

1 HB514
2 129290-1
3 By Representatives Galliher and Nordgren
4 RFD: State Government
5 First Read: 14-APR-11

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8 SYNOPSIS: This bill would amend Section 41-16-60 of
9 the Code of Alabama 1975, relating to potential
10 conflicts of interest of members and officers of
11 certain public bodies who participate in the
12 competitive bid process for public contracts or
13 purchases.

14 This bill would provide that members and
15 officers could have a financial interest in a
16 publicly bid purchase and contract if a contract or
17 agreement under which a financial interest arises
18 was created before the public member or official
19 takes office or if the public member or official
20 does not participate in the decision-making process
21 concerning a public purchase or contract.

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23 A BILL
24 TO BE ENTITLED
25 AN ACT
26

1 To amend Section 41-16-60 of the Code of Alabama
2 1975, relating to prohibiting members or officers of certain
3 public offices or positions from participating in the public
4 competitive bid process; to provide that a member or officer
5 having a financial interest in a publicly bid contract may
6 participate in the public bid process if either the proposed
7 contract was created before an individual begins serving in a
8 public position, or the individual does not participate in the
9 decision-making process regarding a proposed public contract.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. Section 41-16-60 of the Code of Alabama
12 1975, is amended to read as follows:

13 "§41-16-60.

14 ~~"No member or officer of the said Members and~~
15 officers of the state trade schools, state junior colleges,
16 state colleges and universities under the supervision and
17 control of the State Board of Education, the city and county
18 boards of education, the district boards of education of
19 independent school districts, the county commissions and the
20 governing bodies of the municipalities of the state and the
21 governing boards of instrumentalities of counties and
22 municipalities, including waterworks boards, sewer boards, gas
23 boards and other like utility boards and commissions, ~~shall~~
24 may be financially interested in or have any personal
25 beneficial interest, either directly or indirectly, in the
26 purchase of or contract for any personal property or
27 contractual service, ~~nor shall any person willfully make any~~

1 ~~purchase or award any contract in violation of the provisions~~
2 ~~of this article. under either of the following conditions:~~

3 "(1) The contract or agreement under which the
4 financial interest arises was created prior to the election or
5 appointment of the individual to the position he or she holds.

6 "(2) The individual holding the position does not
7 participate in, by discussion or by vote, the decision-making
8 process which creates the financial or personal beneficial
9 interest.

10 ~~"Any violation of this section shall be deemed a~~
11 ~~misdemeanor, and any person who violates this section shall,~~
12 ~~upon conviction, be imprisoned for not more than 12 months or~~
13 ~~fined not more than \$500.00 or both. Upon conviction thereof,~~
14 ~~any person who willfully makes any purchase or awards any~~
15 ~~contract in violation of the provisions of this article shall~~
16 ~~be removed from office."~~

17 Section 2. This act shall become effective
18 immediately following its passage and approval by the
19 Governor, or its otherwise becoming law.