

Original sponsor: Summer

Offered: 4/5/79
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchasing by state agencies; and
7 providing for an effective date."

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

9 * Section 1. AS 24.20 is amended by adding a new section to read:

10 Sec. 24.20.206. REPORT OF PUBLIC CONTRACTS. The Legislative
11 Budget and Audit Committee shall publish, by December 31 of each year, a
12 report containing

13 (1) the names of all persons who have received \$10,000 or
14 more in state funds for providing goods or services during the previous
15 fiscal year;

16 (2) the principal place of business of persons reported;

17 (3) the state agencies that received the goods or services.

18 * Sec. 2. AS 37.05 is amended by adding a new section to article 4 to
19 read:

20 Sec. 37.05.285. PAYMENT FOR STATE PURCHASES. (a) If a vendor, in
21 response to the order of goods or services for use by a state agency,
22 offers a discount of at least two per cent (1) if payment is made within
23 10 days of receipt of the goods or completion of the services, or re-
24 ceipt of the invoice for the goods or services, whichever is later, or
25 (2) if payment is made within 10 days of placing the order for goods if
26 the agency is reasonably assured that delivery will be completed, the
27 state agency responsible for payment shall make payment so as to take
28 advantage of the discount. If a discount for timely payment is not
29 offered by a vendor, payment shall be made within 30 days of receipt of

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the goods or completion of the services, or receipt of the invoice for the goods or services, whichever is later.

(b) If payment for goods or services purchased for use by a state agency is not made within 30 days of receipt of the goods or completion of the services, or receipt of the invoice covering the purchase of the goods or services, whichever is later, the state shall pay interest on the unpaid balance at the rate of one and one-half per cent a month.

(c) This section does not apply

(1) if the cost of the goods or services purchased exceeds \$500,000; or

(2) after a vendor of goods or services receives notice that the amount of the invoice or quality of the goods or services is in dispute, including the reasons for the dispute, from the state officer responsible for administering the contract.

(d) For purposes of this section "dispute" means a situation where the state officer responsible for administering a contract for the purchase of goods or services challenges the performance rendered by the vendor as not in compliance with the terms of the contract as to the cost or quality of the goods or services.

* Sec. 3. This Act does not apply to contracts entered into before its effective date.

* Sec. 4. This Act takes effect July 1, 1979.