

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 292

PRINTER'S NO. 1564

AMOUNT

No Fiscal Impact

FUND

General

DATE INTRODUCED

January 26, 2011

PRIME SPONSOR

Senator Eichelberger

HISTORY OF BILL

Referred to ENVIRONMENTAL RESOURCES AND ENERGY, Jan. 26, 2011

Reported as committed, May 3, 2011

First consideration, May 3, 2011

Re-referred to APPROPRIATIONS, May 23, 2011

Re-reported as amended, Sept. 20, 2011

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 292, as amended, amends the Flood Control Law of 1936 (1st Special Session) to increase the amount of a contract that must be bid from \$4,000 to a base amount of \$18,500 through a public advertising process for flood control projects. The threshold amount would be adjusted annually by the calculation of a percentage increase based on the Consumer Price Index (CPI) for All Urban Consumers by the Department of Labor and Industry (L & I). The threshold adjustment would be calculated between October 1 and November 15 of each year. L & I would be required to publish the percentage change to the minimum threshold in the Pennsylvania Bulletin.

The legislation prohibits the evasion of advertising requirements for bids by entering into a series of purchases or contracts piecemeal so as to obtain contracts under the required advertising price. A 10% surcharge on the full amount of the contract or purchase price would be imposed if the bid requirements are knowingly avoided in this way.

Senate Bill 292 applies to contracts and purchases advertised on or after January 1 of the year following the effective date.

The act takes effect immediately.

FISCAL IMPACT:

The provisions of this bill will not cause any significant costs to be incurred by the Commonwealth.