

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



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SYNOPSIS:

Under existing law, with exceptions, the Chief Procurement Officer administers and oversees the procurement of supplies and services of any state governmental body.

This bill would change the name of the Office of the Chief Procurement Officer to the Division of Procurement.

This bill would specify that the appointment of attorneys and experts by a court, and the retention of experts for purposes of litigation or avoidance of litigation, is not subject to the procurement code.

This bill would provide an exemption to the procurement code for the procurement of certain health professionals who provide services on Alabama Medicaid Agency task forces, committees, and boards.

This bill would further provide for the authority to make emergency procurements and the authority of the Contract Review Legislative Oversight Committee to review those procurements.

This bill would authorize the redaction of certain professional service contracts entered into by the Attorney General until the conclusion of litigation.

This bill would provide for the procurement of



29 physicians retained by a governmental agency to provide 30 medical services to the State of Alabama. 31 This bill would further define professional 32 services to include the management or administration of 33 occupational licensing boards, and would subject 34 contracts for these services to review by the Contract 35 Review Legislative Oversight Committee. 36 This bill would also subject the procurement of 37 supplies, services, and professional services by a district attorney or sheriff to the competitive bid law 38 39 governing counties and municipalities and exempt them 40 from the state procurement code. 41 42 43 44 A BILL 45 TO BE ENTITLED 46 AN ACT

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48 Relating to state government; to amend Sections 49 41-4-114, 41-4-120, 41-4-122 as last amended by Act 2022-35750 of the 2022 Regular Session, 41-4-124, 41-4-125, Section 51 41-4-126 as last amended by Act 2022-357 of the 2022 Regular 52 Session, 41-4-136, 41-4-139, 41-4-172, 29-2-41.1, and 53 29-2-41.2, Code of Alabama 1975, to further provide exemptions to the state procurement code; to further provide for the 54 55 authority to make emergency procurements and the review of 56 those procurements by the Contract Review Legislative



- 57 Oversight Committee; to provide for the procurement of certain
- health professionals who provide services to the Medicaid
- 59 Agency under certain conditions; to provide for the redaction
- of certain professional services contracts by the Attorney
- 61 General; to further provide for the definition of professional
- 62 services to include the management and administration of
- 63 occupational licensing boards; to provide for the procurement
- 64 of supplies, services, and professional services by district
- attorneys or sheriffs; to provide for the change of the name
- of the Office of the Chief Procurement Officer to the Division
- of Procurement; and to add Section 41-4-125.01 to the Code of
- 68 Alabama 1975, to provide for the procurement of physicians
- 69 retained to provide medical services to the State of Alabama.
- 70 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 71 Section 1. Sections 41-4-114, 41-4-120, 41-4-122 as
- 12 last amended by Act 2022-357 of the 2022 Regular Session,
- 73 41-4-124, 41-4-125, Section 41-4-126 as last amended by Act
- 74 2022-357 of the 2022 Regular Session, 41-4-139, 41-4-172,
- 75 29-2-41.1, and 29-2-41.2, Code of Alabama 1975, are amended to
- 76 read as follows:
- 77 "\$41-4-114
- 78 (a) For purposes of this article, the following words
- 79 shall—have the following meanings:
- 80 (1) BUSINESS. Any corporation, partnership, individual,
- 81 sole proprietorship, joint stock company, joint venture, or
- 82 other private legal entity.
- 83 (2) CAPITAL EQUIPMENT. Tangible personal property that
- 84 can be appraised for value, is not disposable or consumable,



is stand alone, and has a useful life of one year or more.

- (3) CHANGE ORDER. A written order signed by the procurement officer directing the contractor to make changes which the changes clause of the contract authorizes the procurement officer to order without the consent of the contractor.
- 91 (4) CHIEF PROCUREMENT OFFICER. The person_individual
 92 holding the position created in Section 41-4-120, as the head
 93 of the Office of the Chief Procurement Officer Division of
 94 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.
 - (6) CONTINGENCY FEE COUNSEL. An attorney or attorneys 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.
- 107 (8) CONTRACT MODIFICATION. Any written alteration in
 108 specifications, delivery point, rate of delivery, period of
 109 performance, price, quantity, or other provisions of any
 110 contract accomplished by mutual action of the parties to the
 111 contract.
- 112 (9) CONTRACTING AGENCY. The Governor, Attorney General,



- or director of a state agency, department, bureau, commission,
- 114 authority, public corporation, or instrumentality of the State
- of Alabama that seeks to enter a contract.
- 116 (10) CONTRACTOR. Any person having a contract with a
- 117 governmental body.
- 118 (11) DATA. Recorded information, regardless of form or
- 119 characteristic.
- 120 (12) DESIGNEE. A duly authorized representative of a
- 121 person.
- 122 (13) ELECTRONIC. Electrical, digital, magnetic,
- 123 optical, electromagnetic, or other similar technology.
- 124 (14) GOVERNMENTAL BODY. Except as otherwise provided in
- 125 this article, an agency, department, board, bureau,
- 126 commission, committee, institution, corporation, authority, or
- office of this state. The term does not include the
- 128 legislative or judicial departments of the state or a
- 129 legislative or judicial agency, the Alabama State Port
- 130 Authority, municipalities, or the county commission and
- 131 governing boards of instrumentalities of counties including
- 132 waterworks boards, sewer boards, gas boards, and other like
- 133 utility boards and commissions.
- 134 (15) GRANT. The furnishing by the state or federal
- 135 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
- 138 end product, whether in the form of supplies or services.
- 139 (16) JUDICIAL AGENCY. Any department, appellate court,
- 140 trial court, board, body, bureau, commission, committee,

141	institution,	corporation,	authority,	or	office	created,
142	established,	and operating	g as an age	ncy	of the	judicial

143 department of this state. The term includes, but is not

- 144 limited to, the Administrative Office of Courts, the State Law
- 145 Library, the Court of the Judiciary, and the Sentencing
- 146 Commission.
- 147 (17) LEGISLATIVE AGENCY. The Alabama State Legislature
- 148 and any department, board, body, bureau, commission,
- 149 committee, institution, corporation, authority, or office
- 150 created, established, and operating as an agency of the
- 151 legislative department of this state. The term includes, but
- 152 is not limited to, the Legislative Services Agency and the
- 153 Department of Examiners of Public Accounts.
- 154 (18) PERSON. An individual, corporation, association,
- 155 partnership, limited liability corporation, union, committee,
- 156 club, other organization, or group.
- 157 (19) PROCUREMENT. Buying, purchasing, renting, leasing,
- or otherwise acquiring any supplies or services. The term
- 159 includes all functions that pertain to the obtaining of any
- supply or service, including description of requirements,
- 161 selection and solicitation of sources, preparation and award
- of contracts, and all phases of contract administration. The
- 163 term does not include the leasing of real property.
- 164 (20) PROCUREMENT OFFICER. Any person individual duly
- 165 authorized by the Chief Procurement Officer to enter into and
- 166 administer contracts and make written determinations with
- 167 respect to those contracts. The term includes an authorized
- 168 representative acting within the limits of authority.



169	(21) PROFESSIONAL SERVICES. The services of physicians,
170	architects, engineers, landscape architects, land surveyors,
171	geoscientists, attorneys, teachers, artists, appraisers, and
172	other individuals, or business entities offering the services
173	of those individuals, who possess a high degree of scientific
174	or specialized skill and knowledge where the experience and
175	professional qualifications of the service provider are
176	particularly relevant to the provision of the required
177	service. The term also includes the management or
178	administration of any occupational licensing board, as defined
179	under Section 41-9A-1, by a person other than a state
180	<pre>employee.</pre>

- 181 (22) PUBLIC FUNDS. Money, regardless of its source, 182 that is owned or held by a governmental body.
- 183 (23) PUBLIC NOTICE. The distribution or dissemination
 184 of information to interested parties using methods that are
 185 reasonably available, including, but not limited to,
 186 publication in newspapers of general circulation, electronic
 187 or paper mailing lists, and websites designated by the state
 188 and maintained for that purpose.
- 189 (24) PURCHASING AGENCY. A governmental body, other than
 190 the Office of the Chief Procurement Officer, that is
 191 authorized by this article, its implementing rules, or by
 192 delegation from the Chief Procurement Officer to enter into
 193 contracts.
- 194 (25) SERVICES. The furnishing of labor, time, or effort
 195 by a contractor. The term does not include the delivery of a
 196 specific end product, other than reports that are merely



- 197 incidental to the required performance.
- 198 (26) SIGNATURE. A manual signature or an electronic 199 signature, as defined in Section 8-1A-2.
- 200 (27) SOLICITATION. Any request to submit quotes, bids, 201 or offers to the state for the procurement of supplies or 202 services. The term includes invitations to bid and requests
- 204 (28) SUPPLIES. All property, including equipment,
 205 materials, and printing. The term does not include land or a
 206 permanent interest in land.
- 207 (29) USING AGENCY. A governmental body that utilizes 208 any supplies or services procured under this article.
- 209 (30) WRITTEN or IN WRITING. The product of any method
 210 of forming characters on paper, other materials, or viewable
 211 screens, which can be read, retrieved, and reproduced,
 212 including information that is electronically transmitted and
 213 stored.
- 214 (b) The terms state, state department, state agency,
 215 agency, state entity, instrumentality of the state, and
 216 governmental body do not include municipalities, political
 217 subdivisions, county commissions, or the governing boards of
 218 instrumentalities of counties including waterworks boards,
 219 sewer boards, gas boards, and other like utility boards and
 220 commissions."
- 221 "\$41-4-120

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for proposals.

- There is created within the Department of Finance the

 Office of the Chief Procurement Officer Division of
- 224 Procurement, headed by the Chief Procurement Officer."



225 "\$41-4-122

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

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- (b) Consistent with this article, the Chief Procurement
 Officer shall adopt operational procedures governing the
 internal functions of the Office of the Chief Procurement
 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:
- 237 (1) Except for alcoholic beverages, which shall be
 238 purchased by the Alcoholic Beverage Control Board, procure or
 239 supervise the procurement of all supplies and services needed
 240 by the state.
 - (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.
- 245 (3) Require, upon request of the Chief Procurement 246 Officer, the periodic reporting of all procurement by or for 247 counties, the purchase, contract, or lease price of which is 248 one hundred dollars (\$100) or more, and require information in 249 connection therewith; to prescribe forms and fix the time for 250 submitting such reports; and, when requested by any county, municipal corporation, other local public body, including any 251 252 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 Division of Procurement, whenever
requested to do so, but not more than once every 30 days.

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- (4) Perform other functions and duties of the Department of Finance as may be assigned by the Director of Finance.
- 260 (d) The Chief Procurement Officer may establish and 261 maintain a system for the purchase of supplies and services by 262 governmental bodies that conduct their procurement activities 263 through the Office of the Chief Procurement Officer Division 264 of Procurement, through the utilization of approved credit 265 cards. County and municipal governments and instrumentalities 266 or public corporations thereof may participate in the state 267 fleet fuel card program subject to the terms and conditions of the program related to the utilization of the fleet fuel card; 268 269 provided, however, that county and municipal governments and 270 instrumentalities or public corporations thereof shall not 271 otherwise be subject to this subsection. The Chief Procurement 272 Officer shall establish by rule a process for the competitive 273 solicitation of credit card providers. The state Comptroller 274 and the Chief Procurement Officer shall adopt fiscal 275 procedures governing the payment of charges incurred by credit 276 card users and the utilization of credit cards. The use of 277 approved credit cards shall be established by the state 278 Comptroller and the Chief Procurement Officer, with the approval of the Director of Finance, and be published through 279 280 the Alabama fiscal procedures, in which each purchase made

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281	using approved credit cards is required to have prior approval
282	by the department head or his or her designee and a record of
283	each purchase and approval is to be maintained. The Chief
284	Procurement Officer may select the provider or providers
285	offering the highest fees to the division for the use of its
286	credit card or credit cards. Fees received by the division for
287	the use of credit cards shall be placed in a special fund
288	entitled the State Procurement Fund in the State Treasury for
289	the use of the division and the funds shall be appropriated,
290	budgeted, and allotted in accordance with Sections 41-4-80 to
291	41-4-96, inclusive, and 41-19-1 to 41-19-12, inclusive, and
292	only in amounts stipulated in general appropriations bills and
293	other appropriation bills. Approved credit cards may be issued
294	to requisitioning agencies upon the recommendation of the
295	Chief Procurement Officer and the approval of the Director of
296	Finance. Approved credit cards shall be assigned to the
297	department and limited in number. Approved credit cards may be
298	utilized to purchase items of supplies and services, and may
299	not exceed the limitations set forth by rule. The director of
300	the governmental body utilizing credit cards is responsible
301	for the proper use of credit cards assigned to his or her
302	agency, in accordance with rules established by Alabama fiscal
303	procedures. The Chief Procurement Officer may collect any
304	credit card from any governmental body at any time due to
305	improper use. The Chief Procurement Officer shall submit an
306	annual report and accounting regarding the use of credit cards
307	by each governmental body to the Director of Finance and the
308	Governor.



310	<u>Division of Procurement</u> may charge a biannual registration fee
311	to vendors desiring to register with the office to receive
312	invitations to bid for any supplies or services solicited by
313	the division and to governmental bodies for their
314	proportionate share of operating costs of the office. Any fee
315	shall be set by administrative rule upon the approval of the
316	Director of Finance. Any fees collected under this subsection
317	shall be deposited in the State Treasury to the credit of the

and allotted in accordance with Sections 41-4-80 to 41-4-96,

State Procurement Fund and shall be appropriated, budgeted,

- 320 inclusive, and 41-19-1 to 41-19-12, inclusive, and only in
- 321 amounts stipulated in general appropriations bills and other
- 322 appropriation bills.

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323 (f) The Chief Procurement Officer shall adopt rules 324 consistent with this article to govern the procurement of

supplies and services procured by the state."

(e) The Office of

- 326 "\$41-4-124
- 327 (a) Except as otherwise provided in this article, all
 328 rights, powers, duties, and authority relating to the
 329 procurement of supplies and services now vested in, or
 330 exercised by, any governmental body under existing law are
 331 transferred to the Chief Procurement Officer.
- 332 (b) The following governmental bodies are subject to
 333 this article except as it relates to the purchase of
 334 professional services and the oversight and authority of the
 335 Chief Procurement Officer, but shall establish and maintain
 336 procurement offices and personnel and shall adopt rules as may



337 be necessary to comply with this article:

- 338 (1) All educational and eleemosynary institutions 339 governed by a board of trustees or other similar governing 340 body.
- 341 (2) The Retirement Systems of Alabama.
- 342 (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.
- 350 (d) The procurement of any supplies, services, or
 351 professional services by a district attorney or sheriff shall
 352 be solely governed by Article 3, commencing with Section
 353 41-16-50 of Chapter 16.
 - (d) (e) The procurement of any supplies or services by a legislative agency or judicial agency shall be solely governed by procedures adopted by the Legislative Council for all legislative agencies and by rules adopted by the Supreme Court of Alabama for all judicial agencies. The procedures adopted shall be consistent with any applicable requirements of the Constitution of Alabama of 1901 2022, and shall be established in accordance with the underlying purposes and policies of promoting responsible and efficient use of public funds dedicated and appropriated to the agencies for their use, providing consistency of application of rules and requirements

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across all agencies within the applicable branch of state government, and promoting fairness, competition, transparency, integrity, and value in the procurement process. In no case may the legislative and judicial departments of the state adopt procedures that conflict with the laws of this state regarding the public disclosure of the use of public funds and the transparency of public expenditures, or that otherwise conflict with state law regarding public records and public access to those records. Except for the requirement to act in good faith, no other provision of this article shall apply to legislative or judicial agencies; provided, that the legislative and judicial departments may adopt all or any part of this article and its accompanying rules.

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 consistent with any applicable requirements of the Constitution of Alabama of 1901 2022, and shall be established in accordance with the underlying purposes and policies of promoting responsible and efficient use of the funds of the Alabama State Port Authority, providing consistency of application of rules and requirements across all agencies within the applicable branch of state government, and promoting fairness, competition, transparency, integrity, and value in the procurement process. Except for the protection of information otherwise legally considered commercially confidential, sensitive, or of a nature that upon release

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would harm the competitive advantage of itself or its customers, concessionaires, lessees, or suppliers, the Alabama State Port Authority may not adopt procedures that conflict with the laws of this state regarding the public disclosure of the use of its funds and the transparency of its expenditures, or that otherwise conflict with state law regarding public records and public access to those records. Except as provided in this subsection and the requirement to act in good faith, no other provision of this article shall apply to the Alabama State Port Authority; provided, however, that the Alabama State Port Authority may adopt all or any part of this article and its accompanying rules."

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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.



- 421 (2) Attorneys retained by any state purchasing entity 422 to render nonlitigation legal services shall be selected by 423 the entity from a list of attorneys maintained by the Legal 424 Advisor to the Governor. All attorneys interested in 425 representing any purchasing state entity may apply and shall 426 be included on the list. The selection of the attorney or law 427 firm shall be based upon the level of skill, experience, and 428 expertise required for the services, but the fees charged by 429 the attorney or law firm shall be taken into consideration so that the state entity shall receive the best representation 430 431 for the funds paid. Fees for the services shall be negotiated 432 by the state entity requiring the services and shall be 433 subject to the review and approval of the Governor or the 434 Director of Finance when so designated by the Governor.
- 435 (b) This <u>section article</u> does not apply to either of the following:
 - (1) The appointment of attorneys or experts by a court.
- 438 (2) The retention of experts by the state for the 439 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:

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- 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.
 - (2) Subject to subdivision (3), the state may not enter into a contingency fee contract that provides for the contingency fee counsel to receive an aggregate contingency fee calculated from the gross recovery resulting from a 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

 between that exceeds ten million dollars (\$10,000,000) and but

 does not exceed twenty-five million dollars (\$25,000,000);

 plus
 - c. Sixteen percent of any portion of the recovery



- 477 between that exceeds twenty-five million dollars (\$25,000,000)
- 478 and but does not exceed fifty million dollars (\$50,000,000);
- 479 plus
- d. Twelve percent of any portion of the recovery
- 481 between that exceeds fifty million dollars (\$50,000,000) and
- but does not exceed seventy-five million dollars
- 483 (\$75,000,000); plus
- e. Eight percent of any portion of the recovery between
- 485 seventy-five million dollars (\$75,000,000) and one hundred
- 486 million dollars (\$100,000,000); plus
- f. Seven and one-tenth (7.1) percent of any portion of
- 488 the recovery exceeding one hundred million dollars
- 489 (\$100,000,000).
- 490 (3) The aggregate fee paid under a contingency fee
- 491 contract may not exceed seventy-five million dollars
- 492 (\$75,000,000).
- 493 (4) All litigation expenses incurred by the contingency
- 494 fee counsel shall be paid or reimbursed upon approval on a
- 495 monthly basis upon presentation of documentation of the
- 496 expenses to the contracting agency.
- 497 (5) The Attorney General may certify in writing to the
- 498 Governor that, in the opinion of the Attorney General, an
- 499 issue affecting the public health, safety, convenience, or
- 500 economic welfare of the state exists that justifies that the
- 501 contingency fee limitations set forth in subdivision (2) or
- 502 (3) be suspended in the case of a particular contingency fee
- 503 contract. Upon receipt of the written certification, the
- 504 Governor, by the issuance of an executive order, may waive the



- limitations with respect to the specified contingency fee contract.
- 507 (6) A governmental body may not enter into a
 508 contingency fee contract unless all of the following
 509 requirements are met throughout the entire contract period,
 510 including any extensions of the period:
- a. A government attorney has complete control over the course and conduct of the case.
- 513 b. A government attorney with supervisory authority is 514 personally involved in overseeing the litigation.
- 515 c. A government attorney retains veto power over any decisions made by the contingency fee counsel.
- 517 d. After giving reasonable notice to the contingency 518 fee counsel, any defendant that is the subject of the 519 litigation may contact the lead government attorney directly 520 unless directed to do otherwise by that attorney. Contingency 521 fee counsel shall have the right to may participate in the 522 discussion with the lead government attorney or attorneys 523 unless, after consultation with contingency fee counsel, the 524 lead government attorney agrees to the discussion without 525 contingency fee counsel being present.
- e. A government attorney with supervisory authority for 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.
- 531 (7) The Attorney General shall develop a standard 532 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).

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- (8) Copies of any executed contingency fee contract and the contracting agency's written determination to enter into the contingency fee contract with the contingency fee counsel and any payment of any contingency fees shall be posted online as provided in Section 41-4-65.
- 542 (9) Every contingency fee counsel, from the inception 543 of the contingency fee contract until at least four years after the contract expires or is terminated, shall maintain 544 545 detailed current records, including documentation of all time 546 records, expenses, disbursements, charges, credits, underlying 547 receipts and invoices, and other financial transactions that 548 concern the provision of the attorney services. The 549 contingency fee counsel shall make all the records available 550 for inspection and copying upon request by the Governor, 551 Attorney General, or contracting agency. In addition, the 552 contingency fee counsel shall maintain detailed 553 contemporaneous time records for the attorneys and paralegals 554 working on the contract in six minute increments and, upon 555 request, shall provide promptly these records to the Governor, 556 Attorney General, or contracting agency.
 - (10) Any contingency fee paid to a private attorney or law firm shall be paid from the State Treasury from the funds recovered as a result of the contingent contingency fee contract within 30 days of receipt of the recovery unless



ordered to do otherwise by a court with jurisdiction over the litigation subject to the contingency fee contract."

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- (a) Unless otherwise ordered by rule, with approval of the Governor, the following supplies and services need not be procured through the Office of the Chief Procurement Officer

 Division of Procurement and are exempt from the competitive requirements of this article:
 - (1) Works of art for museum and public display.
- 570 (2) Published books in any format such as digital, 571 audio, or hardcopy; maps; periodicals; and technical 572 pamphlets.
- 573 (3) Utility services where no competition exists or 574 where rates are fixed by law.
- 575 (4) Purchases of alcoholic beverages by the Alcoholic 576 Beverage Control Board.
- 577 (5) Purchases of products made or manufactured by the
 578 blind or visually handicapped under the direction or
 579 supervision of the Alabama Institute for Deaf and Blind in
 580 accordance with Sections 21-2-1 to 21-2-4, inclusive Chapter 2
 581 of Title 21.
- 582 (6) Photographs purchased from a federal agency.
- 583 (7) Barter transactions by the Department of Corrections.
- 585 (8) The purchase of insurance and supplies or services related to the purchase of insurance.
- 587 (9) Supplies and services that by their very nature are impossible to award by competitive process, as determined by



589 the Chief Procurement Officer.

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- (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.
- 594 (c) Nothing in this article is intended to repeal or 595 limit any provision of Section 23-1-40 or Sections 23-2-140 596 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title 597 23, commencing with Section 23-2-140, relating to the procurement authority of the State Department of 598 599 Transportation and the Alabama Toll Road, Bridge and Tunnel Authority. To the extent any provision contained in this 600 601 article conflicts with Section 23-1-40 or Sections 23-2-140 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title 602 603 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.
 - (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.
- (f) This article does not apply to any state authority, board, or other entity with respect to contracts relating to the issuance of debt that is required to be repaid from



617 sources other than state funds.

- (g) This article does not apply to direct health care services provided by the Alabama Department of Public Health.
- 620 (h) Nothing in this article applies to the
 621 administration of health benefit plans by a governmental body
 622 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.

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- (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.

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- (p) Governmental bodies may purchase supplies from any vendor that offers the item at a price at least ten percent below the price established on a statewide contract by the Office of the Chief Procurement Officer Division of Procurement for the same item, provided that each purchase, whether for a single item or multiple items, does not exceed an amount established by rules of the Chief Procurement Officer. The Office of the Chief Procurement Officer Division of Procurement shall confirm that the terms and conditions of the purchases are substantially similar to those of the statewide contract for the same item prior to the approval of any purchase under this subsection. Any purchase that would be directly connected to any information technology network used by the state shall require prior approval by the Secretary of Information Technology. If the purchaser is to take possession of the purchased supplies at the vendor's physical location, any acquisition of supplies under this subsection may be purchased only from vendors physically located within the state. The price of any supplies purchased under this subsection shall be the market price readily available to the public at large. The acquisition of supplies under this subsection is subject to the supervision and administration of the Office of the Chief Procurement Officer Division of Procurement.
 - (q) Nothing in this article is intended to repeal or limit any provision of Chapter 61E of Title 16, relating to



- 701 the powers and authority of the Department of Education to
- 702 enter into joint purchasing agreements on behalf of
- 703 educational institutions. To the extent any provision
- 704 contained in this article conflicts with Chapter 61E of Title
- 705 16, the latter governs.
- 706 (r) Nothing in this article shall be construed as
- 707 repealing Section 9-2-106 or Section 9-2-107.
- 708 (s) This article does not apply to purchases by the
- 709 Alabama Department of Rehabilitation Services of supplies and
- 710 services for the Alabama Department of Rehabilitation Services
- 711 consumers.
- 712 (t) This article does not apply to the Alabama Medicaid
- 713 Agency for purposes of the selection of professional service
- 714 providers for contracts with physicians, pharmacists,
- 715 dentists, optometrists, opticians, nurses, and other health
- 716 professionals which involve only service on agency task
- 717 forces, boards, or committees."
- 718 "\$41-4-139
- 719 (a) A written determination of nonresponsibility of a
- 720 bidder or offeror shall be made in accordance with rules
- 721 adopted by the Chief Procurement Officer. The unreasonable
- failure of a bidder or offeror to promptly supply information
- 723 in connection with an inquiry with respect to responsibility
- may be grounds for a determination of nonresponsibility with
- 725 respect to the bidder or offeror.
- 726 (b) Confidential information furnished by a bidder or
- 727 offeror under this section may not be disclosed outside of the
- 728 Office of the Chief Procurement Officer Division of



- 729 <u>Procurement</u> or the purchasing agency without the prior written 730 consent of the bidder or offeror."
- 731 "\$41-4-172
- A public procurement unit may sell to, acquire from, or use any supplies <u>or services</u> belonging to another public procurement unit without regard to the requirements of
- 736 "\$29-2-41.1

Division 3."

- 737 In case of an emergency adversely affecting public 738 health, public safety, security, or the economic public
- 739 welfare of the state, so declared in writing to the Governor
- 740 by the Chief Procurement Officer or the head of the
- 741 <u>institution or a purchasing</u> agency <u>involved</u>, as defined under
- 742 Section 41-4-114, setting forth the nature of the danger to
- 743 public health, public safety, security or the economic public
- 744 welfare of the state, contracts may be let to the extent
- 745 necessary to meet the emergency without review by the
- 746 committee. Any contract let pursuant to this section involving
- 747 an emergency adversely affecting the economic public welfare
- $\,$ 748 $\,$ of the state shall be let for a period of not more than $\,60\,$
- 749 days during which time the committee shall review a contract
- 750 for a longer period of time if such services are required
- 751 beyond the 60-day limit hereby imposed."
- 752 "\$29-2-41.2
- 753 (a) For the purposes of this article the term personal
- 754 and professional services specifically includes independent
- 755 contractor agreements as well as individual employment
- 756 agreements.

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757	(b) Notwithstanding any other provisions of this
758	article, all contracts for employment of an attorney to
759	provide legal services, including contracts involving an
760	attorney providing legal services under an agreement with the
761	Attorney General, shall be reviewed by the committee.
762	Contracts for professional services executed by the Attorney
763	General in preparation for or during litigation may be
764	redacted until the conclusion of the litigation. Provided,
765	however, contracts Contracts for appointment of attorneys for
766	the Department of Transportation for right of way condemnation
767	cases are exempt from the provisions of this article."
768	Section 2. Section 41-4-125.01 is added to the Code of
769	Alabama 1975, to read as follows:
770	41-4-125.01
771	Physicians retained to provide medical services to the
772	State of Alabama shall be selected by the purchasing state
773	entity from a list of qualified physicians maintained by the
774	Alabama Medical Licensure Commission. All physicians
775	interested in providing medical services to the State of
776	Alabama may apply and shall be included on the listing.
777	Section 3. This act shall become effective immediately
778	following its passage and approval by the Governor, or its
779	otherwise becoming law.