

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 751 Session of  
1989

INTRODUCED BY STOUT, CORMAN, STEWART, BRIGHTBILL, PUNT, LEMMOND,  
PORTERFIELD, MADIGAN, AFFLERBACH, REIBMAN AND PETERSON,  
MARCH 23, 1989

AS REPORTED FROM COMMITTEE ON LOCAL GOVERNMENT, HOUSE OF  
REPRESENTATIVES, AS AMENDED, MAY 30, 1990

AN ACT

1 Amending the act of April 29, 1937 (P.L.526, No.118), entitled,  
2 as reenacted and amended, "An act providing for and  
3 regulating joint purchases by counties (other than counties  
4 of the first class), cities of the second and third class,  
5 boroughs, towns, townships, school districts, institution  
6 districts, and poor districts," increasing the amount of  
7 purchases that may be made without advertisement.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. Section 2 of the act of April 29, 1937 (P.L.526,  
11 No.118), entitled, as reenacted and amended, "An act providing  
12 for and regulating joint purchases by counties (other than  
13 counties of the first class), cities of the second and third  
14 class, boroughs, towns, townships, school districts, institution  
15 districts, and poor districts," reenacted and amended July 28,  
16 1941 (P.L.544, No.224) and amended December 22, 1981 (P.L.529,  
17 No.150), is amended to read:

18 Section 2. (A) All such purchases involving the expenditure <—  
19 of over [four thousand dollars (\$4,000)] ~~ten thousand dollars~~ <—

<—

1 ~~(\$10,000)~~ THE MONETARY THRESHOLD LEVEL FOR THE PARTICIPATING  
2 JOINT PURCHASERS, shall be in writing, and shall be made only  
3 after notice, by one of the political subdivisions joining  
4 therein, once a week for two weeks in one or more newspapers of  
5 general circulation published in the political subdivision  
6 advertising the same. All plans and specifications shall be  
7 placed on file by each of the political subdivisions joining in  
8 such purchase at least fifteen days in advance of opening bids.

<—

9 (B) THE MONETARY THRESHOLD LEVEL ABOVE WHICH COMPETITIVE  
10 BIDDING SHALL BE REQUIRED SHALL BE ONE PER CENTUM (1%) OF THE  
11 TOTAL OF ALL BUDGETS ADMINISTERED BY THE JOINT PURCHASERS, BUT  
12 IN NO CASE SHALL THE MONETARY THRESHOLD BE LESS THAN FOUR  
13 THOUSAND DOLLARS (\$4,000), NOR MORE THAN TEN THOUSAND DOLLARS  
14 (\$10,000).

15 (C) WRITTEN OR TELEPHONIC PRICE QUOTATIONS FROM AT LEAST  
16 THREE QUALIFIED AND RESPONSIBLE CONTRACTORS SHALL BE REQUESTED  
17 FOR ALL CONTRACTS THAT EXCEED FOUR THOUSAND DOLLARS (\$4,000) BUT  
18 ARE LESS THAN THE AMOUNT REQUIRING ADVERTISEMENT AND COMPETITIVE  
19 BIDDING OR, IN LIEU OF PRICE QUOTATIONS, A MEMORANDUM SHALL BE  
20 KEPT ON FILE SHOWING THAT FEWER THAN THREE QUALIFIED CONTRACTORS  
21 EXIST IN THE MARKET AREA WITHIN WHICH IT IS PRACTICABLE TO  
22 OBTAIN QUOTATIONS. A WRITTEN RECORD OF TELEPHONIC PRICE  
23 QUOTATIONS SHALL BE MADE AND SHALL CONTAIN AT LEAST THE DATE OF  
24 THE QUOTATION, THE NAME OF THE CONTRACTOR AND THE CONTRACTOR'S  
25 REPRESENTATIVE, THE CONSTRUCTION, RECONSTRUCTION, REPAIR,  
26 MAINTENANCE OR WORK WHICH WAS THE SUBJECT OF THE QUOTATION AND  
27 THE PRICE. WRITTEN PRICE QUOTATIONS, WRITTEN RECORDS OF  
28 TELEPHONIC PRICE QUOTATIONS AND MEMORANDA SHALL BE RETAINED FOR  
29 A PERIOD OF THREE YEARS.

<—

30 (D) No county or municipal government shall evade the

1 provisions of this section as to advertising for bids or  
2 purchasing materials or contracting for services piece-meal, for  
3 the purpose of obtaining prices under ~~ten thousand dollars~~ <—  
4 ~~(\$10,000)~~ THE MONETARY THRESHOLD LEVEL FOR THE JOINT PURCHASERS <—  
5 upon transactions which should in the exercise of reasonable  
6 discretion and prudence be conducted as one transaction  
7 amounting to more than ~~ten thousand dollars (\$10,000)~~ THE <—  
8 MONETARY THRESHOLD LEVEL FOR THE JOINT PURCHASERS. This  
9 provision is intended to make unlawful the practice of evading  
10 advertising requirements by making a series of purchases or  
11 contracts each for less than the advertising requirement price,  
12 or by making several simultaneous purchases or contracts each  
13 below said price, when in either case the transaction involved  
14 should have been made as one transaction for one price.  
15     (E) Every contract for the construction, reconstruction, <—  
16 alteration, repair, improvement or maintenance of public works  
17 shall comply with the provisions of the act of March 3, 1978  
18 (P.L.6, No.3), known as the "Steel Products Procurement Act."  
19     Section 2. This act shall take effect in 60 days.