

Offered: 5/2/83
Referred: Finance

Original sponsors: Shultz, Duncan
and Liska

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 210 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act relating to payment for purchases by the
7 state; and providing for an effective date."

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

9 * Section 1. AS 37.05 is amended by adding a new section to read:

10 Sec. 37.05.275. PAYMENT FOR STATE PURCHASES. (a) Payment for
11 purchases of goods or services provided a state agency must be made on
12 a required payment date that is

13 (1) the date on which payment is due under the terms of a
14 contract; or

15 (2) 30 days after receipt of a proper invoice for the
16 amount of the payment due, if a specific date on which payment is due
17 is not established by contract and if the invoice contains or is
18 accompanied by documents required by the contract or purchase order.

19 (b) If a seller offers a discount from the amount otherwise due
20 for property or services in exchange for payment within a specified
21 period of time, the state agency may make payment in an amount equal
22 to the discounted price only if payment is made within the specified
23 period of time.

24 (c) If payment for goods or services purchased by the state is
25 not made within 30 days of a required payment date under (a) of this
26 section, the state shall pay interest on the unpaid balance from the
27 required payment date at the rate of one and one-half percent a month
28 unless an agreement exists between the seller and the state that
29 precludes the charging of interest.

1 (d) This section does not apply

2 (1) if the cost of the goods or services purchased exceeds
3 \$500,000; or

4 (2) after a seller of goods or services receives notice
5 from the state officer responsible for administering the contract that
6 the amount of the invoice or quality of specific goods or services is
7 in dispute and stating the reasons for the dispute.

8 (e) Interest paid under (c) of this section shall be charged to
9 the budget of the state agency which purchased the goods or services.

10 (f) In this section

11 (1) "dispute" means a determination by the state officer
12 responsible for administering a contract for the purchase of goods or
13 services that the performance or price charged is not in compliance
14 with the terms of the contract;

15 (2) payment is considered made on the date when the payment
16 is personally delivered to the seller or agent of the seller or on the
17 date the payment is mailed;

18 (3) for purposes of this section, "state agency" is as
19 defined in AS 37.05.320 and includes an organization that was created
20 by law and that is primarily and directly funded by appropriations.

21 * Sec. 2. This Act does not apply to contracts entered into before the
22 effective date of this Act.

23 * Sec. 3. This Act takes effect July 1, 1983.