

1 SB161
2 171596-1
3 By Senator Dial
4 RFD: Governmental Affairs
5 First Read: 09-FEB-16

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8 SYNOPSIS: Under existing law, preferred vendors are
9 given preference in the awarding of public
10 contracts required to be competitively bid.

11 This bill would give preferred vendor status
12 under the competitive bid laws to those businesses
13 located in the state that are owned by veterans who
14 were deployed to Afghanistan or Iraq as a part of
15 Operation Enduring Freedom or Operation Iraqi
16 Freedom.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 To amend Section 41-16-20, Code of Alabama 1975,
23 relating to preferred vendors under the state competitive bid
24 law; to grant preferred vendor status to any business located
25 in the state that is owned by a veteran deployed to
26 Afghanistan or Iraq as a part of Operation Enduring Freedom or
27 Operation Iraqi Freedom.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 41-16-20 of the Code of Alabama
3 1975, is amended to read as follows:

4 "§41-16-20.

5 "(a) With the exception of contracts for public
6 works whose competitive bidding requirements are governed
7 exclusively by Title 39, all contracts of whatever nature for
8 labor, services, work, or for the purchase or lease of
9 materials, equipment, supplies, other personal property or
10 other nonprofessional services, involving fifteen thousand
11 dollars (\$15,000) or more, made by or on behalf of any state
12 department, board, bureau, commission, committee, institution,
13 corporation, authority, or office shall, except as otherwise
14 provided in this article, be let by free and open competitive
15 bidding, on sealed bids, to the lowest responsible bidder.

16 "(b) A "preferred vendor" shall be a person, firm,
17 or corporation which is granted preference priority according
18 to the following:

19 "(1) PRIORITY #1. Produces or manufactures the
20 product within the state.

21 "(2) PRIORITY #2. Has an assembly plant or
22 distribution facility for the product within the state.

23 "(3) PRIORITY #3. Is organized for business under
24 the applicable laws of the state as a corporation,
25 partnership, or professional association and has maintained at
26 least one retail outlet or service center for the product or

1 service within the state for not less than one year prior to
2 the deadline date for the competitive bid.

3 "(4) PRIORITY #4. A business that is physically
4 located in this state and is owned by a veteran who was
5 deployed at least once to Afghanistan or Iraq as part of
6 Operation Enduring Freedom or Operation Iraqi Freedom. For the
7 purposes of this section, a veteran is a person who served in
8 the army, air force, navy, marine corps, or coast guard and
9 who was discharged or released from his or her service with an
10 honorable or general discharge.

11 "(c) In the event a bid is received for the product
12 or service from a person, firm, or corporation deemed to be a
13 responsible bidder and a preferred vendor where any state
14 higher education institution, department, board, bureau,
15 commission, committee, institution, corporation, authority, or
16 office is the awarding authority and the bid is no more than
17 five percent greater than the bid of the lowest responsible
18 bidder, the awarding authority may award the contract to the
19 preferred vendor."

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