SB100 ENROLLED



- 1 U95RXG-2
- 2 By Senator Orr
- 3 RFD: Finance and Taxation Education
- 4 First Read: 21-Mar-23
- 5 2023 Regular Session



1 Enrolled, An Act,

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- 4 Relating to state government; to amend Sections 5 41-4-114, 41-4-120, 41-4-122 as last amended by Act 2022-3576 of the 2022 Regular Session, 41-4-124, 41-4-125, Section 7 41-4-126 as last amended by Act 2022-357 of the 2022 Regular 8 Session, 41-4-139, 41-4-172, 29-2-41.1 Code of Alabama 1975, 9 to further provide exemptions to the state procurement code; to further provide for the authority to make emergency 10 procurements and the review of those procurements by the 11 12 Contract Review Legislative Oversight Committee; to provide for the procurement of certain health professionals who 13 provide services to the Medicaid Agency under certain 14 15 conditions; to further provide for the definition of 16 professional services to include the management and 17 administration of occupational licensing boards; to provide for the procurement of supplies, services, and professional 18 19 services by district attorneys or sheriffs; to provide for the 20 change of the name of the Office of the Chief Procurement 21 Officer to the Division of Procurement; and to add Section 22 41-4-125.01 to the Code of Alabama 1975, to provide for the 23 procurement of physicians retained to provide medical services 24 to the State of Alabama.
- 25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 26 Section 1. Sections 41-4-114, 41-4-120, 41-4-122 as
- 27 last amended by Act 2022-357 of the 2022 Regular Session,
- 28 41-4-124, 41-4-125, Section 41-4-126 as last amended by Act



- 29 2022-357 of the 2022 Regular Session, 41-4-139, 41-4-172,
- 30 29-2-41.1, Code of Alabama 1975, are amended to read as
- 31 follows:

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- 32 "\$41-4-114
- 33 (a) For purposes of this article, the following words
 34 shall have the following meanings:
- 35 (1) BUSINESS. Any corporation, partnership, individual, 36 sole proprietorship, joint stock company, joint venture, or 37 other private legal entity.
 - (2) CAPITAL EQUIPMENT. Tangible personal property that can be appraised for value, is not disposable or consumable, is stand alone, and has a useful life of one year or more.
- 41 (3) CHANGE ORDER. A written order signed by the
 42 procurement officer directing the contractor to make changes
 43 which the changes clause of the contract authorizes the
 44 procurement officer to order without the consent of the
 45 contractor.
- 46 (4) CHIEF PROCUREMENT OFFICER. The person individual
 47 holding the position created in Section 41-4-120, as the head
 48 of the Office of the Chief Procurement Officer Division of
 49 Procurement.
 - (5) CONTINGENCY FEE CONTRACT. An agreement, express or implied, for litigation legal services of an attorney or attorneys, including any associated counsel, under which compensation is contingent in whole or in part upon the successful accomplishment or disposition of the subject matter of the agreement. The payment may be in an amount which either is fixed or is to be determined under a formula.



- 57 (6) CONTINGENCY FEE COUNSEL. An attorney or attorneys 58 performing services under a contingency fee contract.
- (7) CONTRACT. All types of state agreements, regardless of what they may be called, for the procurement of supplies or services.
- 62 (8) CONTRACT MODIFICATION. Any written alteration in 63 specifications, delivery point, rate of delivery, period of 64 performance, price, quantity, or other provisions of any 65 contract accomplished by mutual action of the parties to the 66 contract.
- 67 (9) CONTRACTING AGENCY. The Governor, Attorney General,
 68 or director of a state agency, department, bureau, commission,
 69 authority, public corporation, or instrumentality of the State
 70 of Alabama that seeks to enter a contract.
- 71 (10) CONTRACTOR. Any person having a contract with a governmental body.
- 73 (11) DATA. Recorded information, regardless of form or characteristic.
- 75 (12) DESIGNEE. A duly authorized representative of a person.
- 77 (13) ELECTRONIC. Electrical, digital, magnetic, 78 optical, electromagnetic, or other similar technology.
- (14) GOVERNMENTAL BODY. Except as otherwise provided in this article, an agency, department, board, bureau, commission, committee, institution, corporation, authority, or office of this state. The term does not include the
- 83 legislative or judicial departments of the state or a
- 84 legislative or judicial agency, the Alabama State Port



Authority, municipalities, or the county commission and governing boards of instrumentalities of counties including waterworks boards, sewer boards, gas boards, and other like

utility boards and commissions.

- government of assistance, whether financial or otherwise, to
 any person to support a program authorized by law. The term
 does not include an award with a primary purpose to procure an
 end product, whether in the form of supplies or services.
- (16) JUDICIAL AGENCY. Any department, appellate court, 94 95 trial court, board, body, bureau, commission, committee, 96 institution, corporation, authority, or office created, 97 established, and operating as an agency of the judicial department of this state. The term includes, but is not 98 99 limited to, the Administrative Office of Courts, the State Law 100 Library, the Court of the Judiciary, and the Sentencing 101 Commission.
- 102 (17) LEGISLATIVE AGENCY. The Alabama State Legislature
 103 and any department, board, body, bureau, commission,
 104 committee, institution, corporation, authority, or office
 105 created, established, and operating as an agency of the
 106 legislative department of this state. The term includes, but
 107 is not limited to, the Legislative Services Agency and the
 108 Department of Examiners of Public Accounts.
- 109 (18) PERSON. An individual, corporation, association,
 110 partnership, limited liability corporation, union, committee,
 111 club, other organization, or group.
- 112 (19) PROCUREMENT. Buying, purchasing, renting, leasing,



or otherwise acquiring any supplies or services. The term
includes all functions that pertain to the obtaining of any
supply or service, including description of requirements,
selection and solicitation of sources, preparation and award
of contracts, and all phases of contract administration. The
term does not include the leasing of real property.

- (20) PROCUREMENT OFFICER. Any person individual duly authorized by the Chief Procurement Officer to enter into and administer contracts and make written determinations with respect to those contracts. The term includes an authorized representative acting within the limits of authority.
- (21) PROFESSIONAL SERVICES. The services of physicians, architects, engineers, landscape architects, land surveyors, geoscientists, attorneys, teachers, artists, appraisers, and other individuals, or business entities offering the services of those individuals, who possess a high degree of scientific or specialized skill and knowledge where the experience and professional qualifications of the service provider are particularly relevant to the provision of the required service. The term also includes the management or administration of any occupational licensing board, as defined under Section 41-9A-1, by a person other than a state employee.
- 136 (22) PUBLIC FUNDS. Money, regardless of its source,
 137 that is owned or held by a governmental body.
- 138 (23) PUBLIC NOTICE. The distribution or dissemination 139 of information to interested parties using methods that are 140 reasonably available, including, but not limited to,



- 141 publication in newspapers of general circulation, electronic
- or paper mailing lists, and websites designated by the state
- and maintained for that purpose.
- 144 (24) PURCHASING AGENCY. A governmental body, other than
- 145 the Office of the Chief Procurement Officer, that is
- 146 authorized by this article, its implementing rules, or by
- 147 delegation from the Chief Procurement Officer to enter into
- 148 contracts.
- 149 (25) SERVICES. The furnishing of labor, time, or effort
- 150 by a contractor. The term does not include the delivery of a
- 151 specific end product, other than reports that are merely
- incidental to the required performance.
- 153 (26) SIGNATURE. A manual signature or an electronic
- 154 signature, as defined in Section 8-1A-2.
- 155 (27) SOLICITATION. Any request to submit quotes, bids,
- or offers to the state for the procurement of supplies or
- 157 services. The term includes invitations to bid and requests
- 158 for proposals.
- 159 (28) SUPPLIES. All property, including equipment,
- 160 materials, and printing. The term does not include land or a
- 161 permanent interest in land.
- 162 (29) USING AGENCY. A governmental body that utilizes
- 163 any supplies or services procured under this article.
- 164 (30) WRITTEN or IN WRITING. The product of any method
- of forming characters on paper, other materials, or viewable
- 166 screens, which can be read, retrieved, and reproduced,
- 167 including information that is electronically transmitted and
- 168 stored.



169	(b) The terms state, state department, state agency,
170	agency, state entity, instrumentality of the state, and
171	governmental body do not include municipalities, political
172	subdivisions, county commissions, or the governing boards of
173	instrumentalities of counties including waterworks boards,
174	sewer boards, gas boards, and other like utility boards and
175	commissions."

176 "\$41-4-120

There is created within the Department of Finance the Office of the Chief Procurement Officer Division of Procurement, headed by the Chief Procurement Officer."

180 "\$41-4-122

181 (a) The Chief Procurement Officer shall serve as the central procurement officer of the state.

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- 184 (b) Consistent with this article, the Chief Procurement
 185 Officer shall adopt operational procedures governing the
 186 internal functions of the Office of the Chief Procurement
 187 Officer Division of Procurement.
 - (c) Except as otherwise specifically provided in this article, the Chief Procurement Officer, in accordance with rules adopted under this article, shall do all of the following:
 - (1) Except for alcoholic beverages, which shall be purchased by the Alcoholic Beverage Control Board, procure or supervise the procurement of all supplies and services needed by the state.
- 196 (2) Ensure compliance with this article and the rules



implementing this article by reviewing and monitoring
procurements conducted by any designee, department, agency, or
official delegated authority under Section 41-4-123.

- Officer, the periodic reporting of all procurement by or for counties, the purchase, contract, or lease price of which is one hundred dollars (\$100) or more, and require information in connection therewith; to prescribe forms and fix the time for submitting such reports; and, when requested by any county, municipal corporation, other local public body, including any board of education, to make such purchase contract, or lease for it. It shall be the duty of every county to make the report on forms furnished by the Office of the Chief Procurement Officer whenever requested to do so, but not more than once every 30 days.
- 212 (4)(3) Perform other functions and duties of the
 213 Department of Finance as may be assigned by the Director of
 214 Finance.
 - (d) The Chief Procurement Officer may establish and maintain a system for the purchase of supplies and services by governmental bodies that conduct their procurement activities through the Office of the Chief Procurement Officer Division of Procurement, through the utilization of approved credit cards. County and municipal governments and instrumentalities or public corporations thereof may participate in the state fleet fuel card program subject to the terms and conditions of the program related to the utilization of the fleet fuel card; provided, however, that county and municipal governments and



225	instrumentalities of public corporations thereof shall not
226	otherwise be subject to this subsection. The Chief Procurement
227	Officer shall establish by rule a process for the competitive
228	solicitation of credit card providers. The state Comptroller
229	and the Chief Procurement Officer shall adopt fiscal
230	procedures governing the payment of charges incurred by credit
231	card users and the utilization of credit cards. The use of
232	approved credit cards shall be established by the state
233	Comptroller and the Chief Procurement Officer, with the
234	approval of the Director of Finance, and be published through
235	the Alabama fiscal procedures, in which each purchase made
236	using approved credit cards is required to have prior approval
237	by the department head or his or her designee and a record of
238	each purchase and approval is to be maintained. The Chief
239	Procurement Officer may select the provider or providers
240	offering the highest fees to the division for the use of its
241	credit card or credit cards. Fees received by the division for
242	the use of credit cards shall be placed in a special fund
243	entitled the State Procurement Fund in the State Treasury for
244	the use of the division and the funds shall be appropriated,
245	budgeted, and allotted in accordance with Sections 41-4-80 to
246	41-4-96, inclusive, and 41-19-1 to 41-19-12, inclusive, and
247	only in amounts stipulated in general appropriations bills and
248	other appropriation bills. Approved credit cards may be issued
249	to requisitioning agencies upon the recommendation of the
250	Chief Procurement Officer and the approval of the Director of
251	Finance. Approved credit cards shall be assigned to the
252	department and limited in number. Approved credit cards may be



253 utilized to purchase items of supplies and services, and may 254 not exceed the limitations set forth by rule. The director of 255 the governmental body utilizing credit cards is responsible 256 for the proper use of credit cards assigned to his or her 257 agency, in accordance with rules established by Alabama fiscal 258 procedures. The Chief Procurement Officer may collect any 259 credit card from any governmental body at any time due to 260 improper use. The Chief Procurement Officer shall submit an annual report and accounting regarding the use of credit cards 261 by each governmental body to the Director of Finance and the 262 263 Governor.

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- (e) The Office of the Chief Procurement Officer
 Division of Procurement may charge a biannual registration fee to vendors desiring to register with the office to receive invitations to bid for any supplies or services solicited by the division and to governmental bodies for their proportionate share of operating costs of the office. Any fee shall be set by administrative rule upon the approval of the Director of Finance. Any fees collected under this subsection shall be deposited in the State Treasury to the credit of the State Procurement Fund and shall be appropriated, budgeted, and allotted in accordance with Sections 41-4-80 to 41-4-96, inclusive, and 41-19-1 to 41-19-12, inclusive, and only in amounts stipulated in general appropriations bills and other appropriation bills.
- (f) The Chief Procurement Officer may make purchases,

 contracts, or leases for any county, instrumentality of a

 county, municipal corporation, local board of education, or

 other local public body upon the request of the local public

 body.

283 (f) (g) The Chief Procurement Officer shall adopt rules
284 consistent with this article to govern the procurement of
285 supplies and services procured by the state."



286 "\$41-4-124

- 287 (a) Except as otherwise provided in this article, all
 288 rights, powers, duties, and authority relating to the
 289 procurement of supplies and services now vested in, or
 290 exercised by, any governmental body under existing law are
 291 transferred to the Chief Procurement Officer.
 - (b) The following governmental bodies are subject to this article except as it relates to the purchase of professional services and the oversight and authority of the Chief Procurement Officer, but shall establish and maintain procurement offices and personnel and shall adopt rules as may be necessary to comply with this article:
- 298 (1) All educational and eleemosynary institutions
 299 governed by a board of trustees or other similar governing
 300 body.
- 301 (2) The Retirement Systems of Alabama.
- 302 (3) The Department of Mental Health.
 - (c) The Alabama Department of Transportation is subject to this article except as it relates to the purchase of professional services and shall adopt rules governing the purchase of professional services by the department which are consistent with the principles contained in this article and promote fairness, competition, transparency, integrity, and value in the procurement process.
 - (d) The procurement of any supplies, services, or professional services by a district attorney or sheriff shall be solely governed by Article 3, commencing with Section 41-16-50 of Chapter 16.





314 (d) (e) The procurement of any supplies or services by a legislative agency or judicial agency shall be solely governed 315 316 by procedures adopted by the Legislative Council for all 317 legislative agencies and by rules adopted by the Supreme Court of Alabama for all judicial agencies. The procedures adopted 318 319 shall be consistent with any applicable requirements of the 320 Constitution of Alabama of $\frac{1901}{2022}$, and shall be established 321 in accordance with the underlying purposes and policies of 322 promoting responsible and efficient use of public funds dedicated and appropriated to the agencies for their use, 323 324 providing consistency of application of rules and requirements 325 across all agencies within the applicable branch of state 326 government, and promoting fairness, competition, transparency, 327 integrity, and value in the procurement process. In no case may the legislative and judicial departments of the state 328 329 adopt procedures that conflict with the laws of this state 330 regarding the public disclosure of the use of public funds and 331 the transparency of public expenditures, or that otherwise 332 conflict with state law regarding public records and public 333 access to those records. Except for the requirement to act in 334 good faith, no other provision of this article shall apply to 335 legislative or judicial agencies; provided, that the 336 legislative and judicial departments may adopt all or any part 337 of this article and its accompanying rules. 338 (e) (f) The procurement of any supplies or services by

(e) (f) The procurement of any supplies or services by the Alabama State Port Authority shall be solely governed by procedures adopted by the Board of Directors of the Alabama State Port Authority. The procedures adopted shall be

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342 consistent with any applicable requirements of the 343 Constitution of Alabama of $\frac{1901}{2022}$, and shall be established 344 in accordance with the underlying purposes and policies of 345 promoting responsible and efficient use of the funds of the 346 Alabama State Port Authority, providing consistency of application of rules and requirements across all agencies 347 348 within the applicable branch of state government, and 349 promoting fairness, competition, transparency, integrity, and 350 value in the procurement process. Except for the protection of information otherwise legally considered commercially 351 352 confidential, sensitive, or of a nature that upon release 353 would harm the competitive advantage of itself or its customers, concessionaires, lessees, or suppliers, the Alabama 354 State Port Authority may not adopt procedures that conflict 355 356 with the laws of this state regarding the public disclosure of 357 the use of its funds and the transparency of its expenditures, 358 or that otherwise conflict with state law regarding public 359 records and public access to those records. Except as provided 360 in this subsection and the requirement to act in good faith, 361 no other provision of this article shall apply to the Alabama 362 State Port Authority; provided, however, that the Alabama 363 State Port Authority may adopt all or any part of this article 364 and its accompanying rules."

"\$41-4-125

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(a) (1) Except as otherwise provided in this section, attorneys retained to represent the state in litigation shall be appointed by the Attorney General in consultation with the Governor from a list of attorneys maintained by the Attorney



General. All attorneys interested in representing the state may apply and shall be included on the list. The selection of the attorney or law firm shall be based upon the level of skill, experience, and expertise required in the litigation and the fees charged by the attorney or law firm shall be taken into consideration so that the state receives the best representation for the funds paid. Fees shall be negotiated and approved by the Governor in consultation with the Attorney General. Maximum fees paid for legal representation that does not involve a contingency fee contract may be established by executive order of the Governor.

- (2) Attorneys retained by any state purchasing entity to render nonlitigation legal services shall be selected by the entity from a list of attorneys maintained by the Legal Advisor to the Governor. All attorneys interested in representing any purchasing state entity may apply and shall be included on the list. The selection of the attorney or law firm shall be based upon the level of skill, experience, and expertise required for the services, but the fees charged by the attorney or law firm shall be taken into consideration so that the state entity shall receive the best representation for the funds paid. Fees for the services shall be negotiated by the state entity requiring the services and shall be subject to the review and approval of the Governor or the Director of Finance when so designated by the Governor.
- (b) This <u>section article</u> does not apply to either of the following:
 - (1) The appointment of attorneys or experts by a court.



398 (2) The retention of experts by the state for the 399 purposes of litigation or avoidance of litigation.

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- (c) Nothing in this section shall be construed as altering or amending the Governor's authority to retain attorneys under Section 36-13-2; provided, the Governor shall select the attorneys from three proposals received from attorneys included on the list maintained by the Attorney General.
- (d) (1) A governmental body may not enter into a contingency fee contract with any attorney or law firm unless the contracting agency makes a written determination prior to entering into a contingency fee contract that contingency fee representation is both cost effective and in the public interest. Any written determination shall include specific findings for each of the following factors:
- a. Whether there are sufficient and appropriate legal and financial resources within the state to handle the matter without a contingency contract.
 - b. The expected time and labor required, the novelty, complexity, and difficulty of the questions involved, and the skill requisite to perform the attorney services properly.
- c. The geographic area where the attorney services are to be provided.
- d. The amount of experience desired for the particular kind of attorney services to be provided and the nature of the private attorney's experience with similar issues or cases.
- 424 (2) Subject to subdivision (3), the state may not enter 425 into a contingency fee contract that provides for the



- 426 contingency fee counsel to receive an aggregate contingency
- 427 fee calculated from the gross recovery resulting from a
- 428 judgment or settlement in each action, exclusive of expenses,
- in excess of the total of all of the following:
- a. Twenty-two percent of any recovery of up to that
- does not exceed ten million dollars (\$10,000,000); plus
- b. Twenty percent of any portion of the recovery
- 433 between that exceeds ten million dollars (\$10,000,000) and but
- does not exceed twenty-five million dollars (\$25,000,000);
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- c. Sixteen percent of any portion of the recovery
- 437 between that exceeds twenty-five million dollars (\$25,000,000)
- 438 and but does not exceed fifty million dollars (\$50,000,000);
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- 440 d. Twelve percent of any portion of the recovery
- 441 between that exceeds fifty million dollars (\$50,000,000) and
- 442 but does not exceed seventy-five million dollars
- 443 (\$75,000,000); plus
- e. Eight percent of any portion of the recovery between
- 445 seventy-five million dollars (\$75,000,000) and one hundred
- 446 million dollars (\$100,000,000); plus
- f. Seven and one-tenth (7.1) percent of any portion of
- 448 the recovery exceeding one hundred million dollars
- 449 (\$100,000,000).
- 450 (3) The aggregate fee paid under a contingency fee
- 451 contract may not exceed seventy-five million dollars
- 452 (\$75,000,000).
- 453 (4) All litigation expenses incurred by the contingency



fee counsel shall be paid or reimbursed upon approval on a monthly basis upon presentation of documentation of the expenses to the contracting agency.

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- (5) The Attorney General may certify in writing to the Governor that, in the opinion of the Attorney General, an issue affecting the public health, safety, convenience, or economic welfare of the state exists that justifies that the contingency fee limitations set forth in subdivision (2) or (3) be suspended in the case of a particular contingency fee contract. Upon receipt of the written certification, the Governor, by the issuance of an executive order, may waive the limitations with respect to the specified contingency fee contract.
- 467 (6) A governmental body may not enter into a
 468 contingency fee contract unless all of the following
 469 requirements are met throughout the entire contract period,
 470 including any extensions of the period:
- a. A government attorney has complete control over the course and conduct of the case.
- b. A government attorney with supervisory authority is personally involved in overseeing the litigation.
- decisions made by the contingency fee counsel.
- d. After giving reasonable notice to the contingency
 fee counsel, any defendant that is the subject of the
 litigation may contact the lead government attorney directly
 unless directed to do otherwise by that attorney. Contingency
 fee counsel shall have the right to may participate in the



- discussion with the lead government attorney or attorneys
 unless, after consultation with contingency fee counsel, the
 lead government attorney agrees to the discussion without
- 485 contingency fee counsel being present.

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- 486 e. A government attorney with supervisory authority for 487 the case shall attend all settlement conferences.
- f. Decisions regarding settlement of the case shall be reserved exclusively to the discretion of the government attorney and the state.
 - (7) The Attorney General shall develop a standard addendum to every contract for contingent fee attorney services that shall be used in all cases, describing in detail what is expected of both the contingency fee counsel and the state, including, without limitation, the requirements listed in subdivision (6).
- 497 (8) Copies of any executed contingency fee contract and 498 the contracting agency's written determination to enter into 499 the contingency fee contract with the contingency fee counsel 500 and any payment of any contingency fees shall be posted online 501 as provided in Section 41-4-65.
- 502 (9) Every contingency fee counsel, from the inception 503 of the contingency fee contract until at least four years 504 after the contract expires or is terminated, shall maintain 505 detailed current records, including documentation of all time records, expenses, disbursements, charges, credits, underlying 506 507 receipts and invoices, and other financial transactions that concern the provision of the attorney services. The 508 509 contingency fee counsel shall make all the records available



- for inspection and copying upon request by the Governor,
- 511 Attorney General, or contracting agency. In addition, the
- 512 contingency fee counsel shall maintain detailed
- 513 contemporaneous time records for the attorneys and paralegals
- 514 working on the contract in six minute increments and, upon
- 515 request, shall provide promptly these records to the Governor,
- 516 Attorney General, or contracting agency.
- 517 (10) Any contingency fee paid to a private attorney or
- law firm shall be paid from the State Treasury from the funds
- 519 recovered as a result of the contingent contingency fee
- 520 contract within 30 days of receipt of the recovery unless
- 521 ordered to do otherwise by a court with jurisdiction over the
- 522 litigation subject to the contingency fee contract."
- 523 "\$41-4-126
- 524 (a) Unless otherwise ordered by rule, with approval of
- 525 the Governor, the following supplies and services need not be
- 526 procured through the Office of the Chief Procurement Officer
- 527 Division of Procurement and are exempt from the competitive
- 528 requirements of this article:
- 529 (1) Works of art for museum and public display.
- 530 (2) Published books in any format such as digital,
- audio, or hardcopy; maps; periodicals; and technical
- 532 pamphlets.
- 533 (3) Utility services where no competition exists or
- 534 where rates are fixed by law.
- 535 (4) Purchases of alcoholic beverages by the Alcoholic
- 536 Beverage Control Board.
- 537 (5) Purchases of products made or manufactured by the



- 538 blind or visually handicapped under the direction or
 539 supervision of the Alabama Institute for Deaf and Blind in
 540 accordance with Sections 21-2-1 to 21-2-4, inclusive Chapter 2
 541 of Title 21.
 - (6) Photographs purchased from a federal agency.
- 543 (7) Barter transactions by the Department of 544 Corrections.

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- 545 (8) The purchase of insurance and supplies or services 546 related to the purchase of insurance.
 - (9) Supplies and services that by their very nature are impossible to award by competitive process, as determined by the Chief Procurement Officer.
 - (b) Any state department or agency whose principal business is honorariums is exempted from this chapter on purchases and contracts for services made by that department or agency.
- 554 (c) Nothing in this article is intended to repeal or 555 limit any provision of Section 23-1-40 or Sections 23-2-140 556 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title 557 23, commencing with Section 23-2-140, relating to the 558 procurement authority of the State Department of 559 Transportation and the Alabama Toll Road, Bridge and Tunnel 560 Authority. To the extent any provision contained in this article conflicts with Section 23-1-40 or Sections 23-2-140 561 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title 562 563 23, the latter governs.
 - (d) Nothing in this article repeals or limits any provision of Section 41-4-400, relating to the procurement



authority of the Division of Construction Management. To the extent any provision contained in this article conflicts with Section 41-4-400, the latter governs.

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- (e) Nothing in this article repeals or limits any provision of Section 14-7-8, relating to the procurement authority of Alabama Correctional Industries. To the extent any provision contained in this article conflicts with Section 14-7-8, the latter governs.
- 574 (f) This article does not apply to any state authority, 575 board, or other entity with respect to contracts relating to 576 the issuance of debt that is required to be repaid from 577 sources other than state funds.
- 578 (g) This article does not apply to direct health care 579 services provided by the Alabama Department of Public Health.
 - (h) Nothing in this article applies to the administration of health benefit plans by a governmental body and supplies or services related thereto.
 - (i) Except for capital equipment, this article does not apply to the purchase by a public hospital of medical products, medical supplies, medical devices, services, implants, pharmaceuticals, fluids, gases, or any other medical products which are used in the course of treating patients, or to support the treatment of patients.
 - (j)(1) Except as provided in subdivision (2), the purchase of supplies or services negotiated on behalf of two-year and four-year colleges and universities may be awarded without competitive bidding, provided that no state revenues, appropriations, or other state funds are expended or



committed and when it is determined by the respective board that financial benefits will accrue to the institution.

- (2) When an Alabama business entity organized under the laws of this state is available to supply the product or service purchased or negotiated under subdivision (1), the Alabama business entity shall have preference unless the product or service supplied by a foreign corporation is substantially different or superior to the product or service supplied by the Alabama business entity.
- (3) Public notice shall be provided by the purchasing agency within 10 days of the execution of a contract under this subsection. The public notice shall include, at a minimum, the terms and conditions of any of the supplies or services that are contracted through negotiation without being competitively bid and the name and address of the recipient of the contract.
- (k) This article does not apply to purchases and contracts for the repair of equipment used in the construction and maintenance of highways by the Department of Transportation.
 - (1) This article does not apply to public works projects governed by Title 39.
 - (m) This article does not apply to the purchase by the Department of Transportation of road building materials for transportation infrastructure in the state. Road building materials may be purchased from private land owners or commercial providers from the nearest or most cost-effective source available for the particular application. Road building



- materials include dirt, gravel, stone, slag, or borrow
 materials, in natural state or processed by crushing, grading,
 or screening processes.
- (n) This article does not apply to purchases of supplies and services for the maintenance and operation of highway infrastructure and right-of-way by the Department of Transportation.
- (o) Nothing in this article is intended to repeal or
 limit any provision of Article 2, Chapter 1, Title 23,
 relating to the powers and authority of the Department of
 Transportation. To the extent any provision contained in this
 article conflicts with Article 2, Chapter 1, Title 23, the
 latter governs.
- (p) Governmental bodies may purchase supplies from any 635 636 vendor that offers the item at a price at least ten percent 637 below the price established on a statewide contract by the 638 Office of the Chief Procurement Officer Division of 639 Procurement for the same item, provided that each purchase, 640 whether for a single item or multiple items, does not exceed 641 an amount established by rules of the Chief Procurement 642 Officer. The Office of the Chief Procurement Officer Division 643 of Procurement shall confirm that the terms and conditions of 644 the purchases are substantially similar to those of the 645 statewide contract for the same item prior to the approval of any purchase under this subsection. Any purchase that would be 646 647 directly connected to any information technology network used 648 by the state shall require prior approval by the Secretary of Information Technology. If the purchaser is to take possession 649



650 of the purchased supplies at the vendor's physical location, 651 any acquisition of supplies under this subsection may be purchased only from vendors physically located within the 652 653 state. The price of any supplies purchased under this 654 subsection shall be the market price readily available to the 655 public at large. The acquisition of supplies under this 656 subsection is subject to the supervision and administration of 657 the Office of the Chief Procurement Officer Division of

Procurement.

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- (q) Nothing in this article is intended to repeal or limit any provision of Chapter 61E of Title 16, relating to the powers and authority of the Department of Education to enter into joint purchasing agreements on behalf of educational institutions. To the extent any provision contained in this article conflicts with Chapter 61E of Title 16, the latter governs.
- 666 (r) Nothing in this article shall be construed as 667 repealing Section 9-2-106 or Section 9-2-107.
 - (s) This article does not apply to purchases by the Alabama Department of Rehabilitation Services of supplies and services for the Alabama Department of Rehabilitation Services consumers.
- (t) This article does not apply to the Alabama Medicaid

 Agency for purposes of the selection of professional service

 providers for contracts with physicians, pharmacists,

 dentists, optometrists, opticians, nurses, and other health

 professionals which involve only service on agency task

 forces, boards, or committees."



678 "\$41-4-139

- (a) A written determination of nonresponsibility of a bidder or offeror shall be made in accordance with rules adopted by the Chief Procurement Officer. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of nonresponsibility with respect to the bidder or offeror.
- (b) Confidential information furnished by a bidder or
 offeror under this section may not be disclosed outside of the
 Office of the Chief Procurement Officer Division of
 Procurement or the purchasing agency without the prior written
 consent of the bidder or offeror."

691 "\$41-4-172

A public procurement unit may sell to, acquire from, or use any supplies or services belonging to another public procurement unit without regard to the requirements of Division 3."

696 "\$29-2-41.1

In case of an emergency adversely affecting public health, <u>public</u> safety, <u>security</u>, or <u>the economic public</u> welfare of the state, so declared in writing to the Governor by the <u>Chief Procurement Officer or the head of the institution or a purchasing agency involved</u>, as defined under <u>Section 41-4-114</u>, setting forth the nature of the danger to public health, <u>public</u> safety, <u>security</u> or the economic <u>public</u> welfare of the state, contracts may be let to the extent necessary to meet the emergency without review by the

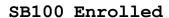




706 committee. Any contract let pursuant to this section involving 707 an emergency adversely affecting the economic public welfare of the state shall be let for a period of not more than 60 708 709 days during which time the committee shall review a contract 710 for a longer period of time if such services are required 711 beyond the 60-day limit hereby imposed." 712 Section 2. Section 41-4-125.01 is added to the Code of 713 Alabama 1975, to read as follows: 41-4-125.01 714 Physicians retained to provide medical services to the 715 716 State of Alabama shall be selected by the purchasing state 717 entity from a list of qualified physicians maintained by the Alabama Medical Licensure Commission. All physicians 718 interested in providing medical services to the State of 719 720 Alabama may apply and shall be included on the listing. 721 Section 3. This act shall become effective immediately 722 following its passage and approval by the Governor, or its

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otherwise becoming law.





President and Presiding Officer of the Senate Speaker of the House of Representatives SB100 Senate 03-May-23 I hereby certify that the within Act originated in and passed the Senate. Patrick Harris, Secretary. House of Representatives Amended and passed: 06-Jun-23 Senate concurred in House amendment 06-Jun-23 By: Senator Orr