## 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, MENSCH AND PICCOLA, JULY 21, 2011

SENATOR MCILHINNEY, STATE GOVERNMENT, AS AMENDED, OCTOBER 25, 2011

## AN ACT

- 1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated
- Statutes, further providing for sole source procurement and
- for emergency procurement.
- 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
- exempts the supply, service or construction from the
- 17 competitive procedure.

- 1 (3) The total cost of the supply, service or
  2 construction is less than the amount established by the
  3 department for small, no-bid procurements under section 514
  4 (relating to small procurements).
  - (4) It is clearly not feasible to award the contract for supplies or services on a competitive basis.
  - (5) The services are to be provided by attorneys or litigation consultants selected by the Office of General Counsel, the Office of Attorney General, the Department of the Auditor General or the Treasury Department.
    - (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 determines that bidding is not appropriate under the circumstances.
  - (8) The contract is for investment advisors or managers selected by the Public School Employees' Retirement System, the State Employees' Retirement System or a State-affiliated entity.
- 22 (9) The contract is for financial or investment experts 23 to be used and selected by the Treasury Department or 24 financial or investment experts selected by the Secretary of 25 the Budget.
- 26 (10) The contract for supplies or services is in the 27 best interest of the Commonwealth.
- 28 The written determination authorizing sole source procurement
- 29 shall be included in the contract file[.] and shall include a
- 30 justification explaining why the sole source procurement is

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- 1 <u>necessary</u>. For procurements OVER \$250,000 made under paragraph\_
- 2 (10), the justification, which shall be signed by the Secretary
- 3 of General Services, AND FOR INFORMATION TECHNOLOGY CONTRACTS BY\_
- 4 THE SECRETARY OF ADMINISTRATION OR BY THE CHIEF INFORMATION
- 5 OFFICER OF THE OFFICE OF INFORMATION TECHNOLOGY, shall include a
- 6 <u>detailed</u>, <u>written explanation of why the contract for supplies</u>
- 7 or services is in the best interest of the Commonwealth,
- 8 including specifications, requirements, capabilities and
- 9 <u>compatibility required. All written determinations and</u>
- 10 justifications of sole source procurement contracts, purchase
- 11 orders, interagency agreements and intergovernmental cooperation
- 12 <u>agreements shall be posted on the department's PUBLICLY</u>
- 13 <u>ACCESSIBLE Internet website.</u> With the exception of small
- 14 procurements under section 514 and emergency procurements under
- 15 section 516 (relating to emergency procurement), if the sole
- 16 source procurement is for a supply, except for computer software
- 17 updates under \$50,000, for which the department acts as
- 18 purchasing agency, it must be approved by the Board of
- 19 Commissioners of Public Grounds and Buildings prior to the award
- 20 of a contract.
- 21 § 516. Emergency procurement.
- The head of a purchasing agency may make or authorize others
- 23 to make an emergency procurement when there exists a threat to
- 24 public health, welfare or safety or circumstances outside the
- 25 control of the agency create an urgency of need which does not
- 26 permit the delay involved in using more formal competitive
- 27 methods. Whenever practical, in the case of a procurement of a
- 28 supply, at least two bids shall be solicited. A written
- 29 determination of the basis for the emergency and for the
- 30 selection of the particular contractor shall be included in the

- 1 contract file[.] and shall include a justification, which FOR
- 2 PROCUREMENTS OVER \$250,000 shall be signed by the Secretary of
- 3 General Services, AND FOR INFORMATION TECHNOLOGY CONTRACTS BY
- 4 THE SECRETARY OF ADMINISTRATION OR BY THE CHIEF INFORMATION
- 5 OFFICER OF THE OFFICE OF INFORMATION TECHNOLOGY, explaining why
- 6 the emergency procurement is necessary. All written
- 7 determinations and justifications of emergency procurement
- 8 contracts, purchase orders, interagency agreements and
- 9 <u>intergovernmental cooperation agreements shall be posted on the</u>
- 10 department's PUBLICLY ACCESSIBLE Internet website.
- 11 Section 2. This act shall take effect in 60 days.