
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1751

Session of
1987

INTRODUCED BY GODSHALL, LLOYD, KUKOVICH, OLASZ, WOGAN, MRKONIC,
D. W. SNYDER, YANDRISEVITS, NOYE, BATTISTO, FOX, DISTLER,
CARLSON, PRESSMANN, TRELLO, HERSHEY, VROON, WOZNIAK,
COLAFELLA, BALDWIN, HECKLER, LANGTRY AND PHILLIPS,
SEPTEMBER 30, 1987

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, SEPTEMBER 30, 1987

AN ACT

1 Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An
2 act providing for the incorporation as bodies corporate and
3 politic of 'Authorities' for municipalities, counties and
4 townships; prescribing the rights, powers and duties of such
5 Authorities heretofore or hereafter incorporated; authorizing
6 such Authorities to acquire, construct, improve, maintain and
7 operate projects, and to borrow money and issue bonds
8 therefor; providing for the payment of such bonds, and
9 prescribing the rights of the holders thereof; conferring the
10 right of eminent domain on such Authorities; authorizing such
11 Authorities to enter into contracts with and to accept grants
12 from the Federal Government or any agency thereof; and
13 conferring exclusive jurisdiction on certain courts over
14 rates," restricting certain persons from bidding on
15 contracts.

16 The General Assembly of the Commonwealth of Pennsylvania
17 hereby enacts as follows:

18 Section 1. The act of May 2, 1945 (P.L.382, No.164), known
19 as the Municipality Authorities Act of 1945, is amended by
20 adding a section to read:

21 Section 10.1. Restrictions Concerning Contracts.--A. No
22 person who or entity which, as a contractor or subcontractor,
23 supplied goods or services to a government or government

instrumentality and has been convicted of, or has pleaded guilty
or nolo contendere to, a Federal or State crime involving fraud
upon a government or a government instrumentality for acts or
omissions arising out of the supplying of goods or services, and
no entity in which that person or entity has a substantial
interest, may bid on a contract for a period of three years
after such conviction or plea. For purposes of this subsection,
the following words and phrases shall have the following
meanings:

(a) "Crime" means any criminal act committed after the
effective date of this amendatory act for which the maximum
possible penalty exceeds a fine of three hundred dollars (\$300)
or exceeds imprisonment for ninety days.

(b) "Entity" means any association, corporation, limited
partnership, partnership, or other business or nonprofit
organization.

(c) "Fraud" includes, but is not limited to:

(1) A misrepresentation of a material fact that is not made
honestly and in good faith.

(2) A promise, representation or prediction as to the future
that is not made honestly and in good faith.

(3) An intentional failure to disclose a material fact.

(4) A fictitious or pretended purchase or sale of a
security.

(5) The gaining, through the sale of a security, of an
underwriting or promotion fee or profit or a selling or managing
fee or profit that is so gross or exorbitant as to be
unconscionable. This includes a scheme, device or artifice to
obtain such a profit, fee or commission.

(6) A scheme, device or artifice to defraud a prospective or

1 actual customer, client or subscriber of securities, money or
2 property.

3 (d) "State" means the District of Columbia and any
4 possession, state, territory or trusteeship of the United
5 States.

6 (e) "Substantial interest" means serving as a director,
7 limited partner, officer, partner or proprietor, or owning more
8 than ten per centum of the number of shares of voting stock or
9 more than twenty per centum of the total number of shares of
10 stock.

11 B. In the case of a bid involving the collection,
12 transportation, treatment, storage or disposal of solid waste or
13 hazardous waste under the act of July 7, 1980 (P.L.380, No.97),
14 known as the "Solid Waste Management Act," the following shall
15 apply:

16 (a) A bid may be rejected by the authorizing authorities if
17 one of the following applies:

18 (1) The authorizing authorities have reason to believe that
19 the bidder's responsibility, character and general fitness for
20 business do not command the confidence of the public and may not
21 be conducive to the honest and efficient conduct of business in
22 the best interest of the public.

23 (2) The bidder's prior performance record in the collection,
24 transportation, treatment, storage or disposal of solid waste
25 exhibited insufficient reliability, expertise or competency to
26 warrant the belief that the bidder would be likely to exhibit
27 sufficient reliability, expertise or competence with respect to
28 the contract being bid.

29 (b) The township may require the following information to be
30 submitted with the bid:

1 (1) If the bidder has an equity interest in a company which
2 collects, transports, treats, stores or disposes of solid waste
3 or hazardous waste, the name and address of that company.

4 (2) A description of the bidder's experience and credentials
5 in collection, transportation, treatment, storage or disposal of
6 solid waste or hazardous waste. This includes past or present
7 licenses.

8 (3) If the bidder is an entity, the names of the officers
9 and directors or partners.

10 (4) A list and explanation of Federal, State and local
11 notices of violation, prosecutions, administrative orders and
12 license revocations for the ten years immediately preceding the
13 bid submission, if the action is pending or has resulted in a
14 finding or a settlement of a violation of law by the bidder or
15 its employees, and, in the case of an entity, by an officer or
16 director or a partner, relating to the collection,
17 transportation, treatment, storage or disposal of solid waste or
18 hazardous waste.

19 (5) A list and explanation of judgments of civil liability
20 and convictions against the bidder or its employees and, in the
21 case of an entity, against an officer or director or a partner.

22 (6) A list of agencies outside of this Commonwealth which
23 had regulatory authority over the bidder in connection with the
24 collection, transportation, treatment, storage or disposal of
25 solid waste or hazardous waste.

26 (7) Other information that the authorizing authorities deem
27 relevant to the competency, reliability or good character of the
28 bidder.

29 C. The township may require the following information to be
30 submitted with the bid: a sworn statement by the bidder and, if

1 the affiant is an entity, by every person or entity having a
2 substantial interest therein, listing all Federal and State
3 convictions of, and pleas of guilty or nolo contendere to, any
4 crime within three years prior to the date of the statement,
5 said statement to be dated no more than one week prior to the
6 date set for the opening of bids.

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