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SYNOPSIS:

Under existing law, the Alabama Industrial Development Training Institute operates as a Division of the Department of Commerce to provide workforce development incentives for businesses and education and training to the state's workforce.

Consistent with Executive Order 2012-31 and Act 2013-118, AIDT's contracts are generally exempt from review by the Contract Review Permanent Legislative Oversight Committee, with an exception for legal service contracts.

This bill would codify the existing AIDT exemption from the general contract review requirements of the Contract Review Permanent Legislative Oversight Committee, and would also exempt its legal services contracts from review by the committee.

Also under existing law, every governmental body, unless exempted, is subject to the requirements of the state procurement laws when making procurements for goods and services other than public works.

This bill would provide that AIDT is exempt from the requirements of the state procurement law for the procurement of certain supplies and services other than public works.



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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 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 effect without modification or interruption by this restructuring. AIDT may enter into new contracts, agreements, and other instruments necessary to procure goods, services,



57 training, and related resources in furtherance of its purpose,  
58 as set forth in Section 41-29-280, and shall be exempt from  
59 Chapter 2 of Title 29, relating to permanent legislative  
60 committees, including the Contract Review Permanent  
61 Legislative Oversight Committee.

62 (c) All property currently owned by AIDT shall continue  
63 to be the property of AIDT. If AIDT plans to construct any new  
64 building, retrofit or renovate any of its existing buildings,  
65 or request or receive any state or federal funding to  
66 construct, retrofit, or renovate any of its buildings, the  
67 AIDT director shall first certify to ~~a~~-the Governor that the  
68 proposal is consistent with the Strategic Workforce Plan.

69 (d) AIDT shall continue to be headed by a director, who  
70 shall be appointed by the Secretary of Commerce and shall  
71 serve at his or her pleasure. The powers, duties, and  
72 qualifications required of the director shall be as set forth  
73 in the AIDT Policy Manual, as amended from time to time and  
74 approved by the Secretary of Commerce."

75 "§41-4-126

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

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

81 (2) Published books in any format such as digital,  
82 audio, or hardcopy; maps; periodicals; and technical  
83 pamphlets.

84 (3) Utility services where no competition exists or



85 where rates are fixed by law.

86 (4) Purchases of alcoholic beverages by the Alcoholic  
87 Beverage Control Board.

88 (5) Purchases of products made or manufactured by the  
89 blind or visually handicapped under the direction or  
90 supervision of the Alabama Institute for Deaf and Blind in  
91 accordance with Chapter 2 of Title 21.

92 (6) Photographs purchased from a federal agency.

93 (7) Barter transactions by the Department of  
94 Corrections.

95 (8) The purchase of insurance and supplies or services  
96 related to the purchase of insurance.

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

100 (10) The procurement of goods, services, training, and  
101 other related resources that are directly related to or for  
102 the benefit of a company with which the Department of Commerce  
103 or the Alabama Industrial Development Training Institute  
104 (AIDT) has executed an economic development project agreement.  
105 The Chief Procurement Officer, on request, may determine in  
106 writing whether a procurement is eligible for this exemption.  
107 AIDT shall make annual written reports to the Chief  
108 Procurement Officer of all procurements performed under this  
109 subdivision. In addition, the Chief Procurement Officer may  
110 request periodic reports on all procurements performed under  
111 this subdivision at any time.

112 (b) Any state department or agency whose principal



113 business is honorariums is exempted from this chapter on  
114 purchases and contracts for services made by that department  
115 or agency.

116 (c) Nothing in this article is intended to repeal or  
117 limit any provision of Section 23-1-40 or Article 5 or Article  
118 6 of Chapter 2 of Title 23, commencing with Section 23-2-140,  
119 relating to the procurement authority of the State Department  
120 of Transportation and the Alabama Toll Road, Bridge and Tunnel  
121 Authority. To the extent any provision contained in this  
122 article conflicts with Section 23-1-40 or Article 5 or Article  
123 6 of Chapter 2 of Title 23, the latter governs.

124 (d) Nothing in this article repeals or limits any  
125 provision of Section 41-4-400, relating to the procurement  
126 authority of the Division of Construction Management. To the  
127 extent any provision contained in this article conflicts with  
128 Section 41-4-400, the latter governs.

129 (e) Nothing in this article repeals or limits any  
130 provision of Section 14-7-8, relating to the procurement  
131 authority of Alabama Correctional Industries. To the extent  
132 any provision contained in this article conflicts with Section  
133 14-7-8, the latter governs.

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

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

140 (h) Nothing in this article applies to the



141 administration of health benefit plans by a governmental body  
142 and supplies or services related thereto.

143 (i) Except for capital equipment, this article does not  
144 apply to the purchase by a public hospital of medical  
145 products, medical supplies, medical devices, services,  
146 implants, pharmaceuticals, fluids, gases, or any other medical  
147 products which are used in the course of treating patients, or  
148 to support the treatment of patients.

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

156 (2) When an Alabama business entity organized under the  
157 laws of this state is available to supply the product or  
158 service purchased or negotiated under subdivision (1), the  
159 Alabama business entity shall have preference unless the  
160 product or service supplied by a foreign corporation is  
161 substantially different or superior to the product or service  
162 supplied by the Alabama business entity.

163 (3) Public notice shall be provided by the purchasing  
164 agency within 10 days of the execution of a contract under  
165 this subsection. The public notice shall include, at a  
166 minimum, the terms and conditions of any of the supplies or  
167 services that are contracted through negotiation without being  
168 competitively bid and the name and address of the recipient of



169 the contract.

170 (k) This article does not apply to purchases and  
171 contracts for the repair of equipment used in the construction  
172 and maintenance of highways by the Department of  
173 Transportation.

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

176 (m) This article does not apply to the purchase by the  
177 Department of Transportation of road building materials for  
178 transportation infrastructure in the state. Road building  
179 materials may be purchased from private land owners or  
180 commercial providers from the nearest or most cost-effective  
181 source available for the particular application. Road building  
182 materials include dirt, gravel, stone, slag, or borrow  
183 materials, in natural state or processed by crushing, grading,  
184 or screening processes.

185 (n) This article does not apply to purchases of  
186 supplies and services for the maintenance and operation of  
187 highway infrastructure and right-of-way by the Department of  
188 Transportation.

189 (o) Nothing in this article is intended to repeal or  
190 limit any provision of Article 2, Chapter 1, Title 23,  
191 relating to the powers and authority of the Department of  
192 Transportation. To the extent any provision contained in this  
193 article conflicts with Article 2, Chapter 1, Title 23, the  
194 latter governs.

195 (p) Governmental bodies may purchase supplies from any  
196 vendor that offers the item at a price at least ~~ten~~10 percent



197 below the price established on a statewide contract by the  
198 Division of Procurement for the same item, provided that each  
199 purchase, whether for a single item or multiple items, does  
200 not exceed an amount established by rules of the Chief  
201 Procurement Officer. The Division of Procurement shall confirm  
202 that the terms and conditions of the purchases are  
203 substantially similar to those of the statewide contract for  
204 the same item prior to the approval of any purchase under this  
205 subsection. Any purchase that would be directly connected to  
206 any information technology network used by the state shall  
207 require prior approval by the Secretary of Information  
208 Technology. If the purchaser is to take possession of the  
209 purchased supplies at the vendor's physical location, any  
210 acquisition of supplies under this subsection may be purchased  
211 only from vendors physically located within the state. The  
212 price of any supplies purchased under this subsection shall be  
213 the market price readily available to the public at large. The  
214 acquisition of supplies under this subsection is subject to  
215 the supervision and administration of the Division of  
216 Procurement.

217 (q) Nothing in this article is intended to repeal or  
218 limit any provision of Chapter 61E of Title 16, relating to  
219 the powers and authority of the Department of Education to  
220 enter into joint purchasing agreements on behalf of  
221 educational institutions. To the extent any provision  
222 contained in this article conflicts with Chapter 61E of Title  
223 16, the latter governs.

224 (r) Nothing in this article shall be construed as



225 repealing Section 9-2-106 or Section 9-2-107.

226 (s) This article does not apply to purchases by the  
227 ~~Alabama~~ Department of Rehabilitation Services of supplies and  
228 services for the Alabama Department of Rehabilitation Services  
229 consumers.

230 (t) This article does not apply to the Alabama Medicaid  
231 Agency for purposes of the selection of professional service  
232 providers for contracts with physicians, pharmacists,  
233 dentists, optometrists, opticians, nurses, and other health  
234 professionals which involve only service on agency task  
235 forces, boards, or committees."

236 Section 2. This act shall become effective on October  
237 1, 2026.