

1 HB95
2 126374-1
3 By Representative McClammy
4 RFD: State Government
5 First Read: 01-MAR-11

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8 SYNOPSIS: Under existing law a state department,
9 board, bureau, commission, committee, institution,
10 corporation, authority, or office may award a
11 contract to the preferred vendor when the bidder is
12 deemed to be a responsible bidder and a preferred
13 vendor, and the bid is no more than five percent
14 greater than the bid of the lowest responsible
15 bidder.

16 This bill would require a state department,
17 board, bureau, commission, committee, institution,
18 corporation, authority, or office to award a
19 contract to the preferred vendor when the bidder is
20 deemed to be a responsible bidder and a preferred
21 vendor, and the bid is no more than five percent
22 greater than the bid of the lowest responsible
23 bidder.

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25 A BILL
26 TO BE ENTITLED
27 AN ACT

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To amend Section 41-16-20 of the Code of Alabama 1975; to require a state department, board, bureau, commission, committee, institution, corporation, authority, or office to award a contract to the preferred vendor when the bidder is deemed to be a responsible bidder and a preferred vendor, and the bid is no more than five percent greater than the bid of the lowest responsible bidder.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 41-16-20 of the Code of Alabama 1975, is amended to read as follows:

"§41-16-20.

"(a) With the exception of contracts for public works whose competitive bidding requirements are governed exclusively by Title 39, all contracts of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, other personal property or other nonprofessional services, involving seven thousand five hundred dollars (\$7,500) or more, made by or on behalf of any state department, board, bureau, commission, committee, institution, corporation, authority, or office shall, except as otherwise provided in this article, be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.

"(b) A "preferred vendor" shall be a person, firm, or corporation which is granted preference priority according to the following:

1 "(1) PRIORITY #1. Produces or manufactures the
2 product within the state.

3 "(2) PRIORITY #2. Has an assembly plant or
4 distribution facility for the product within the state.

5 "(3) PRIORITY #3. Is organized for business under
6 the applicable laws of the state as a corporation,
7 partnership, or professional association and has maintained at
8 least one retail outlet or service center for the product or
9 service within the state for not less than one year prior to
10 the deadline date for the competitive bid.

11 "(c) In the event a bid is received for the product
12 or service from a person, firm, or corporation deemed to be a
13 responsible bidder and a preferred vendor where any state
14 department, board, bureau, commission, committee, institution,
15 corporation, authority, or office is the awarding authority
16 and the bid is no more than five percent greater than the bid
17 of the lowest responsible bidder, the awarding authority ~~may~~
18 shall award the contract to the preferred vendor."

19 Section 2. This act shall become effective on the
20 first day of the third month following its passage and
21 approval by the Governor, or its otherwise becoming law.