

1 SB300
2 63633-1
3 By Senators Butler, Roberts, Holley, Mitchem, Lindsey,
4 Mitchell, Little (Z), Escott, Poole, Tanner, Smitherman,
5 Figures, Denton, McClain, Means, Dial, Preuitt, Bedford,
6 French, Steele, Penn, Ross, Smith, Waggoner, Lee, Erwin,
7 Biddle, Byrne, Myers, Dixon, Little (T), Barron, Enfinger,
8 Marsh, and Sanders
9 RFD: Rules for assignment
10 First Read: 12-FEB-04

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8 SYNOPSIS: Under existing law, there are no
9 prohibitions against the state contracting with
10 companies that ship the work to be performed under
11 the contract offshore.

12 This bill would prohibit work on state
13 contracts from being performed outside of the
14 United States.

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16 A BILL
17 TO BE ENTITLED
18 AN ACT

19
20 Prohibiting the outsourcing of work to be performed
21 on state contracts.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. The Legislature finds all of the
24 following:

25 (1) State agencies and subdivisions procure services
26 in part through contracts with private vendors.

1 (2) Increasingly, private vendors carry out these
2 services, or subcontract or otherwise procure these services,
3 from a location outside the United States.

4 (3) Such international outsourcing exacerbates
5 unemployment and workforce dislocation and deprives Alabama
6 residents of job opportunities, including industries and jobs
7 this state has expended resources to attract.

8 (4) International outsourcing erodes state and local
9 revenues by drawing jobs and income away from the state.

10 (5) International outsourcing additionally may
11 provide less privacy protections for state residents whose
12 personal information may, in the course of service delivery,
13 be transmitted to locations outside the United States.

14 Section 2. All of the following provisions shall
15 apply to all state contracts:

16 (1) All state agencies and departments are
17 prohibited from awarding a contract to a contractor or
18 subcontractor who performs the work at a site outside of the
19 United States.

20 (2) Each vendor submitting a bid or contract to
21 provide services for the state shall certify that the services
22 covered by the bid or contract will be performed in the United
23 States.

24 (3) If, during the life of a contract with a state
25 agency or department, the contractor or subcontractor shifts
26 work overseas, then the state agency or department shall
27 require the contractor or subcontractor to pay damages in an

1 amount equal to the amount paid by the agency for the
2 percentage of outsourced work. The agency shall also terminate
3 the contract for noncompliance with the outsourcing
4 prohibition.

5 (4) The state agency or department shall be entitled
6 to bring a civil action in state or federal court to compel
7 enforcement under this statute. The court shall award
8 reasonable attorney's fees and costs to the agency or
9 department.

10 Section 3. This act shall become effective on the
11 first day of the third month following its passage and
12 approval by the Governor, or its otherwise becoming law.