

1 HB205
2 135140-1
3 By Representative Jackson
4 RFD: State Government
5 First Read: 07-FEB-12

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, the Contract Review
9 Permanent Legislative Oversight Committee may
10 review, within a certain time period, contracts
11 between a state department and a private entity or
12 individual for personal or professional services to
13 be paid out of appropriated funds, federal or
14 state.

15 This bill would permit the committee to
16 review contracts or interagency agreements between
17 a state department and another public entity that
18 is not a state department, if the contract or
19 agreement contemplates an additional contract or
20 agreement between the public entity and a private
21 entity for personal or professional services for or
22 on behalf of the state department.

23 The bill makes other changes to existing law
24 to conform with the contract review change.

25
26 A BILL
27 TO BE ENTITLED

1 AN ACT

2
3 Relating to the Contract Review Permanent
4 Legislative Oversight Committee; amending Sections 29-2-41 and
5 29-2-41.1 of the Code of Alabama 1975, to permit the committee
6 to review certain contracts or agreements between a state
7 department and a public entity that is not a state department
8 which contemplates a subsequent contract or agreement between
9 the public entity and a private entity for personal or
10 professional services for the benefit of the state department;
11 and to make other necessary conforming changes.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

13 Section 1. Sections 29-2-41 and 29-2-41.1 of the
14 Code of Alabama 1975, are amended to read as follows:

15 "§29-2-41.

16 "(a) Each member of the committee shall be entitled
17 to regular legislative compensation, per diem, and travel
18 expenses for each day he or she attends a meeting of the
19 committee, which shall be paid out of the funds appropriated
20 to the use of the Legislature, on warrants drawn on the State
21 Comptroller upon requisition signed by the committee's chair.
22 Members shall not receive additional compensation or per diem
23 when the Legislature is in session.

24 "(b) The Department of Examiners of Public Accounts
25 shall furnish assistance and any relevant information to the
26 committee.

1 "(c) (1) The committee shall have the responsibility
2 of reviewing contracts for personal or professional services
3 with private entities or individuals to be paid out of
4 appropriated funds, federal or state, on a state warrant
5 issued as recompense for those services.

6 "(2) The committee also shall have the
7 responsibility of reviewing contracts or interagency
8 agreements between a state department and another public
9 entity that is not a state department if the contract or
10 agreement meets the following criteria:

11 "a. It contemplates an additional contract or
12 agreement between the public entity that is not a state
13 department and a private entity or individual for personal or
14 professional services for or on behalf of the state
15 department.

16 "b. It is paid out of appropriated funds, federal or
17 state.

18 "(d) Each state department or other public entity
19 entering into a contract subject to committee review ~~to be~~
20 ~~paid out of appropriated funds, federal or state, on a state~~
21 ~~warrant~~ which is notified by the committee is required to
22 submit to the committee ~~any~~ the proposed contract ~~for personal~~
23 ~~or professional services~~. Each contract shall be accompanied
24 by an itemization of the total cost estimate of the contract.

25 "(e) The department or public entity ~~may~~, in lieu of
26 the proposed contract, may submit to the committee a letter of
27 intent to contract. Such letter of intent to contract shall

1 indicate the contracting parties, the services to be
2 performed, an itemization of the total cost estimate of the
3 contract, and such other information as the department or
4 public entity may deem pertinent to the committee review of
5 the contract.

6 "(f) The committee shall review and comment where
7 necessary on any such contract or letter of intent to contract
8 within a reasonable time not to exceed 45 days after the
9 department or public entity has submitted the contract or
10 letter of intent to contract to the committee. Any contract
11 made by the state or any of its agencies, or departments, or
12 public entities in violation of this section and without prior
13 review by the committee of either the contract or the letter
14 of intent to contract shall be void ab initio. If the
15 committee fails to review and comment upon any contract or
16 letter of intent to contract within the aforementioned 45-day
17 time period, such contract shall be deemed to have been
18 reviewed in compliance with this section.

19 "(g) Should the department or public entity elect to
20 submit a letter of intent to contract in lieu of a proposed
21 contract, as authorized in ~~the preceding paragraph~~ subsection
22 (e), the department or public entity shall be required to
23 submit to the committee for its information the contract
24 described in the letter of intent upon the execution of the
25 contract.

26 "(h) The committee shall have the power to issue
27 subpoenas for any witnesses and to require the production of

1 any documents or contracts ~~it feels it needs~~ considered by the
2 committee to be necessary to examine ~~in~~ the contract and
3 conduct ~~of~~ its duties.

4 "(i) The committee shall organize itself at the
5 first meeting and elect from among its membership a chair and
6 a vice-chair. The committee shall hold regular meetings at
7 least once each month, the regular meetings to be held during
8 the first week of each month.

9 "§29-2-41.1.

10 "In case of an emergency adversely affecting public
11 health, safety, security, or the economic welfare of the
12 state, so declared in writing to the Governor by the head of
13 the institution, ~~or~~ agency, department, or public entity
14 involved, setting forth the nature of the danger to public
15 health, safety, security, ~~or~~ the economic welfare of the
16 state, contracts may be let to the extent necessary to meet
17 the emergency without review by the committee. Any contract
18 let pursuant to this section involving an emergency adversely
19 affecting the economic welfare of the state shall be let for a
20 period of not more than 60 days during which time the
21 committee shall review a contract for a longer period of time
22 if such services are required beyond the 60-day limit hereby
23 imposed."

24 Section 2. This act shall become effective
25 immediately upon its passage and approval by the Governor, or
26 upon its otherwise becoming a law.