

HB51 INTRODUCED



1 TB4C59-1
2 By Representative Ellis
3 RFD: State Government
4 First Read: 07-Mar-23
5 PFD: 06-Mar-23



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SYNOPSIS:

Under existing law, with the exception of contracts for public works, all expenditure of funds of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, or other personal property involving \$15,000 or more made by or on behalf of certain state and local public awarding authorities are required to be made by contractual agreement entered into by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.

This bill would increase various threshold dollar amounts for which competitive bidding is generally required and would authorize those dollar amounts to be further increased based on increases in the Consumer Price Index.

Section 111.05 of the Constitution of Alabama of 2022, prohibits a general law whose purpose or effect would be to require a new or increased expenditure of local funds from becoming effective with regard to a local governmental entity without enactment by a 2/3 vote unless: it comes within one of a number of specified exceptions; it is approved by the affected entity; or the Legislature appropriates funds, or provides a local source of revenue, to the entity for



HB51 INTRODUCED

29 the purpose.

30 The purpose or effect of this bill would be to
31 require a new or increased expenditure of local funds
32 within the meaning of the amendment. However, the bill
33 does not require approval of a local governmental
34 entity or enactment by a 2/3 vote to become effective
35 because it comes within one of the specified exceptions
36 contained in the amendment.

37

38

39

A BILL

40

TO BE ENTITLED

41

AN ACT

42

43

Relating to public contracts; to amend Sections

44

41-16-50, 41-16-51, 41-16-52, 41-16-53, 41-16-54, and

45

41-16-55, Code of Alabama 1975, to increase the threshold

46

dollar amount for which competitive bidding is generally

47

required for certain state and local public awarding

48

authorities, with exceptions; to provide a legislative method

49

for the increase of the threshold dollar amount; and in

50

connection therewith would have as its purpose or effect the

51

requirement of a new or increased expenditure of local funds

52

within the meaning of Section 111.05 of the Constitution of

53

Alabama of 2022.

54

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

55

Section 1. Sections 41-16-50, 41-16-51, 41-16-52,

56

41-16-53, 41-16-54, and 41-16-55, Code of Alabama 1975, are



HB51 INTRODUCED

57 amended to read as follows:

58 "§41-16-50

59 (a) With the exception of contracts for public works
60 whose competitive bidding requirements are governed
61 exclusively by Title 39, all expenditure of funds ~~of whatever~~
62 ~~nature~~ for labor, services, work, or for the purchase of
63 materials, equipment, supplies, or other personal property
64 involving ~~fifteen thousand dollars (\$15,000)~~ thirty thousand
65 dollars (\$30,000) or more, and the lease of materials,
66 equipment, supplies, or other personal property where the
67 lessee is ~~r~~ or becomes legally and contractually ~~r~~ bound under
68 the terms of the lease ~~r~~ to pay a total amount of ~~fifteen~~
69 ~~thousand dollars (\$15,000)~~ thirty thousand dollars (\$30,000)
70 or more, made by or on behalf of the Alabama Fire College, the
71 district boards of education of independent school districts,
72 the county commissions, the governing bodies of the
73 municipalities of the state, and the governing boards of
74 instrumentalities of counties and municipalities, including
75 waterworks boards, sewer boards, gas boards, and other like
76 utility boards and commissions, except as ~~hereinafter~~
77 otherwise provided in this article, shall be made under
78 contractual agreement entered into by free and open
79 competitive bidding, on sealed bids, to the lowest responsible
80 and responsive bidder.

81 (b) (1) Prior to advertising for bids for an item of
82 personal property or services, where a county, a municipality,
83 or an instrumentality thereof is the awarding authority, the
84 awarding authority may establish a local preference zone



HB51 INTRODUCED

85 consisting of ~~either~~ any of the following:

86 a. The ~~the~~ legal boundaries or jurisdiction of the
87 awarding authority, ~~or the.~~

88 b. The boundaries of the county in which the awarding
89 authority is located, ~~or the.~~

90 c. The boundaries of the Core Based Statistical Area in
91 which the awarding authority is located.

92 (2) If no ~~such~~ action is taken by the awarding authority
93 under subdivision (1), the boundaries of the local preference
94 zone shall be deemed to be the same as the legal boundaries or
95 jurisdiction of the awarding authority.

96 (3) In the event a bid is received for an item of
97 personal property or services to be purchased or contracted
98 for from a person, firm, or corporation deemed to be a
99 responsible bidder, having a place of business within the
100 local preference zone where the county, a municipality, or an
101 instrumentality thereof is the awarding authority, and the bid
102 is no more than five percent greater than the bid of the
103 lowest responsible bidder, the awarding authority may award
104 the contract to the resident responsible bidder.

105 (4) If no bids or only one bid is received at the time
106 stated in the advertisement for bids, the awarding authority
107 may advertise for and seek other competitive bids, or the
108 awarding authority may negotiate through the receipt of
109 informal bids not subject to the requirements of this article.
110 Where only one responsible and responsive bid has been
111 received, any negotiation for the work shall be for a price
112 lower than that bid. ~~In the event only one bidder responds to~~



HB51 INTRODUCED

113 ~~the invitation to bid, the awarding authority may reject the~~
114 ~~bid and negotiate the purchase or contract, providing the~~
115 ~~negotiated price is lower than the bid price.~~

116 (5) In the event both or all bids exceed the awarding
117 authority's anticipated budget, the awarding authority may
118 negotiate with the lowest responsible and responsive bidder,
119 provided the negotiated price is lower than the bid price.

120 ~~(b)~~ (c) The governing bodies of two or more contracting
121 agencies, as enumerated in subsection (a), or the governing
122 bodies of two or more counties, or the governing bodies of two
123 or more city or county boards of education, may provide, by
124 joint agreement, for the purchase of labor, services, or work,
125 or for the purchase or lease of materials, equipment,
126 supplies, or other personal property for use by their
127 respective agencies. The agreement shall be entered into by
128 similar ordinances, in the case of municipalities, or
129 resolutions, in the case of other contracting agencies,
130 adopted by each of the participating governing bodies, which
131 shall set forth the categories of labor, services, or work, or
132 for the purchase or lease of materials, equipment, supplies,
133 or other personal property to be purchased, the manner of
134 advertising for bids and the awarding of contracts, the method
135 of payment by each participating contracting agency, and other
136 matters deemed necessary to carry out the purposes of the
137 agreement. Each contracting agency's share of expenditures for
138 purchases under any agreement shall be appropriated and paid
139 in the manner set forth in the agreement and in the same
140 manner as for other expenses of the contracting agency. The



HB51 INTRODUCED

141 contracting agencies entering into a joint agreement, as
142 ~~herein~~ permitted by this section, may designate a joint
143 purchasing or bidding agent, and the agent shall comply with
144 this article. Purchases, contracts, or agreements made
145 pursuant to a joint purchasing or bidding agreement shall be
146 subject to all terms and conditions of this article. _

147 In the event that utility services are no longer exempt
148 from competitive bidding under this article, non-adjointing
149 counties may not purchase utility services by joint agreement
150 under authority granted by this subsection.

151 ~~(e)~~ (d) The awarding authority may require bidders to
152 furnish a bid bond for a particular bid solicitation if the
153 bonding requirement applies to all bidders, is included in the
154 written bid specifications, and if bonding is available for
155 the services, equipment, or materials.

156 ~~(d)~~ (e) Notwithstanding subsection (a), in the event the
157 lowest bid for an item of personal property or services to be
158 purchased or contracted for is received from a foreign entity,
159 where the county, a municipality, or an instrumentality
160 thereof is the awarding authority, the awarding authority may
161 award the contract to a responsible bidder whose bid is no
162 more than 10 percent greater than the foreign entity if the
163 bidder has a place of business within the local preference
164 zone or is a responsible bidder from a business within the
165 state that is a woman-owned enterprise, an enterprise of small
166 business, as defined in Section 25-10-3, a minority-owned
167 business enterprise, a veteran-owned business enterprise, or a
168 disadvantaged-owned business enterprise. For the purposes of



HB51 INTRODUCED

169 this subsection, foreign entity means a business entity that
170 does not have a place of business within the state.

171 (f) (1) No expenditure involving thirty thousand dollars
172 (\$30,000) or more may be split into parts involving sums of
173 less than thirty thousand dollars (\$30,000) for the purpose of
174 evading the requirements of this article.

175 (2) If an awarding authority documents its reasonable
176 belief, based on expenditures in previous years, that an
177 expenditure will not meet the dollar threshold and, based upon
178 that reasonable belief, makes the expenditure without bidding,
179 but then circumstances arise that necessitate making a
180 subsequent expenditure of like items or services that would
181 increase the total to or above the dollar threshold, then the
182 subsequent expenditure shall be bid pursuant to this article.
183 The awarding authority shall not be deemed to have violated
184 this article for the prior expenditure that was not bid,
185 provided that the awarding authority documented its reasonable
186 belief, based on expenditures in previous years, that the
187 total amount would be below the dollar threshold and that the
188 subsequent expenditure was bid.

189 (g) Beginning October 1, 2027, and every three years
190 thereafter, all dollar amounts used in this article shall be
191 subject to a cost adjustment based on the following procedure:
192 The Chief Examiner of the Department of Examiners of Public
193 Accounts may submit to the Chair of the Legislative Council a
194 recommendation that the amount be increased based on the
195 percentage increase in the Consumer Price Index for the
196 immediately preceding three-year period, rounded to the



HB51 INTRODUCED

197 nearest thousand dollars. The recommendation shall be subject
198 to the approval of the Legislative Council. In the event the
199 recommendation is not disapproved by the Legislative Council
200 by the end of April following the submission of the
201 recommendation, the recommendation shall be deemed to be
202 approved. Upon approval, the Department of Examiners of Public
203 Accounts shall notify the public of the adjusted dollar
204 amounts by July 1 before the fiscal year in which the changes
205 will take effect."

206 "§41-16-51

207 (a) Competitive bids for entities subject to this
208 article shall not be required for utility services, the rates
209 for which are fixed by law, regulation, or ordinance, and the
210 competitive bidding requirements of this article shall not
211 apply to any of the following:

212 (1) The purchase of insurance.

213 (2) The purchase of ballots and supplies for conducting
214 any primary, general, special, or municipal election.

215 (3) Contracts for securing services of attorneys,
216 physicians, architects, teachers, superintendents of
217 construction, artists, appraisers, engineers, consultants,
218 certified public accountants, public accountants, or other
219 individuals possessing a high degree of professional skill
220 where the personality of the individual plays a decisive part.

221 (4) Contracts of employment in the regular civil
222 service.

223 (5) Contracts for fiscal or financial advice or
224 services.



HB51 INTRODUCED

225 (6) Purchases of products made or manufactured by blind
226 or visually impaired individuals under the direction or
227 supervision of the Alabama Institute for Deaf and Blind in
228 accordance with ~~Sections 21-2-1 to 21-2-4, inclusive~~ Chapter 2
229 of Title 21.

230 (7) Purchases of maps or photographs from any federal
231 agency.

232 (8) Purchases of manuscripts, books, maps, pamphlets,
233 periodicals, and library/research electronic data bases of
234 manuscripts, books, maps, pamphlets, or periodicals.

235 (9) The selection of paying agents and trustees for any
236 security issued by a public body.

237 (10) Existing contracts up for renewal for sanitation or
238 solid waste collection, recycling, and disposal between
239 municipalities or counties, or both, and those providing the
240 service.

241 (11) Purchases of computer and word processing hardware
242 when the hardware is the only type that is compatible with
243 hardware already owned by the entity taking bids and custom
244 software.

245 (12) Professional services contracts for codification
246 and publication of the laws and ordinances of municipalities
247 and counties.

248 (13) Contractual services and purchases of commodities
249 for which there is only one vendor or supplier and contractual
250 services and purchases of personal property which by their
251 very nature are impossible to award by competitive bidding.

252 (14) Purchases of dirt, sand, or gravel by a county



HB51 INTRODUCED

253 governing body from in-county property owners in order to
254 supply a county ~~road or bridge~~ project in which the materials
255 will be used. The material shall be delivered to the project
256 site by county employees and equipment used only on ~~projects~~
257 project components conducted exclusively by county employees.

258 (15) Contractual services and purchases of products
259 related to, or having an impact upon, security plans,
260 procedures, assessments, measures, or systems, or the security
261 or safety of persons, structures, facilities, or
262 infrastructures.

263 (16) Subject to the limitations in this subdivision,
264 purchases, leases, or lease/purchases of goods or services,
265 other than voice or data wireless communication services, made
266 as a part of the purchasing cooperative sponsored by the
267 National Association of Counties, its successor organization,
268 or any other national or regional governmental cooperative
269 purchasing program. The purchases, leases, or lease/purchases
270 may only be made if all of the following occur:

271 a. The goods or services being purchased, including
272 those purchased through a lease/purchase agreement, or leased
273 are available as a result of a competitive bid process
274 conducted by a governmental entity and approved by the Alabama
275 Department of Examiners of Public Accounts for each bid.

276 b. The goods or services are either not at the time
277 available to counties on the state purchasing program or are
278 available at a price equal to or less than that on the state
279 purchasing program.

280 c. The purchase, lease, or lease/purchase is made



HB51 INTRODUCED

281 through a participating Alabama vendor holding an Alabama
282 business license if such a vendor exists.

283 d. The entity purchasing, leasing, or lease/purchasing
284 goods or services under this subdivision has been notified by
285 the Department of Examiners of Public Accounts that the
286 competitive bid process utilized by the cooperative program
287 offering the goods complies with this subdivision. In
288 addition, upon request, a vendor shall provide the entity
289 purchasing, leasing, or lease/purchasing ~~items that exceed~~
290 ~~fifteen thousand dollars (\$15,000)~~ goods or services equaling
291 thirty thousand dollars (\$30,000) or more which are made under
292 this ~~exception~~ subdivision during the previous 12 months a
293 report of the sales, leases, and lease/purchases. ~~which~~
294 ~~includes~~ The report shall include a general description of the
295 goods or services; the number of units sold, leased, and
296 leased/purchased per entity; and the price of units purchased,
297 leased, or leased/purchased.

298 (17) ~~Purchase~~ Purchases of goods or services, other than
299 wireless communication services, whether voice or data, from
300 vendors that have been awarded a current and valid Government
301 Services Administration contract. Any purchase made pursuant
302 to this subdivision shall be under the same terms and
303 conditions as provided in the Government Services
304 Administration contract. Prices paid for such goods and
305 services, other than wireless communication services, whether
306 voice or data, may not exceed the amount provided in the
307 Government Services Administration contract.

308 (18) Purchases of goods or services from vendors that



HB51 INTRODUCED

309 have been awarded a current and valid statewide contract
310 listed on the Alabama Buys e-procurement system. Any purchase
311 made pursuant to this subdivision shall be under the same
312 terms and conditions as provided in the statewide contract.
313 Prices paid for such goods and services may not exceed the
314 amount provided in the statewide contract.

315 (19) Purchases of goods or services between governmental
316 entities of the state, as authorized by Section 11-1-10.

317 (b) This article shall not apply to:

318 (1) Any purchases of products where the price of the
319 products is already regulated and established by state law.

320 (2) Purchases made by individual schools of the county
321 or municipal public school systems from monies other than
322 those raised by taxation or received through appropriations
323 from state or county sources.

324 (3) The purchase, lease, sale, construction,
325 installation, acquisition, improvement, enlargement, or
326 expansion of any building or structure or other facility
327 designed or intended for lease or sale by a medical clinic
328 board organized under ~~Sections 11-58-1 to 11-58-14, inclusive~~
329 Chapter 58 of Title 11.

330 (4) The purchase, lease, or other acquisition of
331 machinery, equipment, supplies, and other personal property or
332 services by a medical clinic board organized under ~~Sections~~
333 ~~11-58-1 to 11-58-14, inclusive~~ Chapter 58 of Title 11.

334 (5) Purchases for public hospitals and nursing homes
335 operated by the governing boards of instrumentalities of the
336 state, counties, and municipalities.



HB51 INTRODUCED

337 (6) Contracts for the purchase, lease, sale,
338 construction, installation, acquisition, improvement,
339 enlargement, or extension of any plant, building, structure,
340 or other facility or any machinery, equipment, furniture, or
341 furnishings therefor designed or intended for lease or sale
342 for industrial development, other than public utilities, under
343 ~~Sections 11-54-80 to 11-54-99, inclusive~~ Division 1 of Article
344 4 of Chapter 54 of Title 11, or ~~Sections 11-54-20 to 11-54-28,~~
345 ~~inclusive~~ Article 2 of Chapter 54 of Title 11, or any other
346 law or amendment to the Constitution of Alabama of 2022
347 authorizing the construction of plants or other facilities for
348 industrial development or for the construction and equipment
349 of buildings for public building authorities under ~~Sections~~
350 ~~11-56-1 to 11-56-22, inclusive~~ Chapter 56 of Title 11.

351 (7) The purchase of equipment, supplies, or materials
352 needed, used, and consumed in the normal and routine operation
353 of any waterworks system, sanitary sewer system, gas system,
354 or electric system, or any two or more thereof, that are owned
355 by municipalities, counties, or public corporations, boards,
356 or authorities that are agencies, departments, or
357 instrumentalities of municipalities or counties and no part of
358 the operating expenses of which system or systems, during the
359 then current fiscal year, have been paid from revenues derived
360 from taxes or from appropriations of the state, a county, or a
361 municipality.

362 (8) Purchases made by local housing authorities,
363 organized and existing under Chapter 1 of Title 24, from
364 monies other than those raised by state, county, or city



HB51 INTRODUCED

365 taxation or received through appropriations from state,
366 county, or city sources.

367 (c) The state trade schools, state junior colleges,
368 state colleges, and universities under the supervision and
369 control of the State Board of Education, the district boards
370 of education of independent school districts, the county
371 commissions, and the governing bodies of the municipalities of
372 the state shall establish and maintain such purchasing
373 facilities and procedures as may be necessary to carry out the
374 intent and purpose of this article by complying with the
375 requirements for competitive bidding in the operation and
376 management of each state trade school, state junior college,
377 state college, or university under the supervision and control
378 of the State Board of Education, the district boards of
379 education of independent school districts, the county
380 commissions, and the governing bodies of the municipalities of
381 the state and the governing boards of instrumentalities of
382 counties and municipalities, including waterworks boards,
383 sewer boards, gas boards, and other like utility boards and
384 commissions.

385 (d) Contracts entered into in violation of this article
386 shall be void and any person who violates the provisions of
387 this article shall be guilty of a Class C felony."

388 "§41-16-52

389 (a) All expenditures of funds ~~of whatever nature~~ for
390 repair parts and the repair of heavy duty off-highway
391 construction equipment or of any vehicles with a gross vehicle
392 weight rating of 25,000 pounds or greater, including machinery



HB51 INTRODUCED

421 commission setting out conditions and restrictions under which
422 the option shall be exercised.

423 (c) All expenditures of funds ~~of whatever nature~~ for the
424 leasing of heavy duty off-highway construction equipment and
425 all vehicles with a gross vehicle weight rating of 25,000
426 pounds or greater, including machinery for grading, drainage,
427 road construction, and compaction for exclusive use of county
428 and municipal highway, street, and sanitation departments,
429 involving a monthly rental of not more than ~~five thousand~~
430 ~~dollars (\$5,000)~~ ten thousand dollars (\$10,000) per month per
431 vehicle or piece of equipment or machinery but not to exceed
432 ~~fifteen thousand dollars (\$15,000)~~ thirty thousand dollars
433 (\$30,000) per month for all such vehicles and pieces of
434 equipment made by or on behalf of any county commissions and
435 the governing boards of municipalities of the state and the
436 governing bodies of instrumentalities, including waterworks
437 boards, sewer boards, gas boards, and other like utility
438 boards and commissions shall be made, at the option of the
439 governing boards, bodies, instrumentalities, and commissions,
440 without regard to ~~the provisions of~~ this article."

441 "§41-16-53

442 ~~In case of emergency affecting public health, safety or~~
443 ~~convenience, so declared in writing by the awarding authority,~~
444 ~~setting forth the nature of the danger to public health,~~
445 ~~safety or convenience involved in delay, contracts may be let~~
446 ~~to the extent necessary to meet the emergency without public~~
447 ~~advertisement. Such action and the reasons therefor shall~~
448 ~~immediately be made public by the awarding~~



HB51 INTRODUCED

449 ~~authority.~~Notwithstanding any law to the contrary, in the
450 event circumstances arise for which a delay in remedying or
451 otherwise addressing would likely cause harm to an individual
452 or public property, a contract may be let to the extent
453 necessary to mitigate the harm without regard to the
454 requirements of this article, provided the awarding authority
455 does both of the following:

456 (1) Documents two or more price quotations or price
457 estimates before letting the contract.

458 (2) Adopts a resolution declaring the nature of the
459 circumstances, the action to be taken, and the reasons for
460 taking the action."

461 "§41-16-54

462 (a) (1) All proposed purchases in excess of ~~fifteen~~
463 ~~thousand dollars (\$15,000)~~ thirty thousand dollars (\$30,000)
464 shall be advertised by posting notice thereof on a bulletin
465 board maintained outside the purchasing office and in any
466 other manner and for any length of time as may be determined.
467 Sealed bids or bids to be submitted by a reverse auction
468 procedure shall also be solicited by sending notice by mail or
469 other electronic means to all persons, firms, or corporations
470 who have filed a request in writing that they be listed for
471 solicitation on bids for the particular items that are set
472 forth in the request. If any person, firm, or corporation
473 whose name is listed fails to respond to any solicitation for
474 bids after the receipt of three solicitations, the listing may
475 be cancelled.

476 (2) If a governing body mandates that advertisement for



HB51 INTRODUCED

477 bids shall be published in a newspaper, the contract for
478 purchase shall be awarded if the newspaper to which the
479 advertisement was submitted did not publish the advertisement
480 if the governing body can provide proof that it in good faith
481 submitted the advertisement to the newspaper with instructions
482 to publish the notice in accordance with this section.

483 (b) Except as provided in subsection (d), all bids shall
484 be sealed when received and shall be opened in public at the
485 hour stated in the notice.

486 (c) If the purchase or contract will involve an amount
487 of ~~fifteen thousand dollars (\$15,000) or less~~ less than thirty
488 thousand dollars (\$30,000), the purchases or contracts may be
489 made upon the basis of sealed bids, a joint purchasing
490 agreement, a reverse auction procedure, or in the open market.

491 (d) Beginning January 1, 2009, the awarding authority
492 may make purchases or contracts involving an amount of ~~fifteen~~
493 ~~thousand dollars (\$15,000)~~ thirty thousand dollars (\$30,000)
494 or more through a reverse auction procedure; ~~provided,~~
495 ~~however, that.~~ However, a reverse auction shall only be
496 allowed where the item to be purchased at a reverse auction is
497 either not at the time available on the state purchasing
498 program under the same terms and conditions or, if available,
499 the lowest price offered in the reverse auction is equal to or
500 less than the price for which the item is available on the
501 state purchasing program under the same terms and conditions.
502 All of the purchases shall be subject to audit by the
503 Examiners of Public Accounts. For purposes of this article, a
504 reverse auction procedure includes either of the following:



HB51 INTRODUCED

505 (1) A real-time bidding process usually lasting less
506 than one hour and taking place at a previously scheduled time
507 and Internet location, in which multiple anonymous suppliers
508 submit bids to provide the designated goods or services.

509 (2) a. A bidding process usually lasting less than two
510 weeks and taking place during a previously scheduled period
511 and at a previously scheduled Internet location, in which
512 multiple anonymous suppliers submit bids to provide the
513 designated goods or services.

514 b. No later than November 30, 2008, the Department of
515 Examiners of Public Accounts shall establish procedures for
516 the use of reverse auction, which shall be distributed to all
517 contracting agencies and shall be used in conducting any
518 audits of the purchasing agency.

519 (e) All original bids together with all documents
520 pertaining to the award of the contract shall be retained in
521 accordance with a retention period of at least seven years
522 established by the Local Government Records Commission and
523 shall be open to public inspection.

524 (f) No purchase or contract involving professional
525 services shall be subject to the requirements of this article
526 ~~and no purchase or contract involving an amount in excess of~~
527 ~~fifteen thousand dollars (\$15,000) shall be divided into parts~~
528 ~~involving amounts of fifteen thousand dollars (\$15,000) or~~
529 ~~less for the purpose of avoiding the requirements of this~~
530 ~~article. All such partial contracts involving fifteen thousand~~
531 ~~dollars (\$15,000) or less shall be void.~~

532 (g) This section shall be applicable to education



HB51 INTRODUCED

533 purchases made pursuant to Chapter 13B of Title 16."

534 "§41-16-55

535 (a) Any agreement or collusion among bidders or
536 prospective bidders in restraint of freedom of competition, by
537 agreement, to bid at a fixed price or to refrain from bidding
538 or otherwise shall render the bids of ~~such~~ the bidders void
539 and shall cause ~~such~~ the bidders to be disqualified from
540 submitting further bids to the awarding authority on future
541 purchases.

542 (b) Whoever knowingly participates in a collusive
543 agreement in violation of this section involving a bid or bids
544 of ~~fifteen thousand dollars (\$15,000)~~ less than thirty
545 thousand dollars (\$30,000) ~~and under~~ shall be guilty of a
546 Class A misdemeanor and, upon conviction, shall be punished as
547 prescribed by law.

548 (c) Whoever knowingly and intentionally participates in
549 a collusive agreement in violation of this section involving a
550 bid or bids of ~~over fifteen thousand dollars (\$15,000)~~ thirty
551 thousand dollars (\$30,000) or more shall be guilty of a Class
552 C felony, and upon conviction shall be punished as prescribed
553 by law."

554 Section 2. Although this bill would have as its purpose
555 or effect the requirement of a new or increased expenditure of
556 local funds, the bill is excluded from further requirements
557 and application under Section 111.05 of the Constitution of
558 Alabama of 2022, because the bill defines a new crime or
559 amends the definition of an existing crime.

560 Section 3. This act shall become effective on the first



HB51 INTRODUCED

561 day of the third month following its passage and approval by
562 the Governor, or its otherwise becoming law.