

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**

**No. 107**

Session of  
1981

INTRODUCED BY MILLER, JANUARY 19, 1981

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JANUARY 19, 1981

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled  
 2 "An act providing for and reorganizing the conduct of the  
 3 executive and administrative work of the Commonwealth by the  
 4 Executive Department thereof and the administrative  
 5 departments, boards, commissions, and officers thereof,  
 6 including the boards of trustees of State Normal Schools, or  
 7 Teachers Colleges; abolishing, creating, reorganizing or  
 8 authorizing the reorganization of certain administrative  
 9 departments, boards, and commissions; defining the powers and  
 10 duties of the Governor and other executive and administrative  
 11 officers, and of the several administrative departments,  
 12 boards, commissions, and officers; fixing the salaries of the  
 13 Governor, Lieutenant Governor, and certain other executive  
 14 and administrative officers; providing for the appointment of  
 15 certain administrative officers, and of all deputies and  
 16 other assistants and employes in certain departments, boards,  
 17 and commissions; and prescribing the manner in which the  
 18 number and compensation of the deputies and all other  
 19 assistants and employes of certain departments, boards and  
 20 commissions shall be determined," extending the right to make  
 21 purchases to certain nonprofit agencies providing visiting  
 22 nurse home care services in a political subdivision as a  
 23 result of grants or contracts.

24 The General Assembly of the Commonwealth of Pennsylvania  
 25 hereby enacts as follows:

26 Section 1. Subsection (h) of section 2403, act of April 9,  
 27 1929 (P.L.177, No.175), known as "The Administrative Code of  
 28 1929," amended June 27, 1977 (P.L.24, No.17), is amended to

1 read:

2 Section 2403. Standards and Purchases.--The Department of  
3 General Services shall have the power, and its duty shall be:

4 \* \* \*

5 (h) (1) To permit subject to such terms and conditions as  
6 the Department of General Services may, and as hereinafter  
7 specifically provided, shall, prescribe, any political  
8 subdivision or authority created by a political subdivision, the  
9 State Public School Building Authority or any private college or  
10 university or any organization, corporation or agency which is  
11 tax exempt pursuant to section 501(c)(2), (3), or (4) of the  
12 Internal Revenue Code of 1954 and provides visiting nurse home  
13 care services in a political subdivision of this Commonwealth,  
14 but is not a private foundation as defined in section 509(a) of  
15 the Internal Revenue Code of 1954 to participate in or purchase  
16 off purchase contracts for materials, supplies and equipment  
17 entered into by the department.

18 (2) No tax exempt organization, corporation or agency  
19 (hereinafter called entity) providing visiting nurse home care  
20 services in a political subdivision otherwise meeting the  
21 eligibility requirements set forth in clause (1) shall be  
22 eligible to participate in the purchase arrangements, if during  
23 the calendar year immediately preceding, any officer of said  
24 entity received therefrom, directly or indirectly, compensation  
25 aggregating in excess of thirty thousand dollars (\$30,000). The  
26 department shall not allow an entity to participate in a  
27 purchase arrangement unless it has received from each person  
28 having been an officer in the entity at any time during the  
29 prior calendar year a notarized statement, together with any  
30 supporting documentation the department deems necessary,

1 affirming that said officer did not receive, directly or  
2 indirectly, from the entity compensation aggregating in excess  
3 of thirty thousand dollars (\$30,000) during the prior calendar  
4 year. Any compensation received by the spouse or any  
5 unemancipated child of the officer shall be deemed compensation  
6 received by the officer. The maximum compensation of thirty  
7 thousand dollars (\$30,000) allowed officers of the entity as a  
8 condition for participation in the purchase arrangements shall  
9 be adjusted in the manner hereinafter set forth to take into  
10 account changes in the cost of living. At the beginning of each  
11 calendar year, as there becomes available necessary data from  
12 the Bureau of Labor Statistics of the United States Department  
13 of Labor, the Secretary of Revenue shall certify to the  
14 department and publish in the Pennsylvania Bulletin the per  
15 centum difference between the price index for the twelve months  
16 immediately preceding the beginning of each calendar year and  
17 the price index for the base period. The maximum aggregate  
18 compensation allowed each officer as a condition for the  
19 entity's participation in the purchase arrangement shall be  
20 increased or decreased by said per centum difference. The  
21 compensation so increased or decreased shall be the maximum  
22 allowable compensation in effect until such time as cost of  
23 living data is certified for the following calendar year. The  
24 term price index shall mean the average over a calendar year of  
25 the Consumer Price Index (all items-United States City Average)  
26 published monthly by the United States Bureau of Labor  
27 Statistics. The base period shall mean calendar year 1978.

28     (3) Any political subdivision or authority or agency,  
29 corporation or organization set forth above desiring to  
30 participate in such purchase contracts shall file with the

1 Department of General Services a certified copy of an ordinance  
2 or resolution of its governing body or in the case of a private  
3 college or university, an affidavit signed by the president of  
4 the college or university or his designee requesting that it be  
5 authorized to participate in purchase contracts of the  
6 department and agreeing that it will be bound by such terms and  
7 conditions as the department may, and as hereinafter  
8 specifically provided, shall, prescribe and that it will be  
9 responsible for payment directly to the vendor under each  
10 purchase contract.

11 (4) Any other administrative department authorized to make  
12 direct purchases of materials, supplies and equipment may  
13 similarly permit political subdivisions or authorities or any  
14 private college or university or agency, corporation or  
15 organization set forth above to participate in or purchase off  
16 purchase contracts entered into by such department. Among such  
17 terms and conditions, the department shall prescribe that all  
18 prices shall be F.O.B. destination. Political subdivisions and  
19 authorities and private colleges and universities shall be  
20 exempt from existing statutory requirements governing  
21 competitive bidding and execution of contracts with respect to  
22 the purchase of materials, supplies and equipment under this  
23 section.

24 (5) Nonprofit fire companies, nonprofit rescue companies,  
25 and nonprofit ambulance companies may submit their requests for  
26 the purchases of materials, supplies and equipment to the  
27 subdivision in which located for inclusion in the participation  
28 thereof in purchase contracts entered into by the department.  
29 Any such company's requests may be included by such political  
30 subdivisions if accompanied by the agreement of the company

1 making the request that it will be bound by the terms and  
2 conditions prescribed by the political subdivision and that it  
3 will be responsible for payment directly to the vendor under  
4 each purchase contract.

5 \* \* \*

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