

HB

406

Library

Revisor's notes. — In 1998, "AS 36.30.337" was substituted for "AS 36.30.339" in this section to reflect the 1996 renumbering of AS 36.30.339.

Sec. 36.30.336. Application. Notwithstanding other provisions of this chapter, AS 36.30.322 — 36.30.338 apply to all procurements subject to this chapter, except as provided in AS 36.15.050 and AS 36.30.322(b). (§ 2 ch 106 SLA 1986; am § 3 ch 62 SLA 1987; am § 16 ch 65 SLA 1987)

Sec. 36.30.337. Procurement preference for recycled products. (a) In the evaluation of a bid or proposal for an agency procurement of products, the agency shall decrease the bid or proposal by five percent if the bid or proposal indicates that the products being purchased will be recycled products.

(b) A decrease made under (a) of this section is in addition to other preferences allowed for the procurement.

(c) The department shall establish the minimum percentage of recycled content that will qualify a product as a recycled product under (a) of this section. (§ 4 ch 175 SLA 1990)

Revisor's notes. — Formerly AS 36.30.339. Renumbered in 1996 under § 49, ch. 137, SLA 1996.

Sec. 36.30.338. Definitions. In AS 36.30.322 — 36.30.338,

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

(2) "produced or manufactured" means processing, developing, or making an item into a new item with a distinct character and use through the application within the state of materials, labor, skill, or other services;

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

(4) "recycled Alaska product" means an Alaska product of which not less than 50 percent of the value of the product consists of a product that was previously used in another product, if the recycling process is done in the state. (§ 2 ch 106 SLA 1986; am § 17 ch 65 SLA 1987; am § 6 ch 63 SLA 1988)

Revisor's notes. — Reorganized in 1986 to alphabetize the defined terms.

Sec. 36.30.339. [Renumbered as AS 36.30.337.]

Article 6. Contract Formation and Modification.

Section	Section
330. Review and approval by the Attorney General	410. Right to inspect plant
330. Solicitation cancellation, bid and proposal rejection, and delay of opening bid or proposal	420. Right to audit records
360. Determination of responsibility	430. Contract clauses
362. Award of a contract to a nonresident	460. Modification of standard clauses
365. Notice of intent to award a contract	470. Fiscal effects of construction contract modifications
370. Permissible types of contracts	480. Establishment and modification of cost principles
390. Contract term and cancellation	

Validity and construction with respect to delay contract. 74 ALR3d 187

Sec. 36.30.340. contains a term the standard term is de reviewed by the Att

Sec. 36.30.350. lay of opening bid solicitation may be in part or the date interests of the state reasons for cancella part of the contract

Quoted in Paul Whob Facilities, 908 P.2d 994

Collateral references subdivision to reject all ALR1th 186

Sec. 36.30.360. D nonresponsibility of accordance with regt bidder or offeror to respect to responsibil to the bidder or offer (b) Information fu and may not be discl 06 SLA 1986; am §

Sec. 36.30.362. A after AS 36.30.170, i aside or maintain professional services, obtained from source tement explaining all be kept in the e

Sec. 36.30.365. Nc award of a con ard of a constructio 36.30.300 — 36.30 tice of intent to awi to comost



Alaska State Legislature

Representative Anna Fairclough — House District 17

House Bill 406

"An Act relating to a requirement for competitive bidding on contracts for the preparation of election ballots."

HB 406 is legislation that would require the Alaska Division of Elections to use a competitive bidding process for their ballot printing contracts.

While it is of the utmost importance to all Alaskans that our ballots be prepared properly and with attention paid to all aspects of fair elections, the competitive bidding process is one that is essential to our economy and fairness. It is important that Alaskan businesses be allowed to participate in competitive bidding for the preparation of our ballots.

HB 406, while including provisions for Alaska local hire, does not subject the Division of Elections to the procurement code.

There are stringent regulations that anyone competing for this business must follow, and this legislation does nothing to harm the reliability of our voting system here in Alaska.

Currently, Alaska's election ballots are sole sourced and prepared by one company that has been printing our ballots for years. While it may come to be that the company earns the right to continue to prepare the ballots, it is only reasonable to allow others to compete for that business with our state.

HB 406 will level the playing field, allow competition in printing and increase fairness in our system of commerce and it will do nothing to injure the integrity of our ballots.

Alaska State Legislature

Chairman
State Affairs Committee

Vice-Chairman
Economic Development, Trade & Tourism
Committee

Member
Judiciary Committee
Joint Armed Services Committee

Finance Subcommittees
Corrections
Labor and Workforce Development
Military and Veterans' Affairs
Public Safety



A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative Bob Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

Session:
Alaska State Capitol
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

FAX

To: Legal Services/Bullard

Fax #: 2029

From: Nancy Manly x2794
Alaska State Capitol, room 104
Juneau, AK 99801-1182

of Pages (including cover): 1

Phone: 907-465-4931
Fax: 907-465-4316

Re: HB 406 Competitive Bidding for Ballot Prep

3-13-08 – This is a hard copy to my phone conversation to you earlier this morning!

CS for HB 406 Version E passed out of the House State Affairs Committee this morning with no changes. Please draft a final CS. Is this possible to get done before Session this morning?
Thanks.

Version 25-LS1487/E

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* TRANSACTION REPORT *
* MAR-12-2008 08:39 PM *
* FOR: REP LYNN 4654316 *
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Alaska State Legislature

Please enter into the record my testimony to the House State Affairs Committee
committee name

Committee on House Bill 406, dated 3-6-08
bill # / subject public hearing date

Good Morning members of the committee.

My name is Kerry Noblin and I represent Peninsula Printing. We are a printing establishment located on the Kenai Peninsula in Soldotna. I have spent over 10 years of my life working in the printing industry and of that 10, the last 4 years have been as the proprietor of Peninsula Printing.

I am here today to give testimony in support of House Bill 406. House Bill 406 represents a requirement for competitive bidding on contracts for the preparation of election ballots.

Currently the Division of Elections is contracting this work through one shop, without giving other qualified printing contractors a chance to bid on the job. I can understand that the Division of Elections have become complacent and comfortable with their current arrangement with their sole printing contractor, but the efforts that go into the printing of these ballots are neither a technical nor an extraordinary effort. The printing of State Election specific ballots is a rather simple job when it comes down to the process of completing it. The largest challenge facing any shop competing for this contract is the sheer volume of ballots. There are many printing contractors in Alaska capable of handling these quantities.

Without putting these ballots out for bid, the State is leaving itself at the mercies of one contractor. Allowing this contractor to dictate terms to the State with regards to pricing, quality and turnaround of this job. It is a bad policy to uphold and it also stifles a strong competitive atmosphere.

With the State Election Ballots being put up for bid among qualified Alaskan Printers, not only will the state be stimulating positive economic growth in the Alaska printing industry, but it will also ensure that the State is getting the best deal possible in terms of price, quality and turn around.

The public bid process of the contracting of other election ballots has been successful in the past, and continues to be a success on a municipality and borough level.

In closing, it is my belief that the State should support this bill. The bill not only ensures the State is getting the best deal possible, it will also help stimulate economic growth in the local printing industry. This concludes my testimony and I would like to thank the members of the committee for their time.

Signed:

Testifier

Peninsula Printing

Representing (optional)

35348 K-B Drive, Ste A4, Soldotna AK 99669

Address

907-282-5267

Phone number

printworks

To: Alaska House of Representatives
State Affairs committee
Juneau, Alaska

3/3/2008

RE: **HOUSE BILL NO. 406**

From: Kevin S. Fraley, General Manager
Super Software Inc. DBA - "Print Works"
829 Smokey Bay Way
Homer, Alaska 99603
907-235-8500 ex 226 - Cell 907-299-3545

Dear honorable committee members,

The following phrases come to mind as I write my thoughts about HB 406:

"There are two sides to every story." "The cheapest is not always the best choice."

And "Who says you have to be good at what you do? - You just have to be the cheapest!"

These phrases fit when you think about adopting a bill that will take away the power of the Division of Elections to make sure our election ballots are correctly made and delivered on time.

There are a few things to consider as you make this decision:

- 1 HB 406 makes it difficult for the Division of Elections to guarantee a clean and trouble free election. HB 406 is written with the idea of "making it fair for everyone" - Saving the state money by forcing the Division of Elections to comply with the "lowest bidder" rule. Who says that the Division cannot make sure they are not getting the best price? Or who says that the division is not acting in a fair manner? The Division of Elections has a staff of dedicated people, who are assigned a very difficult job with many tight (almost impossible) deadlines. The Division has an exemption from the bid process that applies to the printing of election ballots. Why was this exemption given? I believe it was given to insure that the Division has the power to make the "best choice" based on other criteria besides just price alone. This criteria includes things like a proven track record and the experience necessary to guarantee that the job is done right. Do we trust them to be fair and to be honest? Is it in the best interest of The State of Alaska to restrict the Division of Elections ability to have control over the ballot preparation process? The passing HB 406 will directly restrict the Division. What is the priority with HB 406? It seems that the priority of HB 406 is favoring the vendor and not the Election process of the State of Alaska. Can we just redo the election if it goes bad? I guess we will have to...

2. Accountability of Ballots. Ballots are like currency. To protect from potential fraud, ballots must be handled and accounted for in a very controlled and systematic manner. Like accounting for money with checks and balances, ballots also require checks and balances (accountability) to insure a valid election. Each and every ballot must be properly accounted for without error. HB 406 has nothing to do with accountability but focuses exclusively on price alone.

There are two Alaskan printers that are "certified" to print "Accu-vote" ballots: Print Works and AT Publishing. While AT Publishing is certified by Global Election Systems (which is now "Premier Election Solutions"), they have only printed ballots for the city of Anchorage. To be certified by Global Elections means that the printer's ability to put ink on paper in Global's specified technical format has been met. No consideration of the printer's accountability system is evaluated in Global's certification process. Unfortunately, we are not talking about just putting ink on paper, it is much, much more than that. The most difficult part of the ballot preparation process is accountability. I emphasize again, each and every ballot must be accounted for with the proper documentation, providing the appropriate "chain of custody" to protect our elections from huge mistakes and improprieties, such as those seen in other state elections. The preparation of our election ballots must not be considered a "simple printing process to be handed to lowest bidder."

3. There is a non-flexible time frame for delivery: Ballots must be in hand 25 days prior to the election:

Sec. 15.15.050. Distribution of election materials.

"The director shall distribute an adequate supply of sample and official ballots and all other materials, forms, and supplies required for the election to the election supervisors for distribution to chairpersons of election boards in precincts not less than 25 days before the date for the election".

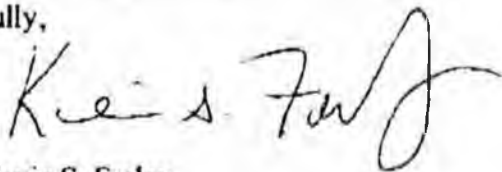
Failure to deliver on time is not an option. How can absentee voting happen if delivery is not on time? One might say - "the printer will be responsible to have insurance just in case". What good would insurance do? The ballots are late putting the election in jeopardy. The potential vendor must have a proven track record for on time delivery.

The bottom line is that there are two certified printers in the state of Alaska to print Accu-vote ballots. Premier Election Solutions is no longer certifying any new vendors for ballot printing. Passage of HB 406 will remove control from the Division of Elections for the sake of one vendor.

I urge the committee to research the track record of all parties involved. Please contact the Division of Elections, The Municipality of Anchorage, or any other city in the state which uses Accu-vote ballots, and research both printers before consideration of this bill.

Thank you for your consideration and time.

Respectfully,



Kevin S. Fraley
General Manager

Testimony by Patrick Foster (A.I. Publishing) in Favor of HB 406
Opening the state election ballots to competitive bid

Good Morning!

Chair Lynn and Members of the Committee, my name is Patrick Foster and I have been working in the print industry in Alaska for nearly 30 years and currently work for AT Publishing & Printing in Anchorage.

I am here in support of HB 406 , opening the state election ballots to competitive bidding for all Alaskan printing companies.

The State of Alaska uses the Diebold electronic ballot readers for the purpose of tallying results for statewide elections. Diebold requires printing companies who print ballots destined for their machines be certified by them. At the time the State of Alaska adopted the use of these ballot readers in the mid 1990's, no companies in Alaska were certified. Shortly thereafter a small Alaska printing company was certified and the Division of Elections has sole-sourced nearly \$2 million to this company since. This is done despite the fact that a number of other Alaskan printing companies have voiced a desire to be included in the process. My company, AT Publishing, became a certified Diebold printer in 2003.

I am aware there is probably a certain "comfort level" the Division has in working with a printer that has proven to do a decent job. I make a living

'rying to give my customers that same comfort, and have succeeded in the recent ballot-printing contract in Anchorage. The Municipality of Anchorage went through five election cycles sole-sourcing the printing of its 160,000 ballots with another printer before the decision was made to put the printing of ballots out to competitive bid. The Municipal Clerk was admittedly concerned moving forward with a new printer, but since has found the change was relatively easy and the city has benefited by paying less for the ballots. My company printed Anchorage's election ballots from 2004 through 2006 and the Municipality put a new contract out for bid this year. I am certain that the State Division of Elections would develop a fine working relationship with any printing company that would be awarded the contract for printing its ballots.

Some might claim that the complexity of the Alaska ballots is reason enough to leave things the way they are, but nothing is further from the truth. The task of printing a few hundred thousand ballots would be daunting for some small shops, but they wouldn't bid on this project anyway. There are, however, many companies in Alaska fully capable of handling the volume of work in the time required and handle the packaging and shipping logistics as well. As printing jobs go, the ballots are fairly easy to produce. They do require careful imprinting and packaging, but nothing beyond the scope of many jobs produced by dozens of Alaskan printing companies each year.

Another concern is that the Division of Elections could be bogged down putting each election cycle out to bid. I recommend that each bid be awarded for one election cycle with a performance option for a second cycle.

Opening the election ballots to competitive bid would have a variety of positive effects, including the likely savings of a substantial amount of money. The level playing field would open the door for more Alaskan printing companies to be involved, giving them the opportunity to upgrade their facilities and improve their standing in Alaska and the print industry. Additionally, the State would not have to put all their eggs in one basket, relying on just one printing company for the printing of the ballots.

This concludes my testimony. I would be happy to answer any questions you may have.

Additional Information:

- To be certified as a Diebold ballot printer, a printing company must send Diebold a check for \$5000 along with a small sample print job (from Diebold files). Diebold then tests the sample ballots and either approves or denies the certification. The certification process takes about two weeks.
- Over the past decade I have made a number of attempts to open the process, as have some of my colleagues in the industry only to find ourselves chasing our tails. The Division of Elections claims it is the decision of the Lt. Governor and the Lt. Governor's office has said it was up to the Division of Elections.
- The Municipality of Anchorage saved more than \$10,000 on ballot printing costs alone during the first year of its competitively awarded contract and realized more than \$35,000 in savings over a three-year period. Bids were reduced another 10% this year, likely saving the Municipality of Anchorage an additional \$20,000 - \$30,000 over the next three years.
- In a meeting with Lt. Governor Sean Parnell in February 2007, the Lt. Governor told me he was supportive of the idea of going out to competitive bid, but was concerned that Outside companies could possibly win the bid. This issue is easily handled with the use of the Alaska Product Preference rules and creating a production timeline that would make it difficult for Lower 48 companies to accommodate.

It may be possible to exclude Lower 48 companies from bidding on the ballots.

- According to a state legal opinion on similar legislation, the Division of Elections has the authority to determine its own bid specifications and is not required to utilize the State procurement process.
- The Division of Elections is also protected from having to seek competitive bids for the election ballots because of an exemption in the Administrative Procurement Act. This exemption should also be removed from statute.
- I have spoken with many different representatives from printing companies about the possibility of them becoming Diebold certified. Almost every one I contacted said there was no point if the State was not going to give them an opportunity to bid on the ballots. Since the Municipality of Anchorage has gone to bid on its ballots, two companies have indicated to me they were strongly considering it.
- The Municipality of Anchorage required any printing company submitting a bid for printing its ballots must be certified by Diebold prior to the bid submission. Dane Sutterfield, a procurement specialist for the Municipality of Anchorage, told me he released the bid proposals with enough time for interested printing companies to achieve the certification.

March 7, 2008

Re: Rebuttal from Patrick Foster, A.T. Publishing, HB 406

Rep. Anna Fairclough!

Since Mr. Fraley's letter mentions my company by name, makes inferences regarding our capabilities, and at times distorts what I believe is the true intent of the legislation, I thought it important to share with you some rebuttal points of my own. I have not changed any of Mr. Fraley's original text, but have separated out areas where I felt a response was warranted. Except where Mr. Fraley is quoting text under his 3rd point near the bottom of his letter, all italicized text is my own. I have separated and made **bold** any particular points I felt the need to respond to.

Please feel free to contact regarding anything here.

Many thanks,

Patrick Foster
A.T. Publishing & Printing, Inc.
907-240-6616

To: Alaska House of Representatives
State Affairs committee
Juneau, Alaska

3/3/2008

RE: **HOUSE BILL NO. 406**

From: Kevin S. Fraley, General Manager
Super Software Inc. DBA - "Print Works"
829 Smokey Bay Way
Homer, Alaska 99603
907-235-8500 ex 226 - Cell 907-299-3545

Dear honorable committee members,

The following phrases come to mind as I write my thoughts about HB 406:

"There are two sides to every story." "The cheapest is not always the best choice."

And "Who says you have to be good at what you do? - You just have to be the cheapest!"

These phrases fit when you think about adopting a bill that will take away the power of the Division of Elections to make sure our election ballots are correctly made and delivered on time.

There are a few things to consider as you make this decision:

1. HB 406 makes it difficult for the Division of Elections to guarantee a clean and trouble free election. HB 406 is written with the idea of "making it fair for everyone" - Saving the state money by forcing the Division of Elections to comply with the "lowest bidder" rule.

Who says that the Division cannot make sure they are not getting the best price?

Anytime you have a sole-sourced contract, there is not guarantee of price. When Whitney Brewster testified in Senate State Affairs last year on a similar bill, she was asked (I think by Sen. Gary Stevens) if the Division ever considered getting bids from other Alaskan companies, if for no other reason than for comparison? Her answer was "No".

Or who says that the division is not acting in a fair manner?

No one! Some consider sole-sourcing an unfair practice when there are many other companies willing and capable to handle the work.

The Division of Elections has a staff of dedicated people, who are assigned a very difficult job with many tight (almost impossible) deadlines.

If he's talking about the Division's responsibilities to manage elections, I agree, it must be an enormous task. If he's referring to the printing process, these deadlines are not "almost impossible", by any stretch. A shop like mine can easily print and package the ballots within the time frame required by the Division. Smaller shops would take longer. In Anchorage, there are at least a half dozen shops who have as much capacity as mine. The current director said there was only 16 days to get the job turned around. That is plenty of time.

The Division has an exemption from the bid process that applies to the printing of election ballots. Why was this exemption given?

According to research done by Jason Hooley from the Lt. Governor's office, the exemption was put in place in the early 1960's when there were very few print shops in Alaska and none capable of producing the "punch-style" ballots used at that time. The exemption has not been challenged since. Today, dozens of Alaskan printing companies currently exist that can print the ballots.

I believe it was given to insure that the Division has the power to make the "best choice" based on other criteria besides just price alone.

This criteria includes things like a proven track record and the experience necessary to guarantee that the job is done right

Not sure what he is saying here. Prior to the first time he did the ballots, he had never done them!

Do we trust them to be fair and to be honest?

Is he accusing other Alaska printing shops of being dishonest?

Is it in the best interest of The State of Alaska to restrict the Division of Elections ability to have control over the ballot preparation process?

Yes, and a qualifying bid process would do that very nicely.

The passing HB 406 will directly restrict the Division.

This is not the case. The Division would be in charge of determining what requirements need to be met in the printing process and would lay out those requirements in the bidding specifications.

What is the priority with HB 406? It seems that the priority of HB 406 is favoring the vendor and not the Election process of the State of Alaska.

Not at all the case, it favors the state of Alaska getting the fairest price while fostering fair business practices in the process.

Can we just redo the election if it goes bad? I guess we will have to...

2. Accountability of Ballots. Ballots are like currency. To protect from potential fraud, ballots must be handled and accounted for in a very controlled and systematic manner. Like accounting for money with checks and balances, ballots also require checks and balances (accountability) to insure a valid election. Each and every ballot must be properly accounted for without error.

HB 406 has nothing to do with accountability but focuses exclusively on price alone.

Accountability is part of the bid specifications.

There are two Alaskan printers that are "certified" to print "Accu-vote" ballots:
Print Works and AT Publishing.

While AT Publishing is certified by Global Election Systems (which is now "Premier Election Solutions"), they have only printed ballots for the city of Anchorage.

The MOA ballots represents exactly the same printing and delivery circumstances as the State ballots. Additionally, the MOA requires a faster turnaround than the current State specifications.

To be certified by Global Elections means that the printer's ability to put ink on paper in Global's specified technical format has been met. No consideration of the printer's accountability system is evaluated in Global's certification process. Unfortunately, we are not talking about just putting ink on paper, it is much, much more than that. The most difficult part of the ballot preparation process is accountability. I emphasize again, each and every ballot must be accounted for with the proper documentation, providing the appropriate "chain of custody" to protect our elections from huge mistakes and improprieties, such as those seen in other state elections. The preparation of our election ballots must not be considered a "simple printing process to be handed to lowest bidder."

He is correct in everything except the part about not going to the lowest responsible bidder. Every shop in Alaska handles jobs that require all the things he mentions here.

3. There is a non-flexible time frame for delivery: Ballots must be in hand 25 days prior to the election:

Sec. 15.15.050. Distribution of election materials.

"The director shall distribute an adequate supply of sample and official ballots and all other materials, forms, and supplies required for the election to the election supervisors for distribution to chairpersons of election boards in precincts not less than 25 days before the date for the election"

Failure to deliver on time is not an option. How can absentee voting happen if delivery is not on time? One might say – "the printer will be responsible to have insurance just in case". What good would insurance do? The ballots are late putting the election in jeopardy. The potential vendor must have a proven track record for on time delivery.

The bottom line is that there are two certified printers in the state of Alaska to print Accu-vote ballots. Premier Election Solutions is no longer certifying any new vendors for ballot printing. Passage of HB 406 will remove control from the Division of Elections for the sake of one vendor.

This means only that Diebold no longer is taking \$5000 from Alaskan printing companies wanting to print ballots. Now, all companies can participate in the process, not just two of us. There is available an email statement from Premier Elections Solutions that they are out of the business of certifying, but are willing to work with individual state's desiring some form of printing certification. They recognize the printing of ballots requires much more than simple ink on paper.

I urge the committee to research the track record of all parties involved.

I'd like to know exactly what he's talking about here.

Please contact the Division of Elections, The Municipality of Anchorage, or any other city in the state which uses Accu-vote ballots, and research both printers before consideration of this bill.

This is not about two printers...it IS about all printers in Alaska having an opportunity to bid on the ballots. But, since he brings it up, I have a performance letter from the MOA regarding our work the recent ballot printing contract.

Thank you for your consideration and time.
Respectfully,

Kevin S. Fraley
General Manager



**A.T. Publishing
& Printing, Inc.**

907-349-7506 Phone

907-349-4398 Fax

Fax Cover Sheet

March 3, 2008

To: Representative Bob Lynn / Chairman House State Affairs
Re: HB 406

Good Day Rep. Lynn!

Attached is my testimony and letters of support for HB 406. I will be available at the Anchorage LIO for testimony on this legislation tomorrow (March 4) morning.

Please let me know if you have any questions.

Many thanks,

Patrick Foster
907-240-6616

W E C O L O R A L A S K A

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* TRANSACTION REPORT *
* MAR-02-2008 10:41 PM *
* FOR: REP LYNN 4654316 *
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Alaska State Legislature

Representative Anna Fairclough – House District 17

MEMORANDUM

To: Representative Bob Lynn, Chair
House State Affairs Committee

From: Representative Anna Fairclough 

Re: HB 406

Date: February 28, 2008

Dear Representative Lynn,

I respectfully request a hearing in House State Affairs on HB 406, legislation to add a competitive bid process to contracts for the preparation of election ballots.

For your information I have attached the most recent copy of the bill and my sponsor statement.

If you need anything further, please contact my staff member, Renee Limoge, at 465-3777.

Thank you in advance for your time.

Additional Documents for
HB 406
Competitive Bidding for Ballot Prep

To: Rep. Anna Fairclough
And The House State Affairs Committee

March 12, 2008

RE: Ballot Certification

From: Kevin Fraley
Super Software Inc. "DBA - Print Works"
829 Smokey Bay Way
Homer, Alaska 99603

Dear honorable Representatives,

I thank you for your part in working toward a fair method for "EVERYONE" in regard to ballot preparation for our elections in the state of Alaska.

It was brought to my attention yesterday, by Rep. Fairclough, that the state does not require certification for ballot printing and preparation. I find it a very unsafe proposition to hand the ballot preparation to anyone that wants to give it a go. While there is some validity to Rep. Fairclough's statement that -I'm using scare tactics to protect my position. I would ask each person on the committee how many ballots are acceptable to go bad? I am not creating a fake scenario in regard to ballots gone bad. It is easy to make mistakes on these, very sensitive optical scan ballots! If they are not right they will not read! I am not making this up - it is a fact. Call it "scare tactics" if you will, but who's vote is acceptable to leave out? What is the percentage of loss that is acceptable to you? I have tested the limits of this system to establish the quality control measures we use to ensure that every ballot we produce is right. Because of my research I know how sensitive these machines are.

"SCARE TACTICS" The phrase has stuck in my head since yesterday... And as I real from the implications... I realize what surprises me is that everyone involved is not scared. Scared of votes not counted because we want to make the process of "making the ballots" fair. - Not protecting the actual voting process it self!

I find it interesting that there were a few "Printers" in the testimony process but no one from Die Bold or Premier elections was asked to tell the committee the delicate nature of these ballots. Sure, these printers can tell you how "easy" printing is, but which of them has experience in printing these ballots? Their testimony is valid but only from the standpoint of printing, not from the stand point of printing optical scan ballots.

So, here we are.... Ready to adopt a bill that will make the preparation process of ballot printing available to any printer. Completely leaving out the necessity of qualification.

We must protect Alaska's voters from getting ballots that will not read! That should be the agenda! Not fairness to "All Alaskan printers". How do we accomplish this? Requiring certification and quality control! Though, I now like much of what HB 406 says - I still think we are not considering the most important thing!

How can you lose sight of the voters of the entire state for the sake of a few printers that want to have a chance to print ballots?

In closing I would implore the Committee to require HB 406 to have language that would require certification and qualification of any printer that is contracted to print ballots.

Respectfully,

Kevin S. Fraley
GM - Print Works



Ph: (907) 262-5267 Fax: (907) 260-5267
35348 K-B Drive, Suite A4, Soldotna, Alaska

February 29, 2008

To Whom it may concern,

I am sending this letter in support of **House Bill Number 406**. This bill represents an effort to open up the printing of State Election Ballots to competitive bidders. The Division of Elections is wrong in the decision to outsource this job to one single shop, without giving other qualified Alaska shops an opportunity to bid on these jobs.

This is effectively monopolizing the work, and is not a very cost effective way for the State of Alaska to do business. A sanctioned bidding process ensures that the State is getting the best value possible. This current policy does nothing to foster local Alaska Printers' incentive of "healthy competition." A healthy competition always improves the Alaskan economy because competitors lower prices and increase quality of services and products offered.

The current system in place by the Division of Elections does not support fair competitive business practices.

With the proposals presented in house **House Bill Number 406** it will give fellow Alaskans an opportunity to bid on the printing of election ballots. The passing of this bill would greatly benefit the printing industry in Alaska as a whole by giving all qualified parties an equal opportunity to bid.

Shane and Melanie Noblin
Owners of Peninsula Printing

To: Representative Bob Lynn
From: Lambert "Lam" Lavea
Re: HB 406

Hello Representative Lynn.

I am writing to support HB 406 opening the Alaska State election ballots to competitive bid. I believe the practice of sole sourcing the printing of the elections ballots to a single Alaska printing company should stop. I believe the State has a responsibility to foster fair business practices and opening the printing of the election ballots to competitive bidding would do exactly that. The Alaska printing industry would benefit by this legislation.

Sincerely,



Lambert "Lam" Lavea
Printer's Ink Manager
150 Trading Bay Drive, Suite 2
Kenai, AK 99611
(907) 283-4977



SERVICE
BUSINESS PRINTING

Onnie Kendall
General Manager,
Service Business Printing

Re: House Bill 406

Why the bill is good legislation-

- Sole-sourcing the print work doesn't allow for other AK businesses to have the opportunity to benefit from one of the largest State of AK print jobs.
- Opening up the project to bid will allow all those printers capable of the scope of the project to have an opportunity to take it on.
- An open bid process would give the state a balanced purchase price and would open up the prospect for all capable the prospect of winning the business.

Sincerely,

A handwritten signature in black ink, appearing to read 'Onnie Kendall', with a long, sweeping horizontal flourish extending to the right.

Onnie Kendall
General Manager



907-349-7506 Phone
907-349-4398 Fax

February 26, 2008

To Whom it may concern!

I am writing this letter in support of HB 406 and believe strongly the State of Alaska should put the printing of the election ballots out to competitive bid. For years the Division of Elections has seen fit to sole source the printing of the election ballots to a single company and I believe this is unfair and should be corrected. There are many printing companies in Alaska capable of printing the ballots and all of us should have an opportunity to bid.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Martone", written over a horizontal line.

Frank Martone
Owner
A.T. Publishing & Printing, Inc.

W E C O L O R A L A S K A

1720 Abbott Road • Anchorage, AK 99507-3443 • 800-478-0452 Toll Free • E-mail: atpub@alaska.net

America North Printers

February 26, 2008

To Whom it may concern!

I am writing to support of HB 406, an effort to open the printing of the state election ballots to competitive bid. I believe it is wrong that the Division of Elections sole-sources the printing of the ballots to a single shop, without giving other Alaskan printing companies an opportunity to do the work. I believe the State has a responsibility to foster fair business practices and opening the printing of the ballots to competitive bidding would do exactly that. The Alaska printing industry would benefit by this legislation.

Sincerely,



Paul Winn

Owner

America North Printers



6611 Arctic Blvd. • Anchorage, Alaska 99518

(907) 563-4743 • fax (907) 563-4397 • email: qlprint@gci.net

March 3, 2008

Anna Fairclough,

I am writing to support HB 406 opening the Alaska State election ballots to competitive bid. I believe the practice of sole-sourcing the printing of the elections ballots to a single Alaska printing company should stop. I believe the State has a responsibility to foster fair business practices and opening the printing of the election ballots to competitive bidding would do exactly that. The Alaska printing industry would benefit by this legislation.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Bob Howard', written in black ink.

Bob Howard



To Whom it May Concern!

I am writing to support HB 406 opening the Alaska State election ballots to competitive bid. I believe the practice of sole-sourcing the printing of the elections ballots to a single Alaska printing company should stop. I believe the State has a responsibility to foster fair business practices and opening the printing of the election ballots to competitive bidding would do exactly that. The Alaska printing industry would benefit by this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Pursell', is written over a faint, illegible typed name.

Owner



Alaska State Legislature

Please enter into the record my testimony to the House State Affairs Committee
committee name

Committee on House Bill 406, dated 3-6-08
bill # / subject public hearing date

Good Morning members of the committee.

My name is Kerry Noblin and I represent Peninsula Printing. We are a printing establishment located on the Kenai Peninsula in Soldotna. I have spent over 10 years of my life working in the printing industry and of that 10 the last 4 years have been as the proprietor of Peninsula Printing.

I am here today to give testimony in support of House Bill 406. House Bill 406 represents a requirement for competitive bidding on contracts for the preparation of election ballots.

Currently the Division of Elections is contracting this work through one shop, without giving other qualified printing contractors a chance to bid on the job. I can understand that the Division of Elections have become complacent and comfortable with their current arrangement with their sole printing contractor, but the efforts that go into the printing of these ballots are neither a technical nor extraordinary effort. The printing of State Election specific ballots is a rather simple job when it comes down to the process of completing it. The largest challenge facing any shop competing for this contract is the sheer volume of ballots. There are many printing contractors in Alaska capable of handling these quantities.

Without putting these ballots out for bid, the State is leaving itself at the mercies of one contractor. Allowing this contractor to dictate terms to the State with regards to pricing, quality and turnaround of this job. It is a bad policy to uphold and it also stifles a strong competitive atmosphere.

With the State Election Ballots being put up for bid among qualified Alaskan Printers, not only will the state be stimulating positive economic growth in the Alaska printing industry, but it will also ensure that the State is getting the best deal possible in terms of price, quality and turn around.

The public bid process of the contracting of other election ballots has been successful in the past, and continues to be a success on a municipality and borough level.

In closing, it is my belief that the State should support this bill. The bill not only ensures the State is getting the best deal possible, it will also help stimulate economic growth in the local printing industry. This concludes my testimony and I would like to thank the members of the committee for their time.

Signed: *Kerry Noblin*
 Testifier
Peninsula Printing
 Representing (optional)
35348 K-B Drive, Ste A4, Soldotna AK 99669
 Address
907-262-5267
 Phone number

25-LS1487C

Bullard

2/28/08

CS FOR HOUSE BILL NO. 406()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY**Offered:****Referred:****Sponsor(s): REPRESENTATIVE FAIRCLOUGH****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to a requirement for competitive bidding on contracts for the
2 preparation of election ballots."

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

4 * **Section 1.** AS 15.15.030 is amended to read:

5 **Sec. 15.15.030. Preparation of official ballot.** The director shall prepare all
6 official ballots to facilitate fairness, simplicity, and clarity in the voting procedure, to
7 reflect most accurately the intent of the voter, and to expedite the administration of
8 elections. The following directives shall be followed when applicable:

9 (1) The director shall determine the size of the ballot, the type of print,
10 necessary additional instruction notes to voters, and other similar matters of form not
11 provided by law.

12 (2) The director shall number ballots in series to assure simplicity and
13 secrecy and to prevent fraud.

14 (3) The director may contract for the preparation of the ballots on a

1 regional basis if necessary and shall [MAY] contract for the preparation of ballots by
2 [WITHOUT] obtaining competitive bids as provided in AS 15.15.031.

3 (4) The director may not include on the ballot as a part of a candidate's
4 name, any honorary or assumed title or prefix but may include in the candidate's name
5 any nickname or familiar form of a proper name of the candidate.

6 (5) The names of the candidates and their party designations shall be
7 placed in separate sections on the state general election ballot under the office
8 designation to which they were nominated. The party affiliation, if any, shall be
9 designated after the name of the candidate. The lieutenant governor and the governor
10 shall be included under the same section. Provision shall be made for voting for write-
11 in and no-party candidates within each section. Paper ballots for the state general
12 election shall be printed on white paper.

13 (6) The names of the candidates for each office shall be set out in the
14 same order on ballots printed for use in each house district. The director shall
15 randomly determine the order of the names of the candidates for state representative
16 for each house district. The director shall rotate the order of placement of the names of
17 candidates for governor, lieutenant governor, United States senator, United States
18 representative, and state senator on the ballot for each house district.

19 (7) The general election ballot shall be designed with the names of
20 candidates of each political party, and of any independent candidates qualified under
21 AS 15.30.026, for the office of President and Vice-President of the United States
22 placed in the same section on the ballot rather than the names of electors of President
23 and Vice-President.

24 (8) The general or special election ballot shall be designed with the
25 title and proposition for any initiative, referendum, or constitutional amendment
26 formulated as prescribed by law and placed on the ballot in the manner prescribed by
27 the director. When placed on the ballot, a state ballot proposition or ballot question
28 shall carry the number that was assigned to the petition for the proposition or question.
29 Provision shall be made for marking the proposition "Yes" or "No."

30 (9) The general or special election ballot shall be designed with the
31 question of whether a constitutional convention shall be called placed on the ballot in

1 the following manner: "Shall there be a constitutional convention?" Provision shall be
2 made for marking the question "Yes" or "No."

3 (10) A nonpartisan ballot shall be designed for each judicial district in
4 which a justice or judge is seeking retention in office. The ballot shall be divided into
5 four parts and each part must bear a heading indicating the court to which the
6 candidate is seeking approval. Within each part, the question of whether the justice or
7 judge shall be approved or rejected shall be set out in substantially the following
8 manner: (A) "Shall be retained as justice of the supreme court for 10 years?";
9 (B) "Shall be retained as judge of the court of appeals for eight years?"; (C)
10 "Shall be retained as judge of the superior court for six years?"; or (D) "Shall
11 be retained as judge of the district court for four years?" Provision shall be
12 made for marking each question "Yes" or "No."

13 (11) When the legislature by law authorizes a state debt for capital
14 improvements, the director shall place the question of whether the specific
15 authorization shall be ratified by placing the ballot title and question on the next
16 general election ballot, or on the special election ballot if a special election is held for
17 the purpose of ratifying the state debt for capital improvements before the time of the
18 next general election. Unless specifically provided otherwise in the Act authorizing
19 the debt, the ballot title shall, by the use of a few words in a succinct manner, indicate
20 the general subject of the Act. The question shall, by the use of a few sentences in a
21 succinct manner, give a true and impartial summary of the Act authorizing the state
22 debt. The question of whether state debt shall be contracted shall be assigned a letter
23 of the alphabet on the ballot. Provision shall be made for marking the question
24 substantially as follows:

25 "Bonds. Yes" or "Bonds No,"

26 followed by an appropriate oval.

27 (12) [REPEALED

28 (13)] The director may provide for the optical scanning of ballots
29 where the requisite equipment is available.

30 (13) [(14)] The director may provide for voting by use of electronically
31 generated ballots by a voter who requests to use a machine that produces electronically

1 generated ballots.

2 * **Sec. 2.** AS 15.15 is amended by adding a new section to read:

3 **Sec. 15.15.031. Contracts for the preparation of election ballots.** (a) Except
4 as provided in (b) of this section, the director shall award a contract for the preparation
5 of election ballots based on the solicited bids with reasonable promptness by written
6 notice to the lowest responsible and responsive bidder whose bid conforms in all
7 material respects to the requirements and criteria set out in the invitation to bid.

8 (b) The director shall award a contract based on solicited bids to the lowest
9 responsive and responsible bidder after an Alaska bidder preference of five percent
10 and an Alaska product preference of seven percent.

11 (c) In this section,

12 (1) "Alaska bidder" means a person who

13 (A) holds a current Alaska business license;

14 (B) submits a bid for ballot preparation under the name as
15 appearing on the person's current Alaska business license;

16 (C) has maintained a place of business in the state staffed by
17 the bidder or an employee of the bidder for a period of six months immediately
18 preceding the date of the bid;

19 (D) is

20 (i) incorporated or qualified to do business under the
21 laws of the state.

22 (ii) a sole proprietorship and the proprietor is a resident
23 of the state;

24 (iii) a limited liability company organized under
25 AS 10.50 and all members are residents of the state; or

26 (iv) a partnership under former AS 32.05, AS 32.06, or
27 AS 32.11 and all partners are residents of the state; and

28 (E) if a joint venture, is composed entirely of ventures that
29 qualify under (A) - (D) of this subsection.

30 (2) "Alaska product" means a product

31 (A) that is produced or manufactured in Alaska, as defined in

1 AS 36.30.338(2);

2 (B) for which the responsibility for the final outcome of the
3 production or manufacturing process is controlled by an Alaska producer or
4 manufacturer; and

5 (C) for which no manufacturing step is performed outside
6 Alaska or, if a manufacturing step is subcontracted outside Alaska, the
7 manufacturing step is one the absence of which would not alter the
8 distinctiveness of the character of the product.

9 * Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 APPLICABILITY. This Act applies to contracts for the preparation of ballots for
12 elections conducted on or after January 1, 2009.

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 406
 () Publish Date: _____

Identifier (file name) HB406-OOG-DOE-2-29-08 Dept Affected: OOG
 Title An Act relating to a requirement for competitive bidding RDU: Elections
on contracts for preparation of election ballots Component: Elections
 Sponsor: Representative Fairclough
 Requester: House State Affairs Committee Component Number: 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	Appropriation Required	Information					
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Personal Services							
Travel							
Contractual	0.0						
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES ()							
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	0.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This proposed legislation will have no fiscal impact on the Division of Elections

Prepared by: Gail Fenumai, Director Phone: 465-2644
 Division: Division of Elections Date/Time: 2/29/2008 11:05am
 Approved by: Linda Perez, Administrative Director Date: 2/29/2008
Office of the Governor