

1 SB79
2 156105-2
3 By Senators Brewbaker and Marsh
4 RFD: Fiscal Responsibility and Accountability
5 First Read: 14-JAN-14
6 PFD: 01/08/2014

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

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11 To amend Section 41-16-20, Code of Alabama 1975,
12 relating to public contracts, to require awarding authorities
13 accepting competitive bids or proposals to provide a
14 preference of five percent to resident business entities
15 meeting certain criteria.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

19 "§41-16-20.

20 "(a) With the exception of contracts for public
21 works whose competitive bidding requirements are governed
22 exclusively by Title 39, all contracts of whatever nature for
23 labor, services, work, or for the purchase or lease of
24 materials, equipment, supplies, other personal property or
25 other nonprofessional services, involving fifteen thousand
26 dollars (\$15,000) or more, made by or on behalf of any state
27 department, board, bureau, commission, committee, institution,

1 corporation, authority, or office shall, except as otherwise
2 provided in this article, be let by free and open competitive
3 bidding, on sealed bids, to the lowest responsible bidder.

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

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

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

11 "(3) PRIORITY #3. Is organized for business under
12 the applicable laws of the state as a corporation,
13 partnership, or professional association and has maintained at
14 least one retail outlet or service center for the product or
15 service within the state for not less than one year prior to
16 the deadline date for the competitive bid.

17 "(4) PRIORITY #4. Has not defaulted on any
18 previously awarded bids in the State of Alabama nor has in any
19 way failed to fulfill the bid award requirements of a
20 previously awarded bid.

21 "(c) In the event a bid for contracts totaling one
22 hundred thousand dollars (\$100,000) or less is received for
23 the product or service from a person, firm, or corporation
24 deemed to be a responsible bidder and a preferred vendor where
25 any state higher education institution, department, board,
26 bureau, commission, committee, institution, corporation,
27 authority, or office is the awarding authority and the bid is

1 no more than five percent greater than the bid of the lowest
2 responsible bidder, the awarding authority ~~may~~ shall award the
3 contract to the preferred vendor."

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

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Senate

Read for the first time and referred to the Senate
committee on Fiscal Responsibility and Account-
ability..... 14-JAN-14

Read for the second time and placed on the calen-
dar 1 amendment..... 06-FEB-14

Read for the third time and passed as amended 20-FEB-14

Yeas 28
Nays 0
Abstaining 1

Patrick Harris
Secretary