

The Senate Economic Development Committee offered the following substitute to SB 484:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 3 of Chapter 5 of Title 50 of the Official Code of Georgia Annotated,  
2 relating to state purchasing, so as to require that a certain percentage of all funds appropriated  
3 to the state's various budget units be dedicated to projects and contracts involving small  
4 businesses; to require under certain circumstances that the Department of Administrative  
5 Services take into consideration such small business requirement prior to entering into any  
6 contract; to provide for definitions; to provide certain audit duties to the Office of Planning  
7 and Budget; to provide that such office report to certain legislative committees; to amend  
8 Chapter 22 of Title 50 of the Official Code of Georgia Annotated, relating to managerial  
9 control over acquisition of professional services, so as to provide that small businesses are  
10 considered wherever reasonable and practicable prior to a principal representative entering  
11 into a contract for professional services on behalf of certain state entities; to provide for  
12 related matters; to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

14 Article 3 of Chapter 5 of Title 50, relating to state purchasing, is amended in Part 1, relating  
15 to general authority, duties, and procedure of the department, by adding a new Code section  
16 to read as follows:  
17

18 "50-5-83.

19 When awarding a contract pursuant to any provision in this article, the Department of  
20 Administrative Services shall, whenever reasonable and practicable, take into consideration  
21 the provisions of subsection (a) of Code Section 50-5-126."

**SECTION 2.**

22 Said article is further amended in Part 3, relating to small business assistance, by designating  
23 said part as "Subpart 1" and by adding a new subpart to read as follows:  
24

## "Subpart 2

50-5-125.

As used in this subpart, the term:

(1) 'Budget unit' shall have the meaning provided for in paragraph (10) of Code Section 45-12-71.

(2) 'Contract' means any contract, subcontract, procurement, or bid entered into by a budget unit for supplies, materials, equipment, and services, including, but not limited to, professional services.

(3) 'Governmental entities' means the governing body of any county, municipal corporation, or any consolidated city-county government.

(4) 'Small business' means a Georgia business which is independently owned and operated and has fewer than 50 employees.

50-5-126.

(a) The state's various budget units shall, whenever reasonable and practicable, dedicate at least 10 percent of all funds appropriated to such budget units by the General Assembly to contracts with small businesses.

(b) At least 10 percent of all funds appropriated by each local governmental entity as part of its fiscal budget for each year shall be, whenever reasonable and practicable, dedicated to contracts involving small businesses.

50-5-127.

(a) The Office of Planning and Budget shall on an annual basis audit the contracts of each budget unit to determine whether each budget unit has satisfied the provisions of Code Section 50-5-126 for the previous fiscal year. The Office of Planning and Budget shall on an annual basis provide the Senate Economic Development Committee and the House Committee on Economic Development and Tourism with a copy of a report demonstrating the audit's findings and make itself available for testimony upon the request of the chairpersons of each committee.

(b) Each local governmental entity shall on an annual basis draft a report demonstrating what contracts were awarded to small businesses and whether such entity has satisfied the provisions of Code Section 50-5-126 for the previous fiscal year. Such report shall be available to the public upon request."

**SECTION 3.**

Chapter 22 of Title 50 of the Official Code of Georgia Annotated, relating to managerial control over acquisition of professional services, is amended in Code Section 50-22-6, relating to selection of professional through contract negotiations, by adding a new subsection to read as follows:

"(f) Prior to entering into a contract for professional services pursuant to this Code section, the principal representative shall take into consideration, whenever reasonable and practicable, the provisions of subsection (a) of Code Section 50-5-126."

**SECTION 4.**

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