

SB325 ENGROSSED



1 SB325
2 MS2QZ1H-2
3 By Senator Singleton
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 25-Feb-26



SB325 Engrossed

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A BILL
TO BE ENTITLED
AN ACT

Relating to the Department of Commerce; to amend Sections 41-29-282 and 41-4-126, Code of Alabama 1975, to provide that the Alabama Industrial Development Training Institute (AIDT) within the Department of Commerce is exempt from the state procurement law and review by the Contract Review Permanent Legislative Oversight Committee.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 41-29-282 and 41-4-126, Code of Alabama 1975, are amended to read as follows:

"§41-29-282

(a) AIDT shall operate as a division of the Department of Commerce. All of the powers, authority, duties, functions, policies, ~~and~~ funds of, and appropriations to AIDT previously conferred upon or granted to AIDT reporting to the State Board of Education through the Division of Vocational-Technical Education or by Alabama Executive Order No. 2012-31 are confirmed, ratified, continued, transferred to, and vested in AIDT.

(b) All contracts, leases, grants, and agreements previously entered by AIDT shall continue in full force and



SB325 Engrossed

29 effect without modification or interruption by this
30 restructuring. AIDT may enter into new contracts, agreements,
31 and other instruments necessary to procure goods, services,
32 training, and related resources in furtherance of its purpose,
33 as set forth in Section 41-29-280, and shall be exempt from
34 Chapter 2 of Title 29, relating to Permanent Legislative
35 Committees, including the Contract Review Legislative
36 Oversight Committee.

37 (c) All property currently owned by AIDT shall continue
38 to be the property of AIDT. If AIDT plans to construct any new
39 building, retrofit or renovate any of its existing buildings,
40 or request or receive any state or federal funding to
41 construct, retrofit, or renovate any of its buildings, the
42 AIDT director shall first certify to ~~a~~the Governor that the
43 proposal is consistent with the Strategic Workforce Plan.

44 (d) AIDT shall continue to be headed by a director, who
45 shall be appointed by the Secretary of Commerce and shall
46 serve at his or her pleasure. The powers, duties, and
47 qualifications required of the director shall be as set forth
48 in the AIDT Policy Manual, as amended from time to time and
49 approved by the Secretary of Commerce."

50 "§41-4-126

51 (a) Unless otherwise ordered by rule, with approval of
52 the Governor, the following supplies and services need not be
53 procured through the Division of Procurement and are exempt
54 from the competitive requirements of this article:

55 (1) Works of art for museum and public display.

56 (2) Published books in any format such as digital,



SB325 Engrossed

57 audio, or hardcopy; maps; periodicals; and technical
58 pamphlets.

59 (3) Utility services where no competition exists or
60 where rates are fixed by law.

61 (4) Purchases of alcoholic beverages by the Alcoholic
62 Beverage Control Board.

63 (5) Purchases of products made or manufactured by the
64 blind or visually handicapped under the direction or
65 supervision of the Alabama Institute for Deaf and Blind in
66 accordance with Chapter 2 of Title 21.

67 (6) Photographs purchased from a federal agency.

68 (7) Barter transactions by the Department of
69 Corrections.

70 (8) The purchase of insurance and supplies or services
71 related to the purchase of insurance.

72 (9) Supplies and services that by their very nature are
73 impossible to award by competitive process, as determined by
74 the Chief Procurement Officer.

75 (10) The procurement of goods, services, training, and
76 other related resources that are directly related to or for
77 the benefit of a company with which the Department of Commerce
78 or the Alabama Industrial Development Training Institute
79 (AIDT) has executed an economic development project agreement.
80 The Chief Procurement Officer, on request, may determine in
81 writing whether a procurement is eligible for this exemption.
82 AIDT shall make annual written reports to the Chief
83 Procurement Officer of all procurements performed under this
84 subdivision. In addition, the Chief Procurement Officer may



SB325 Engrossed

85 request periodic reports on all procurements performed under
86 this subdivision at any time.

87 (b) Any state department or agency whose principal
88 business is honorariums is exempted from this chapter on
89 purchases and contracts for services made by that department
90 or agency.

91 (c) Nothing in this article is intended to repeal or
92 limit any provision of Section 23-1-40 or Article 5 or Article
93 6 of Chapter 2 of Title 23, commencing with Section 23-2-140,
94 relating to the procurement authority of the State Department
95 of Transportation and the Alabama Toll Road, Bridge and Tunnel
96 Authority. To the extent any provision contained in this
97 article conflicts with Section 23-1-40 or Article 5 or Article
98 6 of Chapter 2 of Title 23, the latter governs.

99 (d) Nothing in this article repeals or limits any
100 provision of Section 41-4-400, relating to the procurement
101 authority of the Division of Construction Management. To the
102 extent any provision contained in this article conflicts with
103 Section 41-4-400, the latter governs.

104 (e) Nothing in this article repeals or limits any
105 provision of Section 14-7-8, relating to the procurement
106 authority of Alabama Correctional Industries. To the extent
107 any provision contained in this article conflicts with Section
108 14-7-8, the latter governs.

109 (f) This article does not apply to any state authority,
110 board, or other entity with respect to contracts relating to
111 the issuance of debt that is required to be repaid from
112 sources other than state funds.



SB325 Engrossed

113 (g) This article does not apply to direct health care
114 services provided by the Alabama Department of Public Health.

115 (h) Nothing in this article applies to the
116 administration of health benefit plans by a governmental body
117 and supplies or services related thereto.

118 (i) Except for capital equipment, this article does not
119 apply to the purchase by a public hospital of medical
120 products, medical supplies, medical devices, services,
121 implants, pharmaceuticals, fluids, gases, or any other medical
122 products which are used in the course of treating patients, or
123 to support the treatment of patients.

124 (j) (1) Except as provided in subdivision (2), the
125 purchase of supplies or services negotiated on behalf of
126 two-year and four-year colleges and universities may be
127 awarded without competitive bidding, provided that no state
128 revenues, appropriations, or other state funds are expended or
129 committed and when it is determined by the respective board
130 that financial benefits will accrue to the institution.

131 (2) When an Alabama business entity organized under the
132 laws of this state is available to supply the product or
133 service purchased or negotiated under subdivision (1), the
134 Alabama business entity shall have preference unless the
135 product or service supplied by a foreign corporation is
136 substantially different or superior to the product or service
137 supplied by the Alabama business entity.

138 (3) Public notice shall be provided by the purchasing
139 agency within 10 days of the execution of a contract under
140 this subsection. The public notice shall include, at a



SB325 Engrossed

141 minimum, the terms and conditions of any of the supplies or
142 services that are contracted through negotiation without being
143 competitively bid and the name and address of the recipient of
144 the contract.

145 (k) This article does not apply to purchases and
146 contracts for the repair of equipment used in the construction
147 and maintenance of highways by the Department of
148 Transportation.

149 (l) This article does not apply to public works
150 projects governed by Title 39.

151 (m) This article does not apply to the purchase by the
152 Department of Transportation of road building materials for
153 transportation infrastructure in the state. Road building
154 materials may be purchased from private land owners or
155 commercial providers from the nearest or most cost-effective
156 source available for the particular application. Road building
157 materials include dirt, gravel, stone, slag, or borrow
158 materials, in natural state or processed by crushing, grading,
159 or screening processes.

160 (n) This article does not apply to purchases of
161 supplies and services for the maintenance and operation of
162 highway infrastructure and right-of-way by the Department of
163 Transportation.

164 (o) Nothing in this article is intended to repeal or
165 limit any provision of Article 2, Chapter 1, Title 23,
166 relating to the powers and authority of the Department of
167 Transportation. To the extent any provision contained in this
168 article conflicts with Article 2, Chapter 1, Title 23, the



SB325 Engrossed

169 latter governs.

170 (p) Governmental bodies may purchase supplies from any
171 vendor that offers the item at a price at least ten percent
172 below the price established on a statewide contract by the
173 Division of Procurement for the same item, provided that each
174 purchase, whether for a single item or multiple items, does
175 not exceed an amount established by rules of the Chief
176 Procurement Officer. The Division of Procurement shall confirm
177 that the terms and conditions of the purchases are
178 substantially similar to those of the statewide contract for
179 the same item prior to the approval of any purchase under this
180 subsection. Any purchase that would be directly connected to
181 any information technology network used by the state shall
182 require prior approval by the Secretary of Information
183 Technology. If the purchaser is to take possession of the
184 purchased supplies at the vendor's physical location, any
185 acquisition of supplies under this subsection may be purchased
186 only from vendors physically located within the state. The
187 price of any supplies purchased under this subsection shall be
188 the market price readily available to the public at large. The
189 acquisition of supplies under this subsection is subject to
190 the supervision and administration of the Division of
191 Procurement.

192 (q) Nothing in this article is intended to repeal or
193 limit any provision of Chapter 61E of Title 16, relating to
194 the powers and authority of the Department of Education to
195 enter into joint purchasing agreements on behalf of
196 educational institutions. To the extent any provision



SB325 Engrossed

197 contained in this article conflicts with Chapter 61E of Title
198 16, the latter governs.

199 (r) Nothing in this article shall be construed as
200 repealing Section 9-2-106 or Section 9-2-107.

201 (s) This article does not apply to purchases by the
202 Alabama Department of Rehabilitation Services of supplies and
203 services for the Alabama Department of Rehabilitation Services
204 consumers.

205 (t) This article does not apply to the Alabama Medicaid
206 Agency for purposes of the selection of professional service
207 providers for contracts with physicians, pharmacists,
208 dentists, optometrists, opticians, nurses, and other health
209 professionals which involve only service on agency task
210 forces, boards, or committees."

211 Section 2. This act shall become effective on October
212 1, 2026.



SB325 Engrossed

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215 Senate

216 Read for the first time and referred25-Feb-26
217 to the Senate committee on Fiscal
218 Responsibility and Economic
219 Development
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221 Read for the second time and placed11-Mar-26
222 on the calendar:
223 1 amendment
224
225 Read for the third time and passed17-Mar-26
226 as amended
227 Yeas 30
228 Nays 0
229 Abstains 0

230
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232 Patrick Harris,
233 Secretary.
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