

1 IN THE HOUSE

BY FRANK

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HOUSE BILL NO. 523

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act relating to procurement preferences for
7 certain products."

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

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* Section 1. AS 36.30.328 is amended to read:

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Sec. 36.30.328. GRANT OF PREFERENCE. In the evaluation of a bid

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or proposal for a procurement for an agency, a bid or offer that

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designates the use of Alaska products identified in the contract

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specifications and designated as Class I, Class II, or Class III state

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products under AS 36.30.332 is decreased by

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(1) the percentage of the value of the designated Alaska

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products under AS 36.30.332; and

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(2) an additional five percent, if the product also quali-

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fies as a recycled Alaska product.

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* Sec. 2. AS 36.30.330(b) is amended to read:

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(b) A person is not a responsible bidder or offeror if, in the

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preceding three years, the person has twice designated the use of an

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Alaska product or a recycled Alaska product in a bid or proposal for a

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procurement for an agency and has each time failed to use the desig-

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nated [ALASKA] product for reasons within the control of the bidder or

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offeror.

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* Sec. 3. AS 36.30.330(c) is amended to read:

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(c) The procurement officer shall report to the commissioner of

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commerce and economic development each contractor penalized under (a)

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or (d) of this section. The commissioner of commerce and economic

1 development shall maintain a list of contractors determined not to be
2 responsible bidders under (b) of this section.

3 * Sec. 4. AS 36.30.330 is amended by adding new subsections to read:

4 (d) If a successful bidder or offeror who designates the use of
5 a recycled Alaska product in a bid or proposal for a procurement for
6 an agency fails to use the designated product for a reason within the
7 control of the successful bidder or offeror, each payment under the
8 contract shall be reduced by five percent.

9 (e) If a successful bidder or offeror receives a percentage
10 reduction under both (a) and (d) of this section, the percentage of
11 the reduction shall equal the sum of both reductions.

12 * Sec. 5. AS 36.30.332(a) is amended to read:

13 (a) The commissioner of commerce and economic development shall
14 adopt regulations establishing the value added in the state for mate-
15 rials and supplies produced or manufactured in the state that are used
16 in a state procurement and establishing whether a product qualifies as
17 a recycled Alaska product. The commissioner [AND] shall publish a
18 list of the products annually. A supplier may request inclusion of
19 its product on the appropriate list.

20 * Sec. 6. AS 36.30.338 is amended to read:

21 Sec. 36.30.338. DEFINITIONS. In AS 36.30.322 - 36.30.338

22 (1) "Alaska product" means a product of which not less than
23 25 percent of the value, as determined in accordance with regulations
24 adopted under AS 36.30.332(a), has been added by manufacturing or
25 production in the state;

26 (2) "manufactured lumber products" does not include recycled
27 Alaska products;

28 (3) "produced or manufactured" means processing, develop-
29 ing, or making an item into a new item with a distinct character and

1 use through the application within the state of materials, labor,
2 skill, or other services;

3 (4) [(3)] "product" means materials or supplies but does
4 not include gravel and asphalt;

5 (5) "recycled Alaska product" means an Alaska product of
6 which not less than 50 percent of the value of the product consists of
7 a product that was previously used in another product.

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