

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 996

Session of  
1981

INTRODUCED BY RICHARDSON, IRVIS, WIGGINS, BARBER, COHEN,  
J. D. WILLIAMS, OLIVER, HARPER, MANDERINO, BERSON, WHITE,  
DEAL AND EVANS, MARCH 25, 1981

REFERRED TO COMMITTEE ON BUSINESS AND COMMERCE, MARCH 25, 1981

AN ACT

1 Amending the act of June 24, 1931 (P.L.1206, No.331), entitled,  
2 "An act concerning townships of the first class; amending,  
3 revising, consolidating, and changing the law relating  
4 thereto," authorizing business set-asides for minority and  
5 small businesses.

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

8 Section 1. The act of June 24, 1931 (P.L.1206, No.331),  
9 known as "The First Class Township Code," reenacted and amended  
10 May 27, 1949 (P.L.1955, No.569), is amended by adding a section  
11 to read:

12 Section 1802.2. Minority and Small Business Set-aside.--(a)  
13 The following words and phrases when used in this section shall  
14 have, unless the context clearly indicates otherwise, the  
15 meanings given to them in this subsection:

16 "Business set-aside," that percentage of each township  
17 contract or package of contracts, determined by the ordinance or  
18 resolution of the board of commissioners, for which bids are to  
19 be solicited only from minority and small businesses.

1     (1) "Total set-aside," bids for the entire contract are to  
2 be solicited only from minority and small businesses.

3     (2) "Partial set-aside," a portion of the contract,  
4 determined by the ordinance or resolution of the board of  
5 commissioners, where bids will only be solicited from minority  
6 and small businesses.

7     (b) (1) The township shall, upon designation of a business  
8 set-aside as determined by the ordinance or resolution, of the  
9 board of commissioners, include such designation in the  
10 advertisement for bids in the media used to solicit bids.

11     (2) In the case of contracts designated as a business set-  
12 aside, invitations to bid shall be confined to small and  
13 minority businesses and bids from other businesses shall be  
14 rejected. The contract shall be awarded to the lowest  
15 responsible bidder among such businesses in accordance with the  
16 ordinance or resolution or rules and regulations for purchasing  
17 promulgated by the board of commissioners. Awarding of contracts  
18 to businesses under this section is subject to all other  
19 provisions of this act governing procurement and all rules  
20 promulgated thereunder, as now or hereafter amended, except as  
21 altered by this section and the ordinances, resolutions or rules  
22 and regulations promulgated in its administration.

23     (3) In the event the township, when it solicits a bid, feels  
24 that responsive competitive bids at reasonable prices were not  
25 obtained as a result of the business set-aside solicitation, or  
26 that bids thereof were received only from firms demonstrated to  
27 be not responsible, it may request that the board of  
28 commissioners cancel the business set-aside designation. The  
29 action by the board of commissioners must be taken on the  
30 request within thirty days of receipt. Upon the approval of the

1 cancellation by the board of commissioners, the procurement will  
2 be readvertised on an unrestricted basis. Small and minority  
3 business bidding firms will be notified of the business set-  
4 aside cancellation, the reasons for the bid rejection, and the  
5 township's intent to readvertise the procurement on an  
6 unrestricted basis. No business set-aside shall be cancelled  
7 unless the board of commissioners has determined from all  
8 available evidence that either no qualified firms or individuals  
9 are bidding on the projected contract or that responding firms  
10 are incapable of performing for reasonable price expectations.

11 (c) The board of commissioners shall be responsible for  
12 carrying out the policies of this section and to the extent  
13 consistent with the best interests of the township shall attempt  
14 to locate additional qualified small and minority business  
15 suppliers by all appropriate methods, particularly where only a  
16 limited number of small and minority business concerns are on  
17 bidders' lists.

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