## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **SENATE BILL** No. 1200 Session of 2011

INTRODUCED BY FOLMER, VOGEL, RAFFERTY, ERICKSON, ORIE, SMUCKER, FARNESE, PILEGGI, ALLOWAY, BROWNE, WAUGH, FERLO, YUDICHAK, BOSCOLA AND MENSCH, JULY 21, 2011

REFERRED TO STATE GOVERNMENT, JULY 21, 2011

## AN ACT

| 1<br>2<br>3 | Amending Title 62 (Procurement) of the Pennsylvania Consolidated<br>Statutes, further providing for sole source procurement and<br>for emergency procurement. |
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| 4           | The General Assembly of the Commonwealth of Pennsylvania  |
| 5           | hereby enacts as follows:   |
| 6           | Section 1. Sections 515 and 516 of Title 62 of the  |
| 7           | Pennsylvania Consolidated Statutes are amended to read:   |
| 8           | § 515. Sole source procurement.   |
| 9           | A contract may be awarded for a supply, service or  |
| 10          | construction item without competition if the contracting officer  |
| 11          | first determines in writing that one of the following conditions  |
| 12          | exists:   |
| 13          | (1) Only a single contractor is capable of providing the  |
| 14          | supply, service or construction.  |
| 15          | (2) A Federal or State statute or Federal regulation  |
| 16          | exempts the supply, service or construction from the  |
| 17          | competitive procedure.  |
| 18          | (3) The total cost of the supply, service or  |

1 construction is less than the amount established by the 2 department for small, no-bid procurements under section 514 3 (relating to small procurements).

4 (4) It is clearly not feasible to award the contract for
5 supplies or services on a competitive basis.

6 (5) The services are to be provided by attorneys or 7 litigation consultants selected by the Office of General 8 Counsel, the Office of Attorney General, the Department of 9 the Auditor General or the Treasury Department.

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(6) The services are to be provided by expert witnesses.
(7) The services involve the repair, modification or calibration of equipment and they are to be performed by the manufacturer of the equipment or by the manufacturer's authorized dealer, provided the contracting officer

15 determines that bidding is not appropriate under the 16 circumstances.

17 (8) The contract is for investment advisors or managers 18 selected by the Public School Employees' Retirement System, 19 the State Employees' Retirement System or a State-affiliated 20 entity.

(9) The contract is for financial or investment experts to be used and selected by the Treasury Department or financial or investment experts selected by the Secretary of the Budget.

(10) The contract for supplies or services is in thebest interest of the Commonwealth.

27 The written determination authorizing sole source procurement 28 shall be included in the contract file[.] <u>and shall include a</u> 29 <u>justification explaining why the sole source procurement is</u> 30 <u>necessary. For procurements made under paragraph (10), the</u>

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justification, which shall be signed by the Secretary of General 1 2 Services, shall include a detailed, written explanation of why 3 the contract for supplies or services is in the best interest of the Commonwealth, including specifications, requirements, 4 capabilities and compatibility required. All written 5 determinations and justifications of sole source procurement\_ 6 7 contracts, purchase orders, interagency agreements and 8 intergovernmental cooperation agreements shall be posted on the department's Internet website. With the exception of small 9 procurements under section 514 and emergency procurements under 10 11 section 516 (relating to emergency procurement), if the sole 12 source procurement is for a supply, except for computer software 13 updates under \$50,000, for which the department acts as 14 purchasing agency, it must be approved by the Board of 15 Commissioners of Public Grounds and Buildings prior to the award 16 of a contract.

17 § 516. Emergency procurement.

18 The head of a purchasing agency may make or authorize others 19 to make an emergency procurement when there exists a threat to 20 public health, welfare or safety or circumstances outside the 21 control of the agency create an urgency of need which does not permit the delay involved in using more formal competitive 22 23 methods. Whenever practical, in the case of a procurement of a 24 supply, at least two bids shall be solicited. A written 25 determination of the basis for the emergency and for the 26 selection of the particular contractor shall be included in the contract file[.] and shall include a justification, which shall\_ 27 be signed by the Secretary of General Services, explaining why 28 29 the emergency procurement is necessary. All written determinations and justifications of emergency procurement 30

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- 1 contracts, purchase orders, interagency agreements and
- 2 <u>intergovernmental cooperation agreements shall be posted on the</u>
- 3 <u>department's Internet website.</u>
- 4 Section 2. This act shall take effect in 60 days.