

- 1 2B4VKS-3
- 2 By Senator Coleman
- 3 RFD: Fiscal Responsibility and Economic Development
- 4 First Read: 03-May-23
- 5 2023 Regular Session



1 <u>Enrolled</u>, An Act,

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3	Relating to public contracts; to amend Section
4	41-16-51, Code of Alabama 1975, to further provide for
5	contracts for which competitive bidding is not required; and
6	in connection therewith would have as its purpose or effect
7	the requirement of a new or increased expenditure of local
8	funds within the meaning of Section 111.05 of the Constitution
9	of Alabama of 2022.
10	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
11	Section 1. Section 41-16-51, Code of Alabama 1975, is
12	amended to read as follows:
13	"\$41-16-51
14	(a) Competitive bids for entities subject to this
15	article shall not be required for utility services, the rates
16	for which are fixed by law, regulation, or ordinance, and the
17	competitive bidding requirements of this article shall not
18	apply to:
19	(1) The purchase of insurance.
20	(2) The purchase of ballots and supplies for conducting
21	any primary, general, special, or municipal election.
22	(3) Contracts for securing services of attorneys,
23	physicians, architects, teachers, superintendents of
24	construction, artists, appraisers, engineers, consultants,
25	certified public accountants, public accountants, or other
26	individuals possessing a high degree of professional skill
27	where the personality of the individual plays a decisive part.
28	(4) Contracts of employment in the regular civil



29 service.

30 (5) Contracts for fiscal or financial advice or 31 services.

(6) Purchases of products made or manufactured by blind
 or visually impaired individuals under the direction or
 supervision of the Alabama Institute for Deaf and Blind in
 accordance with Sections 21-2-1 to 21-2-4, inclusive.

36 (7) Purchases of maps or photographs from any federal37 agency.

(8) Purchases of <u>computer programs</u>, <u>software</u>
<u>applications</u>, <u>manuscripts</u>, books, maps, pamphlets,
periodicals, and <u>library/research</u><u>library or research</u>
electronic data bases of manuscripts, books, maps, pamphlets,
or periodicals.

43 (9) The selection of paying agents and trustees for any44 security issued by a public body.

(10) Existing contracts up for renewal for sanitation or solid waste collection, recycling, and disposal between municipalities or counties, or both, and those providing the service.

(11) Purchases of computer and word processing hardware when the hardware is the only type that is compatible with hardware already owned by the entity taking bids and custom software.

(12) Professional services contracts for codification
and publication of the laws and ordinances of municipalities
and counties.

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(13) Contractual services and purchases of commodities



57 for which there is only one vendor or supplier and contractual 58 services and purchases of personal property which by their 59 very nature are impossible to award by competitive bidding.

60 (14) Purchases of dirt, sand, or gravel by a county 61 governing body from in-county property owners in order to 62 supply a county road or bridge project in which the materials 63 will be used. The material shall be delivered to the project 64 site by county employees and equipment used only on projects 65 conducted exclusively by county employees.

(15) Contractual services and purchases of products
related to, or having an impact upon, security plans,
procedures, assessments, measures, or systems, or the security
or safety of personsindividuals, structures, facilities, or
infrastructures.

71 (16) Subject to the limitations in this subdivision, purchases, leases, or lease/purchases of goods or services, 72 73 other than voice or data wireless communication services, made 74 as a part of the purchasing cooperative sponsored by the 75 National Association of Counties, its successor organization, 76 or any other national or regional governmental cooperative 77 purchasing program. The purchases, leases, or lease/purchases 78 may only be made if all of the following occur:

a. The goods or services being purchased, including
those purchased through a lease/purchase agreement, or leased
are available as a result of a competitive bid process
conducted by a governmental entity and approved by the Alabama
Department of Examiners of Public Accounts for each bid.

b. The goods or services are either not at the time

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85 available to counties on the state purchasing program or are 86 available at a price equal to or less than that on the state 87 purchasing program.

c. The purchase, lease, or lease/purchase is made
through a participating Alabama vendor holding an Alabama
business license if such a vendor exists.

91 d. The entity purchasing, leasing, or lease/purchasing 92 goods or services under this subdivision has been notified by 93 the Department of Examiners of Public Accounts that the competitive bid process utilized by the cooperative program 94 95 offering the goods complies with this subdivision. In addition, upon request, a vendor shall provide the entity 96 97 purchasing, leasing, or lease/purchasing items that exceed 98 fifteen thousand dollars (\$15,000) made under this exception 99 during the previous 12 months a report of the sales, leases, 100 and lease/purchases which includes a general description of the goods or services; the number of units sold, leased, and 101 102 leased/purchased per entity; and the price of units purchased, 103 leased, or leased/purchased.

104 (17) Purchase The purchase of goods or services, other 105 than wireless communication services, whether voice or data, 106 from vendors that have been awarded a current and valid 107 Government Services Administration contract. Any purchase made 108 pursuant to this subdivision shall be under the same terms and 109 conditions as provided in the Government Services Administration contract. Prices paid for such goods and 110 services, other than wireless communication services, whether 111 112 voice or data, may not exceed the amount provided in the



113 Government Services Administration contract.

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(b) This article shall not apply to:

(1) Any purchases of products where the price of the products is already regulated and established by state law.

(2) Purchases made by individual schools of the county or municipal public school systems from monies other than those raised by taxation or received through appropriations from state or county sources.

(3) The purchase, lease, sale, construction,
installation, acquisition, improvement, enlargement, or
expansion of any building or structure or other facility
designed or intended for lease or sale by a medical clinic
board organized under Sections 11-58-1 to 11-58-14, inclusive.

(4) The purchase, lease, or other acquisition of
machinery, equipment, supplies, and other personal property or
services by a medical clinic board organized under Sections
11-58-1 to 11-58-14, inclusive.

(5) Purchases for public hospitals and nursing homes
operated by the governing boards of instrumentalities of the
state, counties, and municipalities.

133 (6) Contracts for the purchase, lease, sale, 134 construction, installation, acquisition, improvement, 135 enlargement, or extension of any plant, building, structure, 136 or other facility or any machinery, equipment, furniture, or 137 furnishings therefor designed or intended for lease or sale 138 for industrial development, other than public utilities, under Sections 11-54-80 to 11-54-99, inclusive, or Sections 11-54-20 139 140 to 11-54-28, inclusive, or any other law or amendment to the



141 Constitution of Alabama <u>of 2022</u> authorizing the construction 142 of plants or other facilities for industrial development or 143 for the construction and equipment of buildings for public 144 building authorities under Sections 11-56-1 to 11-56-22, 145 inclusive.

146 (7) The purchase of equipment, supplies, or materials 147 needed, used, and consumed in the normal and routine operation of any waterworks system, sanitary sewer system, gas system, 148 149 or electric system, or any two or more thereof, that are owned by municipalities, counties, or public corporations, boards, 150 151 or authorities that are agencies, departments, or 152 instrumentalities of municipalities or counties and no part of 153 the operating expenses of which system or systems, during the 154 then current fiscal year, have been paid from revenues derived 155 from taxes or from appropriations of the state, a county, or a 156 municipality.

(8) Purchases made by local housing authorities,
organized and existing under Chapter 1 of Title 24, from
monies other than those raised by state, county, or city
taxation or received through appropriations from state,
county, or city sources.

162 (9) The purchase of services to aid in the prevention 163 and detection of criminal activity by law enforcement agencies 164 and community-oriented policing programs.

(c) The state trade schools, state junior colleges, state colleges, and universities under the supervision and control of the State Board of Education, the district boards of education of independent school districts, the county



169 commissions, and the governing bodies of the municipalities of 170 the state shall establish and maintain such purchasing 171 facilities and procedures as may be necessary to carry out the 172 intent and purpose of this article by complying with the 173 requirements for competitive bidding in the operation and 174 management of each state trade school, state junior college, 175 state college, or university under the supervision and control 176 of the State Board of Education, the district boards of 177 education of independent school districts, the county commissions, and the governing bodies of the municipalities of 178 179 the state and the governing boards of instrumentalities of counties and municipalities, including waterworks boards, 180 sewer boards, gas boards, and other like utility boards and 181 commissions. 182

(d) Contracts entered into in violation of this article shall be void and any <u>personindividual</u> who violates<u>the</u> provisions of this article shall be guilty of a Class C felony."

Section 2. Although this bill would have as its purpose or effect the requirement of a new or increased expenditure of local funds, the bill is excluded from further requirements and application under Section 111.05 of the Constitution of Alabama of 2022, because the bill defines a new crime or amends the definition of an existing crime.

193 Section 3. This act shall become effective on the first 194 day of the third month following its passage and approval by 195 the Governor, or its otherwise becoming law.



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199	President and Presiding Officer of the Senate	
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204	Speaker of the House of Representatives	
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207	SB291	
208	Senate 24-May-23	
209	I hereby certify that the within Act originated in and pas	ssed
210	the Senate, as amended.	
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212	Patrick Harris,	
213	Secretary.	
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218	House of Representatives	
219	Amended and passed: 06-Jun-23	
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