

1 HB312
2 136150-1
3 By Representatives Melton, England and Colston
4 RFD: Commerce and Small Business
5 First Read: 14-FEB-12

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8 SYNOPSIS: Under existing law, there are no
9 prohibitions against the state contracting with
10 companies that ship the work to be performed
11 offshore.

12 This bill would prohibit work on certain
13 contracts from being performed outside of the
14 United States.

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16 A BILL
17 TO BE ENTITLED
18 AN ACT

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20 Prohibiting the outsourcing of work to be performed
21 on certain public contracts.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. The Legislature finds all of the
24 following:

25 (1) State agencies and subdivisions procure services
26 in part through contracts with private vendors.

1 (2) Increasingly, private vendors carry out these
2 services, or subcontract or otherwise procure these services,
3 from a location outside the United States.

4 (3) Such international outsourcing exacerbates
5 unemployment and workforce dislocation and deprives Alabama
6 residents of job opportunities, including industries and jobs
7 this state has expended resources to attract.

8 (4) International outsourcing erodes state and local
9 revenues by drawing jobs and income away from the state.

10 (5) International outsourcing additionally may
11 provide less privacy protections for state residents whose
12 personal information may, in the course of service delivery,
13 be transmitted to locations outside the United States.

14 Section 2. All of the following provisions shall
15 apply to all contracts of cities and counties that receive
16 state funding for the contracts or the departments or agencies
17 thereof and all state contracts except contracts for where it
18 would be inconsistent with current state law:

19 (1) All state agencies and departments, other than
20 the Alabama State Docks, and all counties and cities that
21 receive state funding for a contract or the departments and
22 agencies thereof, are prohibited from awarding a contract to a
23 contractor or subcontractor who performs the work at a site
24 outside of the United States.

25 (2) Each vendor submitting a bid or contract to
26 provide services for the state or a city or county receiving
27 state funding for the contract shall certify that the services

1 covered by the bid or contract will be performed in the United
2 States.

3 (3) If, during the life of a contract with a state
4 agency or department or with a city or county that receives
5 state funding for the contract, the contractor or
6 subcontractor shifts work overseas, then the state agency or
7 department or a city or county that receives state funding for
8 the contract shall require the contractor or subcontractor to
9 pay damages in an amount equal to the amount paid by the
10 agency for the percentage of outsourced work. The agency shall
11 also terminate the contract for noncompliance with the
12 outsourcing prohibition.

13 (4) The state agency or department or a city or
14 county receiving state funding for a contract shall be
15 entitled to bring a civil action in state or federal court to
16 compel enforcement under this act. The court shall award
17 reasonable attorney's fees and costs to the agency or
18 department or a city or county receiving state funding for a
19 contract.

20 Section 3. This act shall become effective on the
21 first day of the third month following its passage and
22 approval by the Governor, or its otherwise becoming law.