

## Senate Bill 21

By: Senators Pearson of the 51st, Rogers of the 21st, Williams of the 19th, Mullis of the 53rd, Tolleson of the 20th and others

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:

14 style="text-align:center">**SECTION 1.**

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

18 "50-5-84.

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."

22 style="text-align:center">**SECTION 2.**

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

25 "Subpart 2

26 50-5-125.

27 As used in this subpart, the term:

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

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

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

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

37 50-5-126.

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

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

44 50-5-127.

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

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

56

**SECTION 3.**

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

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

64

**SECTION 4.**

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