

Introduced: 3/11/81
Referred: Labor & Commerce

1 IN THE HOUSE BY BROWN BY REQUEST

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 146

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to payment procedures on certain
7 public contracts."

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

9 * Section 1. AS 35.15 is amended by adding a new section to read:

10 Sec. 35.15.155. CONTRACT PAYMENTS. (a) The department shall pay
11 a contractor 20 percent of the amount of the contract on or before the
12 date the department gives the contractor notice to proceed with the
13 work covered by the contract.

14 (b) The department shall pay the contractor the amount due under
15 the contract within 15 days after the contractor submits a bill to the
16 department for materials or services.

17 (c) If the department fails to make a payment due under this
18 section, it shall pay interest to the contractor under AS 45.45.010(a)
19 on the amount due. If a failure to make a payment due under this
20 section continues for 60 days or more, the department shall pay the
21 contractor a penalty of 10 percent of the amount due plus interest.
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