

1 HB172  
2 209240-2  
3 By Representatives Drummond and Garrett  
4 RFD: State Government  
5 First Read: 02-FEB-21  
6 PFD: 01/28/2021

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ENROLLED, An Act,

Relating to the purchase of supplies and services by state government; to add Section 41-4-177.10 to the Code of Alabama 1975, to provide for the collection of data relating to certain businesses in the state; to authorize the Secretary of State to adopt rules; and to provide for a contingent effective date.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 41-4-177.10 is added to the Code of Alabama 1975, to read as follows:

§41-4-177.10. Data Collection.

(a) For purposes of this section, the following terms shall have the following meanings:

(1) MINORITY INDIVIDUAL. An individual who is a citizen or lawful permanent resident of the United States, and who is any of the following:

a. African American: An individual having origins in any of the black racial groups of Africa.

b. Hispanic: An individual of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

c. Asian American: An individual having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

1           d. Native American: An individual having origins in  
2 any of the original peoples of North America.

3           (2) MINORITY-OWNED BUSINESS. A for-profit business  
4 that is headquartered or has its principal place of business  
5 in the state, and that is any or either of the following:

6           a. An independently owned and operated business that  
7 is at least 51 percent owned or controlled by one or more  
8 minority individuals, a majority of whom have their permanent  
9 place of residence in the state.

10           b. A publicly owned business of which at least 51  
11 percent of the stock is owned and controlled by one or more  
12 minority individuals and whose daily management and operations  
13 are under the control of one or more of these minority  
14 individuals, a majority of whom have their permanent place of  
15 residence in the state.

16           (3) SMALL BUSINESS. A for-profit business that is  
17 headquartered or has its principal place of business in the  
18 state; that is independently owned and operated; and that  
19 employs no more than 50 individuals on a full-time basis, a  
20 majority of whom have their permanent place of residence in  
21 the state.

22           (4) SMALL OR DISADVANTAGED BUSINESS. A small  
23 business, a minority-owned business, or a woman-owned business  
24 that is licensed to do business in the state.

1           (5) WOMAN-OWNED BUSINESS. A for-profit business that  
2 is headquartered or has its principal place of business in the  
3 state, and that is any or either of the following:

4           a. An independently owned and operated business that  
5 is at least 51 percent owned or controlled by one or more  
6 women, a majority of whom have their permanent place of  
7 residence in the state.

8           b. A publicly owned business of which daily  
9 management and operations are under the control of a woman or  
10 group of women, a majority of whom have their permanent place  
11 of residence in the state, and who own and control at least 51  
12 percent of the stock of the business or an equivalent  
13 ownership stake.

14           (b) The Chief Procurement Officer shall make  
15 reasonable efforts to do all of the following:

16           (1) Obtain, from the Secretary of State, the  
17 Department of Labor, and other available sources, information  
18 regarding the small and disadvantaged businesses operating in  
19 the state, and maintain a database of the information  
20 received.

21           (2) Identify and record the goods or services that  
22 may reasonably be purchased by the state from the small or  
23 disadvantaged businesses operating in the state.

24           (3) Determine what proportion of procurement  
25 contracts under this article are awarded to the small and

1       disadvantaged businesses in the state based upon the records  
2       and information obtained by the Chief Procurement Officer.

3               (c) (1) The Chief Procurement Officer, by the end of  
4       February of each year, shall provide to the Contract Review  
5       Permanent Legislative Oversight Committee a summary of the  
6       information and data gathered under this section.

7               (2) The Chief Procurement Officer and the Secretary  
8       of State, upon request, shall provide data collected and  
9       maintained under this section to the Legislative Services  
10       Agency.

11              Section 2. The Secretary of State shall adopt rules  
12       or establish internal office procedures to implement the  
13       Office of the Secretary of State's responsibilities under this  
14       act, which shall include reasonable efforts to identify small  
15       or disadvantaged businesses authorized by the Secretary of  
16       State to do business within the state and the reporting of  
17       that data and information to the Chief Procurement Officer no  
18       less than annually by January 31 of each year.

19              Section 3. The provisions of this act are severable.  
20       If any part of this act is declared invalid or  
21       unconstitutional, that declaration shall not affect the part  
22       which remains.

23              Section 4. This act shall become effective  
24       immediately following its passage and approval by the  
25       Governor, or its otherwise becoming law, contingent upon the

1 enactment of SB \_\_\_\_ of the 2021 Regular Session, creating the  
2 Office of Chief Procurement Officer.

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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 09-MAR-21.

Jeff Woodard  
Clerk

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Senate	<hr/> 06-APR-21 <hr/>	Passed
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