

House Bill 433

By: Representatives Shaw of the 176<sup>th</sup>, Sims of the 169<sup>th</sup>, Black of the 174<sup>th</sup>, Hatchett of the 143<sup>rd</sup>, Carter of the 175<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 50-17-22 of the Official Code of Georgia Annotated, relating to the  
2 State Financing and Investment Commission, so as to provide that the construction division  
3 of the commission shall give preference to in-state materialmen, contractors, builders,  
4 architects, and laborers when such preference does not impair quality and cost  
5 considerations; to provide for related matters; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 50-17-22 of the Official Code of Georgia Annotated, relating to the State  
10 Financing and Investment Commission, is amended by revising paragraph (2) of subsection  
11 (b) as follows:

12 "(2)(A) There shall be a construction division of the commission administered by a  
13 ~~state treasurer~~ director who shall not be a member of the commission and who shall also  
14 serve as the executive secretary for the commission. The ~~state treasurer~~ director and  
15 the staff of the construction division shall be appointed by and serve at the pleasure of  
16 the commission, shall provide administrative support for all personnel of the  
17 commission, and shall account for and keep all records pertaining to the operation and  
18 administration of the commission and its staff. The ~~state treasurer~~ director, as executive  
19 secretary, shall prepare ~~agenda~~ agendas and keep minutes of all meetings of the  
20 commission. In construction and construction related matters, the construction division  
21 shall act in accordance with the policies, resolutions, and directives of the Georgia  
22 Education Authority (Schools) and the Georgia Education Authority (University) until  
23 such time as such policies, resolutions, or directives are changed or modified by the  
24 commission. In carrying out its responsibilities in connection with the application of  
25 any funds under its control, including the proceeds of any debt or any appropriation  
26 made directly to it for construction purposes, the commission is specifically authorized

27 to acquire and construct projects for the benefit of any department or agency of the state  
28 or to contract with any such department or agency for the acquisition or construction  
29 of projects under policies, standards, and operating procedures to be established by the  
30 commission; provided, however, that the commission shall contract with the  
31 Department of Transportation or the Georgia Highway Authority or the State Road and  
32 Tollway Authority or any combination of the foregoing for the supervision of and  
33 contracting for design, planning, building, rebuilding, constructing, reconstructing,  
34 surfacing, resurfacing, laying out, grading, repairing, improving, widening,  
35 straightening, operating, owning, maintaining, leasing, and managing any public roads  
36 and bridges for which general obligation debt has been authorized. The construction  
37 division also shall perform such construction related services and grant administration  
38 services for state agencies and instrumentalities and for local governments,  
39 instrumentalities of local governments, and other political subdivisions as may be  
40 assigned to the commission or to the construction division by executive order of the  
41 Governor.

42 (B) The construction division shall give preference in the purchase of materials and in  
43 letting contracts to materialmen, contractors, builders, architects, and laborers who reside  
44 within this state whenever such material can be purchased or the services of such  
45 materialmen, contractors, builders, architects, and laborers can be employed at no greater  
46 expense than that which the division would obtain if such purchase was made from,  
47 contract let to, or employment given to a person residing beyond the limits of this state.  
48 For the purpose of determining residency under this subparagraph, a corporation, limited  
49 liability company, partnership, or other business entity shall be deemed to reside in the  
50 State of Georgia if its principal place of business is within the State of Georgia; and for  
51 this purpose, the principal place of business shall be where the governing powers of the  
52 corporation, limited liability company, partnership, or other business entity are exercised  
53 and where a substantial amount of the corporation's, limited liability company's,  
54 partnership's, or other business entity's business activities are regularly conducted.  
55 However, these requirements shall in no way impair the ability of the construction  
56 division to compare the quality of materials proposed for purchase and to compare the  
57 qualifications, character, responsibility, and fitness of materialmen, contractors, builders,  
58 architects, and laborers proposed for employment in its consideration of the purchase of  
59 materials or employment of persons. The construction division shall not specify the use  
60 of materials or systems by a sole source, unless:

61 (1) The construction division, after a comparison of all available alternative materials  
62 and systems, determines that the specification of a sole material or system is justifiable  
63 based upon its cost or interchangeability;

64 (2) The sole source specification has been recommended by the architect or engineer  
65 of record; and  
66 (3) The consideration by, and the justifications of, the construction division are  
67 documented, in writing, in the project file."

68 **SECTION 2.**

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