

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 283 Session of 2011

INTRODUCED BY M.K. KELLER, AUMENT, BAKER, BEAR, BENNINGHOFF, BLOOM, BOBACK, BOYD, BROOKS, CAUSER, CHRISTIANA, CLYMER, COX, CREIGHTON, CUTLER, DELOZIER, DENLINGER, ELLIS, EVERETT, FARRY, FLECK, GABLER, GEIST, GERBER, GILLESPIE, GINGRICH, GRELL, GROVE, HALUSKA, HARHART, HARPER, HARRIS, HELM, HENNESSEY, HESS, HICKERNELL, KAUFFMAN, KILLION, KNOWLES, MAJOR, MARSHALL, MARSICO, MASSER, METCALFE, MILLARD, MILLER, MOUL, OBERLANDER, O'NEILL, PAYNE, PEIFER, PERRY, PICKETT, PYLE, QUIGLEY, QUINN, RAPP, REED, REICHLEY, ROAE, ROCK, ROSS, SAYLOR, SCAVELLO, CULVER, SCHRODER, SIMMONS, SONNEY, STERN, STEVENSON, SWANGER, TALLMAN, TOBASH, TRUITT, TURZAI, VEREB, VULAKOVICH AND WATSON, JANUARY 27, 2011

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JANUARY 27, 2011

AN ACT

1 Amending the act of May 1, 1913 (P.L.155, No.104), entitled "An
2 act regulating the letting of certain contracts for the
3 erection, construction, and alteration of public buildings,"
4 increasing the minimum bid requirement; and providing for
5 evasion of requirements.

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

8 Section 1. Section 1 of the act of May 1, 1913 (P.L.155,
9 No.104), referred to as the Separations Act, amended December
10 22, 1981 (P.L.546, No.159), is amended to read:

11 Section 1. (a) Be it enacted, &c., That hereafter in the
12 preparation of specifications for the erection, construction,
13 and alteration of any public building, when the entire cost of
14 such work shall exceed [four thousand dollars] twenty-five

1 thousand dollars subject to annual adjustment under subsection
2 (b), it shall be the duty of the architect, engineer, or other
3 person preparing such specifications, to prepare separate
4 specifications for the plumbing, heating, ventilating, and
5 electrical work; and it shall be the duty of the person or
6 persons authorized to enter into contracts for the erection,
7 construction, or alteration of such public buildings to receive
8 separate bids upon each of the said branches of work, and to
9 award the contract for the same to the lowest responsible bidder
10 for each of said branches.

11 Every contract for the construction, reconstruction,
12 alteration, repair, improvement or maintenance of public works
13 shall comply with the provisions of the act of March 3, 1978
14 (P.L.6, No.3), known as the "Steel Products Procurement Act."

15 (b) (1) Annually, beginning with the year in which this
16 subsection becomes applicable to contracts and purchases, the
17 Department of Labor and Industry shall calculate the percentage
18 change in the Consumer Price Index for All Urban Consumers (CPI-
19 U) for the United States city average for all items as published
20 by the United States Department of Labor, Bureau of Labor
21 Statistics, for the twelve-month average ending in September of
22 the prior year.

23 (2) The amount at which competitive bidding is required
24 under subsection (a) shall be adjusted annually. The positive
25 percentage change, as determined in accordance with clause (1),
26 shall be multiplied by the amount applicable under subsection
27 (a) for the current year and the product thereof shall be added
28 to the amount applicable under subsection (a) for the current
29 year, with the result rounded to the nearest multiple of ten
30 dollars.

1 (3) The annual determination required under clause (1) and
2 the calculation of the adjustments required under clause (2)
3 shall be made in the period between October 1 and November 15 of
4 the year following the effective date of this subsection, and
5 annually between October 1 and November 15 of each successive
6 year.

7 (4) The adjusted amounts obtained in accordance with clause
8 (2) shall become effective January 1 for the calendar year
9 following the year in which the determination required under
10 clause (1) is made.

11 (5) The Department of Labor and Industry shall give notice
12 in the Pennsylvania Bulletin prior to January 1 of each calendar
13 year of the annual percentage change determined in accordance
14 with clause (1) and the amounts, whether adjusted or unadjusted
15 in accordance with clause (2), for the calendar year beginning
16 the first day of January after publication of the notice.

17 Section 2. The act is amended by adding a section to read:

18 Section 1.1. No person shall evade the provisions of section
19 1 by purchasing or contracting for services and personal
20 properties piecemeal to obtain prices under the required
21 advertising price, subject to annual adjustment under section
22 1(b). This provision is intended to make unlawful the making of
23 a series of purchases or contracts each for less than the price
24 to which section 1 applies, or by making several simultaneous
25 purchases or contracts, each below said price, when in either
26 case, the transactions involved should have been made as one
27 transaction for one price. Any persons who violate this
28 provision, and who know that the transaction in question is or
29 ought to be a part of a larger transaction, and that it is being
30 divided in order to evade the requirements of section 1, shall

1 be jointly and severally subject to surcharge for ten per centum
2 of the full amount of the contract or purchase.

3 Section 3. This act shall apply to contracts and purchases
4 advertised on or after January 1 of the year following the
5 effective date of this section.

6 Section 4. This act shall take effect in 60 days.