

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 1780** Session of  
1975

INTRODUCED BY MESSRS. DeMEDIO, FRYER, RITTER, MEBUS AND WEIDNER,  
OCTOBER 1, 1975

SENATOR MURPHY, LOCAL GOVERNMENT, IN SENATE, AS AMENDED,  
MAY 11, 1976

AN ACT

1 Amending the act of May 27, 1953 (P.L.244, No.34), entitled "An  
2 act relating to and regulating the contracts of incorporated  
3 towns and providing penalties," further regulating contracts  
4 as to advertising requirements.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Subsections (a) and (d) of section 2 and sections  
8 3, 3.1 and 5, act of May 27, 1953 (P.L.244, No.34), entitled "An  
9 act relating to and regulating the contracts of incorporated  
10 towns and providing penalties," amended June 25, 1968 (P.L.253,  
11 No.120), and clause (2) of subsection (d) of section 2 amended  
12 May 6, 1970 (P.L.347, No.113), are amended to read:

13 Section 2. Regulation of Contracts.--(a) All contracts or  
14 purchases of incorporated towns in excess of [one thousand five  
15 hundred dollars] ~~two thousand dollars~~ TWO THOUSAND FIVE HUNDRED  
16 DOLLARS, except those hereinafter mentioned, shall not be made  
17 except with and from the lowest responsible bidder, after due  
18 notice in one newspaper of general circulation published or

<—

1 circulated in the county in which the town is situated at least  
2 three times at intervals of not less than three days where daily  
3 newspapers of general circulation are available for such  
4 publication, and in case of weekly newspapers shall be published  
5 once a week for two successive weeks. The first advertisement  
6 shall be published not less than ten days prior to the date  
7 fixed for the opening of bids. The amount of the contract shall  
8 in all cases, whether of straight sale price, conditional sale,  
9 bailment lease or otherwise, be the entire amount which the town  
10 pays to the successful bidder or his assigns in order to obtain  
11 the services or property or both, and shall not be construed to  
12 mean only the amount which is paid to acquire title or to  
13 receive any other particular benefit or benefits of the whole  
14 bargain.

15 \* \* \*

16 (d) The contracts or purchases made by council involving an  
17 expenditure of over [one thousand five hundred dollars] ~~two~~ <—  
18 ~~thousand dollars~~ TWO THOUSAND FIVE HUNDRED DOLLARS which shall <—  
19 not require advertising or bidding as hereinbefore provided are  
20 as follows:

21 (1) Those for maintenance, repairs or replacements for  
22 water, sewer, electric light or other public works of the  
23 incorporated town, provided they do not constitute new  
24 additions, extensions or enlargements of existing facilities and  
25 equipment, but a bond may be required by council as in other  
26 cases of work done.

27 (2) Those made for improvements, repairs and maintenance of  
28 any kind made or provided by any incorporated town through its  
29 own employees: Provided, That all materials used for street  
30 improvement, maintenance and/or construction in excess of [one

1 thousand five hundred dollars] ~~two thousand dollars~~ TWO THOUSAND <—  
2 FIVE HUNDRED DOLLARS be subject to the advertising requirements  
3 contained herein.

4 (3) Those where particular types, models or pieces of new  
5 equipment, articles, apparatus, appliances, vehicles or parts  
6 thereof are desired by council, which are patented and  
7 manufactured or copyrighted products.

8 (4) Those involving any policies of insurance or surety  
9 company bonds; those made for public utility service under  
10 tariffs on file with the Pennsylvania Public Utility Commission;  
11 those made with another political subdivision, or a county, the  
12 Commonwealth of Pennsylvania, the Federal Government, any agency  
13 of the Commonwealth or the Federal Government, or any municipal  
14 authority, including the sale, leasing or loan of any supplies  
15 or material by the Commonwealth or the Federal Government or  
16 their agencies. But the price thereof shall not be in excess of  
17 that fixed by the Commonwealth, the Federal Government, or their  
18 agencies.

19 (5) Those involving personal or professional services.

20 Section 3. Evasion of Advertising Requirements.--No member  
21 or members of council shall evade the provisions of Section two  
22 hereof by purchasing or contracting for services and personal  
23 properties piecemeal for the purpose of obtaining prices under

24 [one thousand five hundred dollars] ~~two thousand dollars~~ TWO <—  
25 THOUSAND FIVE HUNDRED DOLLARS upon transactions which

26 transaction should, in the exercise of reasonable discretion and  
27 prudence, be conducted as one transaction amounting to more than

28 [one thousand five hundred dollars] ~~two thousand dollars~~ TWO <—  
29 THOUSAND FIVE HUNDRED DOLLARS. This provision is intended to

30 make unlawful the evading of advertising requirements by making

1 a series of purchases or contracts each for less than the  
2 advertising requirement of price, or by making several  
3 simultaneous purchases or contracts each below said price, when,  
4 in either case, the transactions involved should have been made  
5 as one transaction for one price. Any members of council who so  
6 vote in violation of this provision and who know that the  
7 transaction upon which they so vote is or ought to be a part of  
8 a larger transaction and that it is being divided in order to  
9 evade the requirements as to advertising for bids shall be  
10 jointly and severally subject to surcharge for ten per centum of  
11 the full amount of the contract or purchase.

12 Whenever it shall appear that a member of council may have  
13 voted in violation of this section but the purchase or contract  
14 on which he so voted was not approved by council, this section  
15 shall be inapplicable.

16 Section 3.1. Contracts between Seven Hundred Fifty Dollars  
17 and [One Thousand Five Hundred Dollars] ~~Two Thousand Dollars~~ TWO <—  
18 THOUSAND FIVE HUNDRED DOLLARS; Written Bids.--In all cases of  
19 contracts or purchases, other than the kinds mentioned in  
20 clauses (1) to (5) inclusive of subsection (d) of section 2 of  
21 this act, from seven hundred fifty dollars to [one thousand five  
22 hundred dollars] ~~two thousand dollars~~ TWO THOUSAND FIVE HUNDRED <—  
23 DOLLARS inclusive, whether made by the town council or by an  
24 officer or appointee of the town, written bids shall be  
25 solicited therefor; and no such contract or purchase shall be  
26 made for the town except upon at least three such written bids.  
27 The specifications upon which bids are solicited shall be  
28 uniform in so far as possible to afford equal opportunity for  
29 bidding. Catalogues and circulars of firm prices shall be  
30 acceptable as bids upon the contracts or purchases herein

1 regulated. All such bids shall be retained in the proper  
2 department or office for a period of at least two months, and  
3 shall be reported monthly to the person designated by the town  
4 council, who shall make a consolidated monthly report thereof to  
5 council. The town council and the person designated by the town  
6 council shall have access to the bids in all departments and  
7 offices of the town for the enforcement of this provision. Any  
8 official or appointee of the town contracting or purchasing in  
9 violation of the provision of this section shall be liable upon  
10 his bond, if any, or personally, in the full amount of the  
11 purchase or contract so made, and the town council may avoid any  
12 such purchase or contract.

13 Section 5. Separate Bids for Plumbing, Heating, Ventilating  
14 and Electrical Work.--In the preparation for the erection,  
15 construction and alteration of any public building of an  
16 incorporated town, when the entire cost of such work shall  
17 exceed [one thousand five hundred dollars] ~~two thousand dollars~~ <—  
18 TWO THOUSAND FIVE HUNDRED DOLLARS, the architect, engineer or <—  
19 other person preparing such specifications shall prepare  
20 separate specifications for the plumbing, heating, ventilating  
21 and electrical work. The person or persons authorized to enter  
22 into contracts for the erection, construction or alteration of  
23 such public buildings shall receive separate bids upon each of  
24 the said branches of work and award the contract for the same to  
25 the lowest responsible bidder for each of said branches.

26 Section 2. This act shall take effect in 60 days.