

JAKE WHEATLEY, JR., MEMBER
19TH LEGISLATIVE DISTRICT

HARRISBURG OFFICE:
311 IRVIS OFFICE BUILDING
P.O. BOX 202019
HARRISBURG, PENNSYLVANIA 17120-2019
PHONE: (717) 783-3783
FAX: (717) 780-4753



"THE PEOPLE'S OFFICE":
2015-2017 1ST FLOOR, CENTRE AVENUE
PITTSBURGH, PENNSYLVANIA 15219
PHONE: (412) 471-7760
FAX: (412) 471-8056

WEBSITE: www.pahouse.net/wheatley
E-MAIL: jwheatley@pahouse.net

House of Representatives

COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

MEMORANDUM

TO: MEMBERS OF THE HOUSE OF REPRESENTATIVES

FROM: Representative Jake Wheatley, Jr.

SUBJECT: Request for sponsors; Participation in State Procurement

In the near future, I will introduce legislation intended to promote participation by small disadvantaged businesses in Commonwealth procurement. This legislation is similar to HB2149, which passed the House by a vote of 189-0 on September 27, 2010. HB2149 was an omnibus proposal developed from the recommendations detailed in the report issued by the House Select Committee on Minority, Women, and Disadvantaged Business Enterprise Inclusion; pursuant to H.R. 78 of 2010.

Briefly, my proposal would amend Chapter 21 (small and disadvantaged businesses) of the Procurement Code (Title 62). The current law definition of "disadvantaged business" would be modified to include veterans and service-disabled veterans. Consequently, under my legislation, individuals who served in our Armed Forces, including veterans who suffered disabling harm as a result of military service, would have the same opportunities to participate in Commonwealth procurement as do women and people of color.

The legislation would, among other things, give the Department of General Services the authority to waive the small business employment limit (100 or fewer employees) and accept the certification of any disadvantaged businesses certified under the State Unified Certification program. Governmental agencies would also be given the authority to establish disadvantaged business utilization programs. As stipulated in the proposal, a governmental agency could adopt and implement the Department of General Services' disadvantaged business utilization program or develop its own program. The term "governmental agency" would include a Commonwealth agency, a local agency, an independent agency, and any state-affiliated entity or state-related institution.

Furthermore, the proposed legislation would create a mentor-protégé program and a small business reserve program. A surety bond guarantee program would also be created for the express purpose of assisting disadvantaged business to competitively bid for certain Commonwealth contracts. The surety bond guarantee program would be administered by the Department of Community and Economic Development.

Finally, my proposal would require a contractor or subcontractor to pay any subcontractor the full or proportional amount received for the subcontractor's work and material within seven days of receipt of a progress payment from a governmental agency, rather than the current law requirement of 14 days. The amount of any payment received by a subcontractor would be based on the work completed or services provided under the subcontract.

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