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STATE OF ALASKA
THE LEGISLATURE

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JUNEAU, ALASKA 99811
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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

*House State Affairs:
May 13, 1988*

Re: HB 276

Ben:

Senate Rules is unable to move the procurement bill to the floor. We are still trying for a last minute compromise between the Union and the contractors but I don't believe it is going to come together.

So -- the attached bill would simply postpone implementation of the new law for one more year. Sen. Faikie has agreed to go with the postponement bill if the compromise doesn't come together.

We will need the House to concur in the postponement when (if) it gets back here.

Please!

Ferry Becka



Original sponsor: Rules/Governor

48 192

1 IN THE HOUSE

2 SENATE CS FOR 2d CS FOR HOUSE BILL NO. 276 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state procurement practices and
7 procedures; and providing for an effective date."

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

9 * Section 1. AS 36.30.005(a) is amended to read:

10 (a) Except as otherwise provided, all rights, powers, duties,
11 and authority relating to the procurement of supplies, services, and
12 professional services, and the control over supplies, services, and
13 professional services vested in or exercised by an agency on July 1,
14 1988 [1987], are transferred to the commissioner of administration and
15 to the chief procurement officer. Authority granted under this sub-
16 section shall be exercised in accordance with this chapter.

17 * Sec. 2. AS 36.30.005(b) is amended to read:

18 (b) Except as otherwise provided, all rights, powers, duties,
19 and authority relating to the procurement of construction and procure-
20 ments of equipment or services for the state equipment fleet and the
21 control over construction of state facilities and the state equipment
22 fleet vested in or exercised by an agency on July 1, 1988 [1987], are
23 transferred to the commissioner of transportation and public facili-
24 ties, subject to regulations adopted by the commissioner of adminis-
25 tration. Notwithstanding AS 44.71.010, authority relating to dis-
26 posals from the state equipment fleet is vested in the commissioner of
27 transportation and public facilities, subject to regulations adopted
28 by the commissioner of administration. Authority granted under this
29 subsection shall be exercised in accordance with this chapter.

AS 36.30.050(b) deleted FROM 2d CS FOR
HB 276

1 * Sec. 3. AS 36.30.540 is amended to read:

2 Sec. 36.30.540. REPORT TO LEGISLATURE. Beginning with Decem-
3 ber 1, 1990 [1989], the commissioner shall biennially report to the
4 legislature concerning procurements by agencies. The report must
5 include

6 (1) the records maintained by the commissioner under
7 AS 36.30.510 and the records maintained under AS 36.30.520(a) for the
8 previous two fiscal years;

9 (2) recommendations for changes in this chapter or other
10 laws based on implementation of this chapter in the previous two
11 fiscal years;

12 (3) a description of any matters that involved litigation
13 concerning this chapter in the previous two fiscal years;

14 (4) a list of procurements made under this chapter from
15 out-of-state sources during the previous two fiscal years together
16 with the total number of procurement contracts entered into during
17 that period with out-of-state contractors and the total value of these
18 contracts; this paragraph does not apply to procurements made under
19 AS 36.30.320; and

20 (5) a list of procurements made under this chapter from
21 state sources during the previous two fiscal years together with the
22 total number of procurement contracts entered into during that period
23 with state contractors and the total value of these contracts; this
24 paragraph does not apply to procurements made under AS 36.30.320.

25 * Sec. 4. AS 36.30.850(a) is amended to read:

26 (a) This chapter applies only to contracts solicited or entered
27 into after July 1, 1988 [1987], unless the parties agree to its appli-
28 cation to a contract solicited or entered into before that date.

29 * Sec. 5. Section 65, ch. 106, SLA 1986, is amended to read:

- SARY -

1 Sec. 65. REPORT. By December 1, 1989 [1988], the commissioner
2 of administration and the commissioner of transportation and public
3 facilities shall report to the legislature concerning procurements by
4 state agencies during fiscal year 1988 [1987]. The report must in-
5 clude

6 (1) the records prepared under AS 36.30.510(4);

7 (2) recommendations for changes in AS 36.30 or other laws
8 based on implementation of AS 36.30 in those 12 months; and

9 (3) a description of any matters that involved litigation
10 concerning AS 36.30 during those 12 months.

11 * Sec. 6. Section 66, ch. 106, SLA 1986, is amended to read:

12 Sec. 66. REGULATIONS DEADLINE. The regulations required under
13 AS 36.30, as added by sec. 2 of this Act, shall be adopted by July 1,
14 1988, [1987] and shall be effective on that date. Regulations adopted
15 under laws repealed in sec. 67 of this Act become ineffective July 1,
16 1988 [1987].

17 * Sec. 7. Section 69, ch. 106, SLA 1986, is amended to read:

18 Sec. 69. Except as provided in sec. 68, this Act takes effect
19 July 1, 1988 [1987].

20 * Sec. 8. This Act takes effect immediately under AS 01.10.070(c).
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Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 2d CS FOR HOUSE BILL NO. 276 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state procurement practices and
7 procedures; and providing for an effective date."

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

9 * Section 1. AS 36.30.005(a) is amended to read:

10 (a) Except as otherwise provided, all rights, powers, duties,
11 and authority relating to the procurement of supplies, services, and
12 professional services, and the control over supplies, services, and
13 professional services vested in or exercised by an agency on ^{July} Janu-
14 ary 1, 1988 [JULY 1, 1987], are transferred to the commissioner of
15 administration and to the chief procurement officer. Authority gran-
16 ted under this subsection shall be exercised in accordance with this
17 chapter.

18 * Sec. 2. AS 36.30.005(b) is amended to read:

19 (b) Except as otherwise provided, all rights, powers, duties,
20 and authority relating to the procurement of construction and procure-
21 ments of equipment or services for the state equipment fleet and the
22 control over construction of state facilities and the state equipment
23 fleet vested in or exercised by an agency on ^{July} January 1, 1988 [JULY 1.
24 1987], are transferred to the commissioner of transportation and
25 public facilities, subject to regulations adopted by the commissioner
26 of administration. Notwithstanding AS 44.71.010, authority relating
27 to disposals from the state equipment fleet is vested in the commis-
28 sioner of transportation and public facilities, subject to regulations
29 adopted by the commissioner of administration. Authority granted

1 under this subsection shall be exercised in accordance with this
2 chapter.

Deleted 3 → * Sec. 3. AS 36.30.050(b) is amended to read:

4 (b) A person who desires to be on a list shall submit to the
5 commissioner evidence of a valid Alaska business license. A [TOGETHER
6 WITH A] biennial fee may be established by regulation in an amount
7 reasonably calculated to pay the costs of administering this section.
8 A construction contractor shall also submit a valid certificate of
9 registration issued under AS 08.18. The commissioner, by regulation,
10 may require submission of additional information.

Deleted 11 → * Sec. 4. AS 36.30.115(a) is amended to read:

12 (a) Within 48 [24] hours after receiving notice of intent to
13 award [OPENING OF BIDS], the [TWO] apparent low bidder [BIDDERS] shall
14 submit a list of the subcontractors the bidder proposes [BIDDERS
15 PROPOSE] to use in the performance of the contract. The list must
16 [SHALL] include the name and location of the place of business for
17 each subcontractor and evidence of the subcontractor's valid Alaska
18 business license. A bidder for a construction contract shall also
19 submit evidence of each subcontractor's registration under AS 08.18.

Deleted 20 → * Sec. 5. AS 36.30.115(b) is amended to read:

21 (b) A bidder may replace a listed subcontractor if the subcon-
22 tractor

- 23 (1) fails to comply with AS 08.18;
24 (2) files for bankruptcy or becomes insolvent;
25 (3) fails to execute a contract with the bidder involving
26 performance of the work for which the subcontractor was listed and the
27 bidder acted in good faith;
28 (4) fails to obtain bonding;
29 (5) fails to obtain insurance acceptable to the state;

1 (6) fails to perform the contract with the bidder involving
2 work for which the subcontractor was listed;

3 (7) must be substituted in order for the prime contractor
4 to satisfy required federal affirmative action requirements;

5 (8) refuses to agree or abide with the bidder's labor
6 agreement; or

7 (9) is determined by the procurement officer not to be a
8 responsible bidder.

Deleted ←⁹ * Sec. 6. AS 36.30.140(a) is amended to read:

10 (a) The procurement officer shall open bids [PUBLICLY IN THE
11 PRESENCE OF ONE OR MORE WITNESSES] at the time and place designated in
12 the invitation to bid. All bid openings are open to the public. The
13 amount of each bid and other relevant information that is specified by
14 regulation of the commissioner, together with the name of each bidder,
15 shall be recorded.

Deleted ← * Sec. 7. AS 36.30.170(b) is amended to read:

17 (b) The procurement officer shall award a contract based on
18 solicited bids to the lowest responsive and responsible bidder after
19 an Alaska bidder preference of five percent and an Alaska products
20 preference as described in AS 36.30.322 - 36.30.338 have been applied.
21 [NOTWITHSTANDING AN ALASKA PRODUCT PREFERENCE UNDER AS 36.30.322 -
22 36.30.338, THE PROCUREMENT OFFICER SHALL AWARD A CONTRACT BASED ON
23 SOLICITED BIDS TO THE LOWEST RESPONSIBLE AND RESPONSIVE ALASKA BIDDER
24 IF THE BID IS NOT MORE THAN FIVE PERCENT HIGHER THAN THE LOWEST NON-
25 RESIDENT BIDDER'S.] In this subsection, "Alaska bidder" means a
26 person who

27 (1) holds a current Alaska business license;

28 (2) submits a bid for goods, services, or construction
29 under the name as appearing on the person's current Alaska business

1 license;

2 (3) has maintained a place of business within the state
3 staffed by the bidder or an employee of the bidder for a period of six
4 months immediately preceding the date of the bid;

5 (4) is incorporated or qualified to do business under the
6 laws of the state, is a sole proprietorship, and the proprietor is a
7 resident of the state or is a partnership, and all partners are resi-
8 dents of the state; and

9 (5) if a joint venture, is composed entirely of ventures
10 that qualify under (1) - (4) of this subsection.

Deleted 11 ~~11~~ * Sec. 8. AS 36.30.210(a) is amended to read:

12 (a) A request for competitive sealed proposals must contain the
13 date, time and place for delivering proposals, a specific description
14 of the supplies, construction, services, or professional services to
15 be provided under the contract, and the terms under which the sup-
16 plies, construction, services, or professional services are to be
17 provided. The request shall require the offeror to submit evidence of
18 the offeror's valid Alaska business license and, no later than 72
19 hours after receiving notice of intent to award [THE DATE BY WHICH
20 PROPOSALS MUST BE RECEIVED], to list subcontractors the offeror pro-
21 poses to use in the performance of the contract. The list shall
22 include the name and location of the place of business for each sub-
23 contractor and evidence of the subcontractor's valid Alaska business
24 license. An offeror for a construction contract shall also submit
25 evidence of the offeror's registration under AS 08.18 and evidence of
26 registration for each listed subcontractor.

27 * Sec. 9. AS 36.30 is amended by adding a new section to read:

Deleted 28 ~~28~~ Sec. 36.30.305. LIMITED COMPETITION PROCUREMENTS. (a) A con-
29 tract for supplies, services, professional services, or a construction

1 contract under \$100,000, may be awarded without competitive sealed
2 bidding or competitive sealed proposals, in accordance with regula-
3 tions adopted by the commissioner of administration. A contract may
4 be awarded under this section only when the commissioner of adminis-
5 tration, or, for construction contracts under \$100,000 or procurements
6 for the state equipment fleet, the commissioner of transportation and
7 public facilities, determines in writing that a situation exists that
8 makes competitive sealed bidding or competitive sealed proposals
9 impractical or contrary to the public interest. Procurements under
10 this section shall be made with competition that is practicable under
11 the circumstance. The authority to make a determination required by
12 this section may not be delegated.

13 (b) The using agency shall submit written evidence to support a
14 determination under this section.

15 (c) Procurement requirements may not be artificially divided,
16 fragmented, aggregated, or structured so as to constitute a purchase
17 under this section or to circumvent the source selection procedures
18 required by AS 36.30.100 - 36.30.270.

19 (d) Sole source procurements may not be made under this section.

20 (e) Architectural, engineering, and land survey contracts under
21 AS 36.30.270 may not be made under this section.

~~deleted~~ * Sec. 10. AS 36.30.320(e) is amended to read:

23 (e) The procurement officer shall give adequate public notice of
24 intent to make a procurement under this section in accordance with
25 regulations adopted by the commissioner. [NOTICES SHALL ALSO BE
26 PROVIDED TO THOSE ALASKA BIDDERS DESIGNATED BY THE COMMISSIONER UNDER
27 AS 36.30.050(d).]

28 * Sec. 11. AS 36.30.322(a) is amended to read:

29 (a) Only timber, lumber, and manufactured lumber products

1 originating in this state from Alaska [LOCAL] forests may be procured
2 by an agency or used in construction projects of an agency unless [THE
3 COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT CERTIFIES THAT] the
4 manufacturers and suppliers who have notified the commissioner of
5 commerce and economic development of their willingness to manufacture
6 or supply Alaska forest products

7 (1) have been given reasonable notice of the forest product
8 needs of the procurement or project; and

9 (2) are unable to supply the products at a cost that is
10 within seven percent of the price offered by a manufacturer or sup-
11 plier of non-Alaska forest products.

~~Deleted~~ 12 * Sec. 12. AS 36.30.322 is amended by adding a new subsection to read:

13 (c) During the period of performance of a state contract, the
14 contractor shall maintain records showing efforts made in using Alaska
15 forest products or evidence of Alaska forest products not being avail-
16 able or reasonably competitive. The contractor shall provide the
17 records to the procurement officer on a periodic basis, as required by
18 regulations adopted by the commissioner of commerce and economic
19 development.

~~Deleted~~ 20 * Sec. 13. AS 36.30.332(b) is amended to read:

21 (b) Materials and supplies with value added in the state that
22 are

23 (1) more than 25 percent and less than 50 percent produced
24 or manufactured in the state are [OF THE MANUFACTURER'S QUOTED PRICE
25 IS A] Class I products [PRODUCT];

26 (2) 50 percent or more and less than 75 percent produced or
27 manufactured in the state are [OF THE MANUFACTURER'S QUOTED PRICE IS
28 A] Class II products [PRODUCT]; and

29 (3) 75 percent or more produced or manufactured in the

1 state are [OF A MANUFACTURER'S QUOTED PRICE IS A] Class III products
2 [PRODUCT].

~~Deleted~~ ← 3 * Sec. 14. AS 36.30.338(1) is amended to read:

4 (1) "Alaska product" means a product of which not less than
5 25 percent of the value, as determined in accordance with regulations
6 adopted under AS 36.30.332(a), has been added by manufacturing or
7 production in the state [PRODUCED OR MANUFACTURED IN THE STATE IF THE
8 VALUE ADDED IN THE STATE IS NOT LESS THAN 25 PERCENT OF THE QUOTED
9 PRICE OF THE MANUFACTURER];

~~Deleted~~ → 10 * Sec. 15. AS 36.30.365 is amended to read:

11 Sec. 36.30.365. NOTICE OF INTENT TO AWARD A CONTRACT. At least
12 10 days before the formal award of a contract that is not for con-
13 struction, and at least five days before the award of a construction
14 contract, under this chapter, except for a contract awarded under
15 AS 36.30.300 - 36.30.320, the procurement officer shall provide to
16 each bidder or offeror notice of intent to award a contract. The
17 notice shall conform to regulations adopted by the commissioner.

Added → Sec. 36.30.540 (page 2)

~~Deleted~~ → 18 * Sec. 16. AS 36.30.565 is amended to read:

19 Sec. 36.30.565 TIME FOR FILING A PROTEST. (a) A protest based
20 upon alleged improprieties in an award of a contract or a proposed
21 award of a contract must [A SOLICITATION INVOLVING COMPETITIVE SEALED
22 BIDDING THAT ARE APPARENT BEFORE THE BID OPENING SHALL BE FILED BEFORE
23 THE BID OPENING. A PROTEST BASED ON ALLEGED IMPROPRIETIES IN A SOLIC-
24 ITATION INVOLVING COMPETITIVE SEALED PROPOSALS THAT ARE APPARENT

25 (1) BEFORE THE DUE DATE FOR RECEIPT OF INITIAL PROPOSALS
26 SHALL BE FILED BEFORE THAT DUE DATE;

27 (2) AFTER THE DUE DATE FOR RECEIPT OF INITIAL PROPOSALS
28 SHALL BE FILED BEFORE THE NEXT DUE DATE FOR RECEIPT OF ADJUSTED PRO-
29 POSALS THAT OCCURS AFTER THE IMPROPRIETIES ARE APPARENT.

1 (b) IN SITUATIONS NOT COVERED UNDER (a) OF THIS SECTION, PRO-
2 TESTS SHALL] be filed within 10 days after a notice of intent to award
3 the contract is issued by the procurement officer.

4 (c) If the protester shows good cause, the procurement officer
5 of the contracting agency may consider a filed protest that is not
6 timely.

~~Deleted~~ * Sec. 17. AS 36.30.610 is amended by adding a new subsection to read:

8 (c) The commissioner of administration or the commissioner of
9 transportation and public facilities, as appropriate, shall, within 15
10 days after receipt of an appeal, notify the appellant of the accep-
11 tance or rejection of the appeal and, if rejected, the reasons for the
12 rejection.

13 * Sec. 18. AS 36.30.850(a) is amended to read:

14 (a) This chapter applies only to contracts solicited or entered
15 into after ^{July} January 1, 1988 [JULY 1, 1987], unless the parties agree to
16 its application to a contract solicited or entered into before that
17 date.

~~Deleted~~ * Sec. 19. AS 36.30.900 is amended to read:

19 Sec. 36.30.900. PREFERENCE FOR ALASKA PRODUCTS. This chapter
20 does not modify [, AMEND, OR ALTER] AS 36.15.010 and 36.15.020 regard-
21 ing preference for Alaska forest products, [OR AS 36.20.010 REGARDING
22 PREFERENCE TO PRODUCERS OR DEALERS IN ALASKA] except as provided in
23 AS 36.30.170(b) and (c).

24 * Sec. 20. AS 36.30.050(d) and 36.30.380 are repealed.

25 * Sec. 21. Section 65, ch. 106, SLA 1986 is amended to read:

26 Sec. 65. REPORT. By December 1, 1989 [1988], the commissioner
27 of administration and the commissioner of transportation and public
28 facilities shall report to the legislature concerning procurements by
29 state agencies during fiscal year 1988 [1987]. The report must

1 include

2 (1) the records prepared under AS 36.30.510(4);

3 (2) recommendations for changes in AS 36.30 or other laws
4 based on implementation of AS 36.30 in those 12 months; and

5 (3) a description of any matters that involved litigation
6 concerning AS 36.30 during those 12 months.

7 * Sec. 22. Section 66, ch. 106, SLA 1986 is amended to read:

8 *Added* → *Report* Sec. 66. REGULATIONS DEADLINE. The regulations required under
9 AS 36.30 as added by sec. 2 of this Act, shall be adopted by *July*
10 January 1, 1988, [JULY 1, 1987] and shall be effective on that date.
11 Regulations adopted under laws repealed in sec. 67 of this Act become
12 ineffective *July* January 1, 1988 [JULY 1, 1987].

13 * Sec. 23. Section 69, ch. 106, SLA 1986 is amended to read:

14 Sec. 69. Except as provided in sec. 68, this Act takes effect
15 *July* January 1, 1988 [JULY 1, 1987].

16 * Sec. 24. Sections 1, 2, 18, and 21 - 23 of this Act take effect
17 immediately under AS 01.10.070(c).

18 * Sec. 25. Sections 3 - 17, 19, and 20 of this Act take effect January
19 1, 1988.

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**



REQUEST: _____ Bill Version: HB 267
 _____ Publish Date: _____
 Revision Date: _____ Agency Affected: Comm. & Econ. Dev.
 Title: An Act placing development BRU: Advocates
specialists in the DCED in Partial Exempt Service
 Sponsor: Brown Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Joan Brown, Director Phone: 465-2505
 Division: Division of Administrative Services Date: May 7, 1987
 Approved by Commissioner: J. Anthony Smith, Commissioner Date: May 7, 1987
 Agency: Department of Commerce and Economic Development

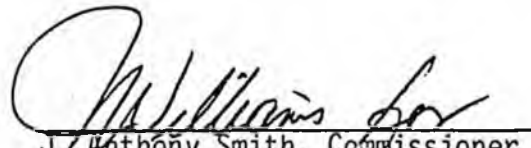
- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

HB 267 An Act placing development specialists in the Department of Commerce and Economic Development in the partially exempt service and providing for an effective date.

In this time of economic slowdown, the mandate of the Department of Commerce and Economic Development to be directly involved in the revitalization and expansion of the Alaska economy is particularly important. Until now that task has been defined around resource development issues including: fisheries, minerals, tourism and forest products, and, to a great degree, has been undertaken by development specialists. However, within the context of the Trade Alaska program, these same positions will also be providing more directed expertise to represent the state in company specific negotiations for such tasks as project siting and new business starts.

It is imperative that persons in these positions be top-level people intimately familiar from a hands-on perspective with the industries they are working. By designating these as Partial Exempt positions, the state will be able to attract and retain top people, who might otherwise be wooed away by the private sector.

As budgets get tighter and the importance of economic development planning and implementation grows, the financial base for providing these services is shrinking. To do more with less the department needs maximum flexibility in staffing. Creating these as PX positions will insure that the administration has maximum flexibility to staff in a manner that will provide the most capable persons for these key policy implementing positions.


J. Anthony Smith, Commissioner
DATE: 4/19/87

The following positions within the Department of Commerce and Economic Development are directly effected by the proposed PX legislation:

<u>PCN</u>	<u>Position</u>	<u>Agency</u>	<u>R/S</u>	<u>Location</u>
08-2214	Dev. Spec. I	Tourism	18F	Juneau
08-2219	Dev. Spec. II	Tourism	20C	Juneau
08-2228	Dev. Spec. II	Tourism	20C	Anchorage
08-1228	Dev. Spec. II	Small Business	20D	Anchorage
08-1206	Dev. Spec. I	Com. Fisheries	18D	Anchorage
08-1207	Dev. Spec. II	Com. Fisheries	20L	Anchorage
08-1244	Dev. Spec. II	Com. Fisheries	20E	Juneau
08-1205	Dev. Spec. II	Min. & For. Prod.	20L	Juneau
08-1227	Dev. Spec. II	Min. & For. Prod.	20F	Anchorage
08-1245	Dev. Spec. II	Min. & For. Prod.	20D	Fairbanks
08-1260	Dev. Spec. II	Min. & For. Prod.	20C	Juneau

*become 3
in house budget*

3



THE CITY OF HAINES, ALASKA
P.O. BOX 576
HAINES, ALASKA 99827
(907) 766-2231

In Reply
Refer To:

May 8, 1987

Representative Fran Uhlmer
P.O. Box V
Juneau, AK 99811

Dear Representative Uhlmer:

RE: HB 267

In my position as Tourism Director for the City of Haines, I work closely with the Development Specialists in the Department of Commerce and Economic Development, Division of Tourism. I have found these people to be of the highest integrity and capability. They are true public servants, and they believe in the cause we all fight for: promoting our State to visitors, to create economic development and jobs for Alaskans.

It is a mistake to reclassify these positions to make them partially exempt. These are the people we rely upon year in and year out for information, advice and guidance. They should be kept apart from the usual political trade-offs of each administration. They are our resource at the State level. They have the experience and know first hand the problems and issues in our industry. Most of all, they will be there to serve our needs in the future.

Doesn't the State of Alaska have enough "top-level" decision makers already? We need more people who know the day to day work of developing our economy, not big-ego political appointees who got that job by helping elect a candidate.

Sincerely,

Chip Waterbury
Chip Waterbury
Tourism Director
CITY OF HAINES

STATE OF ALASKA

Class Specification

DEVELOPMENT SPECIALIST I
DEVELOPMENT SPECIALIST II

2287-18

2288-20

Option A

Option B

Definition:

Conducts studies, surveys, analyses and promotional activities to implement the development and expansion of business and industry in Alaska. Option A refers to those positions involving general or small business development and/or tourism. Option B refers to those positions developing industry related to the physical, natural resources or raw materials of the State.

Distinguishing Characteristics:

Development Specialist I, under direction, performs at the journey level. Incumbents may function in an advisory or liaison capacity and provide in-depth analysis, program support and promotional expertise; in such a capacity, may be responsible for specific, in-house programs, (e.g., industrial advisor on coastal zone management programs; analyst for mining and minerals development); or for those of a limited market impact or involving regional programs (i.e., agricultural marketing newsletter/information source, or regional tourism manager); or for those endeavors which do not have a significant impact on the State's major business environment.

Development Specialist II, under general direction, advocates and promotes business and/or industrial development involving a recognized major productive enterprise of substantial state-wide significance (e.g., mining and minerals, hydrocarbon, commercial fisheries); personal contacts with industrial and government representatives are for the purpose of advocacy and implementation of programs, negotiation or resolution of impediments or conflicts, such as concerning diverse interests; develops conceptual design and methods of implementing programs; may lead or advise lower level assistants in specialty area.

Examples of Duties:

Conducts feasibility studies, surveys, analyses and research to determine the current status, need for, potential of, and possibility to create or expand business or industry in the area of specialization. Based on findings, plans, develops and executes a promotional program to attract, expand or retain applicable business and industry in the State.

Attends conferences, business meetings, promotional exhibits, fairs and seminars to encourage the creation and expansion of new or existing business and resource industry in the State. May be responsible for assisting in, or the supervising of such activities.

Serves as a consultant to industrial groups and company management; serves as liaison between business and government interests.

Answers or generates inquiries concerning the specialty area; provides marketing information or research to encourage business participation.

Establishes and maintains close cooperative contacts with industry trade associations and industrial groups, and special interest groups.

Prepares speeches, articles, brochures, reports, trade and professional journal articles and other forms of written and verbal communication to attract or expand industries in the State.

Monitors the programs, budget management and evaluation of assigned program.

Knowledges, Skills and Abilities:

Broad knowledge of: Principles and techniques of business management, industrial development, advertising, promotion and salesmanship; verbal and written communication principles and practices; and the commercial and marketing aspects of specialty area to which assigned - fisheries, mining and minerals, transportation, small business assistance and development, hydrocarbon, forestry, agriculture, tourism.

Knowledge of: Basic economics, basic accounting principles and practices; federal aid to industry programs; scientific method; statistics; mathematics.

Skill in: Establishing and maintaining cooperative working relationships with members of industry, the professions, state and local government.

Ability to: Gather and analyze data, reason logically and accurately, and draw valid conclusions; convey information, orally or in writing, to a variety of individuals in simple, understandable, and precise terms; establish and maintain cooperative relationships with those contacted in the course of the work; analyze situations accurately and take effective action; speak and write clearly and effectively; prepare clear and concise reports; work cooperatively with others and gain their respect and confidence; apply principles and techniques of the work described; participate effectively in conferences and interviews; function with a high degree of independence; develop promotional programs.

Minimum Qualifications:

Option A
Business Development and/or Tourism

Graduation from an accredited college with a degree in business administration, international trade, industrial or economic development, economics, geography, marketing or commerce.

AND

Development Specialist I:

Two years of progressively responsible promotional, analytical, supervisory, production, management or accounting experience at the professional level involving industrial or economic development.

Development Specialist II:

Three years of progressively responsible promotional, analytical, supervisory, production, research, management or accounting experience at the professional level involving industrial or economic development.

Substitution:

Additional qualifying experience in the area of industrial or economic development as specified above may substitute for the required education on a year-for-year basis.

Graduate study in the appropriate area as specified may be substituted for the required experience for a maximum of one year.

Option B

Physical, Natural Resources, Raw Material Industrial Development

Graduation from an accredited college with a degree in the physical or natural sciences or resource management.

AND

Development Specialist I:

Two years of progressively responsible promotional, analytical, supervisory, research, or management experience at the professional level in the physical or natural sciences or resource management areas. Experience in industrial or economic development is preferred.

Development Specialist II:

Three years of progressively responsible promotional, analytical, supervisory, research, or management experience at the professional level as specified above; however, one year must be in industrial or economic development.

DEVELOPMENT SPECIALIST I
DEVELOPMENT SPECIALIST II
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Substitution:

Additional qualifying experience as specified above may substitute for the required education on a year-for-year basis. Graduate study in the appropriate area may be substituted for the required general experience up to a maximum of one year.

Note: Recruitment and selection may be based on the areas of needed expertise in the agency in which the vacancy exists.

Orig: 07/67	Rev: 09/70	Rev: 05/01/73
Rev: 01/68	Rev: 05/71	Rev: 08/16/73
Rev: 02/68	Rev: 03/16/72	Rev: 12/16/81 Series Changes

SPEC II/Y

STATEMENT OF E. JOHN PEARSON, TO THE HOUSE STATE AFFAIRS COMMITTEE
REGARDING HB 267

- First I would like to thank you as a committee for allowing this opportunity to hear my concerns and opinion regarding HB 267.
- My name is E. John Pearson, an employee of the State of Alaska, working in the Division of Tourism, in the job classification of Development Specialist. My professional area of expertise is in the International Marketing of Alaska as a destination,
- My employment with the Division of Tourism in this area of specialty has been six years. Prior to that employment I was employed by the Economic Development Administration, of the U.S. Department of Commerce, living in rural Alaska charged with the implementation of economic development projects that would have a positive impact on rural native communities. Employment within both the State of Alaska, Division of Tourism, and the Economic Development Administration was built on a background of service abroad with one of the worlds largest corporations
- In providing the above information it should be clear that in my own case as a Development Specialist for the State of Alaska, and a public service employee, I hold a level of expertise and professionalism capable of meeting the challenge of building the economy of Alaska. This is based on an extensive hands-on perspective in economic development, international business, and travel industry experience.

HB267 should be viewed as having the realistic potential of destroying the willingness of major industries to join into joint and unique efforts with the State of Alaska because the PX system that is proposed by the bill does not provide for long term project planning, implementation and development periods. Basically the proposed legislation is aimed at meeting the very short term needs of a single governor or commissioner. If we are to look at projects such as Red Dog, Quartz Hill, or the issue of keeping aircraft arrivals at Anchorage International Airport from falling, we must have the capability of assuring potential partners with the State of Alaska, that there will be a long term commitment from the State of Alaska not just as a partner, but as a partner that can keep a project on track from one administration to another, without having to retrain, reeducate, and regroup every time there is a change in government leadership.

I would like to point to several good examples of projects that I have seen reach the reality stage during the past year which would not have happened had there been a change in personnel in the development specialist positions of the Division of Tourism. Last May, Swissair started service into Anchorage International based on one factor that sparked Swissair management to start thinking about the route. The reason was that a development specialist of high qualifications, and highly respected by Swissair management had been able to prove

over the course of two administrations and three commissioners in the Department of Commerce, that his own government (State of Alaska) was committed to work on the long term projects of bringing another international airline into Alaska. Swissair recognized a sincere effort, free from political pressures and change in Alaska, to see their project realized. Today, I work with great hope of bringing an Italian charter operation into Alaska over the next several years. This project stands free of political pressures of change in contacts and maintaining maximum continuity. This type of professionalism is essential to major projects, and a virtue that is expected in the international arena,

Another project that demanded four years of political free pressure for implementation in maintaining and exhibiting continuity has been the first entry of cruise ship arrivals in Anchorage. Working with the firm of Hapag-Lloyd, one of the world's largest ship operators a development specialist was able to sell the notion of including Alaska as a cruise destination and repositioning ships to Alaska waters. The end result was seen after two administrations, when the first ships arrived in Anchorage.

I cannot stress enough the damage that this legislation would do to the economic sectors of our economy. The development specialist function must maintain its unique relationship with private industry.

This last week I have discussed the HB267 issue with a large number

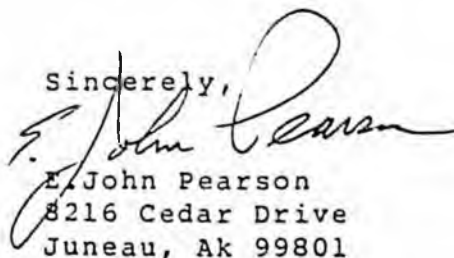
Of our industry partners within the Tourism sector. There will be assured outrage from this industry should the decision to make the development specialist functions within the Division of Tourism subject to the political system. In the event that this legislation were to be approved, the Division of Tourism small professional staff would then be 100% politically appointed.

As you consider this bill I urge you to consider the long term effect it will have on some of the industries such as tourism minerals, and fishing.

I should also point out that while I am covered under the agreements of collective bargaining between the State of Alaska and APEA, I seldom see less than a 60 hour work week, and a level of compensation that is far below what could be made in private industry. However, the dedication to the function, our state and my industry serves as the driver that has made this function a pleasure to work in.

I want to thank you for your time and wish you the best in your wisdom to deal with this unrealistic notion of effective program management.

Sincerely,


E. John Pearson
8216 Cedar Drive
Juneau, Ak 99801

May 7, 1987