

The House Committee on Rules offers the following substitute to SB 76:

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 10 of Title 13 of the Official Code of Georgia Annotated, relating to
2 contracts for public works, so as to increase the dollar value of certain public works contracts
3 exempt from provisions relating to retention of contractual payments; to amend Article 10
4 of Chapter 2 of Title 20, relating to contracts and purchases by public schools, so as to
5 increase the dollar value trigger of certain considerations related to in-state purchasing
6 preferences for certain contracts and purchases; to amend Article 11 of Chapter 2 of Title 20,
7 relating to public school property and facilities, so as to increase the dollar value related to
8 when certain school construction contracts must be subject to competitive bidding; to amend
9 Chapter 91 of Title 36 of the Official Code of Georgia Annotated, relating to public works
10 bidding, so as to increase the dollar values of certain public works construction contracts
11 exempt from bidding requirements; to amend Part 1 of Article 3 of Chapter 5 of Title 50,
12 relating to general authority, duties, and procedure for state purchasing, so as to increase the
13 dollar value related to when construction or public works contracts must be conducted and
14 negotiated by the Department of Administrative Services; to provide for related matters; to
15 repeal conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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SECTION 1.

Chapter 10 of Title 13 of the Official Code of Georgia Annotated, relating to contracts for public works, is amended in Code Section 13-10-80, relating to definitions, contract requirements, application, effect of greater benefits contracted for, and evidence of indebtedness paid, by revising subsection (c) as follows:

"(c) This Code section shall not apply to:

(1) Any contracts let by the Department of Transportation of this state for the construction, improvement, or maintenance of roads or highways in this state or purposes incidental thereto; or

(2) Any contracts whose value or duration at the time of the award does not exceed ~~\$150,000.00~~ \$250,000.00 or 45 days in duration."

SECTION 2.

Article 10 of Chapter 2 of Title 20, relating to contracts and purchases by public schools, is amended in Code Section 20-2-500, relating to contracts for purchases authorized of certain supplies, materials, equipment, or agricultural products to give preference to in-state manufacturers or producers, purchases over \$100,000.00, and vendor preferences, by revising subsection (a) as follows:

"(a)(1) Local boards of education shall provide that contracts for or purchases of supplies, materials, equipment, or agricultural products, including but not limited to school buses but not including instructional materials or beverages for immediate consumption, for public elementary and secondary schools supported in whole or in part from public funds shall give preference as far as may be reasonable and practicable to such supplies, materials, equipment, and agricultural products as may be manufactured or produced in this state. Such preference shall not sacrifice quality.

(2) Local boards of education shall provide that, in determining whether such a preference is reasonable in any case where the value of a contract for or purchase of such

43 supplies, materials, equipment, or agricultural products exceeds ~~\$100,000.00~~
44 \$250,000.00, the local school district shall consider, among other factors, information
45 submitted by the bidder which may include the bidder's estimate of the multiplier effect
46 on gross state domestic product and the effect on public revenues of the state and the
47 effect on public revenues of political subdivisions resulting from acceptance of a bid or
48 offer to sell Georgia manufactured or produced goods as opposed to out-of-state
49 manufactured or produced goods. Any such estimates shall be in writing. No local
50 school district shall divide a contract or purchase which exceeds ~~\$100,000.00~~
51 \$250,000.00 for the purpose of avoiding the requirements of this paragraph."

52 **SECTION 3.**

53 Article 11 of Chapter 2 of Title 20, relating to public school property and facilities, is
54 amended in Code Section 20-2-520, relating to acquiring and disposing of school sites,
55 building, repairing, renting, and furnishing schoolhouses, by revising subsection (a) as
56 follows:

57 "(a) The county boards of education shall have the power to purchase, lease, or rent school
58 sites; build, repair, or rent schoolhouses; purchase maps, globes, and school furniture; and
59 make all arrangements necessary to the efficient operation of the schools. Such county
60 boards are invested with the title, care, and custody of all schoolhouses or other property,
61 with the power to control such property in such manner as they think will best serve the
62 interests of the public schools; and when, in the opinion of the county board, any
63 schoolhouse site has become unnecessary or inconvenient, they may sell it in the name of
64 the county board; and the conveyance for any such sale shall be executed by the president
65 or secretary of the county board, according to the order of the county board. Such county
66 boards shall have the power to receive any gift, grant, donation, or devise made for the use
67 of the public schools within the respective counties; and all conveyances of real estate
68 which may be made to such a county board shall vest the property in such county board and

69 its successors in office. Such county board may provide for the building of schoolhouses
70 by a tax on all property located in the county and outside the territorial limits of any
71 independent school system. The construction of all public school buildings must be
72 approved by the county school superintendent and county board and must be according to
73 the plans furnished by the county school authorities and the State Board of Education. All
74 public school construction contracts in excess of ~~\$100,000.00~~ \$250,000.00 shall be publicly
75 advertised and awarded through an open and competitive process, regardless of the funding
76 source."

77 **SECTION 4.**

78 Chapter 91 of Title 36 of the Official Code of Georgia Annotated, relating to public works
79 bidding, is amended in Code Section 36-91-22, relating to exceptions, use of inmate labor,
80 and emergency situations, by revising subsections (a) and (g) as follows:

81 "(a) The requirements of this chapter shall not apply to public works construction projects,
82 when the same can be performed at a cost of less than ~~\$100,000.00~~ \$250,000.00. Public
83 works construction projects shall not be subdivided in an effort to evade the provisions of
84 this chapter."

85 "(g) The requirements of this chapter shall not apply to public works construction projects
86 or any portion of a public works construction project self-performed by a governmental
87 entity. If the governmental entity contracts with a private person or entity for a portion of
88 such project, the provisions of this chapter shall apply to any such contract estimated to
89 exceed ~~\$100,000.00~~ \$250,000.00."

90 **SECTION 5.**

91 Part 1 of Article 3 of Chapter 5 of Title 50, relating to general authority, duties, and
92 procedure for state purchasing, is amended in Code Section 50-5-72, relating to construction

93 and public works contracts conducted by department, advertising costs, and exceptions, by
94 revising subsection (a) as follows:

95 "(a) Notwithstanding any other provision of this part or any other law dealing with the
96 subject matter contained in this Code section to the contrary, all construction or public
97 works contracts, exceeding a total expenditure of ~~\$100,000.00~~ \$250,000.00, of any
98 department, board, bureau, commission, office, or agency of the state government, except
99 as provided in this Code section, shall be conducted and negotiated by the Department of
100 Administrative Services in accordance with this part; provided, however, that any
101 expenditure of less than ~~\$100,000.00~~ \$250,000.00 shall still be subject to review and
102 approval by the Department of Administrative Services, which may approve
103 noncompetitive expenditures of up to ~~\$100,000.00~~ \$250,000.00."

104 **SECTION 6.**

105 All laws and parts of laws in conflict with this Act are repealed.