

House Bill 433

By: Representatives Shaw of the 176th, Sims of the 169th, Black of the 174th, Hatchett of the 143rd, Carter of the 175th, 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.