

1 SB6
2 187789-1
3 By Senator Allen
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 09-JAN-18
6 PFD: 08/10/2017

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8 SYNOPSIS: Under existing law, certain governmental and
9 educational institutions are subject to and
10 qualified to enter into joint purchasing agreements
11 under the competitive bid law.

12 This bill would include the Alabama Fire
13 College as an educational institution subject to
14 and qualified to enter into a joint purchasing
15 agreement under the competitive bid law.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

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21 To amend Section 41-16-50, Code of Alabama 1975,
22 relating to public contracts; to include the Alabama Fire
23 College as an educational institution subject to and qualified
24 to enter into a joint purchasing agreement under the
25 competitive bid law.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 41-16-50, Code of Alabama 1975,
2 is amended to read as follows:

3 "§41-16-50.

4 "(a) With the exception of contracts for public
5 works whose competitive bidding requirements are governed
6 exclusively by Title 39, all expenditure of funds of whatever
7 nature for labor, services, work, or for the purchase of
8 materials, equipment, supplies, or other personal property
9 involving fifteen thousand dollars (\$15,000) or more, and the
10 lease of materials, equipment, supplies, or other personal
11 property where the lessee is, or becomes legally and
12 contractually, bound under the terms of the lease, to pay a
13 total amount of fifteen thousand dollars (\$15,000) or more,
14 made by or on behalf of any state trade school, state junior
15 college, state college, or university under the supervision
16 and control of the Alabama Community College System, the
17 Alabama Fire College, the district boards of education of
18 independent school districts, the county commissions, the
19 governing bodies of the municipalities of the state, and the
20 governing boards of instrumentalities of counties and
21 municipalities, including waterworks boards, sewer boards, gas
22 boards, and other like utility boards and commissions, except
23 as hereinafter provided, shall be made under contractual
24 agreement entered into by free and open competitive bidding,
25 on sealed bids, to the lowest responsible bidder. Prior to
26 advertising for bids for an item of personal property or
27 services, where a county, a municipality, or an

1 instrumentality thereof is the awarding authority, the
2 awarding authority may establish a local preference zone
3 consisting of either the legal boundaries or jurisdiction of
4 the awarding authority, or the boundaries of the county in
5 which the awarding authority is located, or the boundaries of
6 the Core Based Statistical Area in which the awarding
7 authority is located. If no such action is taken by the
8 awarding authority, the boundaries of the local preference
9 zone shall be deemed to be the same as the legal boundaries or
10 jurisdiction of the awarding authority. In the event a bid is
11 received for an item of personal property or services to be
12 purchased or contracted for from a person, firm, or
13 corporation deemed to be a responsible bidder, having a place
14 of business within the local preference zone where the county,
15 a municipality, or an instrumentality thereof is the awarding
16 authority, and the bid is no more than five percent greater
17 than the bid of the lowest responsible bidder, the awarding
18 authority may award the contract to the resident responsible
19 bidder. In the event only one bidder responds to the
20 invitation to bid, the awarding authority may reject the bid
21 and negotiate the purchase or contract, providing the
22 negotiated price is lower than the bid price.

23 "(b) The governing bodies of two or more contracting
24 agencies, as enumerated in subsection (a), or the governing
25 bodies of two or more counties, or the governing bodies of two
26 or more city or county boards of education, may provide, by
27 joint agreement, for the purchase of labor, services, or work,

1 or for the purchase or lease of materials, equipment,
2 supplies, or other personal property for use by their
3 respective agencies. The agreement shall be entered into by
4 similar ordinances, in the case of municipalities, or
5 resolutions, in the case of other contracting agencies,
6 adopted by each of the participating governing bodies, which
7 shall set forth the categories of labor, services, or work, or
8 for the purchase or lease of materials, equipment, supplies,
9 or other personal property to be purchased, the manner of
10 advertising for bids and the awarding of contracts, the method
11 of payment by each participating contracting agency, and other
12 matters deemed necessary to carry out the purposes of the
13 agreement. Each contracting agency's share of expenditures for
14 purchases under any agreement shall be appropriated and paid
15 in the manner set forth in the agreement and in the same
16 manner as for other expenses of the contracting agency. The
17 contracting agencies entering into a joint agreement, as
18 herein permitted, may designate a joint purchasing or bidding
19 agent, and the agent shall comply with this article.
20 Purchases, contracts, or agreements made pursuant to a joint
21 purchasing or bidding agreement shall be subject to all terms
22 and conditions of this article.

23 "In the event that utility services are no longer
24 exempt from competitive bidding under this article,
25 non-adjointing counties may not purchase utility services by
26 joint agreement under authority granted by this subsection.

1 "(c) The awarding authority may require bidders to
2 furnish a bid bond for a particular bid solicitation if the
3 bonding requirement applies to all bidders, is included in the
4 written bid specifications, and if bonding is available for
5 the services, equipment, or materials.

6 "(d) Notwithstanding subsection (a), in the event
7 the lowest bid for an item of personal property or services to
8 be purchased or contracted for is received from a foreign
9 entity, where the county, a municipality, or an
10 instrumentality thereof is the awarding authority, the
11 awarding authority may award the contract to responsible
12 bidder whose bid is no more than 10 percent greater than the
13 foreign entity if the bidder has a place of business within
14 the local preference zone or is a responsible bidder from a
15 business within the state that is a woman-owned enterprise, an
16 enterprise of small business, as defined in Section 25-10-3, a
17 minority-owned business enterprise, a veteran-owned business
18 enterprise, or a disadvantaged-owned business enterprise. For
19 the purposes of this subsection, foreign entity means a
20 business entity that does not have a place of business within
21 the state."

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