

LEG. FINANCE - BILLS 1983 - 1984 1834

SSHB 105 cont. - HB 108

1834

UNIVERSITY OF ALASKA (CONT.)		ALLOCATIONS	APPROPRIATION ITEMS	APPROPRIATION GENERAL FUND	FUND SOURCES OTHER FUNDS
1	UNIVERSITY OF ALASKA (CONT.)				
2					
3		ALLOCATIONS	APPROPRIATION	APPROPRIATION	FUND SOURCES
4	TANANA VALLEY COMMUNITY COLLEGE	5,531,200	ITEMS	GENERAL FUND	OTHER FUNDS
5	RURAL EDUCATION				
6	RURAL EDUCATION	5,074,100			
7	COOPERATIVE EXTENSION SERVICE				
8	COOPERATIVE EXTENSION SERVICE	6,080,200			
9	AGENCY UNALLOCATED REDUCTION				
10	AGENCY UNALLOCATED REDUCTION	-3,909,800			
11		*****	*****		
12		***** STATE BOND COMMITTEE *****			
13		*****	*****		
14	STATE BOND COMMITTEE TOTAL APPROPRIATIONS		180,620,000	178,655,000	1,965,000
15	TRANSPORTATION				
16	DEBT SERVICE				
17	INTERNATIONAL AIRPORT REVENUE BONDS	1,965,000			
18	GENERAL GOVERNMENT				
19	STATE BOND COMMITTEE				
20	DEBT SERVICE		178,655,000		
21	* SEC. 5 THE FOLLOWING IS A LISTING SETTING OUT THE FUNDING OF THE APPROPRIATIONS MADE IN THE PRECEDING SECTIONS OF THIS				
22	ACT. THE LISTING IS ARRANGED IN PROGRAM AGENCY ORDER FOR THE OPERATING EXPENDITURES.				
23	OFFICE OF THE GOVERNOR		56,143,200		
24	FEDERAL RECEIPTS	1,693,300			
25	GENERAL FUND	48,851,600			
26	INTER-AGENCY RECEIPTS	2,695,700			

	ALLOCATIONS	TOTAL APPROPRIATIONS
1 OFFICE OF THE GOVERNOR (CONT.)		
2 AGRICULTURAL LOAN FUND	21,600	
3 HIGHWAY WORKING CAPITAL FUND	66,700	
4 INTERNATIONAL AIRPORT REVENUE FUND	657,200	
5 PROGRAM RECEIPTS	1,659,100	
6 PUBLIC EMPLOYEES RETIREMENT FUND	36,400	
7 DISABLED FISHERMANS RESERVE ACCOUNT	3,300	
8 SURPLUS PROPERTY REVOLVING FUND	6,300	
9 TEACHERS RETIREMENT SYSTEM FUND	33,800	
10 VETERANS REVOLVING LOAN FUND	23,800	
11 RESTRICTED RECEIPTS, U OF A	88,300	
12 TRAINING AND BUILDING FUND	6,100	
13 *** TOTAL FUNDING - OFFICE OF THE GOVERNOR ***	56,143,200	
14 DEPARTMENT OF ADMINISTRATION		173,458,500
15 FEDERAL RECEIPTS	4,262,800	
16 GENERAL FUND MATCH	655,100	
17 GENERAL FUND	124,037,300	
18 INTER-AGENCY RECEIPTS	38,600,600	
19 FICA ADMINISTRATION FUND ACCOUNT	89,700	
20 PROGRAM RECEIPTS	2,447,600	
21 PUBLIC EMPLOYEES RETIREMENT FUND	1,790,400	
22 SURPLUS PROPERTY REVOLVING FUND	204,300	
23 TEACHERS RETIREMENT SYSTEM FUND	1,370,700	
24 *** TOTAL FUNDING - DEPARTMENT OF ADMINISTRATION ***	173,458,500	
25 DEPARTMENT OF LAW		30,395,900
26 GENERAL FUND	26,809,200	

	ALLOCATIONS	TOTAL APPROPRIATIONS
1 DEPARTMENT OF LAW (CONT.)		
2 INTER-AGENCY RECEIPTS	3,586,700	
3 *** TOTAL FUNDING - DEPARTMENT OF LAW ***	30,395,900	
4 DEPARTMENT OF REVENUE		36,221,300
5 FEDERAL RECEIPTS	2,408,900	
6 GENERAL FUND MATCH	1,023,200	
7 GENERAL FUND	25,803,900	
8 PROGRAM RECEIPTS	5,979,700	
9 PUBLIC EMPLOYEES RETIREMENT FUND	502,800	
10 TEACHERS RETIREMENT SYSTEM FUND	502,800	
11 *** TOTAL FUNDING - DEPARTMENT OF REVENUE ***	36,221,300	
12 DEPARTMENT OF EDUCATION		614,157,400
13 FEDERAL RECEIPTS	29,964,400	
14 GENERAL FUND MATCH	1,198,300	
15 GENERAL FUND	565,128,200	
16 INTER-AGENCY RECEIPTS	3,177,000	
17 PROGRAM RECEIPTS	1,048,500	
18 SCHOOL FUND (CIGARETTE TAX)	2,500,000	
19 PUBLIC LAW 81-874/GENERAL FUND	10,891,000	
20 TRAINING AND BUILDING FUND	250,000	
21 *** TOTAL FUNDING - DEPARTMENT OF EDUCATION ***	614,157,400	
22 DEPARTMENT OF HEALTH & SOCIAL SERVICES		292,691,700
23 FEDERAL RECEIPTS	83,265,300	
24 GENERAL FUND MATCH	61,879,600	
25 GENERAL FUND	138,882,200	
26 INTER-AGENCY RECEIPTS	4,406,900	

	ALLOCATIONS	TOTAL APPROPRIATIONS
1 DEPARTMENT OF HEALTH & SOCIAL SERVICES (CONT.)		
2 PROGRAM RECEIPTS	144,000	
3 TITLE 20	4,113,700	
4 *** TOTAL FUNDING - DEPARTMENT OF HEALTH & SOCIAL SERVICES ***	292,691,700	
5 DEPARTMENT OF LABOR		39,562,600
6 FEDERAL RECEIPTS	20,193,300	
7 GENERAL FUND MATCH	1,103,300	
8 GENERAL FUND	8,222,500	
9 INTER-AGENCY RECEIPTS	6,432,400	
10 PROGRAM RECEIPTS	243,700	
11 SECOND INJURY FUND RESERVE ACCOUNT	1,887,400	
12 DISABLED FISHERMANS RESERVE ACCOUNT	1,280,500	
13 TRAINING AND BUILDING FUND	199,500	
14 *** TOTAL FUNDING - DEPARTMENT OF LABOR ***	39,562,600	
15 DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT		53,283,400
16 FEDERAL RECEIPTS	428,600	
17 GENERAL FUND	42,495,500	
18 INTER-AGENCY RECEIPTS	2,790,200	
19 PROGRAM RECEIPTS	6,691,800	
20 VETERANS REVOLVING LOAN FUND	877,300	
21 *** TOTAL FUNDING - DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT ***	53,283,400	
22 DEPARTMENT OF MILITARY AFFAIRS		9,955,300
23 FEDERAL RECEIPTS	3,677,700	
24 GENERAL FUND MATCH	713,100	
25 GENERAL FUND	5,534,800	

	ALLOCATIONS	TOTAL APPROPRIATIONS
1 DEPARTMENT OF MILITARY AFFAIRS (CONT.)		
2 PROGRAM RECEIPTS	29,700	
3 *** TOTAL FUNDING - DEPARTMENT OF MILITARY AFFAIRS ***	9,955,300	
4 DEPARTMENT OF NATURAL RESOURCES		62,481,900
5 FEDERAL RECEIPTS	3,277,500	
6 GENERAL FUND MATCH	478,600	
7 GENERAL FUND	48,966,300	
8 INTER-AGENCY RECEIPTS	9,017,400	
9 AGRICULTURAL LOAN FUND	567,100	
10 PROGRAM RECEIPTS	175,000	
11 *** TOTAL FUNDING - DEPARTMENT OF NATURAL RESOURCES ***	62,481,900	
12 DEPARTMENT OF FISH & GAME		76,262,000
13 FEDERAL RECEIPTS	9,979,100	
14 GENERAL FUND	51,132,300	
15 INTER-AGENCY RECEIPTS	8,699,600	
16 FISH AND GAME FUND	6,005,000	
17 PROGRAM RECEIPTS	446,000	
18 *** TOTAL FUNDING - DEPARTMENT OF FISH & GAME ***	76,262,000	
19 DEPARTMENT OF PUBLIC SAFETY		77,670,600
20 FEDERAL RECEIPTS	835,100	
21 GENERAL FUND MATCH	39,100	
22 GENERAL FUND	76,135,900	
23 PROGRAM RECEIPTS	660,500	
24 *** TOTAL FUNDING - DEPARTMENT OF PUBLIC SAFETY ***	77,670,600	
25 DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES		290,404,200
26 FEDERAL RECEIPTS	150,000	

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	ALLOCATIONS	TOTAL APPROPRIATIONS
1 DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES (CONT.)		
2 GENERAL FUND	176,997,800	
3 INTER-AGENCY RECEIPTS	61,435,800	
4 HIGHWAY WORKING CAPITAL FUND	26,636,400	
5 INTERNATIONAL AIRPORT REVENUE FUND	23,164,000	
6 PROGRAM RECEIPTS	2,020,200	
7 *** TOTAL FUNDING - DEPARTMENT OF TRANSPORTATION/PUBLIC FACILITIES ***	290,404,200	
8 DEPARTMENT OF ENVIRONMENTAL CONSERVATION		13,931,000
9 FEDERAL RECEIPTS	1,620,400	
10 GENERAL FUND MATCH	892,200	
11 GENERAL FUND	10,917,200	
12 INTER-AGENCY RECEIPTS	456,200	
13 PROGRAM RECEIPTS	45,000	
14 *** TOTAL FUNDING - DEPARTMENT OF ENVIRONMENTAL CONSERVATION ***	13,931,000	
15 DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS		43,457,700
16 FEDERAL RECEIPTS	13,583,800	
17 GENERAL FUND MATCH	150,000	
18 GENERAL FUND	28,105,000	
19 INTER-AGENCY RECEIPTS	1,548,500	
20 PROGRAM RECEIPTS	70,400	
21 *** TOTAL FUNDING - DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS ***	43,457,700	
22 LEGISLATIVE BUDGET & AUDIT		37,236,800
23 GENERAL FUND	37,236,800	
24 *** TOTAL FUNDING - LEGISLATIVE BUDGET & AUDIT ***	37,236,800	
25 DEPARTMENT OF CORRECTIONS		57,103,400

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	ALLOCATIONS	TOTAL APPROPRIATIONS
1 DEPARTMENT OF CORRECTIONS (CONT.)		
2 GENERAL FUND	56,924,800	
3 PROGRAM RECEIPTS	178,600	
4 *** TOTAL FUNDING - DEPARTMENT OF CORRECTIONS ***	57,103,400	
5 ALASKA COURT SYSTEM		37,528,700
6 GENERAL FUND	37,528,700	
7 *** TOTAL FUNDING - ALASKA COURT SYSTEM ***	37,528,700	
8 UNIVERSITY OF ALASKA		245,862,200
9 FEDERAL RECEIPTS	26,464,500	
10 GENERAL FUND MATCH	2,718,300	
11 GENERAL FUND	149,764,400	
12 INTER-AGENCY RECEIPTS	8,885,600	
13 PROGRAM RECEIPTS	20,036,900	
14 STUDENT FEES, UNIVERSITY OF ALASKA	13,165,400	
15 INDIRECT COST RECOVERY	7,223,300	
16 RESTRICTED RECEIPTS, U OF A	17,603,800	
17 *** TOTAL FUNDING - UNIVERSITY OF ALASKA ***	245,862,200	
18 STATE BOND COMMITTEE		180,620,000
19 GENERAL FUND	178,655,000	
20 INTERNATIONAL AIRPORT REVENUE FUND	1,965,000	
21 *** TOTAL FUNDING - STATE BOND COMMITTEE ***	180,620,000	
22 * * * * * TOTAL BUDGET * * * * *	2,428,427,800	
23 * SEC. 6 THIS ACT TAKES EFFECT JULY 1, 1983.		

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SS/HE/105

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 25, 1983

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a sponsor substitute for House Bill No. 105.

This substitute bill revises the proposed Fiscal Year 1984 operating budget appropriations for the state. Revisions to the proposed Fiscal Year 1984 capital budget appropriations (sec. 2 of the original bill) are under development and will be submitted by March 31, 1983. However, since the operating budget changes are ready, I want to submit them now so that the legislature can have the additional time for its review.

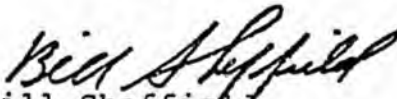
The revisions to the proposed FY 84 operating budget consist of both reallocations of funding to high priority programs and services from lower priority items as well as increases or decreases in funding. The increases include transfer of items from the capital budget which more properly belong in the operating budget, salary increases based on previously approved negotiations, and new or expanded vital programs and services. Included in the latter are local school support, correctional programs, youth employment, the catastrophic illness program, fire protection for federal land transferred to the state, fisheries programs, and litigation costs for the Trans-Alaska Oil Pipeline rate court case in which the state could lose or gain \$2 billion or more. The reductions in the proposed FY 84 operating budget include both specified reductions as well as an unallocated reduction amount for each department. These latter reductions are necessary to meet the challenge of declining oil revenues; and we will work to develop, before the start of FY 84, the details of what will be reduced.

The format of the operating budget appropriation has been modified from that originally submitted in January. While the need to have one appropriation per department is key to making state government more efficient, the bill has been expanded to include allocations for the various elements of each department's operations. This will be a better indicator of legislative intent and at the same time provide the administration with the flexibility to improve state government efficiency and effectiveness. Our intent is to submit the revised FY 84 capital budget section with appropriations by individual projects.

Summary information regarding the FY 84 operating budget revisions is being provided to each legislator. In addition, computer-generated, line-item detail information will be provided to the Senate and House Finance Committees.

In view of declining revenues, I have requested my Departments to continue to identify inefficiencies and duplication of services. Our approach will be to minimize the impact on programs and services while still reducing the budget. As our revenues continue to decline, we will be forced to make some hard decisions on the trade-offs between state services and the availability of resources to fund them.

Sincerely,


Bill Sheffield
Governor

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SS 119 125

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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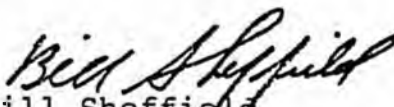
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Sincerely,


Bill Sheffield
Governor

Alaska House of Representatives

MEMO



Phone: 465-3725
Room: 214 Capitol

From the desk of CHIEF CLERK

TO: Finance

DATE: 3/25/83

Please return the committee copy of
HB 105- You have the Sponsor Substitute.

Thanks,

Kris

Introduced: 1/21/83
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 105

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating for the operating and capital
7 expenses and Permanent Fund Dividend Program of the
8 state government; and providing for an effective
9 date."

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

11 * Section 1. The following items are appropriated for operating expen-
12 ditures from the general fund or other funds to the state agencies named,
13 for the fiscal year beginning July 1, 1983 and ending June 30, 1984:

		APPROPRIATION FUND SOURCES	
	APPROPRIATIONS	GENERAL FUND	OTHER FUNDS
16	Office of the Governor	\$ 16,285,600	\$ 16,019,600 \$ 266,000
17	Department of Administration	175,656,900	127,699,800 47,957,100
18	Department of Law	18,723,200	15,136,500 3,586,700
19	Department of Revenue	37,446,600	27,119,300 10,327,300
20	Department of Education	597,181,500	549,350,600 47,830,900
21	Department of Health &		
22	Social Services	343,385,300	251,503,100 91,882,200
23	Department of Labor	39,704,600	9,467,800 30,236,800
24	Department of Commerce &		
25	Economic Development	52,893,500	42,735,000 10,158,500
26	Department of Military		
27	Affairs	10,011,800	6,350,300 3,661,500
28	Department of Natural		
29	Resources	49,919,600	39,333,000 10,586,600

1	Department of Fish & Game	71,758,800	46,882,400	24,876,400
2	Department of Public Safety	78,830,600	77,335,000	1,495,600
3	Department of Transportation			
4	& Public Facilities	298,639,600	185,233,200	113,406,400
5	Department of Environmental			
6	Conservation	13,477,000	11,776,100	1,700,900
7	Department of Community &			
8	Regional Affairs	41,753,000	26,900,300	14,852,700
9	Legislative Budget & Audit	37,236,800	37,236,800	
10	Alaska Court System	37,528,700	37,528,700	
11	University of Alaska	245,862,200	152,482,700	93,379,500
12	State Bond Committee	180,620,000	178,655,000	1,965,000

13 * Sec. 2. The following items are appropriated for capital projects
14 from the general fund or other funds to the state agencies named and are
15 effective immediately in accordance with AS 01.10.070(c):

16		APPROPRIATION FUND SOURCES		
17	APPROPRIATIONS	GENERAL FUND	OTHER FUNDS	
18	Department of Adminis-			
19	tration	\$ 16,476,100	\$ 16,476,100	\$
20	Department of Revenue	3,000,000	3,000,000	
21	Department of Education	61,905,600	61,905,600	
22	Department of Health &			
23	Social Services	83,856,600	83,856,600	
24	Department of Labor	835,900	445,100	390,800
25	Department of Commerce &			
26	Economic Development	143,996,000	143,896,000	100,000
27	Department of Military			
28	Affairs	2,875,800	2,725,800	150,000
29	Department of Natural			

1	Resources	28,152,500	26,039,000	2,113,500
2	Department of Fish & Game	10,435,700	10,435,700	
3	Department of Public Safety	8,530,800	8,530,800	
4	Department of Transportation			
5	& Public Facilities	467,514,100	252,017,400	215,496,700
6	Department of Environmental			
7	Conservation	75,437,300	75,437,300	
8	Department of Community &			
9	Regional Affairs	195,052,500	195,052,500	
10	University of Alaska	64,262,300	64,262,300	
11	Alaska Court System	1,410,900	1,410,900	
12	State Loan Programs	350,078,500	294,508,900	55,569,600

13 * Sec. 3. The following items are appropriated from the undistributed
14 income account of the Alaska permanent fund (AS 37.13.145) for the purposes
15 set out below for the fiscal year ending June 30, 1984:

16	Department of Revenue		
17	Reinvestment of Permanent Fund		\$101,000,000
18	Department of Administration		
19	Longevity Bonus		30,400,000
20	Department of Community & Regional		
21	Affairs		
22	Revenue Sharing -- Municipal		
23	Assistance		<u>141,400,000</u>
24	TOTAL		\$272,800,000

25 * Sec. 4. The following is the operating and capital budget summary by
26 funding source:

27		OPERATING	CAPITAL	TOTAL
28	FUNDING SOURCE	BUDGET	BUDGET	BUDGET
29	Federal Receipts	\$ 196,801,200	\$ 190,035,000	\$ 386,836,200

1	General Fund Match	70,685,500	4,212,900	74,898,400
2	General Fund	1,768,059,700	1,235,787,100	3,003,846,800
3	Inter-Agency Receipts	147,646,800		147,646,800
4	Agricultural Loan Fund	567,100		567,100
5	FICA Administration Fund			
6	Account	89,700		89,700
7	Fish and Game Fund	6,255,000		6,255,000
8	Highway Working Capital			
9	Fund	26,636,400	17,600,000	44,236,400
10	International Airport			
11	Revenue Fund	25,129,000	1,300,000	26,429,000
12	Program Receipts	40,682,000	64,819,600	105,501,600
13	Public Employees			
14	Retirement Fund	2,293,200		2,293,200
15	School Fund (Cigarette			
16	Tax)	2,500,000		2,500,000
17	Second Injury Fund			
18	Reserve Account	1,887,400		1,887,400
19	Disabled Fishermans			
20	Reserve Account	1,280,500		1,280,500
21	Surplus Property			
22	Revolving Fund	204,300		204,300
23	Teachers Retirement			
24	System Fund	1,873,500		1,873,500
25	Veterans Revolving Loan			
26	Fund	877,300		877,300
27	Student Fees, University			
28	of Alaska	13,165,400		13,165,400
29	Indirect Cost Recovery	7,223,300		7,223,300

1	Public Law 81-874/General		
2	Fund	10,891,000	10,891,000
3	Title 20	4,113,700	4,113,700
4	Restricted Receipts, U of A	17,603,800	17,603,800
5	Training and Building Fund	<u>449,500</u>	<u>66,000</u>
6			<u>515,500</u>
6	*** TOTALS ***	\$2,346,915,300	\$1,513,820,600 \$3,860,735,900

7 * Sec. 5. A sum is appropriated from the general fund necessary to pay
8 interest on revenue anticipation notes issued by the commissioner of reve-
9 nue under AS 43.08.010.

10 * Sec. 6. Federal or other program receipts which exceed the amounts
11 appropriated in this Act are appropriated conditioned upon compliance with
12 the program review provisions of AS 37.07.080(h).

13 * Sec. 7. This Act, except for sec. 2, takes effect July 1, 1983.

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BILL SHEFFIELD
GOVERNOR



HB 105

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 20, 1983


The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting the bill presenting the FY 84 operating and capital budget plus permanent fund dividend appropriations for the state.

We anticipate that the permanent fund will generate approximately \$404,000,000 income in fiscal year 1984. This bill appropriates only \$272,800,000. The balance will accrue in an account to be invested by the permanent fund corporation. It is my intention to reserve the money in that account for future capital projects.

Sincerely,


Bill Sheffield
Governor

Introduced: 1/21/83
Referred: State Affairs
and Finance

BY WARD, ZHAROFF, FLOOD
PESTINGER, BUSSELL, HURLBERT,
ADAMS, GRUSSENDORF, COWDERY
AND FURNACE

1 IN THE HOUSE

2

HOUSE BILL NO. 106

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to Alaska bidder preference."

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

8 * Section 1. AS 37.05.230(1)(B) is amended to read:

9

(B) a bid shall be awarded to an Alaska bidder if the

10

[HIS] bid is not more than 15 [FIVE] percent higher than the

11

lowest nonresident bidder's; and

cc

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

RECEIVED
January 21, 1983
MAR 21 1983

Bill No: HB 106
Title: An Act Relating to Alaska Bidder preference
Sponsor: Ward, etc.
Requestor: _____

Date on Bill: _____

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital	0	0	0	0
Operating	0	50.0*	50.0*	50.0*
Total	0	50.0*	50.0*	50.0*

b. Revenues:

Revenue	0	0	0	0	0
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2. Source of funds to offset fiscal impact of bill:

3. *Assumptions: The only quantifiable costs associated with this bill are the impact on Agency operating budgets for commodities and non-professional services, which would have occurred if the bill passed last year. The larger and more unquantifiable costs would be due to reduced competition as out-of-State firms are driven out of the Alaskan market.

This cost estimate does not include effects on construction contracts, travel, and professional services which are not effected by this Act.

The State already spends a majority of its commodity and non-professional dollars with Alaskan vendors.

4. Disclaimer: This statement has not been reviewed by the OMB in the Office of the Governor.

Prepared By: Bob Link
Division: General Services & Supply

Phone: 465-2250
Date: March 1, 1983

Approved by Commissioner: Lisa Ridd
Department: COMMISSIONER LISA RIDD
DEPT. OF ADMINISTRATION

Date: MARCH 2, 1983

5. Distribution:
Original to Legislative Finance
Copy to Department
Copy to Sponsor
Copy to Requestor

2/8/83

The following individuals are expected to testify on HB 106:

Representative Jerry Ward, prime sponsor

Bob Link, Acting Director, Division of General Services and
Supply, Department of Administration

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF GENERAL SERVICES AND SUPPLY

Bill Sheffield, Governor

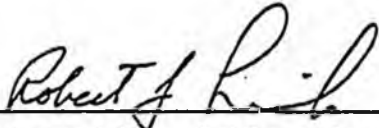
POUCH C (MS 0210)
JUNEAU, ALASKA 99811
(907) 465-2250

POSITION PAPER

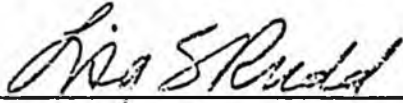
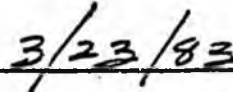
HB 106

This bill attempts to raise the "handicap" given to Alaskan bidders from 5% of the bid price to 15%. The only estimable quantifiable costs associated with this bill are the impact on agency budgets for commodities and non-professional which would have occurred if this bill passed last Fiscal Year. The costs for these items would have been \$50,000 higher. This does not include the cost application of this bill to construction projects not excluded by 37.05.230 (7) (Department of Transportation & Public Facilities projects). In addition the estimated costs do not include the larger but less, quantifiable costs due to reduced competition as out-of-State firms are driven out of the Alaska market.

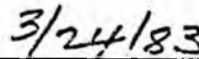
The application of the proposed preference restricts vendors from bidding on an equal basis and thereby inhibits competition and increases the cost of government operations.



Robert Link, Acting Director



Lisa Rudd, Commissioner



STATE OF ALASKA
FISCAL NOTE

Revision Date: _____, 1983

I. REQUEST

Bill/Resolution No.: SCS HB 106
 Title: An Act Relating to Bidder Proced.
 Sponsor: Ward et al
 Requestor: Senate State Affairs

II. FISCAL DETAIL

Agency Affected: Administration
 Program Category Affected: Gen Admin Svcs
 BRU, Program of Subprogram(s) Affected: General Services & Supply

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	0					
200 TRAVEL	0					
300 CONTRACTUAL	0					
400 COMMODITIES	0	25	25	25	25	25
500 EQUIPMENT	0	25	25	25	25	25
600 LAND & STRUCTURES	0					
700 GRANTS, CLAIMS, ETC	0					
TOTAL OPERATING	0	50	50	50	50	50
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		50	50	50	50	50
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

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

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Bob Link
 Division: General Services & Supply

Phone: 465-2250
 Date: May 16, 1983

Approved by Commissioner: Lisa Rudd
 Department: ADMINISTRATION

Date: May 16, 1983

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3/8/83

IV. ANALYSIS:

Senate Bill SCS HB 106
Date: May 16, 1983

The only quantifiable costs associated with this bill are the impact on agency operating budgets for commodities and non-professional services, which would have occurred if the bill passed last year. The larger and more unquantifiable costs would be due to reduced competition as out-of-state firms are driven out of the Alaskan market.

This cost estimate does not include effects on contracts for travel or professional services which are not effected by this Act. No estimate has been made of effects on the Alaska Power Authority or the Department of Transportation and Public Facilities.

The State already spends a majority of its commodity and non-professional dollars with Alaskan vendors.

MEMORANDUM

State of Alaska

TO: George Elgee
 Director
 Division of General Services & Supply
 Department of Administration

DATE: August 5, 1982

FILE NO:

TELEPHONE NO: 465-2250

FROM: THRU: Bob Link

SUBJECT: FY 82 Purchasing
 Action

Robert L. Schofield
 Purchasing and Facility Manager
 Division of General Services & Supply
 Department of Administration

The following is a statistical report of business transacted by your Purchasing Section in Juneau and Anchorage. It is more comprehensive and covers fiscal year 1982, July 1, 1981 to June 30, 1982.

PURCHASE REQUISITIONS RECEIVED DURING FY 82

	<u>TOTAL P.R.'s</u>	<u>TOTAL LINE ITEMS</u>
01 Governor	58	96
02 Administration	185	486
03 Law	46	74
04 Revenue	25	56
05 Education	102	1,835
06 Health and Social Services	548	10,569
07 Labor	95	151
08 Commerce and Economic Development	53	92
09 Military Affairs	35	46
10 Natural Resources	187	459
11 Fish and Game	351	1,197
12 Public Safety	177	387
18 Environmental Conservation	59	137
21 Community and Regional Affairs	27	38
25 DOT/PF	447	1,004
30 Ombudsman	0	0
31 Legislative Council	1	1
33 Legislative Audit	1	1
41 Alaska Court System	15	15
TOTALS -	2,412	16,644

As a result of the above, the following bids (formal and informal) and negotiation were accomplished.

BIDS PUBLISHED FY 82

	FORMAL	INFORMAL	NEG
JULY	22	1	27
AUGUST	22	0	50
SEPTEMBER	26	0	54
OCTOBER	26	0	63
NOVEMBER	35	16	31
DECEMBER	34	13	19
JANUARY	39	0	30
FEBRUARY	27	0	24
MARCH	38	0	75
APRIL	35	0	72
MAY	29	0	35
JUNE	33	0	66
TOTALS -	366	30	546

TOTAL ANCHORAGE AND JUNEAU - 942

Subsequent to the above, purchase orders were issued as follows:

(1) Total number of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - 1002

(2) Total DOLLAR VALUE of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - \$ 24,372,083.25

(3) Total number of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - ~~106~~

(4) Total DOLLAR VALUE of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - \$ ~~9,995,085.68~~

(5) Total ~~0007~~ of AWARDS made as a direct result of 5% BIDDERS PREFERENCE LAW

TOTAL \$ 22,753.79

This amount is the result of 28 separate awards of which 4 awards were responsible for \$ 17,946.35. Balance of \$ 4,807.44 resulted from the remaining 24 awards, 24 of which were for less than \$ 1,000. The awards based on the 5% bid preference generated \$ 4,789,672.91 in in-state business.

The 5% preference made the difference in only 2.97% of the bid awards for FY 82, again emphasizing the highly competitive nature of the Alaskan vendor.

3.19% .49%
 spirit seem to create or maintain 100 direct jobs. ?
 how many indirect.

PURCHASE ORDERS ISSUED TO MAJOR STATE METROPOLITAN AREAS - FY 82

Anchorage	-	782 PO's	=	\$ 18,569,441.81
Fairbanks	-	32 PO's	=	\$ 317,594.53 ^{80%}
Juneau	-	<u>127 PO's</u>	=	\$ <u>4,732,420.19</u>
SUB-TOTAL	-	941 PO's	=	\$ 23,619,456.53
Other Areas	-	<u>61 PO's</u>	=	\$ <u>752,626.72</u>
TOTAL	-	1,002 PO's	=	\$ 24,372,083.25

The Purchasing Section issued the following term contract awards, many of which have estimated values.

CONTRACT AWARDS ISSUED DURING FY 82

<u>NO. OF CONTRACT AWARDS</u>	<u>DOLLAR VALUE</u>
TOTAL - 658	TOTAL - \$ 65,241,064.46

Of 658 contract awards, 485 were issued to Alaskan firms for a total dollar volume of \$ 42,936,690.70.

As an overview, \$ 94,411,900.58 or 75% of the \$ 125,098,474.00 spent during FY 82 was spent with Alaskan vendors.

FIVE PERCENT BID PREFERENCE ANALYSIS
FISCAL 82

\$ 212.00	July	Anchorage	0	\$ 123.00	January	Anchorage	0
		Juneau	1			Juneau	1
\$ 1,396.50	August	Anchorage	1	\$ 2,735.00	February	Anchorage	1
		Juneau	2			Juneau	0
\$ 87.80	September	Anchorage	0	\$ 335.42	March	Anchorage	1
		Juneau	2			Juneau	3
\$ 1,067.94	October	Anchorage	2	\$13,007.35	April	Anchorage	1
		Juneau	2			Juneau	2
\$ 541.50	November	Anchorage	1		May	Anchorage	0
		Juneau	3			Juneau	0
\$ 2,539.00	December	Anchorage	1	\$ 708.28	June	Anchorage	1
		Juneau	1			Juneau	2

Awarded Alaskan Bidders:

TOTAL - \$ 4,789,672.91

5% Bid Preference:

TOTAL - \$ 22,753.79

GRAND TOTAL DOLLAR VOLUME -

\$ 4,883,543.22

JM/je
5/0805-04/GSS1

IN-STATE AND OUT-OF-STATE PURCHASES
MADE FOR DEPARTMENTS

	<u>Non-Alaska Vendors</u>		<u>Alaska Vendors</u>		<u>Total</u>	
	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>
01 Governor	5	\$ 80,659.00	21	\$ 132,884.25	26	\$ 213,543.25
02 Administration	55	990,176.19	57	1,278,795.93	112	2,268,972.12
03 Law	0	0	9	100,227.32	9	100,227.32
04 Revenue	6	51,927.00	5	28,608.50	11	80,535.50
05 Education	27	254,491.71	76	423,534.98	103	678,026.69
06 Health & Social Services	93	368,353.14	464	1,629,278.39	557	1,997,631.53
07 Labor	6	104,212.80	48	228,919.87	54	333,132.67
08 Commerce & Econ. Develop.	4	144,383.15	15	43,203.34	19	187,586.49
09 Military Affairs	1	29,500.00	4	65,875.00	5	95,375.00
10 Natural Resources	30	1,456,718.38	43	563,935.52	73	2,020,653.90
11 Fish and Game	74	1,139,170.38	83	568,253.72	157	1,707,424.10
12 Public Safety	23	932,043.70	51	978,450.92	74	1,910,494.62
18 Environmental Conserv.	7	94,645.50	6	31,930.29	13	126,575.79
21 Community & Reg'l Affairs	0	0	7	18,645.37	7	18,645.37
25 Transportation	74	4,234,034.18	150	17,561,245.72	224	21,795,279.90
31 Legislative Affairs	<u>0</u>	<u>0</u>	<u>2</u>	<u>1,875.75</u>	<u>1</u>	<u>1,875.75</u>
 Total -	 405	 9,880,315.13	 1,041	 23,655,664.94	 1,445	 33,535,980.08

SUMMARY CHART - FISCAL YEAR 01 vs FISCAL YEAR 02

PURCHASING SECTION ACTIVITY

<u>DOCUMENTS PROCESSED</u>	<u>NUMBER RECEIVED & ISSUED</u>		<u>AVERAGE TRANSACTION TIME</u>		<u>AVERAGE - P.A. PER MONTH</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
PURCHASE REQUISITION	2,445	2,412	21.83			
INVITATION TO BID	1,212	942	10.82			
PURCHASE ORDER	1,879	1,434	16.78		255,954.29	
CONTRACT AWARD	515	650	4.60		319,911.30	
LEASE	119	100	1.06		24,403.19	

CONTRACT AWARDS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
ISSUED TO ALASKAN FIRMS	428	485	\$27,133,849.97	\$44,547,576.71
ISSUED TO OUT-OF-STATE FIRMS	07	173	8,696,224.65	20,693,487.75
TOTAL	515	658	\$35,030,074.62	\$65,241,064.46

PURCHASE ORDERS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
ISSUED TO ALASKAN FIRMS	1,002	406	\$17,875,744.67	\$24,372,083.25
ISSUED TO OUT-OF-STATE FIRMS	877	1,408	10,791,135.26	9,993,085.60
TOTAL	1,879	1,408	\$28,666,879.93	\$34,365,168.93

LEASES

	<u>FY-02 TOTAL</u>	<u>TOTAL VALUE</u>	<u>FY-02 TOTAL</u>
NO. LEASES ISSUED:	100		\$25,492,240.62

	<u>FISCAL 1901</u>	<u>FISCAL 1982</u>
GRAND TOTAL DOLLAR AMOUNT:	\$67,239,071.77	\$125,098,474.00

JH/dlr

Connections indicate of whites resp

(28)

	A		B		C		D		E		F		G		H
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
ALABAMA	x		x		x		x		x				x		No
ALASKA		x	5%		x		x		x		x		x		NO
ARIZONA		x	5%		x		x				x		x		"
ARKANSAS	x		5%		x		x		x		x		x		**
CALIFORNIA		x	5%		x		x		x		x		x		Small Business
COLORADO	x		x		x		x		x		x		x		
CONNECTICUT	x		x		x		x		x		x		x		
DELAWARE															
FLORIDA	x		x		x		x		x		x		x		No items
GEORGIA	x		x		x		x		x		x		x		No
HAWAII		x	3/5/10%		x		x		x		x		x		
IDAHO	x		10%		x								x	x	Printing
ILLINOIS		x	x		x		x		x		x		x		No
INDIANA			x		x		x		x		x		x		NO
IOWA	x														
KANSAS	x		x		x		x		x		x		x		Recip 20%
KENTUCKY		x	x												No preference
LOUISIANA	x		3%		x		x		x		x		x		No
MAINE	x		x		x		x		x		x		x		
MARYLAND	x		x		x		x		x		x		x		
MASSACHUSETTS	x		5%		x								x		
MICHIGAN	x		x		x		x								
MINNESOTA	x		x		x		x		x						Small Business
MISSISSIPPI	x		x		x		x		x		x		x		No
MISSOURI	x		x		x								x		
MONTANA	x		3%		x		x		x		x		x		
NEBRASKA	x		x		x										
NEVADA															
NEW HAMPSHIRE	x		x		x		x		x		x		x		
NEW JERSEY															
NEW MEXICO			5%												
NEW YORK		x	10%		x				x		x		x		Recip 10%
NORTH CAROLINA	x								x						
NORTH DAKOTA	x		x		x				x				x		***
OHIO															
OKLAHOMA	x		3%		x						x		x		****
OREGON	x		x		x		x								
PENNSYLVANIA		x	x		x		x		x		x		x		No
RHODE ISLAND	x		x		x		x		x		x				
SOUTH CAROLINA	x		x		x		x		x		x		x		
SOUTH DAKOTA	x				x		x						x		
TENNESSEE			x												
TEXAS	x		x		x		x								
UTAH															
VERMONT	x														
VIRGINIA	x		x												
WASHINGTON		x	x		x		x		x		x		x		*****
WEST VIRGINIA			2	2											
WISCONSIN	x		x		x		x		x		x		x		No
WYOMING			5%		x		x		x		x		x		

in 2 of jobs

Recip

Print

- * Public works construction only
- ** Except printing & office supplies
- *** If State has a preference against us we take same preference against them
- **** If produced, manufactured, or grown in Oklahoma
- ***** Items manufactured by rehabilitation workshops
- A-Tie bids only?
- B-Percentage?
- C-By statute?
- D-Mandatory?
- E-Discretionary?
- F-Request of in-state bidder?
- G-All items?
- H-Specific?



Alaska State Legislature

House of Representatives

PO BOX 2716
ANCHORAGE, ALASKA 99510
(907) 276-4506

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4939

REPRESENTATIVE JERRY WARD
DISTRICT 13

MEMBER FINANCE COMMITTEE
CHAIRMAN OF SUBCOMMITTEE ON
COMMERCE & ECONOMIC DEVELOPMENT
CHAIRMAN OF SUBCOMMITTEE ON LABOR
MEMBER OF SUBCOMMITTEE ON STATE LOANS

MEMORANDUM

DATE: March 21, 1983

TO: Representative Al Adams, Chairman
House Finance Committee

FROM: Representative Jerry Ward *JW*

SUBJ: Alaska Bidders Preference

Alaska, in 1955, enacted a 5% bidders preference. This doesn't help many Alaska vendors so they simply don't bid. Many other states have a 3, 5 or 10% preference for in-state bidders. We don't.

This creates a problem and the fact that we have a 30% higher cost of living than the contiguous U.S. compounds the problem. If a business has a 50% labor factor, then 15% will allow them to compete with outside firms.

This preference would help local economy by allowing local businesses to hire more people (vendors in Seattle and California don't buy many homes in Alaska.) Local business profits would be reinvested in Alaska.

In Alaska, we have high unemployment and among them some of the hardest working and best educated people in the world. They are looking to us to help them simply by keeping as many dollars as possible within the Alaskan economy to create new jobs.

Basically, this is a jobs bill and not for the sole benefit of the Alaskan vendor but for the Alaskan working person. 1.1 million spent in Alaska provides approximately 20 jobs at \$25,000 per year. 1 million spent outside is just 1 million gone. This means we must sell another million dollars worth of non-renewable resources to replace it.

March 23, 1983

Amendment to Fiscal Note
HB 106

The 50.0 Fiscal impact would most likely effect Equipment (500) and Commodity (400) purchases equally.



Robert J. Link, Acting Director
Division of General Services & Supply

Introduced: 1/21/83
Referred: State Affairs
and Finance

BY WARD, ZHAROFF, FLOOD
PESTINGER, BUSSELL, HURLBERT,
ADAMS, GRUSSENDORF, COWDERY
AND FURNACE

1 IN THE HOUSE

2

HOUSE BILL NO. 106

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to Alaska bidder preference."

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

8 * Section 1. AS 37.05.230(1)(B) is amended to read:

9

(B) a bid shall be awarded to an Alaska bidder if the

10

[HIS] bid is not more than 15 [FIVE] percent higher than the

11

lowest nonresident bidder's; and

Rudd 5/19/83

STATE OF ALASKA
FISCAL NOTE

Revision Date: _____, 1983

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Title: An Act Relating to Bidder Proced.
Sponsor: Ward et al
Requestor: Senate State Affairs

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300 CONTRACTUAL	0					
400 COMMODITIES	0	25	25	25	25	25
500 EQUIPMENT	0	25	25	25	25	25
600 LAND & STRUCTURES	0					
700 GRANTS, CLAIMS, ETC	0					
TOTAL OPERATING	0	50	50	50	50	50
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		50	50	50	50	50
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

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

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Bob Link *Bob Link*
Division: General Services & Supply

Phone: 465-2250
Date: May 16, 1983

Approved by Commissioner: Lisa Rudd *Lisa Rudd*
Department: ADMINISTRATION

Date: May 16, 1983

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Date: May 16, 1983

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100 PERSONAL SERVICES	0					
200 TRAVEL	0					
300 CONTRACTUAL	0					
400 COMMODITIES	0					
500 EQUIPMENT	0					
600 LAND & STRUCTURES	0					
700 GRANTS, CLAIMS, ETC	0					
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

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

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Bob Link
 Division: General Services & Supply

Phone: 465-2250
 Date: May 24, 1983

Approved by Commissioner: Lisa Rudd
 Department: ADMINISTRATION

Date: May 24, 1983

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3/8/83

COMMITTEE REPORT

SENATE

FURTHER:

FINANCE

4/30/83

Date:

5/19/83

Mr. President:

The Committee on STATE AFFAIRS has had HB 106

Relating to Alaska bidder preference

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with SCS for HB 106 (SA) same title
- new title
- and recommends may do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the 7 Committee

MEMBERS SIGNING

DO PASS

Tim Kelly

Archie Stangulanda

Robert Bodey

MEMBERS HAVING

OTHER RECOMMENDATIONS:

W. Fisher do pass

CHAIRMAN

Offered: 5/20/83
Referred: Finance

Original sponsors: Ward, Zharoff,
Flood, et al

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 SENATE CS FOR HOUSE BILL NO. 106 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Alaska bidder preference."

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

8 * Section 1. AS 37.05 is amended by adding a new section to read:

9 Sec. 37.05.225. PURPOSE. The legislature finds that there
10 exists in the state continuing high unemployment, underutilization of
11 resident construction and supply firms, and high costs unfavorable to
12 the welfare of Alaskans and to the economic health of the state. The
13 purpose of bidder preference for resident firms when the state acts as
14 a market participant using state funds is to encourage local industry,
15 strengthen and stabilize the economy, decrease unemployment, and
16 enhance the tax and revenue base of the state.

17 * Sec. 2. AS 37.05.230(5) is amended by adding a new subparagraph to
18 read:

19 (D) if a joint venture, is composed entirely of ven-
20 turers that qualify under this paragraph;

Introduced: 1/21/83
Referred: State Affairs
and Finance

BY WARD, ZHAROFF, FLOOD
PESTINGER, BUSSELL, HURLBERT,
ADAMS, GRUSSENDORF, COWDERY
AND FURNACE

1 IN THE HOUSE

2

HOUSE BILL NO. 106

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to Alaska bidder preference."

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

8 * Section 1. AS 37.05.230(1)(B) is amended to read:

9

(B) a bid shall be awarded to an Alaska bidder if the

10

[HIS] bid is not more than 15 [FIVE] percent higher than the

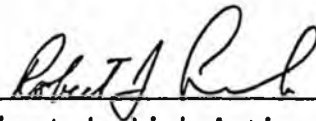
11

lowest nonresident bidder's; and

March 23, 1983

Amendment to Fiscal Note
HB 106

The 50.0 Fiscal impact would most likely effect Equipment (500) and Commodity (400) purchases equally.



Robert J. Link, Acting Director
Division of General Services & Supply

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF GENERAL SERVICES AND SUPPLY

Bill Sheffield, Governor

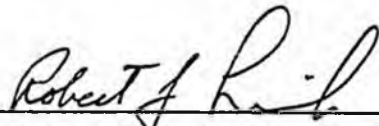
(MS 0210)
POUCH C
JUNEAU, ALASKA 99811
(907) 465-2250

POSITION PAPER

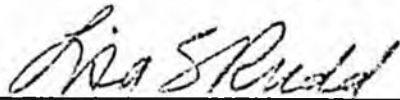
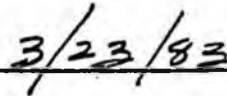
HB 106

This bill attempts to raise the "handicap" given to Alaskan bidders from 5% of the bid price to 15%. The only estimable quantifiable costs associated with this bill are the impact on agency budgets for commodities and non-professional which would have occurred if this bill passed last Fiscal Year. The costs for these items would have been \$50,000 higher. This does not include the cost application of this bill to construction projects not excluded by 37.05.230 (7) (Department of Transportation & Public Facilities projects). In addition the estimated costs do not include the larger but less, quantifiable costs due to reduced competition as out-of-State firms are driven out of the Alaska market.

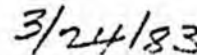
The application of the proposed preference restricts vendors from bidding on an equal basis and thereby inhibits competition and increases the cost of government operations.



Robert Link, Acting Director



Lisa Rudd, Commissioner





Alaska State Legislature

House of Representatives

PO BOX 2716
ANCHORAGE, ALASKA 99510
(907) 276-4506

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4939

REPRESENTATIVE JERRY WARD
DISTRICT 13

MEMBER FINANCE COMMITTEE
CHAIRMAN OF SUBCOMMITTEE ON
COMMERCE & ECONOMIC DEVELOPMENT
CHAIRMAN OF SUBCOMMITTEE ON LABOR
MEMBER OF SUBCOMMITTEE ON STATE LOANS

MEMORANDUM

DATE: March 21, 1983

TO: Representative Al Adams, Chairman
House Finance Committee

FROM: Representative Jerry Ward *JW*

SUBJ: Alaska Bidders Preference

Alaska, in 1955, enacted a 5% bidders preference. This doesn't help many Alaska vendors so they simply don't bid. Many other states have a 3, 5 or 10% preference for in-state bidders. We don't.

This creates a problem and the fact that we have a 30% higher cost of living than the contiguous U.S. compounds the problem. If a business has a 50% labor factor, then 15% will allow them to compete with outside firms.

This preference would help local economy by allowing local businesses to hire more people (vendors in Seattle and California don't buy many homes in Alaska.) Local business profits would be reinvested in Alaska.

In Alaska, we have high unemployment and among them some of the hardest working and best educated people in the world. They are looking to us to help them simply by keeping as many dollars as possible within the Alaskan economy to create new jobs.

Basically, this is a jobs bill and not for the sole benefit of the Alaskan vendor but for the Alaskan working person. 1.1 million spent in Alaska provides approximately 20 jobs at \$25,000 per year. 1 million spent outside is just 1 million gone. This means we must sell another million dollars worth of non-renewable resources to replace it.

MEMORANDUM

State of Alaska

TO: George Elgee
 Director
 Division of General Services & Supply
 Department of Administration

DATE: August 5, 1982

FILE NO:

TELEPHONE NO: 465-2250

THRU: Bob Link

FROM: Robert L. Schofield
 Purchasing and Facility Manager
 Division of General Services & Supply
 Department of Administration

SUBJECT: FY 82 Purchasing
 Action

The following is a statistical report of business transacted by your Purchasing Section in Juneau and Anchorage. It is more comprehensive and covers fiscal year 1982, July 1, 1981 to June 30, 1982.

PURCHASE REQUISITIONS RECEIVED DURING FY 82

	<u>TOTAL P.R.'s</u>	<u>TOTAL LINE ITEMS</u>
01 Governor	58	96
02 Administration	185	486
03 Law	46	74
04 Revenue	25	56
05 Education	102	1,835
06 Health and Social Services	548	10,569
07 Labor	95	151
08 Commerce and Economic Development	53	92
09 Military Affairs	35	46
10 Natural Resources	187	459
11 Fish and Game	351	1,197
12 Public Safety	177	387
18 Environmental Conservation	59	137
21 Community and Regional Affairs	27	38
25 DOT/PF	447	1,004
30 Ombudsman	0	0
31 Legislative Council	1	1
33 Legislative Audit	1	1
41 Alaska Court System	15	15
TOTALS -	2,412	16,644

As a result of the above, the following bids (formal and informal) and negotiation were accomplished.

BIDS PUBLISHED FY 82

	FORMAL	INFORMAL	NEG
JULY	22	1	27
AUGUST	22	0	50
SEPTEMBER	26	0	54
OCTOBER	26	0	63
NOVEMBER	35	16	31
DECEMBER	34	13	19
JANUARY	39	0	30
FEBRUARY	27	0	24
MARCH	38	0	75
APRIL	35	0	72
MAY	29	0	35
JUNE	33	0	66
TOTALS -	366	30	546

TOTAL ANCHORAGE AND JUNEAU - 942

Subsequent to the above, purchase orders were issued as follows:

(1) Total number of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - 1002

(2) Total DOLLAR VALUE of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - \$ 24,372,083.25

(3) Total number of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - ~~406~~

(4) Total DOLLAR VALUE of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - ~~\$ 9,995,085.68~~

(5) Total ~~cost~~ of AWARDS made as a direct result of 5% BIDDERS PREFERENCE LAW -

TOTAL \$ 22,753.79

This amount is the result of 28 separate awards of which 4 awards were responsible for \$ 17,946.35. Balance of \$ 4,807.44 resulted from the remaining 24 awards, 24 of which were for less than \$ 1,000. The awards based on the 5% bid preference generated \$ 4,789,672.91 in in-state business.

The 5% preference made the difference in only 2.97% of the bid awards for FY 82, again emphasizing the highly competitive nature of the Alaskan vendor.

3.1%
4%
spending \$3m to create or maintain 100 direct jobs. + ?
how many indirect.

PURCHASE ORDERS ISSUED TO MAJOR STATE METROPOLITAN AREAS - FY 82

Anchorage	-	782 PO's	=	\$ 18,569,441.81
Fairbanks	-	32 PO's	=	\$ 317,594.53
Juneau	-	<u>127 PO's</u>	=	<u>\$ 4,732,420.19</u>
SUB-TOTAL	-	941 PO's	=	\$ 23,619,456.53
Other Areas	-	<u>61 PO's</u>	=	<u>\$ 752,626.72</u>
TOTAL	-	1,002 PO's	=	\$ 24,372,083.25

109.

The Purchasing Section issued the following term contract awards, many of which have estimated values.

CONTRACT AWARDS ISSUED DURING FY 82NO. OF CONTRACT AWARDSDOLLAR VALUE

TOTAL - 658

TOTAL - \$ 65,241,064.46

Of 658 contract awards, 485 were issued to Alaskan firms for a total dollar volume of \$ 42,936,690.70.

As an overview, \$ 94,411,900.58 or 75% of the \$ 125,098,474.00 spent during FY 82 was spent with Alaskan vendors.

FIVE PERCENT BID PREFERENCE ANALYSIS
FISCAL 82

\$ 212.00	July	Anchorage	0	\$ 123.00	January	Anchorage	0
		Juneau	1			Juneau	1
\$ 1,396.50	August	Anchorage	1	\$ 2,735.00	February	Anchorage	1
		Juneau	2			Juneau	0
\$ 87.80	September	Anchorage	0	\$ 335.42	March	Anchorage	1
		Juneau	2			Juneau	3
\$ 1,067.94	October	Anchorage	2	\$13,007.35	April	Anchorage	1
		Juneau	2			Juneau	2
\$ 541.50	November	Anchorage	1		May	Anchorage	0
		Juneau	3			Juneau	0
\$ 2,539.00	December	Anchorage	1	\$ 708.28	June	Anchorage	1
		Juneau	1			Juneau	2

Awarded Alaskan Bidders: TOTAL - \$ 4,789,672.91

5% Bid Preference: TOTAL - \$ 22,753.79

GRAND TOTAL DOLLAR VOLUME - \$ 4,883,543.22

JM/je
5/0805-04/GSS1

IN-STATE AND OUT-OF-STATE PURCHASES
MADE FOR DEPARTMENTS

	<u>Non-Alaska Vendors</u>		<u>Alaska Vendors</u>		<u>Total</u>	
	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>
01 Governor	5	\$ 80,659.00	21	\$ 132,884.25	26	\$ 213,543.25
02 Administration	55	990,176.19	57	1,278,795.93	112	2,268,972.12
03 Law	0	0	9	100,227.32	9	100,227.32
04 Revenue	6	51,927.00	5	28,608.58	11	80,535.58
05 Education	27	254,491.71	76	423,534.98	103	678,026.69
06 Health & Social Services	93	368,353.14	464	1,629,278.39	557	1,997,631.53
07 Labor	6	104,212.80	48	228,919.87	54	333,132.67
08 Commerce & Econ. Develop.	4	144,383.15	15	43,203.34	19	187,586.49
09 Military Affairs	1	29,500.00	4	65,875.00	5	95,375.00
10 Natural Resources	30	1,456,718.38	43	563,935.52	73	2,020,653.90
11 Fish and Game	74	1,139,170.38	83	568,253.72	157	1,707,424.10
12 Public Safety	23	932,043.70	51	978,450.92	74	1,910,494.62
18 Environmental Conserv.	7	94,645.50	6	31,930.29	13	126,575.79
21 Community & Reg'l Affairs	0	0	7	18,645.37	7	18,645.37
25 Transportation	74	4,234,034.18	150	17,561,245.72	224	21,795,279.90
31 Legislative Affairs	<u>0</u>	<u>0</u>	<u>2</u>	<u>1,875.75</u>	<u>1</u>	<u>1,875.75</u>
Total -	405	9,880,315.13	1,041	23,655,664.94	1,445	33,535,980.08

SUMMARY CHART - FISCAL YEAR U1 vs FISCAL YEAR U2

PURCHASING SECTION ACTIVITY

<u>DOCUMENTS PROCESSED</u>	<u>NUMBER RECEIVED & ISSUED</u>		<u>AVERAGE TRANSACTION TIME</u>		<u>AVERAGE - P.A. PER MONTH</u>	
	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>
PURCHASE REQUISITION	2,445	2,412	21.83			
INVITATION TO BID	1,212	942	10.82			
PURCHASE ORDER	1,079	1,434	16.78		255,954.29	
CONTRACT AWARD	515	658	4.60		319,911.30	
LEASE	119	100	1.06		24,483.19	

CONTRACT AWARDS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>
ISSUED TO ALASKAN FIRMS	428	485	\$27,133,849.97	\$44,547,576.71
ISSUED TO OUT-OF-STATE FIRMS	87	173	8,696,224.65	20,693,487.75
TOTAL	515	658	\$35,830,074.62	\$65,241,064.46

PURCHASE ORDERS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>	<u>FY-81 TOTAL</u>	<u>FY-82 TOTAL</u>
ISSUED TO ALASKAN FIRMS	1,272	1,002	\$17,875,744.67	\$24,372,083.25
ISSUED TO OUT-OF-STATE FIRMS	607	406	10,791,135.26	9,993,085.60
TOTAL	1,879	1,408	\$28,666,879.93	\$34,365,168.93

LEASES

	<u>FY-82 TOTAL</u>	<u>TOTAL VALUE</u>	<u>FY-82 TOTAL</u>
NO. LEASES ISSUED:	100		\$25,492,240.62

	<u>FISCAL 1981</u>	<u>FISCAL 1982</u>
GRAND TOTAL DOLLAR AMOUNT:	\$67,239,071.77	\$125,098,474.00

Questions indicate J. White's resp

(28)

	A		B		C		D		E		F		G		H
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
• ALABAMA	x		x		x		x		x				x		No
• ALASKA		x	5%		x		x		x		x		x		ND
• ARIZONA		x	5%		x		x				x		x		*
• ARKANSAS	x		5%		x		x		x		x		x		**
• CALIFORNIA		x	5%		x		x		x		x				Small Business
• COLORADO	x		x		x		x		x		x		x		
• CONNECTICUT	x		x		x		x		x		x		x		
• DELAWARE															
• FLORIDA	x		x		x		x		x		x		x		No items
• GEORGIA	x		x		x		x		x		x		x		No
• HAWAII		x	3/5/10%		x		x		x		x		x		
• IDAHO	x		10%		x								x	x	Printing
• ILLINOIS		x	x		x		x		x		x		x		No
• INDIANA			x		x		x		x		x		x		ND
• IOWA	x		x		x										
• KANSAS	x		x		x		x		x		x		x		Reciprocal
• KENTUCKY		x	x												No preference
• LOUISIANA	x		3%		x		x		x		x		x		No
• MAINE	x		x		x		x		x		x		x		
• MARYLAND	x		x		x		x		x				x		
• MASSACHUSETTS	x		5%		x								x		
• MICHIGAN	x		x		x		x								
• MINNESOTA	x		x		x		x		x						Small Business
• MISSISSIPPI	x		x		x		x		x		x		x		No
• MISSOURI	x		x		x								x		
• MONTANA	x		3%		x		x		x		x		x		
• NEBRASKA	x		x		x										
• NEVADA															
• NEW HAMPSHIRE	x		x		x		x		x		x		x		
• NEW JERSEY															
• NEW MEXICO			5%												
• NEW YORK		x	10%		x				x		x		x		7/11 Committee
• NORTH CAROLINA	x								x						
• NORTH DAKOTA	x		x		x				x				x		***
• OHIO															
• OKLAHOMA	x		3%		x						x		x		****
• OREGON	x		x		x		x								
• PENNSYLVANIA		x	x		x		x		x		x		x		No
• RHODE ISLAND	x		x		x		x		x						
• SOUTH CAROLINA	x		x		x		x		x		x		x		
• SOUTH DAKOTA	x				x		x						x		
• TENNESSEE			x												
• TEXAS	x		x		x		x								
• UTAH															
• VERMONT	x														
• VIRGINIA	x		x												
• WASHINGTON		x	x		x		x		x		x		x		*****
• WEST VIRGINIA			5%		x										
• WISCONSIN	x		x		x		x		x		x		x		No
• WYOMING			5%		x		x		x		x		x		

in list of jobs -

Recip

Print

- * Public works construction only
- ** Except printing & office supplies
- *** If State has a preference against us we we take same preference against them
- **** If produced, manufactured, or grown in Oklahoma
- ***** Items manufactured by rehabilitation workshops

- A-Tie bids only?
- B-Percentage?
- C-By statute?
- D-Mandatory?
- E-Discretionary?
- F-Request of in-state bidder?
- G-All items?
- H-Specific?

22

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

RECEIVED
January 21, 1983
MAR 2 1983

Bill No: HB 106

Date on Bill

Title: An Act Relating to Alaska Bidder preference

Sponsor: Ward, etc.

Requestor: _____

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital	0	0	0	0
Operating	0	50.0*	50.0*	50.0*
Total	0	50.0*	50.0*	50.0*

b. Revenues:

Revenue	0	0	0	0	0
---------	---	---	---	---	---

2. Source of funds to offset fiscal impact of bill:

3. *Assumptions: The only quantifiable costs associated with this bill are the impact on Agency operating budgets for commodities and non-professional services, which would have occurred if the bill passed last year. The larger and more unquantifiable costs would be due to reduced competition as out-of-State firms are driven out of the Alaskan market.

This cost estimate does not include effects on construction contracts, travel, and professional services which are not effected by this Act.

The State already spends a majority of its commodity and non-professional dollars with Alaskan vendors.

4. Disclaimer: This statement has not been reviewed by the OMB in the Office of the Governor.

Prepared By: Bob Link
Division: General Services & Supply

Phone: 465-2250
Date: March 1, 1983

Approved by Commissioner: Lisa Podd
Department: COMMISSIONER LISA PODO
DEPT. OF ADMINISTRATION

Date: MARCH 2, 1983

5. Distribution:
Original to Legislative Finance
Copy to Department
Copy to Sponsor
Copy to Requestor

2/8/83

Rec'd 5/19/83

STATE OF ALASKA
FISCAL NOTE

Revision Date: _____, 1983

I. REQUEST

Bill/Resolution No.: SCS HB 106
Title: An Act Relating to Bidder Proced.
Sponsor: Ward et al
Requestor: Senate State Affairs

II. FISCAL DETAIL

Agency Affected: Administration
Program Category Affected: Gen Admin Svcs
BRU, Program of Subprogram(s) Affected: General Services & Supply

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES	0					
200 TRAVEL	0					
300 CONTRACTUAL	0					
400 COMMODITIES	0	25	25	25	25	25
500 EQUIPMENT	0	25	25	25	25	25
600 LAND & STRUCTURES	0					
700 GRANTS, CLAIMS, ETC	0					
TOTAL OPERATING	0	50	50	50	50	50
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		50	50	50	50	50
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

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

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Bob Link *Bob Link*
Division: General Services & Supply

Phone: 465-2250
Date: May 16, 1983

Approved by Commissioner: Lisa Rudd *Lisa Rudd*
Department: ADMINISTRATION

Date: May 16, 1983

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/83

IV. ANALYSIS:

Senate Bill SCS HB 106
Date: May 16, 1983

The only quantifiable costs associated with this bill are the impact on agency operating budgets for commodities and non-professional services, which would have occurred if the bill passed last year. The larger and more unquantifiable costs would be due to reduced competition as out-of-state firms are driven out of the Alaskan market.

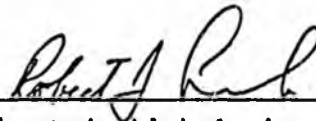
This cost estimate does not include effects on contracts for travel or professional services which are not effected by this Act. No estimate has been made of effects on the Alaska Power Authority or the Department of Transportation and Public Facilities.

The State already spends a majority of its commodity and non-professional dollars with Alaskan vendors.

March 23, 1983

Amendment to Fiscal Note
HB 106

The 50.0 Fiscal impact would most likely effect Equipment (500) and Commodity (400) purchases equally.



Robert J. Link, Acting Director
Division of General Services & Supply

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF GENERAL SERVICES AND SUPPLY

Bill Sheffield, Governor

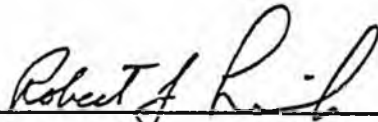
POUCH C (MS 0210)
JUNEAU, ALASKA 99811
(907) 465-2250

POSITION PAPER

HB 106

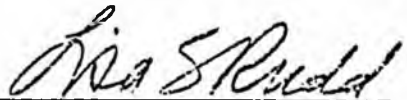
This bill attempts to raise the "handicap" given to Alaskan bidders from 5% of the bid price to 15%. The only estimable quantifiable costs associated with this bill are the impact on agency budgets for commodities and non-professional which would have occurred if this bill passed last Fiscal Year. The costs for these items would have been \$50,000 higher. This does not include the cost application of this bill to construction projects not excluded by 37.05.230 (7) (Department of Transportation & Public Facilities projects). In addition the estimated costs do not include the larger but less, quantifiable costs due to reduced competition as out-of-State firms are driven out of the Alaska market.

The application of the proposed preference restricts vendors from bidding on an equal basis and thereby inhibits competition and increases the cost of government operations.



Robert Link, Acting Director

3/23/83



Lisa Rudd, Commissioner

3/24/83



Alaska State Legislature

House of Representatives

P.O. BOX 2716
ANCHORAGE, ALASKA 99510
(907) 276-4506

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4939

REPRESENTATIVE JERRY WARD
DISTRICT 13

MEMBER FINANCE COMMITTEE
CHAIRMAN OF SUBCOMMITTEE ON
COMMERCE & ECONOMIC DEVELOPMENT
CHAIRMAN OF SUBCOMMITTEE ON LABOR
MEMBER OF SUBCOMMITTEE ON STATE LOANS

MEMORANDUM

DATE: March 21, 1983

TO: Representative Al Adams, Chairman
House Finance Committee

FROM: Representative Jerry Ward *JW*

SUBJ: Alaska Bidders Preference

Alaska, in 1955, enacted a 5% bidders preference. This doesn't help many Alaska vendors so they simply don't bid. Many other states have a 3, 5 or 10% preference for in-state bidders. We don't.

This creates a problem and the fact that we have a 30% higher cost of living than the contiguous U.S. compounds the problem. If a business has a 50% labor factor, then 15% will allow them to compete with outside firms.

This preference would help local economy by allowing local businesses to hire more people (vendors in Seattle and California don't buy many homes in Alaska.) Local business profits would be reinvested in Alaska.

In Alaska, we have high unemployment and among them some of the hardest working and best educated people in the world. They are looking to us to help them simply by keeping as many dollars as possible within the Alaskan economy to create new jobs.

Basically, this is a jobs bill and not for the sole benefit of the Alaskan vendor but for the Alaskan working person. 1.1 million spent in Alaska provides approximately 20 jobs at \$25,000 per year. 1 million spent outside is just 1 million gone. This means we must sell another million dollars worth of non-renewable resources to replace it.

MEMORANDUM

State of Alaska

TO: George Elgee
 Director
 Division of General Services & Supply
 Department of Administration

DATE: August 5, 1982

FILE NO:

TELEPHONE NO: 465-2250

THRU: Bob Link

FROM: Robert L. Schofield
 Purchasing and Facility Manager
 Division of General Services & Supply
 Department of Administration

SUBJECT: FY 82 Purchasing
 Action

The following is a statistical report of business transacted by your Purchasing Section in Juneau and Anchorage. It is more comprehensive and covers fiscal year 1982, July 1, 1981 to June 30, 1982.

PURCHASE REQUISITIONS RECEIVED DURING FY 82

	<u>TOTAL P.R.'s</u>	<u>TOTAL LINE ITEMS</u>
01 Governor	58	96
02 Administration	185	486
03 Law	46	74
04 Revenue	25	56
05 Education	102	1,835
06 Health and Social Services	548	10,569
07 Labor	95	151
08 Commerce and Economic Development	53	92
09 Military Affairs	35	46
10 Natural Resources	187	459
11 Fish and Game	351	1,197
12 Public Safety	177	387
18 Environmental Conservation	59	137
21 Community and Regional Affairs	27	38
25 DOT/PF	447	1,004
30 Ombudsman	0	0
31 Legislative Council	1	1
33 Legislative Audit	1	1
41 Alaska Court System	15	15
TOTALS -	2,412	16,644

As a result of the above, the following bids (formal and informal) and negotiation were accomplished.

BIDS PUBLISHED FY 82

	FORMAL	INFORMAL	NEG
JULY	22	1	27
AUGUST	22	0	50
SEPTEMBER	26	0	54
OCTOBER	26	0	63
NOVEMBER	35	16	31
DECEMBER	34	13	19
JANUARY	39	0	30
FEBRUARY	27	0	24
MARCH	38	0	75
APRIL	35	0	72
MAY	29	0	35
JUNE	33	0	66
TOTALS -	366	30	546

TOTAL ANCHORAGE AND JUNEAU - 942

Subsequent to the above, purchase orders were issued as follows:

(1) Total number of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - 1002

(2) Total DOLLAR VALUE of PURCHASE ORDERS issued to IN-STATE vendors -

TOTAL - \$ 24,372,083.25

(3) Total number of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - ~~406~~

(4) Total DOLLAR VALUE of PURCHASE ORDERS issued to OUT-OF-STATE vendors -

TOTAL - ~~\$ 9,993,085.68~~

(5) Total ~~0007~~ of AWARDS made as a direct result of 5% BIDDERS PREFERENCE LAW -

TOTAL \$ 22,753.79

*3.1%
4%*

This amount is the result of 28 separate awards of which 4 awards were responsible for \$ 17,946.35. Balance of \$ 4,807.44 resulted from the remaining 24 awards, 24 of which were for less than \$ 1,000. The awards based on the 5% bid preference generated \$ 4,789,672.91 in in-state business.

The 5% preference made the difference in only 2.97% of the bid awards for FY 82, again emphasizing the highly competitive nature of the Alaskan vendor.

*Spending \$ 23m to create or maintain 100 direct jobs. ?
How many indirect.*

PURCHASE ORDERS ISSUED TO MAJOR STATE METROPOLITAN AREAS - FY 82

Anchorage	-	782 PO's	=	\$ 18,569,441.81
Fairbanks	-	32 PO's	=	\$ 317,594.53 ^{109.}
Juneau	-	<u>127 PO's</u>	=	<u>\$ 4,732,420.19</u>
SUB-TOTAL	-	941 PO's	=	\$ 23,619,456.53
Other Areas	-	<u>61 PO's</u>	=	<u>\$ 752,626.72</u>
TOTAL	-	1,002 PO's	=	\$ 24,372,083.25

The Purchasing Section issued the following term contract awards, many of which have estimated values.

CONTRACT AWARDS ISSUED DURING FY 82NO. OF CONTRACT AWARDSDOLLAR VALUE

TOTAL - 658

TOTAL - \$ 65,241,064.46

Of 658 contract awards, 485 were issued to Alaskan firms for a total dollar volume of \$ 42,936,690.70.

As an overview, \$ 94,411,900.58 or 75% of the \$ 125,098,474.00 spent during FY 82 was spent with Alaskan vendors.

FIVE PERCENT BID PREFERENCE ANALYSIS
FISCAL 82

\$ 212.00	July	Anchorage	0	\$ 123.00	January	Anchorage	0
		Juneau	1			Juneau	1
\$ 1,396.50	August	Anchorage	1	\$ 2,735.00	February	Anchorage	1
		Juneau	2			Juneau	0
\$ 87.80	September	Anchorage	0	\$ 335.42	March	Anchorage	1
		Juneau	2			Juneau	3
\$ 1,067.94	October	Anchorage	2	\$13,007.35	April	Anchorage	1
		Juneau	2			Juneau	2
\$ 541.50	November	Anchorage	1		May	Anchorage	0
		Juneau	3			Juneau	0
\$ 2,539.00	December	Anchorage	1	\$ 708.28	June	Anchorage	1
		Juneau	1			Juneau	2

Awarded Alaskan Bidders:

TOTAL - \$ 4,789,672.91

5% Bid Preference:

TOTAL - \$ 22,753.79

GRAND TOTAL DOLLAR VOLUME -

\$ 4,883,543.22

JM/je
5/0805-04/GSS1

IN-STATE AND OUT-OF-STATE PURCHASES
MADE FOR DEPARTMENTS

	<u>Non-Alaska Vendors</u>		<u>Alaska Vendors</u>		<u>Total</u>	
	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>	<u>No. POs</u>	<u>Amount</u>
01 Governor	5	\$ 80,659.00	21	\$ 132,884.25	26	\$ 213,543.25
02 Administration	55	990,176.19	57	1,278,795.93	112	2,268,972.12
03 Law	0	0	9	100,227.32	9	100,227.32
04 Revenue	6	51,927.00	5	28,608.58	11	80,535.58
05 Education	27	254,491.71	76	423,534.98	103	678,026.69
06 Health & Social Services	93	368,353.14	464	1,629,278.39	557	1,997,631.53
07 Labor	6	104,212.80	48	228,919.87	54	333,132.67
08 Commerce & Econ. Develop.	4	144,383.15	15	43,203.34	19	187,586.49
09 Military Affairs	1	29,500.00	4	65,875.00	5	95,375.00
10 Natural Resources	30	1,456,718.38	43	563,935.52	73	2,020,653.90
11 Fish and Game	74	1,139,170.38	83	568,253.72	157	1,707,424.10
12 Public Safety	23	932,043.70	51	978,450.92	74	1,910,494.62
18 Environmental Conserv.	7	94,645.50	6	31,930.29	13	126,575.79
21 Community & Reg'l Affairs	0	0	7	18,645.37	7	18,645.37
25 Transportation	74	4,234,034.18	150	17,561,245.72	224	21,795,279.90
31 Legislative Affairs	<u>0</u>	<u>0</u>	<u>2</u>	<u>1,875.75</u>	<u>1</u>	<u>1,875.75</u>
 Total -	 405	 9,880,315.13	 1,041	 23,655,664.94	 1,445	 33,535,980.08

SUMMARY CHART - FISCAL YEAR 01 vs FISCAL YEAR 02

PURCHASING SECTION ACTIVITY

<u>DOCUMENTS PROCESSED</u>	<u>NUMBER RECEIVED & ISSUED</u>		<u>AVERAGE TRANSACTION TIME</u>		<u>AVERAGE - P.A. PER MONTH</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
PURCHASE REQUISITION	2,445	2,412	21.83			
INVITATION TO BID	1,212	942	10.02			
PURCHASE ORDER	1,079	1,434	16.70		255,954.29	
CONTRACT AWARD	515	658	4.60		319,911.30	
LEASE	119	100	1.06		24,483.19	

CONTRACT AWARDS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
ISSUED TO ALASKAN FIRMS	428	485	\$27,133,849.97	\$44,547,576.71
ISSUED TO OUT-OF-STATE FIRMS	87	173	8,696,224.65	20,693,487.75
TOTAL	515	658	\$35,830,074.62	\$65,241,064.46

PURCHASE ORDERS

	<u>NO. ISSUED</u>		<u>TOTAL VALUE</u>	
	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>	<u>FY-01 TOTAL</u>	<u>FY-02 TOTAL</u>
ISSUED TO ALASKAN FIRMS	1,272	1,002	\$17,875,744.67	\$24,372,083.25
ISSUED TO OUT-OF-STATE FIRMS	607	406	10,791,135.26	9,993,085.60
TOTAL	1,879	1,408	\$28,666,879.93	\$34,365,168.93

LEASES

	<u>FY-02 TOTAL</u>	<u>TOTAL VALUE</u>	<u>FY-02 TOTAL</u>
NO. LEASES ISSUED:	100		\$25,492,240.62

	<u>FISCAL 1981</u>	<u>FISCAL 1982</u>
GRAND TOTAL DOLLAR AMOUNT:	\$67,239,071.77	\$125,098,474.00

JH/dlr

Corrections indicate of. Whiteo resp

(28)

	A		B		C		D		E		F		G		H
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	
ALABAMA	x		x		x		x		x				x		No
ALASKA		x	5%		x		x		x		x	x	x		ND
ARIZONA		x	5%		x		x				x			x	*
ARKANSAS	x		5%		x		x		x		x			x	**
CALIFORNIA		x	5%		x		x		x		x				Small Business
COLORADO	x			x	x		x		x		x		x		
CONNECTICUT	x			x	x		x		x		x		x		
DELAWARE															
FLORIDA	x			x	x		x		x		x		x		No items
GEORGIA	x			x	x		x		x		x		x		No
HAWAII		x	3/5/10%		x		x		x		x		x		
IDAHO	x		10%		x								x	x	Printing
ILLINOIS		x		x	x		x		x		x		x		No
INDIANA				x	x		x		x		x		x		NO
IOWA	x			x											
KANSAS	x		x		x		x		x		x		x		no Reciprocal
KENTUCKY		x		x											No preference
LOUISIANA	x		3%		x		x		x		x		x		No
MAINE	x			x	x		x		x		x		x		
MARYLAND	x			x	x		x		x				x		
MASSACHUSETTS	x		5%		x								x		
MICHIGAN	x			x	x		x								
MINNESOTA	x			x	x		x		x						Small Business
MISSISSIPPI	x			x	x		x		x		x		x		No
MISSOURI	x			x	x								x		
MONTANA	x		3%		x		x		x		x		x		
NEBRASKA	x			x	x										
NEVADA															
NEW HAMPSHIRE	x			x	x		x		x		x		x		
NEW JERSEY															
NEW MEXICO			5%												
NEW YORK		x	10%		x				x		x		x		Thru Estimate
NORTH CAROLINA	x								x						
NORTH DAKOTA	x			x	x				x				x		***
OHIO															
OKLAHOMA	x		3%		x						x		x		****
OREGON	x			x	x		x								
PENNSYLVANIA		x		x	x		x		x		x		x		No
RHODE ISLAND	x			x	x		x		x						
SOUTH CAROLINA	x			x	x		x		x		x		x		
SOUTH DAKOTA	x				x		x						x		
TENNESSEE				x											
TEXAS	x			x	x		x								
UTAH															
VERMONT	x														
VIRGINIA	x			x											
WASHINGTON		x		x	x		x		x		x		x		*****
WEST VIRGINIA			2%												
WISCONSIN	x			x	x		x		x		x		x		No
WYOMING			5%		x		x		x		x		x		

in list of jobs -

Recip

Print

* Public works construction only
 ** Except printing & office supplies
 *** If State has a preference against us we
 we take same preference against them
 **** If produced, manufactured, or grown in
 Oklahoma
 ***** Items manufactured by rehabilitation
 workshops

A-Tie bids only?
 B-Percentage?
 C-By statute?
 D-Mandatory?
 E-Discretionary?
 F-Request of in-state bidder?
 G-All items?
 H-Specific?

COMMITTEE REPORT HOUSE

FURTHER:

Date: 2/25/85

2/8/85

Mr. Speaker:

The Committee on FINANCE has had HB 108

An Act relating to the inclusion in the state exempt service of licensed physicians employed by the division of mental health and developmental disabilities, Department of Health and Social Services.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Introduced: 1/21/83
Referred: Health, Education and
Social Services & Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE HOUSE

2

HOUSE BILL NO. 108

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the inclusion in the state exempt

7

service of licensed physicians employed by the divi-

8

sion of mental health and developmental disabilities,

9

Department of Health and Social Services."

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

11 * Section 1. AS 39.25.110(13) is amended to read:

12

(13) [LICENSED] physicians licensed to practice in this

13

state and [, AS DEFINED IN AS 47.30.340(9)] employed by the division of

14

mental health and developmental disabilities, Department of Health and

15

Social Services [THE STATE];

FISCAL NOTE

C. N. House Finance
FEB 3 1983

I. REQUEST

Bill/Resolution No. House Bill 108/Senate Bill 64

Title Inclusion in state exempt service of licensed physicians.

Requested by Commissioner's Office

Date 1/24/83 FINANCE

II. FISCAL DETAIL

Agency Affected Health & Social Services

Program Category Affected Mental Health & Developmental Disabilities

BRU, Program, Or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

No cost impact is foreseen to the Department of Health & Social Services as a result of this legislation.

Thomas R. Bradlee

IV. DATE 1/25/83

PREPARED BY Robert W. Marshall, M.D., Director

AGENCY Health & Social Services/Mental Health & DD

Original: Legislative Finance

PHONE 465-3370

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

OMB Reviewed by: Nancy Dunn

(Signature)

THE FOLLOWING INDIVIDUAL IS EXPECTED TO TESTIFY ON HB 108:

Terry Cramer, Administrative Assistant
Blue Ribbon Commission on the State Personnel Act

Introduced: 1/21/83
Referred: Health, Education and
Social Services & Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE HOUSE

2

HOUSE BILL NO. 108

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

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THIRTEENTH LEGISLATURE - FIRST SESSION

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mental health and developmental disabilities, Department of Health and

15

Social Services [THE STATE];



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

February 14, 1983

TO: House Finance Committee

FROM: Teresa B. Cramer *Teresa B. Cramer*
Administrative Assistant

SUBJECT: House Bill 108 - Licensed Physicians in the Department of Health and Social Services

An unintended change created by an amendment to the State Personnel Act last session has caused some question in the Department of Health and Social Services. Prior to the amendment, licensed physicians employed by the Division of Mental Health and Developmental Disabilities were placed in the exempt service. Other physicians working for the department were members of the classified service. This system worked well. The exception for those working in the mental health field was necessary in order to attract and pay qualified staff.

The amendment placed all licensed physicians, as defined in AS 47.30.340(9), employed by the state into the exempt service. Title 47.30 addresses mentally ill and insane persons but the definition section defined "licensed physician" in general terms. The department brought to the commission's attention an unforeseen situation. There were two employees in the Division of Public Health serving as Regional Health Officers. One was a medical doctor and the other a licensed veterinarian. Under the amended version of the State Personnel Act, the doctor would be placed in the exempt service and the veterinarian would remain in the classified service. Both have the same duties, though in different locations.

The commission recommends that legislation be adopted to return all medical doctors except those employed by the Division of Mental Health and Developmental Disabilities to the classified service.

Bill Analysis

The bill amends the section of the State Personnel Act which lists membership in the exempt service to place only those physicians employed by the Division of Mental Health and Developmental Disabilities in the exempt service.

TBC:lmk



Alaska Public
Employees Association **APEA**

State Headquarters: 340 N. Franklin, Juneau, AK 99801 (907) 586-2334

FACT SHEET

FROM: Cherie Shelley, Executive Director
Alaska Public Employees Association (APEA)

TO: Representatives Milo Fritz and Mae Tischer
Co-Chairpersons, ~~HESS~~ House Committee

SUBJECT: House Bill No. 108

DATE: February 4, 1983

APEA position concerning HB 108

APEA favors the passage of HB 108.

Employees groups referred to in HB 108

Classified - are those employees who meet state requirements and can be fired only for "just cause".

Exempt - are those employees in the state political hierarchy and can be fired without "just cause".

Physicians affected by HB 108

Physicians in "Exempt" group - are those physicians employed by the Division of Mental Health and Developmental Disabilities, Department of Health and Social Services. This group is comprised of psychiatrists and one medical physician, working mainly out of API in Anchorage. They have been and still are in the "Exempt" group.

Physicians in "Classified" group - are five medical physicians, Department of Health and Social Services, (not psychiatrists) working throughout the state. There are two Public Health Medical Specialists, a Medical Specialist/Child Development Services, a Regional Medical Officer and a Regional Health Officer in Fairbanks who is a veterinarian. They have been and still are in the "Classified" group.

Salary Schedule for "Exempt" group - the one medical physician is in range 27. The psychiatrists are in ranges 28 and 29. The Director is a range 30. Their salary is based on the F step plus five percent.

Salary Schedule for "Classified" group - the five medical physicians are in ranges 26 and 27.

Note "Exempt" group wages are higher than "Classified" group.

Legislation background

Last year SB 193, sponsored on behalf of the Blue Ribbon Commission of which I am a member, proposed the following as part of an effort to clarify the State Personnel Rules: "(15) Licensed physicians, as defined in AS 47.30.340(9), employed by the division of mental health and developmental disabilities, Department of Health and Social Services..."

SB 193 was amended by the Senate State Affairs Committee. The portion amended was AS 39.25.110, which lists the membership of the exempt service to include: "(13) all licensed physicians as defined in AS 47.30.340(9) employed by the state...."

The amendment was merely a means to shorten the language content. AS 47.30 is entitled "Mentally Ill and Insane Persons". AS 47.30.340(9) referred to physicians (psychiatrists) working for Division of Mental Health. Therefore it was redundant to state "employed by the division of mental health and development disabilities, Department of Health and Social Services..." However, AS 47.30.340(9), when read out of context with AS 47.30, entitled "Mentally Ill and Insane Persons" with articles dealing with the mental health program - could be interpreted to mean all physicians working for the state and not just the psychiatrists.

HB 108

HB 108 corrects the unintentional implication of the amendment language change. The intent of the legislation was not to move all physicians from the "Classified" to the "Exempt" group. The intent was to leave those physicians (medical) in the "Classified" group and to leave those physicians (psychiatrists) in the "Exempt" group.

Reason for APEA's involvement

Physicians that could be affected if this legislation does not pass are the medical doctors (not psychiatrists), employed by the Division of Public Health. As APEA members, they have contacted the Association to voice their concern about the amendment last session of the State Personnel Act (SB 193). APEA has spoken with three of the five physicians. They wish to remain in the "Classified" employee group. It is our understanding that the physicians (psychiatrists) in the "Exempt" employee group wish to remain there as set forth in the legislation.

Passage of Bill

Would satisfy physicians (medical and psychiatrists) now working for the state - would not cost the state anything as salary schedules would remain the same - and would appear to be the most practical and expedient method of correcting an inadvertent language error in the amendment.

BILL SHEFFIELD, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

POUCH H 01
JUNEAU, ALASKA 99811
PHONE: 465-3030

December 14, 1982

The Honorable Bill Ray, Chairman
Blue Ribbon Commission on the State Personnel Act
Pouch YG, Mail Station 3123

Attention: Terry Cramer, Administrative Assistant

Subject: Licensed Physicians - Department of Health & Social Services

Dear Senator Ray:

Subsequent to the December 7 meeting of the Blue Ribbon Commission, and at its direction, the Department of Health & Social Services considered the circumstances surrounding the statutory language relating to licensed physicians employed by the state. The original purpose for the inclusion of licensed physicians in the exempt service under AS 39.25.0110 (19) was to provide for recruitment and retention of qualified and competent staff within the Division of Mental Health & Developmental Disabilities. That situation has worked well since that time.

The amendments to that statute as adopted under HCS CSSB 193 in 1982 eliminated that particular distinction. As presently written, that statute could be interpreted to include licensed physicians in the Division of Public Health. That action is not adjudged to be in the best interests of the state and those employees. It should be noted that in 1981, AS 47.30.340 was repealed in its entirety and AS 47.30.915 was added. That section again defined "licensed physician" in the legislative reference to mental health programs.

It is therefore respectfully requested that the language in AS 39.25.110 (13) be amended to read as follows: "licensed physicians, as defined in AS 47.30.915 (11), employed by the Division of Mental Health & Developmental Disabilities, Department of Health & Social Services.

Thank you for your consideration of this matter.

Sincerely,



Allen K. Korhonen
Acting Commissioner