

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 451 Session of
1989

INTRODUCED BY GODSHALL, S. H. SMITH, COY, MRKONIC, TIGUE,
DISTLER, ROBBINS, GLADECK, MERRY, CIVERA, DEMPSEY, PHILLIPS,
NOYE, CARLSON, HERMAN, STABACK, ALLEN, McVERRY, HESS, FARGO,
GEIST, DeLUCA, NAHILL, JOHNSON, GIGLIOTTI, HALUSKA, REBER,
YANDRISEVITS, TRELLO, VROON, BUNT, McHALE, OLASZ, TRICH,
RAYMOND, CORNELL, WAMBACH, FLICK, VEON, G. SNYDER, HECKLER
AND MARSICO, FEBRUARY 14, 1989

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 14, 1989

AN ACT

1 Amending the act of August 9, 1955 (P.L.323, No.130), entitled
2 "An act relating to counties of the third, fourth, fifth,
3 sixth, seventh and eighth classes; amending, revising,
4 consolidating and changing the laws relating thereto,"
5 restricting certain persons from bidding on contracts.

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

8 Section 1. Section 1802 of the act of August 9, 1955
9 (P.L.323, No.130), known as The County Code, is amended by
10 adding subsections to read:

11 Section 1802. Contract Procedures; Terms and Bonds;
12 Advertising for Bids.--* * *

13 (j) No person who or entity which, as a contractor or
14 subcontractor, supplied goods or services to a government or
15 government instrumentality and has been convicted of, or has
16 pleaded guilty or nolo contendere to, a Federal or State crime
17 involving fraud upon a government or a government

instrumentality for acts or omissions arising out of the
supplying of goods or services, and no entity in which that
person or entity has a substantial interest, may bid on a
contract for a period of three years after such conviction or
plea. For purposes of this subsection, the following words and
phrases shall have the following meanings:

(1) "Crime" means any criminal act committed after the
effective date of this amendatory act for which the maximum
possible penalty exceeds a fine of three hundred dollars (\$300)
or exceeds imprisonment for ninety days.

(2) "Entity" means any association, corporation, limited
partnership, partnership, or other business or nonprofit
organization.

(3) "Fraud" includes, but is not limited to:

(i) A misrepresentation of a material fact that is not made
honestly and in good faith.

(ii) A promise, representation or prediction as to the
future that is not made honestly and in good faith.

(iii) An intentional failure to disclose a material fact.

(iv) A fictitious or pretended purchase or sale of a
security.

(v) The gaining, through the sale of a security, of an
underwriting or promotion fee or profit or a selling or managing
fee or profit that is so gross or exorbitant as to be
unconscionable. This subclause includes a scheme, device or
artifice to obtain such a profit, fee or commission.

(vi) A scheme, device or artifice to defraud a prospective
or actual customer, client or subscriber of securities, money or
property.

(4) "State" means the District of Columbia and any

1 possession, state, territory or trusteeship of the United
2 States.

3 (5) "Substantial interest" means serving as a director,
4 limited partner, officer, partner or proprietor, or owning more
5 than ten per centum of the number of shares of voting stock or
6 more than twenty per centum of the total number of shares of
7 stock.

8 (k) The county may require the following information to be
9 submitted with the bid: a sworn statement by the bidder and, if
10 the affiant is an entity, by every person or entity having a
11 substantial interest therein, listing all Federal and state
12 convictions of, and pleas of guilty or nolo contendere to, any
13 crime within three years prior to the date of the statement,
14 said statement to be dated no more than one week prior to the
15 date set for the opening of bids.

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