

1 SB14  
2 137302-3  
3 By Senator Dial  
4 RFD: Fiscal Responsibility and Accountability  
5 First Read: 07-FEB-12  
6 PFD: 06/21/2011

1 SB14

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4 ENGROSSED

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7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

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11 To amend Section 41-16-20, Code of Alabama 1975,  
12 relating to competitive bidding on contracts of higher  
13 education institutions to increase the minimum amount of  
14 contracts subject to competitive bid from \$7,500 to \$15,000.  
15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. Section 41-16-20 of the Code of Alabama  
17 1975, is amended to read as follows:

18 "§41-16-20.

19 "(a) With the exception of contracts for public  
20 works whose competitive bidding requirements are governed  
21 exclusively by Title 39, all contracts of whatever nature for  
22 labor, services, work, or for the purchase or lease of  
23 materials, equipment, supplies, other personal property or  
24 other nonprofessional services, involving ~~seven thousand five~~  
25 ~~hundred dollars (\$7,500)~~ fifteen thousand dollars (\$15,000) or  
26 more, made by or on behalf of any state department, board,  
27 bureau, commission, committee, institution, corporation,

1 authority, or office shall, except as otherwise provided in  
2 this article, be let by free and open competitive bidding, on  
3 sealed bids, to the lowest responsible bidder.

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

7 "(1) PRIORITY #1. Produces or manufactures the  
8 product within the state.

9 "(2) PRIORITY #2. Has an assembly plant or  
10 distribution facility for the product within the state.

11 "(3) PRIORITY #3. Is organized for business under  
12 the applicable laws of the state as a corporation,  
13 partnership, or professional association and has maintained at  
14 least one retail outlet or service center for the product or  
15 service within the state for not less than one year prior to  
16 the deadline date for the competitive bid.

17 "(c) In the event a bid is received for the product  
18 or service from a person, firm, or corporation deemed to be a  
19 responsible bidder and a preferred vendor where any state  
20 higher education institution, department, board, bureau,  
21 commission, committee, institution, corporation, authority, or  
22 office is the awarding authority and the bid is no more than  
23 five percent greater than the bid of the lowest responsible  
24 bidder, the awarding authority may award the contract to the  
25 preferred vendor."

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

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Senate

Read for the first time and referred to the Senate  
committee on Fiscal Responsibility and Account-  
ability..... 07-FEB-12

Read for the second time and placed on the calen-  
dar with 1 substitute and..... 15-MAR-12

Read for the third time and passed as amended .... 26-APR-12

Yeas 27  
Nays 3

Patrick Harris  
Secretary