

Original sponsor: Bradley

Offered: 4/3/79

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 114 (Rules) am  
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 competitive bidding under the Fis-  
7 cal Procedures Act; and providing for an effective  
8 date."

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

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

11 (1) a contract for construction and repairs, or a purchase of  
12 and contract for supplies including Alaska produced fisheries and  
13 agricultural products, materials, equipment, and contractual services  
14 must be based on competitive bids; an award shall be made to the lowest  
15 responsible bidder after advertising for bids, except that

16 (A) (repealed)

17 (B) [A BID SHALL BE AWARDED TO AN ALASKA BIDDER IF HIS  
18 BID IS NOT MORE THAN FIVE PER CENT HIGHER THAN THE LOWEST NONRESI-  
19 DENT BIDDER'S; AND]

20 (C) competitive bids need not be required

21 (i) for contractual services where no competition  
22 exists;

23 (ii) [FOR SALES INVOLVING FAIR TRADE ITEMS;]

24 (iii) in a declared emergency when [, IN THE JUDGMENT  
25 OF THE PURCHASING AGENT,] food, clothing, or medical supplies,  
26 or materials for use in laboratory and experimental studies  
27 may be purchased otherwise to the best advantage of the state;

28 (iv) where rates are fixed by law or ordinance;

29 (v) for items traded in on like items; or

1 (vi) for professional services;

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

3 (2) if the amount of the contractual services, purchase, or  
4 sale is estimated to exceed \$2,500 sealed bids shall be solicited, when  
5 practicable, by publication in a newspaper calculated to reach pro-  
6 spective bidders and by posting notices in public places within the area  
7 where the work is to be performed or material furnished and in addition  
8 the department may also designate a trade journal for publication; the  
9 department shall also solicit bids by sending notices by mail to all  
10 [ACTIVE PROSPECTIVE] bidders on the certified Alaska bidders list;  
11 [KNOWN TO IT AND] all bids shall be sealed when received, and shall be  
12 opened in public at the hour stated in the notice; the department may  
13 negotiate directly if it finds that it is in the best interest of the  
14 state;

15 \* Sec. 3. AS 37.05.230(5) is amended by adding new subparagraphs to read:

16 (D) has no delinquent state taxes;

17 (E) is a resident of the state, or, if the bidder is a  
18 partnership, corporation, or other association, the majority of the  
19 persons employed in the bidder's Alaska office are residents of the  
20 state;

21 \* Sec. 4. AS 37.05.230 is amended by adding new paragraphs to read:

22 (9) the Department of Administration shall compile and update  
23 annually a "certified Alaska bidders list" containing the names of  
24 bidders certified to be Alaska bidders who maintain inventories in the  
25 state;

26 (10) each proposed contract for or purchase of supplies,  
27 materials, or equipment shall provide for an award of not less than 40  
28 per cent of the total value of the purchase to the lowest responsible  
29 Alaska bidder who maintains no offices outside the state and who had for

1 the previous year gross business receipts not in excess of \$1,000,000.

2 \* Sec. 5. AS 37.05.320 is amended by adding a new paragraph to read:

3 (5) "declared emergency" means a situation declared by the  
4 governor to be an immediate threat to the public peace, safety, health,  
5 or the general welfare.

6 \* Sec. 6. AS 45 is amended by adding a new chapter to read:

7 CHAPTER 67. IDENTIFICATION OF ALASKA MANUFACTURED GOODS.

8 Sec. 45.67.010. DESIGN OF IDENTIFICATION SEAL. After holding a  
9 public hearing to obtain manufactures' advice on the design of a seal to  
10 identify goods manufactured in the state, the commissioner shall design  
11 the seal. The seal shall bear an appropriate logo and the words  
12 "Manufactured in Alaska".

13 Sec. 45.67.020. PERMIT TO USE IDENTIFICATION SEALS. A person who  
14 produces goods manufactured in the state may apply to the commissioner  
15 for a permit to purchase identification seals to be attached to those  
16 goods. The commissioner shall investigate the applicant to determine  
17 his eligibility for the permit. A permit shall be issued free of charge  
18 to a qualified applicant. The commissioner shall prescribe the form of  
19 the application and permit, the period for which the permit is valid,  
20 and the procedure for renewal of the permit.

21 Sec. 45.67.030. PENALTIES. (a) A person who knowingly attaches  
22 an identification seal to an article, knowing that the article is not a  
23 good manufactured in the state, is guilty of a misdemeanor, and upon  
24 conviction is punishable by a fine of not more than \$1,000, or by impri-  
25 sonment for not more than one year, or by both.

26 (b) A person who knowingly sells or offers for sale an article  
27 with an identification seal attached, knowing that the article is not a  
28 good manufactured in the state, is guilty of a misdemeanor, and upon  
29 conviction is punishable by a fine of not more than \$1,000, or by impri-

1 sonment for not more than one year, or by both.

2 (c) A person who counterfeits an identification seal is guilty of  
3 a misdemeanor, and upon conviction is punishable by a fine of not more  
4 than \$1,000, or by imprisonment for not more than one year, or by both.

5 (d) A person who knowingly sells, or otherwise provides, identifi-  
6 cation seals to another without a permit issued under AS 45.67.020 is  
7 guilty of a misdemeanor, and upon conviction is punishable by a fine of  
8 not more than \$1,000, or by imprisonment for not more than one year, or  
9 by both.

10 (e) For the purposes of this section each article sold or identi-  
11 fication seal counterfeited, sold, or otherwise provided constitutes a  
12 separate offense.

13 Sec. 45.67.040. DEFINITIONS. In this chapter

14 (1) "commissioner" means the commissioner of commerce and  
15 economic development;

16 (2) "goods manufactured in the state" means a new, finished  
17 product for marketing to the public, which results from the transforma-  
18 tion in the state of raw materials; it does not include a finished  
19 product which results from the assembly of previously finished com-  
20 ponents parts, unless all the parts are goods manufactured in the state,  
21 or unless the finished product is assembled in its final form only in  
22 the state;

23 (3) "identification seal" means the identification seal  
24 designed under AS 45.67.010.

25 \* Sec. 7. AS 45.67.030 is amended to read:

26 Sec. 45.67.030. PENALTIES. (a) A person who knowingly attaches  
27 an identification seal to an article, knowing that the article is not a  
28 good manufactured in the state, is guilty of a class B misdemeanor [,  
29 AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000, OR

1 BY IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

2 (b) A person who knowingly sells or offers for sale an article  
3 with an identification seal attached, knowing that the article is not a  
4 good manufactured in the state, is guilty of a class B misdemeanor [,  
5 AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000, OR  
6 BY IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

7 (c) A person who counterfeits an identification seal is guilty of  
8 a class B misdemeanor [, AND UPON CONVICTION IS PUNISHABLE BY A FINE OF  
9 NOT MORE THAN \$1,000, OR BY IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR  
10 BY BOTH].

11 (d) A person who knowingly sells, or otherwise provides, identifi-  
12 cation seals to another without a permit issued under AS 45.67.020 is  
13 guilty of a class B misdemeanor [, AND UPON CONVICTION IS PUNISHABLE BY  
14 A FINE OF NOT MORE THAN \$1,000, OR BY IMPRISONMENT FOR NOT MORE THAN ONE  
15 YEAR, OR BY BOTH].

16 (e) For the purposes of this section each article sold or identi-  
17 fication seal counterfeited, sold, or otherwise provided constitutes a  
18 separate offense.

19 \* Sec. 8. Section 7 of this Act takes effect January 1, 1980.  
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