

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 998

Session of
1981

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

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

AN ACT

1 Amending the act of June 23, 1931 (P.L.932, No.317), entitled
2 "An act relating to cities of the third class; and amending,
3 revising, and consolidating the law relating thereto,"
4 authorizing business set-asides for minority and small
5 businesses.

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

8 Section 1. The act of June 23, 1931 (P.L.932, No.317), known
9 as "The Third Class City Code," reenacted and amended June 28,
10 1951 (P.L.662, No.164), is amended by adding a section to read:

11 Section 1902.1. Minority and Small Business Set-aside.--(a)
12 The following words and phrases when used in this section shall
13 have, unless the context clearly indicates otherwise, the
14 meanings given to them in this subsection:

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

19 (1) Total set aside," means bids for the entire contract are

1 to be solicited only from minority and small businesses.

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

5 (b) (1) The city shall, upon designation of a business set-
6 aside as determined by the ordinance or resolution of council,
7 include such designation in the advertisement for bids in the
8 media used to solicit bids.

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

21 (3) In the event the city, when it solicits a bid, feels
22 that responsive competitive bids at reasonable prices were not
23 obtained as a result of the business set-aside solicitations, or
24 that bids thereof were received only from firms demonstrated to
25 be not responsible, it may request that counsel cancel the
26 business set-aside designation. Council action must be taken on
27 the request within thirty (30) days of receipt. Upon the
28 approval of the cancellation by council, the procurement will be
29 readvertised on an unrestricted basis. Small and minority
30 business bidding firms will be notified of the business set-

1 aside cancellation, the reasons for the bid rejection, and the
2 political subdivision's intent to readvertise the procurement on
3 an unrestricted basis. No business set-aside shall be cancelled
4 unless council has determined from all available evidence that
5 either no qualified firms or individuals are bidding on the
6 projected contract or that responding firms are incapable of
7 performing for reasonable price expectations.

8 (c) Council shall be responsible for carrying out the
9 policies of this section and to the extent consistent with the
10 best interests of the city shall attempt to locate additional
11 qualified small and minority business suppliers by all
12 appropriate methods, particularly where only a limited number of
13 small and minority business concerns are on bidders' lists.

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