

Original sponsor: Bradley

Offered: 4/27/79
Referred: Finance

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 114

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 the identification of Alaska
8 manufactured goods; and providing for an effective
9 date."

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

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

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

17 (A) (repealed)

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

21 (C) competitive bids need not be required

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

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

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

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

- 1 (v) for items traded in on like items; or
2 (vi) for professional services;

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

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

16 * Sec. 3. AS 37.05.230(5) is amended to read:

17 (5) an "Alaska bidder," for the purpose of [BID AWARDS UNDER
18 (1)(B)] of this section, is a person who

19 (A) holds a current Alaska business license,

20 (B) submits a bid for goods or services under the name
21 as appearing on his current Alaska business license,

22 (C) has maintained a place of business within the state
23 for a period of six months immediately preceding the date of his
24 bid,

25 (D) has executed an affidavit, under penalty of perjury,
26 stating that he owes no delinquent state taxes, and has sent a copy
27 of the affidavit to the Department of Revenue,

28 (E) is a resident of the state, or, if the bidder is a
29 partnership, corporation, or other association, the majority of the

1 persons employed in the bidder's Alaska office are residents of the
2 state,

3 (F) maintains an inventory in the state.

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

5 (9) the Department of Administration shall compile and update
6 annually a "certified Alaska bidders list" containing the names of
7 bidders certified to be Alaska bidders who maintain inventories in the
8 state;

9 (10) The Commissioner of Administration shall set aside not
10 less than 40 per cent of the total appropriation available for contracts
11 for or purchases of supplies, materials, services or equipment and use
12 those funds for the award of contracts to the lowest responsible Alaska
13 bidder who maintains no offices outside the state and who had for the
14 previous year gross business receipts not in excess of \$1,000,000.

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

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

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

20 CHAPTER 67. IDENTIFICATION OF ALASKA MANUFACTURED GOODS.

21 Sec. 45.67.010. DESIGN OF IDENTIFICATION SEAL. After holding a
22 public hearing to obtain manufactures' advice on the design of a seal to
23 identify goods manufactured in the state, the commissioner shall design
24 the seal. The seal shall bear an appropriate logo and the words "Manu-
25 factured in Alaska".

26 Sec. 45.67.020. PERMIT TO USE IDENTIFICATION SEALS. A person who
27 produces goods manufactured in the state may apply to the commissioner
28 for a permit to use the identification seal prescribed in AS 45.67.010
29 or permit number to be attached to those goods. The identification seal

1 or permit number may be printed on labels of goods to be attached to
2 those goods. The commissioner shall investigate the applicant to deter-
3 mine his eligibility for the permit. A permit shall be issued free of
4 charge to a qualified applicant. The commissioner shall prescribe the
5 form of the application and permit, the period for which the permit is
6 valid, and the procedure for renewal of the permit.

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

12 (b) A person who knowingly sells or offers for sale an article
13 with an identification seal attached, knowing that the article is not a
14 good manufactured in the state, is guilty of a misdemeanor, and upon
15 conviction is punishable by a fine of not more than \$1,000, or by impri-
16 sonment for not more than one year, or by both.

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

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

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

28 Sec. 45.67.040. DEFINITIONS. In this chapter

29 (1) "commissioner" means the commissioner of commerce and

1 economic development;

2 (2) "goods manufactured in the state" means a new, finished
3 product for marketing to the public, which results from the transforma-
4 tion in the state of raw or partially finished materials into some kind
5 of article of trade; it does not include a finished product which
6 results from the assembly of previously finished components parts,
7 unless all the parts are goods manufactured in the state, or unless the
8 finished product is assembled in its final form only in the state;

9 (3) "identification seal" means the identification seal
10 designed under AS 45.67.010.

11 * Sec. 7. AS 45.67.030 is amended to read:

12 Sec. 45.67.030. PENALTIES. (a) A person who knowingly attaches
13 an identification seal to an article, knowing that the article is not a
14 good manufactured in the state, is guilty of a class B misdemeanor [,
15 AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT MORE THAN \$1,000, OR
16 BY IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BY BOTH].

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

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

26 (d) A person who knowingly sells, or otherwise provides, identifi-
27 cation seals to another without a permit issued under AS 45.67.020 is
28 guilty of a class B misdemeanor [, AND UPON CONVICTION IS PUNISHABLE BY
29 A FINE OF NOT MORE THAN \$1,000, OR BY IMPRISONMENT FOR NOT MORE THAN ONE

1 YEAR, OR BY BOTH].

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

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