

Nancy Dahlstrom
Lieutenant Governor
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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Melinda Birk, Department of Administration

FROM: April Simpson, Office of the Lieutenant Governor 
465.4081

DATE: April 24, 2024

RE: Filed Permanent Regulations: Department of Administration

Department of Administration - regulations re: Raising the dollar threshold for small procurements (2 AAC 12.400)

Attorney General File:	2024200018
Regulation Filed:	4/24/2024
Effective Date:	5/24/2024
Print:	250, July 2024

cc with enclosures: Colleen Bailey, Department of Law
Judy Herndon, LexisNexis



THE STATE
of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Law

CIVIL DIVISION

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April 24, 2024

The Honorable Nancy Dahlstrom
Lieutenant Governor
State of Alaska
P.O. Box 110015
Juneau, AK 99811-0015

Re: *2 AAC 12.400: DOA - Raising dollar threshold for small procurements*
Our file: 2024200018

Dear Lieutenant Governor Dahlstrom:

The Department of Law has reviewed the attached regulations of the Department of Administration against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This letter constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Department of Administration after the close of the public comment period.

The regulations concern the dollar threshold for the qualification of small procurement authority under AS 36.30.320. The regulations raise the threshold for small procurement procedures from projects costing less than \$10,000 to projects costing less than \$25,000.

The February 26, 2024, public notice and the April 24, 2024, adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.060 is not required.

The Honorable Nancy Dahlstrom
File No. 2024200018

April 24, 2024
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No technical corrections were necessary to conform the regulations in accordance with AS 44.62.060.

Sincerely,

TREG TAYLOR
ATTORNEY GENERAL

By: **Rebecca C. Polizzotto**
Rebecca C. Polizzotto
Chief Assistant Attorney General
Legislation, Regulations, and
Legislative Research Section

Digitally signed by
Rebecca C. Polizzotto
Date: 2024.04.24
14:48:08 -08'00'

RCP/bhp

CC w/enclosure: Melinda Birk, Chief of Policy
Department of Administration

Morgan A. Griffin, Assistant Attorney General
Department of Law

Kevin M. Dilg, Assistant Attorney General
Department of Law

APPENDIX I: Adoption Order

ORDER ADOPTING CHANGES TO REGULATIONS
OF ADMINISTRATION

The attached two pages of regulations, dealing 2 AAC 12.400, are adopted and certified to be a correct copy of the regulation changes that the Department of Administration adopts under the authority of AS 36.30.040; AS 36.30.320 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Administration paid special attention to the cost to private persons of the regulatory action being taken.¹

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: 04/24/2024

Paula Vrana Digitally signed by Paula Vrana
Date: 2024.04.24 13:35:54 -08'00'

Paula Vrana, Commissioner

April Simpson for Nancy Dahlstrom

FILING CERTIFICATION

I, [name of lieutenant governor], Lieutenant Governor for the State of Alaska, certify that on April 24, 2024, at 3:50 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

April Simpson [signature]
for Lieutenant Governor *Nancy Dahlstrom*

Effective: May 24, 2024.

Register: 250, July 2024.

¹ For Department of Environmental Conservation regulations related to control, prevention, and abatement of air, water, or land or subsurface land pollution, the Department of Law recommends the addition of the following sentence: "The Department of Environmental Conservation also gave special attention to alternate practical methods in this regulatory action as required by AS 46.03.024."

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, NANCY DAHLSTROM, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on May 15th, 2023.



A handwritten signature in blue ink, reading "Nancy Dahlstrom", is written over a horizontal dotted line.

**NANCY DAHLSTROM
LIEUTENANT GOVERNOR**

2 AAC 12.400(b) is amended to read:

(b) A purchasing agency shall use reasonable and adequate procedures and make records that facilitate auditing of the purchasing agency [,] when procuring

(1) supplies, services, professional services, or construction estimated to cost not more than \$25,000 [\$10,000];

(2) concession contracts estimated to have gross receipts of not more than \$25,000 [\$10,000];

(3) supplies or services while on travel status with or on behalf of the governor estimated to cost not more than \$30,000;

(4) fish feed for hatchery use estimated to cost not more than \$30,000;

(5) passenger transportation estimated to cost not more than \$30,000;

(6) professional services for the office of the governor estimated to cost not more than \$50,000;

(7) legal or hearing officer services estimated to cost not more than \$50,000.

The introductory language of 2 AAC 12.400(c) is amended to read:

(c) Except for procurements under (b) of this section, a purchasing agency shall use the following procedures in the procurement of supplies, services, professional services, or construction estimated to cost more than \$25,000 [\$10,000,] but not more than \$50,000, or for concession contracts estimated to have gross receipts of more than \$25,000 [\$10,000,] but not more than \$50,000:

...

Register 250, July 2024 ADMINISTRATION

(Eff. 1/1/88, Register 104; am 3/30/90, Register 113; am 3/27/93, Register 125; am 6/29/95,
Register 134; am 4/25/97, Register 142; am 11/28/97, Register 144; am 2/28/2014, Register 209;
am 5 / 24 / 2024, Register 250)

Authority: AS 36.30.040 AS 36.30.320