its governing body, may exempt contractors from
14 compliance with the provisions of sec. 10(a) of this chapter if the
15 estimated cost of the project does not exceed \$400,000, and

16 (1) the contractor is, and for two years immediately pre-
17 ceding the award of the contract has been, a licensed contractor having
18 his or its principal office in the state;

19 (2) the contractor certifies that he has not defaulted on a
20 contract awarded to him during the period of three years preceding the
21 award of a contract for which a bid is submitted;

22 (3) the contractor submits a financial statement, prepared
23 within a period of nine months preceding the submission of a bid for the
24 contract and certified by a public accountant or a certified public
25 accountant licensed under AS 08.04, demonstrating that the contractor
26 has a net worth of not less than 20 per cent of the amount of the con-
27 tract for which a bid is submitted; and

28 (4) the total amount of all contracts which the contractor
29 anticipates performing during the term of performance of the contract

1 for which a bid is submitted does not exceed the net worth of the con-
2 tractor reported in the certified financial statement prepared and
3 submitted under (3) of this subsection by more than seven times.

4 * Sec. 2. AS 29.13.100 is amended by adding a new paragraph to read:

5 (38) AS 29.48.130(a)(12) (municipal exemption on contractor
6 bond requirements)

7 * Sec. 3. AS 29.48.130(a) is amended by adding a new paragraph to read:

8 (12) exempt contractors from compliance with general require-
9 ments relating to payment and performance bonds in the construction or
10 repair of municipal public works projects within the limitations set out
11 in AS 36.25.025.