

Original sponsors: Josephson, Szymanski,  
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1 IN THE SENATE BY THE FINANCE COMMITTEE  
2 HOUSE CS FOR CS FOR SENATE BILL NO. 356 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to the procurement preference for  
7 state agricultural and fisheries products; and pro-  
8 viding for an effective date."  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
10 \* Section 1. AS 29.10.200 is amended by adding a new paragraph to read:  
11 (49) AS 29.71.040 (procurement preference).  
12 \* Sec. 2. AS 29.71 is amended by adding a new section to read:  
13 Sec. 29.71.040. PROCUREMENT PREFERENCE. (a) When agricultural  
14 products are purchased by a municipality that receives state money,  
15 only agricultural products harvested in the state shall be purchased  
16 whenever priced no more than seven percent above products harvested  
17 outside the state, available, and of like quality compared with agri-  
18 cultural products harvested outside the state.  
19 (b) When fisheries products are purchased by a municipality that  
20 receives state money, only fisheries products harvested or processed  
21 within the jurisdiction of the state shall be purchased whenever  
22 priced no more than seven percent above products harvested or pro-  
23 cessed outside the jurisdiction of the state, available, and of like  
24 quality compared with fisheries products harvested or processed out-  
25 side the jurisdiction of the state.  
26 (c) A solicitation by a municipality for the purchase of agri-  
27 cultural or fisheries products shall specify the requirement that  
28 products harvested in the state shall be used where possible. If a  
29 municipality that receives state money purchases agricultural or

1 fisheries products harvested outside the state, the municipal officer  
2 responsible for the purchase shall certify in writing the reasons that  
3 products harvested in the state were not purchased.

4 (d) If a contractor fails to comply with this section, the  
5 municipality shall withhold payment until the contractor complies. If  
6 a municipality fails to comply with this section, the state department  
7 responsible for disbursing state money to the municipality shall  
8 withhold the money until the municipality complies.

9 (e) An interested party, as defined in AS 36.30.699, may seek  
10 administrative or judicial review of the award of a contract in vio-  
11 lation of this section.

12 (f) Compliance with this section is not required if an exception  
13 to this section is mandated for participation in a federal program.

14 (g) This section applies to general law and home rule municipal-  
15 ities.

16 (h) In this section,

17 (1) "agricultural products" includes dairy products, timber  
18 and lumber, and products manufactured from timber and lumber;

19 (2) "state money" includes state reimbursement to munici-  
20 palities for school or related construction, foundation funding for  
21 education, municipal assistance, revenue sharing, and state funds for  
22 capital projects.

23 \* Sac. 3. AS 36.15.050(a) is amended to read:

24 (a) When agricultural products are purchased by the state or by  
25 a school district that receives [USING] state money, only agricultural  
26 products harvested in the [THIS] state shall be purchased whenever  
27 priced no more than seven percent above products harvested outside the  
28 state, available, and of like quality compared with agricultural  
29 products harvested outside the state.

1 \* Sec. 4. AS 36.15.050(b) is amended to read:

2 (b) When fisheries products are purchased by the state or by a  
3 school district that receives [USING] state money, only fisheries  
4 products harvested or processed within the jurisdiction of the state  
5 shall be purchased whenever priced no more than seven percent above  
6 products harvested or processed outside the jurisdiction of the state,  
7 available, and of like quality compared with fisheries products har-  
8 vested or processed outside the jurisdiction of the state.

9 \* Sec. 5. AS 36.15.050(c) is amended to read:

10 (c) A solicitation for the purchase of agricultural or fisheries  
11 products shall specify the requirement that products harvested in the  
12 state shall be used where possible. If the state or a school district  
13 that receives state money purchases [IS USED TO PURCHASE] agricultural  
14 or fisheries products harvested outside the state, the officer respon-  
15 sible for the purchase shall certify in writing the reasons that  
16 products harvested in the state were not purchased.

17 \* Sec. 6. AS 36.15.050(d) is amended to read:

18 (d) If a contractor fails to comply with this section, the  
19 purchasing agency shall withhold payment [THE STATE MONEY] until the  
20 contractor complies. If [A MUNICIPALITY OR] a school district fails to  
21 comply with this section, the department responsible for disbursing  
22 [THE] state money to the [MUNICIPALITY OR] school district shall  
23 withhold the money until the [MUNICIPALITY OR] school district com-  
24 plies.

25 \* Sec. 7. AS 36.15.050(g) is repealed and reenacted to read:

26 (g) In this section,

27 (1) "agricultural products" includes dairy products, timber  
28 and lumber, and products manufactured in the state from timber and  
29 lumber;

1           (2) "school district" includes a regional educational  
2 attendance area established under AS 14.08;

3           (3) "state money" includes state reimbursement to school  
4 districts for school or related construction, foundation funding for  
5 education, municipal assistance, revenue sharing, and state funds for  
6 capital projects.

7 \* Sec. 8. This Act takes effect immediately under AS 01.10.070(c).

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