

Original sponsor: Bradley

Offered: 5/15/80  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 114 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to competitive bidding under the Fis-  
7 cal Procedures Act."

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

9 \* Section 1. AS 37.05.230(1)(B) is repealed and re-enacted to read:

10 (B) a bid shall be awarded to an Alaska bidder if his  
11 bid is not more than 15 percent higher than the bid of the lowest  
12 nonresident bidder and the Alaska bidder is an Alaska manufacturer  
13 of the supplies, materials, or equipment to be purchased; and

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

15 (2) if the amount of the contractual services, purchase, or  
16 sale is estimated to exceed \$2,500, sealed bids shall be solicited, when  
17 practicable, by publication in a newspaper calculated to reach prospec-  
18 tive bidders and by posting notices in public places within the area  
19 where the work is to be performed or material furnished and in addition  
20 the department may also designate a trade journal for publication; the  
21 department shall also solicit bids by sending notices by mail to all  
22 active prospective bidders known to it and all bids shall be sealed when  
23 received, and shall be opened in public at the hour stated in the notice;  
24 the department may limit solicitation of bids or negotiate directly if  
25 it finds that it is in the best interests of the state;

26 \* Sec. 3. AS 37.05.230(7) is amended to read:

27 (7) the provisions of (1)(B) of this section [RELATIVE TO AN  
28 "ALASKA BIDDER"] do not apply to contracts for construction or repair  
29 [ESTIMATED TO EXCEED \$5,000, OF EITHER THE DEPARTMENT OF TRANSPORTATION

1 AND PUBLIC FACILITIES WHICH ARE AUTHORIZED UNDER AS 35.15, OR THE DE-  
2 PARTMENT OF HIGHWAYS, WHICH ARE AUTHORIZED UNDER AS 19.10].

3 \* Sec. 4. AS 37.05.230 is amended by adding a new paragraph to read:

4 (9) the provisions of (1)(B) of this section do not apply to  
5 purchases and contracts involving federal money received by the state if  
6 the application of a bidding preference would violate federal law or  
7 program guidelines.

8 \* Sec. 5. AS 37.05.240 is amended to read:

9 Sec. 37.05.240. AWARD OF CONTRACTS AND PURCHASES. A contract or  
10 purchase made by or under the supervision of the department for which  
11 competitive bids are required shall be awarded to the lowest responsible  
12 bidder, taking into consideration conformity with the specifications,  
13 terms of delivery, and other conditions imposed in the call for bids.  
14 [BIDS MAY BE REJECTED, AND A BID SHALL BE REJECTED IF IT CONTAINS A  
15 MATERIAL ALTERATION OR ERASURE WHICH IS NOT INITIALED BY THE SIGNER OF  
16 THE BID.] The department may reject the bid of a bidder who is in  
17 arrears on taxes due the state or who failed to perform on a previous  
18 contract with the state. Where competitive bids are required and where  
19 all bids are rejected, new bids shall be called for as in the first  
20 instance. Before the awarding of a contract for a building or the  
21 making of repairs upon a building, the department shall see that the  
22 bids conform with plans and specifications approved by the Department of  
23 Transportation and Public Facilities. All bids with the names of the  
24 bidders and the amounts of the bids, together with all documents per-  
25 taining to the award of a contract, shall be made a part of a file or  
26 record and retained by the department for three years, unless reproduced  
27 by microfilming and these files or records are open to public inspection  
28 at all reasonable times. An aggrieved bidder may within five days after  
29 an award of contract appeal to the department for hearing, with notice

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

to interested parties, for redetermination and final award in accordance with law.

\* Sec. 6. AS 37.05.320 is amended by adding a new paragraph to read:

(5) "Alaska manufacturer" means a person engaged in a business activity in the state by which he, through labor, art, or skill, transforms raw or partially finished materials into some kind of article of trade; and includes a corporation or partnership engaged in such activity

(A) whose majority interest is beneficially owned by residents of the state, and

(B) a majority of whose owners are residents of the state.