

## AMENDMENTS TO HOUSE BILL NO. 201

Sponsor: REPRESENTATIVE NEUMAN

Printer's No. 205

1 Amend Bill, page 1, line 3, by inserting after "proposals"

2 ; and, in ethics in public contracting, providing for  
3 definitions and for disclosure of contributions by  
4 contractors

5 Amend Bill, page 1, by inserting after line 17

6 Section 2. Title 62 is amended by adding sections to read:  
7 § 2301.1. Definitions.

8 The following words and phrases when used in this chapter  
9 shall have the meanings given to them in this section unless the  
10 context clearly indicates otherwise:

11 "Affiliate." Any of the following:

12 (1) A parent, subsidiary or otherwise affiliated entity  
13 of an applicant or a contractor.

14 (2) An officer, director, associate, controlling  
15 shareholder, individual owner, partner or limited partner of  
16 an applicant or a contractor.

17 (3) An officer, director, associate, controlling  
18 shareholder, individual owner, partner or limited partner of  
19 a parent, subsidiary or otherwise affiliated entity of an  
20 applicant or a contractor.

21 (4) A political committee controlled by an applicant or  
22 a contractor.

23 (5) A political committee controlled by a parent,  
24 subsidiary or otherwise affiliated entity of an applicant or  
25 a contractor.

26 (6) A lobbyist or lobbying firm identified on an  
27 applicant's disclosure statement or a contractor's updated  
28 disclosure statement.

29 (7) A member of the immediate family of an individual  
30 described in paragraphs (1), (2), (3), (4), (5) and (6).

31 "Applicant." A bidder, offeror or other person seeking a  
32 contract, which is to be awarded under section 513 (relating to  
33 competitive sealed proposals), 514 (relating to small  
34 procurements), 515 (relating to sole source procurement), 516  
35 (relating to emergency procurement), 518 (relating to  
36 competitive selection procedures for certain services) or 519  
37 (relating to selection procedure for insurance and notary

1 bonds).

2 "Elected official." An individual elected by the public to  
3 serve a term in an elective office. The term shall include an  
4 individual appointed to fill an unexpired term in an elective  
5 office.

6 "Elective office." A position in a governmental body to  
7 which an individual is required under the Constitution of the  
8 Commonwealth or by State law to be elected by the public.

9 "Immediate family." A parent, spouse, child, brother or  
10 sister.

11 "Lobbying." As defined in 65 Pa.C.S. § 13A03 (relating to  
12 definitions).

13 "Lobbying firm." As defined in 65 Pa.C.S. § 13A03 (relating  
14 to definitions).

15 "Lobbyist." As defined in 65 Pa.C.S. § 13A03 (relating to  
16 definitions).

17 "Reportable contribution." Any of the following:

18 (1) A contribution made by an applicant or contractor or  
19 an affiliate of an applicant or a contractor to:

20 (i) a candidate for nomination or election to an  
21 elective office or to the candidate's political  
22 committee;

23 (ii) an elected official or to the elected  
24 official's candidate political committee; or

25 (iii) a political committee not described in  
26 subparagraph (i) with the purpose and intent that the  
27 political committee will, directly or indirectly, make  
28 the contribution available to a candidate for nomination  
29 or election to an elective office or to the candidate's  
30 political committee, or to an elected official or the  
31 elected official's candidate political committee.

32 (2) A contribution made by a person to a candidate for  
33 nomination or election to an elective office or to the  
34 candidate's political committee, or to an elected official or  
35 to the elected official's candidate political committee, for  
36 which a person who is an applicant or contractor or any of  
37 their respective affiliates acts as an intermediary.

38 § 2304. Disclosure of contributions by contractors.

39 (a) Initial disclosure requirements.--

40 (1) No Commonwealth agency may award a contract to an  
41 applicant under section 513 (relating to competitive sealed  
42 proposals), 514 (relating to small procurements), 515  
43 (relating to sole source procurement), 516 (relating to  
44 emergency procurement), 518 (relating to competitive  
45 selection procedures for certain services) or 519 (relating  
46 to selection procedure for insurance and notary bonds) unless  
47 the applicant has submitted to the agency a completed and  
48 signed disclosure statement that sets forth the information  
49 required under subsection (c) and is otherwise in compliance  
50 with this section.

51 (2) Except as provided in paragraph (3), an applicant

1 shall submit a completed and signed disclosure statement to  
2 the agency with other bid or proposal materials relating to  
3 the contract on or prior to the time and date established by  
4 the agency for receipt of bids or proposals.

5 (3) For contracts awarded under section 514, 515 or 516  
6 that do not require the submission of bids or offers, an  
7 applicant shall submit a completed disclosure statement as  
8 directed by the agency, but prior to the agency's award of  
9 the contract.

10 (4) A bid or offer made without a completed and signed  
11 disclosure statement shall not be considered a responsive bid  
12 or offer.

13 (b) Requirements to update disclosures.--

14 (1) A contractor who has been awarded a contract under  
15 section 513, 514, 515, 516, 518 or 519 shall, during the term  
16 of the contract and for one year thereafter, submit an  
17 updated disclosure statement to the agency within five days  
18 following making a reportable contribution or learning that  
19 an affiliate has made a reportable contribution. Each updated  
20 disclosure statement shall include all reportable  
21 contributions made since the date of the first disclosure  
22 statement submitted.

23 (2) Each contract awarded under section 513, 514, 515,  
24 516, 518 or 519 shall contain a provision requiring the  
25 contractor to submit an updated disclosure statement as  
26 required under paragraph (1).

27 (c) Form of disclosure statements.--

28 (1) The Department of General Services shall develop a  
29 form of disclosure statement to be used by applicants and  
30 contractors under this section.

31 (2) All invitations for bids, requests for proposals and  
32 other agency communications with prospective contractors  
33 regarding a contract awarded under section 513, 514, 515,  
34 516, 518 or 519 shall include a disclosure statement form and  
35 information regarding the disclosure requirements of this  
36 section.

37 (3) The Department of General Services and the  
38 Department of State shall post the disclosure statement form  
39 and information regarding the disclosure requirements of this  
40 section on their respective publicly accessible Internet  
41 websites and shall otherwise make the forms and information  
42 available upon request.

43 (d) Content of disclosure statements and updates.--Each  
44 disclosure statement submitted pursuant to subsection (a) shall  
45 include the following information:

46 (1) The name, business address and telephone number of  
47 the applicant or contractor.

48 (2) The contract number or other identifying information  
49 regarding the contract sought by the applicant or awarded to  
50 the contractor.

51 (3) The names, business addresses and telephone numbers

1 of all lobbyists and lobbying firms paid by the applicant to  
2 lobby a Commonwealth agency to influence the awarding of a  
3 contract within one year prior to the date of an applicant's  
4 bid, offer or proposal.

5 (4) A list of all reportable contributions made within  
6 two years prior to the date of the applicant's bid, offer or  
7 proposal. For each reportable contribution made, the  
8 applicant shall identify the recipient of the contribution  
9 and the date and amount of the contribution.

10 (5) All fundraising events hosted by an applicant or any  
11 of the applicant's affiliates within two years prior to the  
12 date of the applicant's bid, offer or proposal for the  
13 purpose of soliciting or receiving reportable contributions  
14 and the date and amount of reportable contributions solicited  
15 or received at each event. An updated disclosure statement  
16 shall be submitted during the term of a contract within five  
17 days following a fundraising event described in this  
18 paragraph hosted by a contractor or an affiliate of a  
19 contractor.

20 (6) The name, business address and telephone number of  
21 all subcontractors which the applicant intends to use on the  
22 contract or which the contractor is using on the contract.

23 (e) Posting of disclosure statements and updates.--

24 (1) A Commonwealth agency shall promptly transmit to the  
25 Department of State a copy of the disclosure statement and  
26 each updated disclosure statement it receives from an  
27 applicant or a contractor under this section.

28 (2) The Department of State shall post each disclosure  
29 statement and each updated disclosure statement received  
30 under this section on its publicly accessible Internet  
31 website no later than five days after the disclosure  
32 statement or update has been received by the department. Each  
33 disclosure statement and related updates shall remain posted  
34 for a period of time encompassing the length of the contract  
35 and one year thereafter. To the extent practicable, each  
36 disclosure statement and related updates shall be posted  
37 together.

38 (3) The Department of State shall also make disclosure  
39 statements and updated disclosure statements received under  
40 this section available for public inspection and copying.

41 (f) Penalties.--An applicant or contractor who makes a  
42 material misstatement or omission in a disclosure statement or  
43 updated disclosure statement may be debarred or suspended under  
44 section 531 (relating to debarment or suspension).

45 (g) Application of section.--This section shall apply to  
46 bids, offers or proposals that are solicited on or after the  
47 effective date of this section.

48 Amend Bill, page 2, line 1, by striking out "2" and inserting

1 Amend Bill, page 2, line 1, by striking out "in 60 days" and  
2 inserting  
3 immediately