JAKE WHEATLEY, JR., MEMBER 19TH LEGISLATIVE DISTRICT

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MEMORANDUM

TO: MEMBERS OF THE HOUSE OF REPRESENTATIVES

FROM: Rep Jake Wheatley, Ir.

DATE: December 13, 2011

Co-Sponsorship: Contracts to Promote Participation Amending the 3rd Class SUBJECT:

City Code

In the near future, I plan to introduce legislation that would amend the 3rd Class City Code.

Briefly, this legislation would add provisions requiring each 3rd class city, by ordinance or resolution, to develop policies or guidelines to ensure that all persons are accorded equal opportunity in contracting, subcontracting, and purchasing. This legislation would further require that contracts for construction, reconstruction, alteration, repair of any public building or public work contain provisions by which contractors agree to promote, increase, and sustain contracting and subcontracting opportunities for disadvantaged businesses.

The term "disadvantaged business" is defined in the legislation to include minority, women, veteran, and service-disabled veteran business enterprises. The Council of a 3rd class city could use the list of minority-owned, women-owned, and veteran-owned business enterprises as certified under the Department of General Services' disadvantaged business program to compete for and participate in the contracting process.

If you wish to join me as a sponsor of this legislation, please contact my Legislative Assistant, April Ashe, at aashe@pahouse.net or 783.3783.

AN ACT

- Amending the act of June 23, 1931 (P.L.932, No.317), entitled 1 2
 - "An act relating to cities of the third class; and amending,
- revising, and consolidating the law relating thereto," 3
- providing for contracts to promote participation. 4
- The General Assembly of the Commonwealth of Pennsylvania 5
- 6 hereby enacts as follows:
- 7 The act of June 23, 1931 (P.L.932, No.317), known Section 1.
- as The Third Class City Code, reenacted and amended June 28, 8
- 1951 (P.L.662, No.164), is amended by adding a section to read: 9
- Section 1920. Contracts to Promote Participation. -- (a) 10
- council of each city shall, by ordinance or resolution, develop 11
- and implement binding policies or quidelines to ensure that all 12
- persons are accorded equal opportunity in contracting and 13
- subcontracting associated with the construction, reconstruction, 14
- alteration or repair of any building or other public work; the 15
- completion of any project or performance of any other work 16
- whatsoever; and the purchasing of any materials, equipment or 17
- any other supplies for the use of the city. 18

- 1 (b) Every contract for or on behalf of a city for the
- 2 construction, reconstruction, alteration or repair of any public
- 3 building or public work shall contain provisions by which the
- 4 contractor agrees to promote, increase and sustain contracting
- 5 and subcontracting opportunities for disadvantaged businesses.
- 6 (c) This section shall apply to:
- 7 (1) Any contract for or on behalf of a city made in
- 8 accordance with applicable provisions of this article which is
- 9 <u>subject to competitive bidding</u>.
- 10 (2) All city contractors, subcontractors, assignees,
- 11 <u>lessees</u>, agents, <u>vendors</u> and suppliers.
- 12 (3) Disadvantaged businesses.
- 13 (d) The council may use the lists of certified
- 14 minority-owned, women-owned and veteran-owned business
- 15 enterprises which have been certified under the Department of
- 16 General Services' disadvantaged business program to compete for
- 17 and participate in the city's contracting process. The
- 18 Department of General Services shall cooperate with and assist
- 19 the council in carrying out the requirements of this subsection.
- (e) The following words and phrases when used in this
- 21 <u>section shall have the meaning given to them in this subsection</u>
- 22 unless the context clearly indicates otherwise:
- 23 "Disadvantaged business." A small business which is owned or
- 24 controlled by a majority of persons, not limited to members of
- 25 minority groups, who:
- 26 (1) have been deprived of the opportunity to develop and
- 27 maintain a competitive position in the economy because of social
- 28 <u>disadvantages</u>; or
- 29 (2) are veterans, including service-disabled veterans.
- The term shall include a small business which is owned or

- 1 controlled by a majority of persons who are veterans or service-
- 2 <u>disabled</u> veterans.
- 3 <u>"Service-disabled veteran." A veteran who possesses either</u>
- 4 an adjudication letter from the Department of Veterans Affairs
- 5 <u>establishing a service-connected disability rating or a</u>
- 6 <u>disability determination from the Department of Defense.</u>
- 7 "Small business." The term shall have the meaning given to
- 8 it in 62 Pa.C.S. § 2102 (relating to definitions).
- 9 <u>"Veteran." An individual who:</u>
- 10 (1) served in the active United States military in any of
- 11 the four current branches and all previous branches, including a
- 12 reserve component or the National Guard;
- 13 (2) was released or discharged from active military service
- 14 under conditions other than dishonorable; and
- 15 (3) possesses a certificate of release or discharge from
- 16 <u>active duty.</u>
- 17 Section 2. This act shall take effect in 60 days.