

1 SB35
2 114966-2
3 By Senators Ross and Bedford
4 RFD: Finance and Taxation General Fund
5 First Read: 12-JAN-10
6 PFD: 11/17/2010

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8 SYNOPSIS: This bill would extend the waiting period
9 for the Contract Review Oversight Committee and
10 provide that it would be a felony to make a payment
11 under a contract during the waiting period.

12 Amendment 621 of the Constitution of Alabama
13 of 1901, now appearing as Section 111.05 of the
14 Official Recompilation of the Constitution of
15 Alabama of 1901, as amended, prohibits a general
16 law whose purpose or effect would be to require a
17 new or increased expenditure of local funds from
18 becoming effective with regard to a local
19 governmental entity without enactment by a 2/3 vote
20 unless: it comes within one of a number of
21 specified exceptions; it is approved by the
22 affected entity; or the Legislature appropriates
23 funds, or provides a local source of revenue, to
24 the entity for the purpose.

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11
12 A BILL
13 TO BE ENTITLED
14 AN ACT
15

16 To amend Section 29-2-41, Code of Alabama 1975,
17 relating to the Contract Review Oversight Committee, to extend
18 the waiting period for the committee and provide that it would
19 be a felony to make a payment under a contract during the
20 waiting period; and in connection therewith would have as its
21 purpose or effect the requirement of a new or increased
22 expenditure of local funds within the meaning of Amendment 621
23 of the Constitution of Alabama of 1901, now appearing as
24 Section 111.05 of the Official Recompilation of the
25 Constitution of Alabama of 1901, as amended.
26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 29-2-41, Code of Alabama 1975, is
2 amended to read as follows:

3 "§29-2-41.

4 "Each member of the committee shall be entitled to
5 regular legislative compensation, per diem, and travel
6 expenses for each day he or she attends a meeting of the
7 committee, which shall be paid out of the funds appropriated
8 to the use of the Legislature, on warrants drawn on the State
9 Comptroller upon requisition signed by the committee's chair.
10 Members shall not receive additional compensation or per diem
11 when the Legislature is in session. The Department of
12 Examiners of Public Accounts shall furnish assistance and any
13 relevant information to the committee. The committee shall
14 have the responsibility of reviewing contracts for personal
15 or professional services with private entities or individuals
16 to be paid out of appropriated funds, federal or state, on a
17 state warrant issued as recompense for those services. Each
18 state department entering into a contract to be paid out of
19 appropriated funds, federal or state, on a state warrant which
20 is notified by the committee is required to submit to the
21 committee any proposed contract for personal or professional
22 services. Each contract shall be accompanied by an itemization
23 of the total cost estimate of the contract. The department
24 may, in lieu of the proposed contract, submit to the committee
25 a letter of intent to contract. Such letter of intent to
26 contract shall indicate the contracting parties, the services
27 to be performed, an itemization of the total cost estimate of

1 the contract, and such other information as the department may
2 deem pertinent to the committee review of the contract. The
3 committee shall review and comment where necessary on any such
4 contract or letter of intent to contract within a reasonable
5 time not to exceed ~~45~~ 90 days after the department has
6 submitted the contract or letter of intent to contract to the
7 committee. Any contract made by the state or any of its
8 agencies or departments in violation of this section and
9 without prior review by the committee of either the contract
10 or the letter of intent to contract shall be void ab initio.
11 It shall be a Class C felony for any person to make a payment
12 under a contract in violation of this section and without
13 prior review by the committee of either the contract or the
14 letter of intent to contract. If the committee fails to review
15 and comment upon any contract or letter of intent to contract
16 within the aforementioned ~~45-day~~ 90-day time period, such
17 contract shall be deemed to have been reviewed in compliance
18 with this section.

19 "Should the department elect to submit a letter of
20 intent to contract in lieu of a proposed contract, as
21 authorized in the preceding paragraph, the department shall be
22 required to submit to the committee for its information the
23 contract described in the letter of intent upon the execution
24 of the contract.

25 "The committee shall have the power to issue
26 subpoenas for any witnesses and to require the production of

1 any documents or contracts it feels it needs to examine in the
2 conduct of its duties.

3 "The committee shall organize itself at the first
4 meeting and elect from among its membership a chair and a
5 vice-chair. The committee shall hold regular meetings at least
6 once each month, the regular meetings to be held during the
7 first week of each month."

8 Section 2. Although this bill would have as its
9 purpose or effect the requirement of a new or increased
10 expenditure of local funds, the bill is excluded from further
11 requirements and application under Amendment 621, now
12 appearing as Section 111.05 of the Official Recompilation of
13 the Constitution of Alabama of 1901, as amended, because the
14 bill defines a new crime or amends the definition of an
15 existing crime.

16 Section 3. This act shall become effective
17 immediately following its passage and approval by the
18 Governor, or its otherwise becoming law.