

1 HB172
2 209240-1
3 By Representatives Drummond and Garrett
4 RFD: State Government
5 First Read: 02-FEB-21
6 PFD: 01/28/2021

SYNOPSIS: This bill would require the newly established Office of the Chief Procurement Officer and the Secretary of State to collect data relating to minority and women-owned businesses in the state and participation by those businesses in the state procurement process.

 The bill would require the Chief Procurement Officer to annually present a summary of the information and data gathered to the Contract Review Permanent Legislative Oversight Committee, and, upon request, provide that data to the Legislative Services Agency.

 The bill would specify that the legislation only takes effect on the enactment of other legislation creating the Office of Chief Procurement Officer within the Department of Finance.

A BILL
TO BE ENTITLED

1 AN ACT

2
3 Relating to the purchase of supplies and services by
4 state government; to add Section 41-4-177.10 to the Code of
5 Alabama 1975, to provide for the collection of data relating
6 to certain businesses in the state; to authorize the Secretary
7 of State to adopt rules; and to provide for a contingent
8 effective date.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 41-4-177.10 is added to the Code
11 of Alabama 1975, to read as follows:

12 §41-4-177.10. Data Collection.

13 (a) For purposes of this section, the following
14 terms shall have the following meanings:

15 (1) MINORITY INDIVIDUAL. An individual who is a
16 citizen or lawful permanent resident of the United States, and
17 who is any of the following:

18 a. African American: An individual having origins in
19 any of the black racial groups of Africa.

20 b. Hispanic: An individual of Mexican, Puerto Rican,
21 Cuban, Central or South American, or other Spanish culture or
22 origin, regardless of race.

23 c. Asian American: An individual having origins in
24 any of the original peoples of the Far East, Southeast Asia,
25 the Indian subcontinent, or the Pacific Islands.

26 d. Native American: An individual having origins in
27 any of the original peoples of North America.

1 (2) MINORITY-OWNED BUSINESS. A for-profit business
2 that is headquartered or has its principal place of business
3 in the state, and that is any or either of the following:

4 a. An independently owned and operated business that
5 is at least 51 percent owned or controlled by one or more
6 minority individuals, a majority of whom have their permanent
7 place of residence in the state.

8 b. A publicly owned business of which at least 51
9 percent of the stock is owned and controlled by one or more
10 minority individuals and whose daily management and operations
11 are under the control of one or more of these minority
12 individuals, a majority of whom have their permanent place of
13 residence in the state.

14 (3) SMALL BUSINESS. A for-profit business that is
15 headquartered or has its principal place of business in the
16 state; that is independently owned and operated; and that
17 employs no more than 50 individuals on a full-time basis, a
18 majority of whom have their permanent place of residence in
19 the state.

20 (4) SMALL OR DISADVANTAGED BUSINESS. A small
21 business, a minority-owned business, or a woman-owned business
22 that is licensed to do business in the state.

23 (5) WOMAN-OWNED BUSINESS. A for-profit business that
24 is headquartered or has its principal place of business in the
25 state, and that is any or either of the following:

26 a. An independently owned and operated business that
27 is at least 51 percent owned or controlled by one or more

1 women, a majority of whom have their permanent place of
2 residence in the state.

3 b. A publicly owned business of which daily
4 management and operations are under the control of a woman or
5 group of women, a majority of whom have their permanent place
6 of residence in the state, and who own and control at least 51
7 percent of the stock of the business or an equivalent
8 ownership stake.

9 (b) The Chief Procurement Officer shall make
10 reasonable efforts to do all of the following:

11 (1) Obtain, from the Secretary of State, the
12 Department of Labor, and other available sources, information
13 regarding the small and disadvantaged businesses operating in
14 the state, and maintain a database of the information
15 received.

16 (2) Identify and record the goods or services that
17 may reasonably be purchased by the state from the small or
18 disadvantaged businesses operating in the state.

19 (3) Determine what proportion of procurement
20 contracts under this article are awarded to the small and
21 disadvantaged businesses in the state based upon the records
22 and information obtained by the Chief Procurement Officer.

23 (c) (1) The Chief Procurement Officer, by the end of
24 February of each year, shall provide to the Contract Review
25 Permanent Legislative Oversight Committee a summary of the
26 information and data gathered under this section.

1 (2) The Chief Procurement Officer and the Secretary
2 of State, upon request, shall provide data collected and
3 maintained under this section to the Legislative Services
4 Agency.

5 Section 2. The Secretary of State shall adopt rules
6 or establish internal office procedures to implement the
7 Office of the Secretary of State's responsibilities under this
8 act, which shall include reasonable efforts to identify small
9 or disadvantaged businesses authorized by the Secretary of
10 State to do business within the state and the reporting of
11 that data and information to the Chief Procurement Officer no
12 less than annually by January 31 of each year.

13 Section 3. The provisions of this act are severable.
14 If any part of this act is declared invalid or
15 unconstitutional, that declaration shall not affect the part
16 which remains.

17 Section 4. This act shall become effective
18 immediately following its passage and approval by the
19 Governor, or its otherwise becoming law, contingent upon the
20 enactment of SB ____ of the 2021 Regular Session, creating the
21 Office of Chief Procurement Officer.