

Introduced: 3/8/85  
Referred: Labor & Commerce  
and Finance

1 IN THE SENATE

BY FERGUSON

2

SENATE BILL NO. 221

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to payment of a building material  
7 supplier; and providing for an immediate effective  
8 date."

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

10 \* Section 1. AS 36.90 is amended by adding a new section to read:

11 Sec. 36.90.010. PAYMENT OF PUBLIC CONSTRUCTION MATERIAL SUPPLI-  
12 ERS. (a) In addition to other remedies of the owner, an owner who  
13 has contracted with a material supplier to provide building materials  
14 to the owner's project, may withhold payment of up to 20 percent of  
15 the total purchase price for the building materials until the material  
16 supplier has delivered to the project all of the building materials  
17 that the material supplier has agreed to provide.

18 (b) An owner may withhold more than 20 percent of the total  
19 purchase price if the material supplier has delivered less than 80  
20 percent of the building materials.

21 (c) In this section "owner" means the state or a political  
22 subdivision of the state that has contracted for a public construction  
23 or public works project, or a person that is not a contractor and that  
24 has contracted for a capital project that is funded entirely or  
25 partially by the state.

26 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.-  
27 10.070(c).