

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 371 Session of
2003

INTRODUCED BY O'PAKE, KUKOVICH, MUSTO, COSTA, WOZNIAK, MOWERY,
KITCHEN, LOGAN, THOMPSON AND STOUT, MARCH 3, 2003

REFERRED TO URBAN AFFAIRS AND HOUSING, MARCH 3, 2003

AN ACT

1 Amending the act of May 28, 1937 (P.L.955, No.265), entitled, as
2 amended, "An act to promote public health, safety, morals,
3 and welfare by declaring the necessity of creating public
4 bodies, corporate and politic, to be known as housing
5 authorities to engage in slum clearance, and to undertake
6 projects, to provide dwelling accommodations for persons of
7 low income; providing for the organization of such housing
8 authorities; defining their powers and duties; providing for
9 the exercise of such powers, including the acquisition of
10 property by purchase, gift or eminent domain, the renting and
11 selling of property, and including borrowing money, issuing
12 bonds, and other obligations, and giving security therefor;
13 prescribing the remedies of obligees of housing authorities;
14 authorizing housing authorities to enter into agreements,
15 including agreements with the United States, the
16 Commonwealth, and political subdivisions and municipalities
17 thereof; defining the application of zoning, sanitary, and
18 building laws and regulations to projects built or maintained
19 by such housing authorities; exempting the property and
20 securities of such housing authorities from taxation; and
21 imposing duties and conferring powers upon the State Planning
22 Board, and certain other State officers and departments,"
23 further providing for award of contracts.

24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

26 Section 1. Section 11(a), (b) and (b.1) of the act of May
27 28, 1937 (P.L.955, No.265), known as the Housing Authorities
28 Law, amended or added February 16, 1990 (P.L.67, No.13), are

1 amended to read:

2 Section 11. Awards of Contracts; Completion Bond; Additional
3 Bond for Protection of Materialmen and Others.--

4 (a) Whenever the estimated cost of any construction,
5 erection, installation, completion, alteration, repair of, or
6 addition to, any project subject to the control of any Authority
7 shall exceed [ten thousand (\$10,000)] twenty-five thousand
8 (\$25,000) dollars, it shall be the duty of said Authority to
9 have such work performed pursuant to a contract awarded to the
10 lowest responsible bidder, after advertisement for bids. Every
11 such contract shall contain a provision obligating the
12 contractor to the prompt payment of all material furnished,
13 labor supplied or performed, rental for equipment employed, and
14 services rendered by public utilities in or in connection with
15 the prosecution of the work, whether or not the said material,
16 labor, equipment or service enter into and become component
17 parts of the work or improvement contemplated. Such provision
18 shall be deemed to be included for the benefit of every person,
19 copartnership, association or corporation who, as subcontractor
20 or otherwise, has furnished material, supplied or performed
21 labor, rented equipment or services in or in connection with the
22 prosecution of the work as aforesaid, and the inclusion thereof
23 in any contract shall preclude the filing by any such person,
24 copartnership, association or corporation of any mechanics' lien
25 claim for such material, labor or rental of equipment.

26 (b) Whenever the estimated cost of any purchase of supplies,
27 materials or equipment or the rental of any equipment, whether
28 or not the same is to be used in connection with the
29 construction, erection, installation, completion, alteration,
30 repair of, or addition to, any project subject to the control of

1 any Authority, shall exceed [ten thousand (\$10,000)] twenty-five
2 thousand (\$25,000) dollars, it shall be the duty of such
3 Authority to have such purchase or rental made pursuant to a
4 contract awarded to the lowest responsible bidder, after
5 advertisement for bids, such advertisement to be inserted in a
6 newspaper of general circulation within the county in which the
7 Authority operates.

8 (b.1) An authority shall not evade the provisions of
9 subsection (a) or (b) as to advertising for bids by purchasing
10 materials or contracting for services piecemeal for the purpose
11 of obtaining prices under [ten thousand (\$10,000)] twenty-five
12 thousand (\$25,000) dollars upon transactions which should, in
13 the exercise of reasonable discretion and prudence, be conducted
14 as one transaction amounting to more than [ten thousand
15 (\$10,000)] twenty-five thousand (\$25,000) dollars. This
16 provision is intended to make unlawful the practice of evading
17 advertising requirements by making a series of purchases or
18 contracts, each for less than the advertising requirement price,
19 or by making several simultaneous purchases or contracts, each
20 below said price, when, in either case, the transactions
21 involved should have been made as one transaction for one price.

22 * * *

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