THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

293

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 TRANSPORTATION, JANUARY 27, 2011

AN ACT

- Amending Title 74 (Transportation) of the Pennsylvania 2
 - Consolidated Statutes, further providing for competitive
- bidding of contracts relating to metropolitan transportation
- authorities. 4
- 5 The General Assembly of the Commonwealth of Pennsylvania
- hereby enacts as follows:
- Section 1. Section 1750(c), (d) and (k) of Title 74 of the 7
- Pennsylvania Consolidated Statutes are amended and the section
- is amended by adding a subsection to read:
- § 1750. Contracts, procurement and sale of property. 10
- * * * 11
- 12 [(c) Qualified vendors. -- Written price quotations from at
- 13 least three qualified and responsible vendors shall be solicited
- 14 for all purchases and sales under \$25,000 and over \$10,000, or,

- 1 in lieu thereof, a memorandum approved by the general manager
- 2 shall be kept on file showing that less than three vendors so
- 3 qualified exist in the market area within which it is
- 4 practicable to obtain quotations, except as provided in this
- 5 chapter.]
- 6 (d) Small purchases.--Purchases or sales under [\$10,000]
- 7 \$25,000, subject to annual adjustment under subsection (1), may
- 8 be negotiated with or without competitive bidding under sound
- 9 procurement procedures as promulgated and established by the
- 10 general manager.
- 11 * * *
- 12 (k) Concessions. -- All concessions granted by the authority
- 13 for the sale of products or the rendition of services for a
- 14 consideration on authority property shall be awarded only under
- 15 written specifications after competitive bidding and to the
- 16 highest responsive, responsible bidder in a manner similar to
- 17 that required by subsection (b) [or (c) as appropriate]. This
- 18 requirement for competitive bidding shall not apply to any
- 19 concession which has been granted by a transportation system
- 20 acquired by the authority and which by the terms of the
- 21 agreement granting it will terminate within one year from date
- 22 of the acquisition of the transportation system by the authority
- 23 nor to any concession involving the estimated receipt by the
- 24 authority of less than [\$10,000] \$25,000, subject to annual
- 25 <u>adjustment under subsection (1)</u>, over the period for which the
- 26 concession is granted.
- 27 <u>(1) Consumer Price Index adjustments.--</u>
- 28 <u>(1) The Department of Labor and Industry shall determine</u>
- the percentage change in the Consumer Price Index for All
- 30 Urban Consumers for the 12-month period ending September 30

of the calendar year in which this subsection becomes

2 effective and for each successive 12-month period thereafter.

3 (2) The amount at which competitive bidding is required

4 <u>under subsection (b) shall be adjusted annually. The positive</u>

percentage change as determined in accordance with paragraph

(1) shall be multiplied by the amount applicable under

subsection (b) for the current year, and the product thereof

shall be added to the amount applicable under subsection (b)

for the current year, with the result rounded to the nearest

10 multiple of \$10.

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- (3) The annual determination required under paragraph

 (1) and the calculation of the adjustments required under

 paragraph (2) shall be made in the period between October 1

 and November 15 of the year following the effective date of

 this subsection and annually between October 1 and November

 15 of each successive year.
- (4) The adjusted amounts obtained in accordance with paragraph (2) shall become effective January 1 for the calendar year following the year in which the determination required under paragraph (1) is made.
- notice in the Pennsylvania Bulletin prior to January 1 of
 each calendar year of the annual percentage change determined
 in accordance with paragraph (1) and the amounts, whether
 adjusted or unadjusted in accordance with paragraph (2), at
 which competitive bidding is required under subsection (b)
 for the calendar year beginning the first day of January
 after publication of the notice.
- 29 Section 2. This act shall apply to contracts and purchases

- 1 takes effect.
- 2 Section 3. This act shall take effect immediately.