

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1081 Session of  
2007

INTRODUCED BY FOLMER, REGOLA, FERLO, ARMSTRONG, BAKER, BROWNE,  
BRUBAKER, CORMAN, COSTA, EICHELBERGER, ERICKSON, FONTANA,  
GORDNER, GREENLEAF, KASUNIC, LAVALLE, ORIE, PILEGGI, PIPPY,  
PUNT, ROBBINS, SCARNATI, STOUT, TOMLINSON, VANCE, WAUGH AND  
WONDERLING, SEPTEMBER 21, 2007

REFERRED TO LABOR AND INDUSTRY, SEPTEMBER 21, 2007

AN ACT

1 Amending the act of May 1, 1913 (P.L.155, No.104), entitled "An  
2 act regulating the letting of certain contracts for the  
3 erection, construction, and alteration of public buildings,"  
4 increasing the minimum bid requirement; and providing for  
5 evasion of requirements.

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

8 Section 1. Section 1 of the act of May 1, 1913 (P.L.155,  
9 No.104), referred to as the Separations Act, amended December  
10 22, 1981 (P.L.546, No.159), is amended to read:

11 Section 1. (a) Be it enacted, &c., That hereafter in the  
12 preparation of specifications for the erection, construction,  
13 and alteration of any public building, when the entire cost of  
14 such work shall exceed [four thousand dollars] twenty-five  
15 thousand dollars subject to annual adjustment under subsection  
16 (b), it shall be the duty of the architect, engineer, or other  
17 person preparing such specifications, to prepare separate  
18 specifications for the plumbing, heating, ventilating, and

1 electrical work; and it shall be the duty of the person or  
2 persons authorized to enter into contracts for the erection,  
3 construction, or alteration of such public buildings to receive  
4 separate bids upon each of the said branches of work, and to  
5 award the contract for the same to the lowest responsible bidder  
6 for each of said branches.

7 Every contract for the construction, reconstruction,  
8 alteration, repair, improvement or maintenance of public works  
9 shall comply with the provisions of the act of March 3, 1978  
10 (P.L.6, No.3), known as the "Steel Products Procurement Act."

11 (b) (1) Annually, beginning with the year in which this  
12 subsection becomes applicable to contracts and purchases, the  
13 Department of Labor and Industry shall calculate the percentage  
14 change in the Consumer Price Index for All Urban Consumers (CPI-  
15 U) for the United States city average for all items as published  
16 by the United States Department of Labor, Bureau of Labor  
17 Statistics, for the twelve-month average ending in September of  
18 the prior year.

19 (2) The amount at which competitive bidding is required  
20 under subsection (a) shall be adjusted annually. The positive  
21 percentage change, as determined in accordance with clause (1),  
22 shall be multiplied by the amount applicable under subsection  
23 (a) for the current year and the product thereof shall be added  
24 to the amount applicable under subsection (a) for the current  
25 year, with the result rounded to the nearest multiple of ten  
26 dollars.

27 (3) The annual determination required under clause (1) and  
28 the calculation of the adjustments required under clause (2)  
29 shall be made in the period between October 1 and November 15 of  
30 the year following the effective date of this subsection, and

1 annually between October 1 and November 15 of each successive  
2 year.

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

7 (5) The Department of Labor and Industry shall give notice  
8 in the Pennsylvania Bulletin prior to January 1 of each calendar  
9 year of the annual percentage change determined in accordance  
10 with clause (1) and the amounts, whether adjusted or unadjusted  
11 in accordance with clause (2), for the calendar year beginning  
12 the first day of January after publication of the notice.

13 Section 2. The act is amended by adding a section to read:

14 Section 1.1. No person shall evade the provisions of section  
15 1 by purchasing or contracting for services and personal  
16 properties piecemeal to obtain prices under the required  
17 advertising price, subject to annual adjustment under section  
18 1(b). This provision is intended to make unlawful the making of  
19 a series of purchases or contracts each for less than the price  
20 to which section 1 applies, or by making several simultaneous  
21 purchases or contracts, each below said price, when in either  
22 case, the transactions involved should have been made as one  
23 transaction for one price. Any persons who violate this  
24 provision, and who know that the transaction in question is or  
25 ought to be a part of a larger transaction, and that it is being  
26 divided in order to evade the requirements of section 1, shall  
27 be jointly and severally subject to surcharge for ten per centum  
28 of the full amount of the contract or purchase.

29 Section 3. This act shall apply to contracts and purchases  
30 advertised on or after January 1 of the year following the

1 effective date of this section.

2 Section 4. This act shall take effect in 60 days.