

1 HB117
2 115024-1
3 By Representative Todd
4 RFD: Government Operations
5 First Read: 12-JAN-10
6 PFD: 01/06/2010

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8 SYNOPSIS: Under existing competitive bid laws, a
9 preference may be given to a state vendor.

10 This bill would require an awarding
11 authority to purchase a specific amount of products
12 and services from state vendors.

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14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 To amend Section 41-16-20 of the Code of Alabama
19 1975, relating to competitive bids on state contracts, to
20 require the awarding authority to purchase a certain amount of
21 products and services from state vendors.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Section 41-16-20 of the Code of Alabama
24 1975, is amended to read as follows:

25 "§41-16-20.

26 "(a) With the exception of contracts for public
27 works whose competitive bidding requirements are governed

1 exclusively by Title 39, all contracts of whatever nature for
2 labor, services, work, or for the purchase or lease of
3 materials, equipment, supplies, other personal property or
4 other nonprofessional services, involving seven thousand five
5 hundred dollars (\$7,500) or more, made by or on behalf of any
6 state department, board, bureau, commission, committee,
7 institution, corporation, authority, or office shall, except
8 as otherwise provided in this article, be let by free and open
9 competitive bidding, on sealed bids, to the lowest responsible
10 bidder.

11 (b) A "preferred vendor" shall be a person, firm,
12 or corporation which is granted preference priority according
13 to the following:

14 (1) PRIORITY #1. Produces or manufactures the
15 product within the state.

16 (2) PRIORITY #2. Has an assembly plant or
17 distribution facility for the product within the state.

18 (3) PRIORITY #3. Is organized for business under
19 the applicable laws of the state as a corporation,
20 partnership, or professional association and has maintained at
21 least one retail outlet or service center for the product or
22 service within the state for not less than one year prior to
23 the deadline date for the competitive bid.

24 (c) In the event a bid is received for the product
25 or service from a person, firm, or corporation deemed to be a
26 responsible bidder and a preferred vendor where any state
27 department, board, bureau, commission, committee, institution,

1 corporation, authority, or office is the awarding authority
2 and the bid is no more than five percent greater than the bid
3 of the lowest responsible bidder, the awarding authority may
4 award the contract to the preferred vendor.

5 "(d) The awarding authority shall purchase annually
6 a minimum of 20 percent of the aggregate value of purchases of
7 products and services from preferred vendors."

8 Section 2. This act shall become effective on the
9 first day of the third month following its passage and
10 approval by the Governor, or its otherwise becoming law.