

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 292 Session of 2011

INTRODUCED BY M.K. KELLER, AUMENT, BAKER, BEAR, BENNINGHOFF, BLOOM, BOBACK, BOYD, BROOKS, CAUSER, CHRISTIANA, CLYMER, COX, CREIGHTON, CUTLER, DELOZIER, DENLINGER, ELLIS, EVERETT, FARRY, FLECK, GABLER, GEIST, GERBER, GILLESPIE, GINGRICH, GRELL, GROVE, HALUSKA, HARHART, HARPER, HARRIS, HELM, HENNESSEY, HESS, HICKERNELL, KAUFFMAN, KILLION, KNOWLES, MAJOR, MARSHALL, MARSICO, MASSER, METCALFE, MILLARD, MILLER, MOUL, OBERLANDER, O'NEILL, PAYNE, PEIFER, PERRY, PICKETT, PYLE, QUIGLEY, QUINN, RAPP, REED, REICHLEY, ROAE, ROCK, ROSS, SAYLOR, SCAVELLO, CULVER, SCHRODER, SIMMONS, SONNEY, STERN, STEVENSON, SWANGER, TALLMAN, TOBASH, TRUITT, TURZAI, VEREB, VULAKOVICH AND WATSON, JANUARY 27, 2011

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JANUARY 27, 2011

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, further providing for competitive
3 bidding of contracts relating to parking authorities.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 5511(c) and (h)(1) of Title 53 of the
7 Pennsylvania Consolidated Statutes are amended and the section
8 is amended by adding a subsection to read:

9 § 5511. Competition in award of contracts.

10 * * *

11 (c) Quotations.--Written or telephonic price quotations from
12 at least three qualified and responsible contractors shall be
13 requested for a contract which exceeds [\$4,000] \$10,000, subject

1 to adjustment under subsection (c.1), but is less than the
2 amount requiring advertisement and competitive bidding. In lieu
3 of price quotations, a memorandum shall be kept on file showing
4 that fewer than three qualified contractors exist in the market
5 area within which it is practicable to obtain quotations. A
6 written record of telephonic price quotations shall be made and
7 shall contain at least the date of the quotation; the name of
8 the contractor and the contractor's representative; the
9 construction, reconstruction, repair, maintenance or work which
10 was the subject of the quotation; and the price. Written price
11 quotations, written records of telephonic price quotations and
12 memoranda shall be retained for a period of three years.

13 (c.1) Adjustments.--

14 (1) The Department of Labor and Industry shall determine
15 the percentage change in the Consumer Price Index for All
16 Urban Consumers for the 12-month period ending September 30
17 of the calendar year in which this subsection becomes
18 effective and for each successive 12-month period thereafter.

19 (2) The amount at which competitive bidding is required
20 under subsection (a) or (b) and the amount at which written
21 or telephonic price quotations are required under subsection
22 (c) shall be adjusted annually as follows:

23 (i) For subsections (a) and (b):

24 (A) Multiply the positive percentage change
25 under paragraph (1) by the amount applicable under
26 subsection (a) or (b) for the current year.

27 (B) Add the product under clause (A) to the
28 amount applicable under subsection (a) or (b) for the
29 current year.

30 (C) Round the sum under clause (B) to the

1 nearest multiple of \$10.

2 (ii) For subsection (c):

3 (A) Multiply the positive percentage change, as
4 determined under paragraph (1) by the amount
5 applicable under subsection (c) for the current year.

6 (B) Add the product under clause (A) to the
7 amount applicable under subsection (c) for the
8 current year.

9 (C) Round the sum under clause (B) to the
10 nearest multiple of \$10.

11 (3) The annual determination required under paragraph
12 (1) and the calculation of the adjustments required under
13 paragraph (2) shall be made in the period between October 1
14 and November 15 of the year following the effective date of
15 this subsection and annually between October 1 and November
16 15 of each successive year.

17 (4) The adjusted amounts obtained under paragraph (2)
18 shall become effective January 1 for the calendar year
19 following the year in which the determination required under
20 paragraph (1) is made.

21 (5) The department shall give notice in the Pennsylvania
22 Bulletin prior to January 1 of each calendar year of the
23 annual percentage change determined in accordance with
24 paragraph (1) and the amounts, whether adjusted or unadjusted
25 in accordance with paragraph (2), at which competitive
26 bidding is required under subsection (a) or (b) and written
27 or telephonic price quotations are required under subsection
28 (c) for the calendar year beginning the first day of January
29 after publication of the notice.

30 * * *

1 (h) Evasion.--

2 (1) An authority may not evade the provisions of this
3 section as to bids or purchasing materials or contracting for
4 services piecemeal for the purpose of obtaining prices under
5 [\$25,000] the amount required by this section upon
6 transactions which should, in the exercise of reasonable
7 discretion and prudence, be conducted as one transaction
8 amounting to more than [\$25,000] the amount required by this
9 section.

10 * * *

11 Section 2. This act shall apply to contracts and purchases
12 advertised after December 31 of the year in which this section
13 takes effect.

14 Section 3. This act shall take effect immediately.