

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 293 Session of
2011

INTRODUCED BY M. K. KELLER, AUMENT, BAKER, BEAR, BENNINGHOFF,
BLOOM, BOBACK, BOYD, BROOKS, CAUSER, CHRISTIANA, CLYMER, COX,
CREIGHTON, CUTLER, DELOZIER, DENLINGER, ELLIS, EVERETT,
FARRY, FLECK, GABLER, GEIST, GILLESPIE, GINGRICH, GRELL,
GROVE, HALUSKA, HARHART, HARPER, HARRIS, HELM, HENNESSEY,
HESS, HICKERNELL, KAUFFMAN, KILLION, KNOWLES, MAJOR,
MARSHALL, MARSICO, MASSER, METCALFE, MILLARD, MILLER, MOUL,
OBERLANDER, O'NEILL, PAYNE, PEIFER, PERRY, PICKETT, PYLE,
QUIGLEY, QUINN, RAPP, REED, REICHLEY, ROAE, ROCK, ROSS,
SAYLOR, SCAVELLO, CULVER, SCHRODER, SIMMONS, SONNEY, STERN,
STEVENSON, SWANGER, TALLMAN, TOBASH, TRUITT, TURZAI, VEREB,
VULAKOVICH, WATSON AND F. KELLER, JANUARY 27, 2011

AS REPORTED FROM COMMITTEE ON TRANSPORTATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, APRIL 6, 2011

AN ACT

1 Amending Title 74 (Transportation) of the Pennsylvania
2 Consolidated Statutes, IN METROPOLITAN TRANSPORTATION
3 AUTHORITIES, further providing for competitive bidding of
4 ~~contracts relating to metropolitan transportation~~
5 ~~authorities.~~

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

8 Section 1. Section 1750(c), (d) and (k) of Title 74 of the
9 Pennsylvania Consolidated Statutes are amended and the section
10 is amended by adding a subsection to read:

11 § 1750. Contracts, procurement and sale of property.

12 * * *

13 [(c) Qualified vendors.--Written price quotations from at
14 least three qualified and responsible vendors shall be solicited

1 for all purchases and sales under \$25,000 and over \$10,000, or,
2 in lieu thereof, a memorandum approved by the general manager
3 shall be kept on file showing that less than three vendors so
4 qualified exist in the market area within which it is
5 practicable to obtain quotations, except as provided in this
6 chapter.]

7 (d) Small purchases.--Purchases or sales under [\$10,000] THE ←
8 BASE AMOUNT OF \$25,000, subject to annual adjustment under
9 subsection (1), may be negotiated with or without competitive
10 bidding under sound procurement procedures as promulgated and
11 established by the general manager.

12 * * *

13 (k) Concessions.--All concessions granted by the authority
14 for the sale of products or the rendition of services for a
15 consideration on authority property shall be awarded only under
16 written specifications after competitive bidding and to the
17 highest responsive, responsible bidder in a manner similar to
18 that required by subsection (b) [or (c) as appropriate]. This
19 requirement for competitive bidding shall not apply to any
20 concession which has been granted by a transportation system
21 acquired by the authority and which by the terms of the
22 agreement granting it will terminate within one year from date
23 of the acquisition of the transportation system by the authority
24 nor to any concession involving the estimated receipt by the
25 authority of less than [\$10,000] THE BASE AMOUNT OF \$25,000, ←
26 subject to annual adjustment under subsection (1), over the
27 period for which the concession is granted.

28 (1) Consumer Price Index adjustments.--

29 ~~(1) The Department of Labor and Industry shall determine~~ ←
30 ~~the percentage change in the Consumer Price Index for All~~

~~Urban Consumers for the 12 month period ending September 30 of the calendar year in which this subsection becomes effective and for each successive 12 month period thereafter.~~

~~(2) The amount at which competitive bidding is required under subsection (b) shall be adjusted annually. The positive percentage change as determined in accordance with paragraph (1) shall be multiplied by the amount applicable under subsection (b) for the current year, and the product thereof shall be added to the amount applicable under subsection (b) for the current year, with the result rounded to the nearest multiple of \$10.~~

~~(3) The annual determination required under paragraph (1) and the calculation of the adjustments required under paragraph (2) shall be made in the period between October 1 and November 15 of the year following the effective date of this subsection and annually between October 1 and November 15 of each successive year.~~

~~(4) The adjusted amounts obtained in accordance with paragraph (2) shall become effective January 1 for the calendar year following the year in which the determination required under paragraph (1) is made.~~

~~(5) The Department of Labor and Industry shall give notice in the Pennsylvania Bulletin prior to January 1 of each calendar year of the annual percentage change determined in accordance with paragraph (1) and the amounts, whether adjusted or unadjusted in accordance with paragraph (2), at which competitive bidding is required under subsection (b) for the calendar year beginning the first day of January after publication of the notice.~~

ADJUSTMENTS TO THE BASE AMOUNTS SPECIFIED UNDER SUBSECTIONS (D)



1 AND (K) SHALL BE MADE AS FOLLOWS:

2 (1) THE DEPARTMENT OF LABOR AND INDUSTRY SHALL DETERMINE
3 THE PERCENTAGE CHANGE IN THE ALL ITEMS CONSUMER PRICE INDEX
4 FOR ALL URBAN CONSUMERS (CPI-U) FOR THE UNITED STATES CITY
5 AVERAGE AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF
6 LABOR, BUREAU OF LABOR STATISTICS FOR THE TWELVE-MONTH PERIOD
7 ENDING SEPTEMBER 30 OF THE CALENDAR YEAR IN WHICH THIS
8 SUBSECTION BECOMES EFFECTIVE, AND FOR EACH SUCCESSIVE TWELVE-
9 MONTH PERIOD THEREAFTER.

10 (2) IF THE DEPARTMENT OF LABOR AND INDUSTRY DETERMINES
11 THAT THERE IS NO POSITIVE PERCENTAGE CHANGE, THEN NO
12 ADJUSTMENT TO THE BASE AMOUNTS SHALL OCCUR FOR THE RELEVANT
13 TIME PERIOD PROVIDED FOR IN THIS SUBSECTION.

14 (3) (I) IF THE DEPARTMENT OF LABOR AND INDUSTRY
15 DETERMINES THAT THERE IS A POSITIVE PERCENTAGE CHANGE IN
16 THE FIRST YEAR THAT THE DETERMINATION IS MADE UNDER
17 PARAGRAPH (1), THE POSITIVE PERCENTAGE CHANGE SHALL BE
18 MULTIPLIED BY EACH BASE AMOUNT AND THE PRODUCTS SHALL BE
19 ADDED TO THE BASE AMOUNTS, RESPECTIVELY, AND THE SUMS
20 SHALL BE PRELIMINARY ADJUSTED AMOUNTS.

21 (II) THE PRELIMINARY ADJUSTED AMOUNTS SHALL BE
22 ROUNDED TO THE NEAREST \$1,000, TO DETERMINE THE FINAL
23 ADJUSTED BASE AMOUNTS FOR PURPOSES OF SUBSECTIONS (D) AND
24 (K).

25 (4) IN EACH SUCCESSIVE YEAR IN WHICH THERE IS A POSITIVE
26 PERCENTAGE CHANGE IN THE CPI-U FOR THE UNITED STATES CITY
27 AVERAGE, THE POSITIVE PERCENTAGE CHANGE SHALL BE MULTIPLIED
28 BY THE MOST RECENT PRELIMINARY ADJUSTED AMOUNTS AND THE
29 PRODUCTS SHALL BE ADDED TO THE MOST RECENT PRELIMINARY
30 ADJUSTED AMOUNTS, RESPECTIVELY. THE SUMS THEREOF SHALL BE

1 ROUNDED TO THE NEAREST \$1,000 TO DETERMINE THE NEW FINAL
2 ADJUSTED BASE AMOUNTS FOR PURPOSES OF SUBSECTIONS (D) AND
3 (K).

4 (5) THE DETERMINATIONS AND ADJUSTMENTS REQUIRED UNDER
5 THIS SUBSECTION SHALL BE MADE IN THE PERIOD BETWEEN OCTOBER 1
6 AND NOVEMBER 15 OF THE YEAR FOLLOWING THE EFFECTIVE DATE OF
7 THIS SUBSECTION, AND ANNUALLY BETWEEN OCTOBER 1 AND NOVEMBER
8 15 OF EACH YEAR THEREAFTER.

9 (6) THE FINAL ADJUSTED BASE AMOUNTS AND NEW FINAL
10 ADJUSTED BASE AMOUNTS OBTAINED UNDER PARAGRAPHS (3) AND (4)
11 SHALL BECOME EFFECTIVE JANUARY 1 FOR THE CALENDAR YEAR
12 FOLLOWING THE YEAR IN WHICH THE DETERMINATION REQUIRED UNDER
13 PARAGRAPH (1) IS MADE.

14 (7) THE DEPARTMENT OF LABOR AND INDUSTRY SHALL PUBLISH
15 NOTICE IN THE PENNSYLVANIA BULLETIN PRIOR TO JANUARY 1 OF
16 EACH CALENDAR YEAR OF THE ANNUAL PERCENTAGE CHANGE DETERMINED
17 UNDER PARAGRAPH (1) AND THE UNADJUSTED OR FINAL ADJUSTED BASE
18 AMOUNTS DETERMINED UNDER PARAGRAPHS (3) AND (4) FOR PURPOSES
19 OF SUBSECTIONS (D) AND (K), RESPECTIVELY, FOR THE CALENDAR
20 YEAR BEGINNING THE FIRST DAY OF JANUARY AFTER PUBLICATION OF
21 THE NOTICE. THE NOTICE SHALL INCLUDE A WRITTEN AND
22 ILLUSTRATIVE EXPLANATION OF THE CALCULATIONS PERFORMED BY THE
23 DEPARTMENT OF LABOR AND INDUSTRY IN ESTABLISHING THE
24 UNADJUSTED OR FINAL ADJUSTED BASE AMOUNTS UNDER THIS
25 SUBSECTION FOR THE ENSUING CALENDAR YEAR.

26 Section 2. This act shall apply to contracts and purchases
27 advertised after December 31 of the year in which this section
28 takes effect.

29 Section 3. This act shall take effect immediately.