

- 1 U95RXG-2
- 2 By Senator Orr
- 3 RFD: Finance and Taxation Education
- 4 First Read: 21-Mar-23
- 5 2023 Regular Session



1 Enrolled, An Act,

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- 3

4 Relating to state government; to amend Sections 5 41-4-114, 41-4-120, 41-4-122 as last amended by Act 2022-357 of the 2022 Regular Session, 41-4-124, 41-4-125, Section 6 7 41-4-126 as last amended by Act 2022-357 of the 2022 Regular Session, 41-4-139, 41-4-172, 29-2-41.1 Code of Alabama 1975, 8 9 to further provide exemptions to the state procurement code; to further provide for the authority to make emergency 10 11 procurements and the review of those procurements by the Contract Review Legislative Oversight Committee; to provide 12 13 for the procurement of certain health professionals who 14 provide services to the Medicaid Agency under certain 15 conditions; to further provide for the definition of 16 professional services to include the management and 17 administration of occupational licensing boards; to provide 18 for the procurement of supplies, services, and professional 19 services by district attorneys or sheriffs; to provide for the 20 change of the name of the Office of the Chief Procurement 21 Officer to the Division of Procurement; and to add Section 22 41-4-125.01 to the Code of Alabama 1975, to provide for the 23 procurement of physicians retained to provide medical services 24 to the State of Alabama.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. Sections 41-4-114, 41-4-120, 41-4-122 as 27 last amended by Act 2022-357 of the 2022 Regular Session, 28 41-4-124, 41-4-125, Section 41-4-126 as last amended by Act



29 2022-357 of the 2022 Regular Session, 41-4-139, 41-4-172, 30 29-2-41.1, Code of Alabama 1975, are amended to read as 31 follows:

32 "\$41-4-114

33 (a) For purposes of this article, the following words
34 shall have the following meanings:

35 (1) BUSINESS. Any corporation, partnership, individual,
36 sole proprietorship, joint stock company, joint venture, or
37 other private legal entity.

38 (2) CAPITAL EQUIPMENT. Tangible personal property that
39 can be appraised for value, is not disposable or consumable,
40 is stand alone, and has a useful life of one year or more.

(3) CHANGE ORDER. A written order signed by the
procurement officer directing the contractor to make changes
which the changes clause of the contract authorizes the
procurement officer to order without the consent of the
contractor.

46 (4) CHIEF PROCUREMENT OFFICER. The person <u>individual</u>
47 holding the position created in Section 41-4-120, as the head
48 of the Office of the Chief Procurement Officer <u>Division of</u>
49 Procurement.

50 (5) CONTINGENCY FEE CONTRACT. An agreement, express or 51 implied, for litigation legal services of an attorney or 52 attorneys, including any associated counsel, under which 53 compensation is contingent in whole or in part upon the 54 successful accomplishment or disposition of the subject matter 55 of the agreement. The payment may be in an amount which either 56 is fixed or is to be determined under a formula.



57 (6) CONTINGENCY FEE COUNSEL. An attorney or attorneys
 58 performing services under a contingency fee contract.

(7) CONTRACT. All types of state agreements, regardless
of what they may be called, for the procurement of supplies or
services.

62 (8) CONTRACT MODIFICATION. Any written alteration in
63 specifications, delivery point, rate of delivery, period of
64 performance, price, quantity, or other provisions of any
65 contract accomplished by mutual action of the parties to the
66 contract.

67 (9) CONTRACTING AGENCY. The Governor, Attorney General,
68 or director of a state agency, department, bureau, commission,
69 authority, public corporation, or instrumentality of the State
70 of Alabama that seeks to enter a contract.

71 (10) CONTRACTOR. Any person having a contract with a 72 governmental body.

73 (11) DATA. Recorded information, regardless of form or74 characteristic.

75 (12) DESIGNEE. A duly authorized representative of a 76 person.

77 (13) ELECTRONIC. Electrical, digital, magnetic,
78 optical, electromagnetic, or other similar technology.

(14) GOVERNMENTAL BODY. Except as otherwise provided in this article, an agency, department, board, bureau, commission, committee, institution, corporation, authority, or office of this state. The term does not include the legislative or judicial departments of the state or a legislative or judicial agency, the Alabama State Port



Authority, municipalities, or the county commission and governing boards of instrumentalities of counties including waterworks boards, sewer boards, gas boards, and other like utility boards and commissions.

(15) GRANT. The furnishing by the state or federal government of assistance, whether financial or otherwise, to any person to support a program authorized by law. The term does not include an award with a primary purpose to procure an end product, whether in the form of supplies or services.

94 (16) JUDICIAL AGENCY. Any department, appellate court, 95 trial court, board, body, bureau, commission, committee, institution, corporation, authority, or office created, 96 97 established, and operating as an agency of the judicial 98 department of this state. The term includes, but is not 99 limited to, the Administrative Office of Courts, the State Law 100 Library, the Court of the Judiciary, and the Sentencing 101 Commission.

(17) LEGISLATIVE AGENCY. The Alabama State Legislature
and any department, board, body, bureau, commission,
committee, institution, corporation, authority, or office
created, established, and operating as an agency of the
legislative department of this state. The term includes, but
is not limited to, the Legislative Services Agency and the
Department of Examiners of Public Accounts.

109 (18) PERSON. An individual, corporation, association,
110 partnership, limited liability corporation, union, committee,
111 club, other organization, or group.

112 (19) PROCUREMENT. Buying, purchasing, renting, leasing,



or otherwise acquiring any supplies or services. The term includes all functions that pertain to the obtaining of any supply or service, including description of requirements, selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration. The term does not include the leasing of real property.

(20) PROCUREMENT OFFICER. Any <u>person_individual</u> duly authorized by the Chief Procurement Officer to enter into and administer contracts and make written determinations with respect to those contracts. The term includes an authorized representative acting within the limits of authority.

(21) PROFESSIONAL SERVICES. The services of physicians, 124 125 architects, engineers, landscape architects, land surveyors, 126 geoscientists, attorneys, teachers, artists, appraisers, and 127 other individuals, or business entities offering the services 128 of those individuals, who possess a high degree of scientific 129 or specialized skill and knowledge where the experience and 130 professional qualifications of the service provider are 131 particularly relevant to the provision of the required 132 service. The term also includes the management or 133 administration of any occupational licensing board, as defined 134 under Section 41-9A-1, by a person other than a state 135 employee. 136 (22) PUBLIC FUNDS. Money, regardless of its source, 137 that is owned or held by a governmental body.

138 (23) PUBLIC NOTICE. The distribution or dissemination 139 of information to interested parties using methods that are 140 reasonably available, including, but not limited to,



141 publication in newspapers of general circulation, electronic 142 or paper mailing lists, and websites designated by the state 143 and maintained for that purpose.

144 (24) PURCHASING AGENCY. A governmental body, other than 145 the Office of the Chief Procurement Officer, that is 146 authorized by this article, its implementing rules, or by 147 delegation from the Chief Procurement Officer to enter into 148 contracts.

149 (25) SERVICES. The furnishing of labor, time, or effort 150 by a contractor. The term does not include the delivery of a 151 specific end product, other than reports that are merely 152 incidental to the required performance.

153 (26) SIGNATURE. A manual signature or an electronic154 signature, as defined in Section 8-1A-2.

155 (27) SOLICITATION. Any request to submit quotes, bids, 156 or offers to the state for the procurement of supplies or 157 services. The term includes invitations to bid and requests 158 for proposals.

(28) SUPPLIES. All property, including equipment,
materials, and printing. The term does not include land or a
permanent interest in land.

162 (29) USING AGENCY. A governmental body that utilizes163 any supplies or services procured under this article.

(30) WRITTEN or IN WRITING. The product of any method of forming characters on paper, other materials, or viewable screens, which can be read, retrieved, and reproduced, including information that is electronically transmitted and stored.



169 (b) The terms state, state department, state agency, 170 agency, state entity, instrumentality of the state, and 171 governmental body do not include municipalities, political 172 subdivisions, county commissions, or the governing boards of 173 instrumentalities of counties including waterworks boards, 174 sewer boards, gas boards, and other like utility boards and 175 commissions." 176 "\$41-4-120 177 There is created within the Department of Finance the Office of the Chief Procurement Officer Division of 178 179 Procurement, headed by the Chief Procurement Officer." "§41-4-122 180 (a) The Chief Procurement Officer shall serve as the 181 182 central procurement officer of the state. 183 (b) Consistent with this article, the Chief Procurement 184 185 Officer shall adopt operational procedures governing the 186 internal functions of the Office of the Chief Procurement 187 Officer Division of Procurement. 188 (c) Except as otherwise specifically provided in this 189 article, the Chief Procurement Officer, in accordance with 190 rules adopted under this article, shall do all of the 191 following: 192 (1) Except for alcoholic beverages, which shall be purchased by the Alcoholic Beverage Control Board, procure or 193 194 supervise the procurement of all supplies and services needed by the state. 195 196 (2) Ensure compliance with this article and the rules



197 implementing this article by reviewing and monitoring 198 procurements conducted by any designee, department, agency, or official delegated authority under Section 41-4-123. 199 200 (3) Require, upon request of the Chief Procurement 201 Officer, the periodic reporting of all procurement by or for 202 counties, the purchase, contract, or lease price of which is 203 one hundred dollars (\$100) or more, and require information in connection therewith; to prescribe forms and fix the 204 for submitting such reports; and, when requested by any county, 205 municipal corporation, other local public body, including any 206 207 board of education, to make such purchase contract, or lease for it. It shall be the duty of every county to make the 208 report on forms furnished by the Office of the Chief 209 Procurement Officer whenever requested to do so, but not more 210 211 than once every 30 days. (4) (3) Perform other functions and duties of the 212 213 Department of Finance as may be assigned by the Director of

214 Finance.

215 (d) The Chief Procurement Officer may establish and 216 maintain a system for the purchase of supplies and services by 217 governmental bodies that conduct their procurement activities 218 through the Office of the Chief Procurement Officer Division 219 of Procurement, through the utilization of approved credit 220 cards. County and municipal governments and instrumentalities 221 or public corporations thereof may participate in the state 222 fleet fuel card program subject to the terms and conditions of the program related to the utilization of the fleet fuel card; 223 224 provided, however, that county and municipal governments and



225 instrumentalities or public corporations thereof shall not 226 otherwise be subject to this subsection. The Chief Procurement 227 Officer shall establish by rule a process for the competitive 228 solicitation of credit card providers. The state Comptroller 229 and the Chief Procurement Officer shall adopt fiscal 230 procedures governing the payment of charges incurred by credit 231 card users and the utilization of credit cards. The use of 232 approved credit cards shall be established by the state 233 Comptroller and the Chief Procurement Officer, with the approval of the Director of Finance, and be published through 234 235 the Alabama fiscal procedures, in which each purchase made 236 using approved credit cards is required to have prior approval 237 by the department head or his or her designee and a record of 238 each purchase and approval is to be maintained. The Chief 239 Procurement Officer may select the provider or providers 240 offering the highest fees to the division for the use of its 241 credit card or credit cards. Fees received by the division for 242 the use of credit cards shall be placed in a special fund 243 entitled the State Procurement Fund in the State Treasury for 244 the use of the division and the funds shall be appropriated, 245 budgeted, and allotted in accordance with Sections 41-4-80 to 246 41-4-96, inclusive, and 41-19-1 to 41-19-12, inclusive, and 247 only in amounts stipulated in general appropriations bills and 248 other appropriation bills. Approved credit cards may be issued 249 to requisitioning agencies upon the recommendation of the 250 Chief Procurement Officer and the approval of the Director of Finance. Approved credit cards shall be assigned to the 251 252 department and limited in number. Approved credit cards may be



253 utilized to purchase items of supplies and services, and may 254 not exceed the limitations set forth by rule. The director of 255 the governmental body utilizing credit cards is responsible 256 for the proper use of credit cards assigned to his or her 257 agency, in accordance with rules established by Alabama fiscal 258 procedures. The Chief Procurement Officer may collect any 259 credit card from any governmental body at any time due to 260 improper use. The Chief Procurement Officer shall submit an 261 annual report and accounting regarding the use of credit cards by each governmental body to the Director of Finance and the 262 263 Governor.

(e) The Office of the Chief Procurement Officer 264 265 Division of Procurement may charge a biannual registration fee to vendors desiring to register with the office to receive 266 267 invitations to bid for any supplies or services solicited by 268 the division and to governmental bodies for their 269 proportionate share of operating costs of the office. Any fee 270 shall be set by administrative rule upon the approval of the 271 Director of Finance. Any fees collected under this subsection 272 shall be deposited in the State Treasury to the credit of the 273 State Procurement Fund and shall be appropriated, budgeted, 274 and allotted in accordance with Sections 41-4-80 to 41-4-96, 275 inclusive, and 41-19-1 to 41-19-12, inclusive, and only in 276 amounts stipulated in general appropriations bills and other 277 appropriation bills.

(f) The Chief Procurement Officer may make purchases, contracts, or leases for any county, instrumentality of a county, municipal corporation, local board of education, or other local public body upon the request of the local public body.

283 <u>(f)(g)</u> The Chief Procurement Officer shall adopt rules 284 consistent with this article to govern the procurement of 285 supplies and services procured by the state."



286 "\$41-4-124

(a) Except as otherwise provided in this article, all
rights, powers, duties, and authority relating to the
procurement of supplies and services now vested in, or
exercised by, any governmental body under existing law are
transferred to the Chief Procurement Officer.

(b) The following governmental bodies are subject to this article except as it relates to the purchase of professional services and the oversight and authority of the Chief Procurement Officer, but shall establish and maintain procurement offices and personnel and shall adopt rules as may be necessary to comply with this article:

(1) All educational and eleemosynary institutions
governed by a board of trustees or other similar governing
body.

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(2) The Retirement Systems of Alabama.

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(3) The Department of Mental Health.

303 (c) The Alabama Department of Transportation is subject 304 to this article except as it relates to the purchase of 305 professional services and shall adopt rules governing the 306 purchase of professional services by the department which are 307 consistent with the principles contained in this article and 308 promote fairness, competition, transparency, integrity, and 309 value in the procurement process.

310 (d) The procurement of any supplies, services, or

311 professional services by a district attorney or sheriff shall

312 be solely governed by Article 3, commencing with Section

313 41-16-50 of Chapter 16.



314 (d) (e) The procurement of any supplies or services by a 315 legislative agency or judicial agency shall be solely governed 316 by procedures adopted by the Legislative Council for all 317 legislative agencies and by rules adopted by the Supreme Court 318 of Alabama for all judicial agencies. The procedures adopted 319 shall be consistent with any applicable requirements of the 320 Constitution of Alabama of 1901 2022, and shall be established 321 in accordance with the underlying purposes and policies of 322 promoting responsible and efficient use of public funds 323 dedicated and appropriated to the agencies for their use, 324 providing consistency of application of rules and requirements across all agencies within the applicable branch of state 325 326 government, and promoting fairness, competition, transparency, 327 integrity, and value in the procurement process. In no case 328 may the legislative and judicial departments of the state adopt procedures that conflict with the laws of this state 329 330 regarding the public disclosure of the use of public funds and 331 the transparency of public expenditures, or that otherwise 332 conflict with state law regarding public records and public 333 access to those records. Except for the requirement to act in 334 good faith, no other provision of this article shall apply to 335 legislative or judicial agencies; provided, that the 336 legislative and judicial departments may adopt all or any part of this article and its accompanying rules. 337

338 (e) (f) The procurement of any supplies or services by 339 the Alabama State Port Authority shall be solely governed by 340 procedures adopted by the Board of Directors of the Alabama 341 State Port Authority. The procedures adopted shall be



342 consistent with any applicable requirements of the 343 Constitution of Alabama of $\frac{1901}{2022}$, and shall be established 344 in accordance with the underlying purposes and policies of 345 promoting responsible and efficient use of the funds of the 346 Alabama State Port Authority, providing consistency of 347 application of rules and requirements across all agencies 348 within the applicable branch of state government, and 349 promoting fairness, competition, transparency, integrity, and 350 value in the procurement process. Except for the protection of information otherwise legally considered commercially 351 352 confidential, sensitive, or of a nature that upon release 353 would harm the competitive advantage of itself or its 354 customers, concessionaires, lessees, or suppliers, the Alabama 355 State Port Authority may not adopt procedures that conflict 356 with the laws of this state regarding the public disclosure of 357 the use of its funds and the transparency of its expenditures, 358 or that otherwise conflict with state law regarding public 359 records and public access to those records. Except as provided 360 in this subsection and the requirement to act in good faith, 361 no other provision of this article shall apply to the Alabama 362 State Port Authority; provided, however, that the Alabama 363 State Port Authority may adopt all or any part of this article 364 and its accompanying rules."

365

"§41-4-125

(a) (1) Except as otherwise provided in this section,
attorneys retained to represent the state in litigation shall
be appointed by the Attorney General in consultation with the
Governor from a list of attorneys maintained by the Attorney



370 General. All attorneys interested in representing the state 371 may apply and shall be included on the list. The selection of 372 the attorney or law firm shall be based upon the level of 373 skill, experience, and expertise required in the litigation 374 and the fees charged by the attorney or law firm shall be 375 taken into consideration so that the state receives the best representation for the funds paid. Fees shall be negotiated 376 377 and approved by the Governor in consultation with the Attorney 378 General. Maximum fees paid for legal representation that does not involve a contingency fee contract may be established by 379 380 executive order of the Governor.

(2) Attorneys retained by any state purchasing entity 381 382 to render nonlitigation legal services shall be selected by 383 the entity from a list of attorneys maintained by the Legal 384 Advisor to the Governor. All attorneys interested in 385 representing any purchasing state entity may apply and shall 386 be included on the list. The selection of the attorney or law 387 firm shall be based upon the level of skill, experience, and 388 expertise required for the services, but the fees charged by 389 the attorney or law firm shall be taken into consideration so 390 that the state entity shall receive the best representation 391 for the funds paid. Fees for the services shall be negotiated 392 by the state entity requiring the services and shall be 393 subject to the review and approval of the Governor or the 394 Director of Finance when so designated by the Governor.

395 (b) This section article does not apply to either of 396 the following:

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(1) The appointment of attorneys or experts by a court.



398 (2) The retention of experts by the state for the399 purposes of litigation or avoidance of litigation.

(c) Nothing in this section shall be construed as altering or amending the Governor's authority to retain attorneys under Section 36-13-2; provided, the Governor shall select the attorneys from three proposals received from attorneys included on the list maintained by the Attorney General.

(d) (1) A governmental body may not enter into a contingency fee contract with any attorney or law firm unless the contracting agency makes a written determination prior to entering into a contingency fee contract that contingency fee representation is both cost effective and in the public interest. Any written determination shall include specific findings for each of the following factors:

a. Whether there are sufficient and appropriate legal
and financial resources within the state to handle the matter
without a contingency contract.

b. The expected time and labor required, the novelty,
complexity, and difficulty of the questions involved, and the
skill requisite to perform the attorney services properly.

c. The geographic area where the attorney services areto be provided.

421 d. The amount of experience desired for the particular 422 kind of attorney services to be provided and the nature of the 423 private attorney's experience with similar issues or cases.

424 (2) Subject to subdivision (3), the state may not enter425 into a contingency fee contract that provides for the



426 contingency fee counsel to receive an aggregate contingency 427 fee calculated from the gross recovery resulting from a 428 judgment or settlement in each action, exclusive of expenses, 429 in excess of the total of all of the following: 430 a. Twenty-two percent of any recovery of up to that 431 does not exceed ten million dollars (\$10,000,000); plus 432 b. Twenty percent of any portion of the recovery 433 between that exceeds ten million dollars (\$10,000,000) and but 434 does not exceed twenty-five million dollars (\$25,000,000); 435 plus 436 c. Sixteen percent of any portion of the recovery between_that exceeds twenty-five million dollars (\$25,000,000) 437 438 and but does not exceed fifty million dollars (\$50,000,000); 439 plus 440 d. Twelve percent of any portion of the recovery between that exceeds fifty million dollars (\$50,000,000) and 441 442 but does not exceed seventy-five million dollars 443 (\$75,000,000); plus 444 e. Eight percent of any portion of the recovery between 445 seventy-five million dollars (\$75,000,000) and one hundred 446 million dollars (\$100,000,000); plus 447 f. Seven and one-tenth (7.1) percent of any portion of 448 the recovery exceeding one hundred million dollars 449 (\$100,000,000). 450 (3) The aggregate fee paid under a contingency fee 451 contract may not exceed seventy-five million dollars (\$75,000,000). 452 453 (4) All litigation expenses incurred by the contingency



454 fee counsel shall be paid or reimbursed upon approval on a 455 monthly basis upon presentation of documentation of the 456 expenses to the contracting agency.

457 (5) The Attorney General may certify in writing to the 458 Governor that, in the opinion of the Attorney General, an 459 issue affecting the public health, safety, convenience, or 460 economic welfare of the state exists that justifies that the 461 contingency fee limitations set forth in subdivision (2) or 462 (3) be suspended in the case of a particular contingency fee 463 contract. Upon receipt of the written certification, the 464 Governor, by the issuance of an executive order, may waive the limitations with respect to the specified contingency fee 465 466 contract.

467 (6) A governmental body may not enter into a
468 contingency fee contract unless all of the following
469 requirements are met throughout the entire contract period,
470 including any extensions of the period:

471 a. A government attorney has complete control over the472 course and conduct of the case.

b. A government attorney with supervisory authority ispersonally involved in overseeing the litigation.

475 c. A government attorney retains veto power over any476 decisions made by the contingency fee counsel.

d. After giving reasonable notice to the contingency
fee counsel, any defendant that is the subject of the
litigation may contact the lead government attorney directly
unless directed to do otherwise by that attorney. Contingency
fee counsel shall have the right to may participate in the



482 discussion with the lead government attorney or attorneys 483 unless, after consultation with contingency fee counsel, the 484 lead government attorney agrees to the discussion without 485 contingency fee counsel being present.

486 e. A government attorney with supervisory authority for487 the case shall attend all settlement conferences.

488 f. Decisions regarding settlement of the case shall be 489 reserved exclusively to the discretion of the government 490 attorney and the state.

(7) The Attorney General shall develop a standard addendum to every contract for contingent fee attorney services that shall be used in all cases, describing in detail what is expected of both the contingency fee counsel and the state, including, without limitation, the requirements listed in subdivision (6).

(8) Copies of any executed contingency fee contract and the contracting agency's written determination to enter into the contingency fee contract with the contingency fee counsel and any payment of any contingency fees shall be posted online as provided in Section 41-4-65.

502 (9) Every contingency fee counsel, from the inception 503 of the contingency fee contract until at least four years 504 after the contract expires or is terminated, shall maintain 505 detailed current records, including documentation of all time 506 records, expenses, disbursements, charges, credits, underlying 507 receipts and invoices, and other financial transactions that concern the provision of the attorney services. The 508 509 contingency fee counsel shall make all the records available



510 for inspection and copying upon request by the Governor, 511 Attorney General, or contracting agency. In addition, the 512 contingency fee counsel shall maintain detailed 513 contemporaneous time records for the attorneys and paralegals 514 working on the contract in six minute increments and, upon 515 request, shall provide promptly these records to the Governor, 516 Attorney General, or contracting agency.

(10) Any contingency fee paid to a private attorney or law firm shall be paid from the State Treasury from the funds recovered as a result of the <u>contingent contingency</u> fee contract within 30 days of receipt of the recovery unless ordered to do otherwise by a court with jurisdiction over the litigation subject to the contingency fee contract."

523

"§41-4-126

(a) Unless otherwise ordered by rule, with approval of
the Governor, the following supplies and services need not be
procured through the <u>Office of the Chief Procurement Officer</u>
<u>Division of Procurement</u> and are exempt from the competitive
requirements of this article:

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

530 (2) Published books in any format such as digital,
531 audio, or hardcopy; maps; periodicals; and technical
532 pamphlets.

533 (3) Utility services where no competition exists or534 where rates are fixed by law.

535 (4) Purchases of alcoholic beverages by the Alcoholic536 Beverage Control Board.

537 (5) Purchases of products made or manufactured by the



538 blind or visually handicapped under the direction or 539 supervision of the Alabama Institute for Deaf and Blind in accordance with Sections 21-2-1 to 21-2-4, inclusive Chapter 2 540 541 of Title 21. 542 (6) Photographs purchased from a federal agency. 543 (7) Barter transactions by the Department of 544 Corrections. 545 (8) The purchase of insurance and supplies or services 546 related to the purchase of insurance. (9) Supplies and services that by their very nature are 547 impossible to award by competitive process, as determined by 548 the Chief Procurement Officer. 549 (b) Any state department or agency whose principal 550 551 business is honorariums is exempted from this chapter on 552 purchases and contracts for services made by that department 553 or agency. 554 (c) Nothing in this article is intended to repeal or 555 limit any provision of Section 23-1-40 or Sections 23-2-140 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title 556 557 23, commencing with Section 23-2-140, relating to the 558 procurement authority of the State Department of 559 Transportation and the Alabama Toll Road, Bridge and Tunnel 560 Authority. To the extent any provision contained in this 561 article conflicts with Section 23-1-40 or Sections 23-2-140 562 through 23-2-175 Article 5 or Article 6 of Chapter 2 of Title

563 23, the latter governs.

(d) Nothing in this article repeals or limits anyprovision of Section 41-4-400, relating to the procurement



authority of the Division of Construction Management. To the extent any provision contained in this article conflicts with Section 41-4-400, the latter governs.

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

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

578 (g) This article does not apply to direct health care 579 services provided by the Alabama Department of Public Health.

580 (h) Nothing in this article applies to the 581 administration of health benefit plans by a governmental body 582 and supplies or services related thereto.

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

(j) (1) Except as provided in subdivision (2), the purchase of supplies or services negotiated on behalf of two-year and four-year colleges and universities may be awarded without competitive bidding, provided that no state revenues, appropriations, or other state funds are expended or



594 committed and when it is determined by the respective board 595 that financial benefits will accrue to the institution.

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

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

610 (k) This article does not apply to purchases and 611 contracts for the repair of equipment used in the construction 612 and maintenance of highways by the Department of 613 Transportation.

614 (1) This article does not apply to public works615 projects governed by Title 39.

(m) This article does not apply to the purchase by the Department of Transportation of road building materials for transportation infrastructure in the state. Road building materials may be purchased from private land owners or commercial providers from the nearest or most cost-effective source available for the particular application. Road building



622 materials include dirt, gravel, stone, slag, or borrow 623 materials, in natural state or processed by crushing, grading, 624 or screening processes.

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

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

(p) Governmental bodies may purchase supplies from any
vendor that offers the item at a price at least ten percent
below the price established on a statewide contract by the
Office of the Chief Procurement Officer Division of

Procurement for the same item, provided that each purchase, 639 640 whether for a single item or multiple items, does not exceed 641 an amount established by rules of the Chief Procurement 642 Officer. The Office of the Chief Procurement Officer Division 643 of Procurement shall confirm that the terms and conditions of 644 the purchases are substantially similar to those of the 645 statewide contract for the same item prior to the approval of 646 any purchase under this subsection. Any purchase that would be 647 directly connected to any information technology network used 648 by the state shall require prior approval by the Secretary of 649 Information Technology. If the purchaser is to take possession



650 of the purchased supplies at the vendor's physical location, 651 any acquisition of supplies under this subsection may be 652 purchased only from vendors physically located within the 653 state. The price of any supplies purchased under this 654 subsection shall be the market price readily available to the 655 public at large. The acquisition of supplies under this 656 subsection is subject to the supervision and administration of 657 the Office of the Chief Procurement Officer Division of

658 <u>Procurement</u>.

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

(r) Nothing in this article shall be construed asrepealing Section 9-2-106 or Section 9-2-107.

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

672 (t) This article does not apply to the Alabama Medicaid
673 Agency for purposes of the selection of professional service
674 providers for contracts with physicians, pharmacists,

675 dentists, optometrists, opticians, nurses, and other health

676 professionals which involve only service on agency task

677 forces, boards, or committees."



678 "\$41-4-139

(a) A written determination of nonresponsibility of a
bidder or offeror shall be made in accordance with rules
adopted by the Chief Procurement Officer. The unreasonable
failure of a bidder or offeror to promptly supply information
in connection with an inquiry with respect to responsibility
may be grounds for a determination of nonresponsibility with
respect to the bidder or offeror.

(b) Confidential information furnished by a bidder or
offeror under this section may not be disclosed outside of the
Office of the Chief Procurement Officer Division of

689 <u>Procurement</u> or the purchasing agency without the prior written 690 consent of the bidder or offeror."

691 "\$41-4-172

A public procurement unit may sell to, acquire from, or use any supplies <u>or services</u> belonging to another public procurement unit without regard to the requirements of Division 3."

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696 "§29-2-41.1
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697 In case of an emergency adversely affecting public 698 health, public safety, security, or the economic public 699 welfare of the state, so declared in writing to the Governor 700 by the Chief Procurement Officer or the head of the 701 institution or a purchasing agency involved, as defined under 702 Section 41-4-114, setting forth the nature of the danger to 703 public health, public safety, security or the economic public welfare of the state, contracts may be let to the extent 704 705 necessary to meet the emergency without review by the



706 committee. Any contract let pursuant to this section involving 707 an emergency adversely affecting the <u>economic</u> public welfare 708 of the state shall be let for a period of not more than 60 709 days during which time the committee shall review a contract 710 for a longer period of time if such services are required 711 beyond the 60-day limit hereby imposed." 712 Section 2. Section 41-4-125.01 is added to the Code of 713 Alabama 1975, to read as follows: 714 41-4-125.01 715 Physicians retained to provide medical services to the 716 State of Alabama shall be selected by the purchasing state

717 entity from a list of qualified physicians maintained by the 718 Alabama Medical Licensure Commission. All physicians 719 interested in providing medical services to the State of 720 Alabama may apply and shall be included on the listing.

721 Section 3. This act shall become effective immediately 722 following its passage and approval by the Governor, or its 723 otherwise becoming law.



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727	President and Presiding Officer of the Senate
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732	Speaker of the House of Representatives
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735	SB100
736	Senate 03-May-23
737	I hereby certify that the within Act originated in and passed
738	the Senate.
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740	Patrick Harris,
741	Secretary.
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746	House of Representatives
747	Amended and passed: 06-Jun-23
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752	Senate concurred in House amendment 06-Jun-23
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757	By: Senator Orr
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