THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1035 Session of 2019

INTRODUCED BY SAPPEY, JAMES, MOUL, EVERETT AND FREEMAN, APRIL 5, 2019

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 5, 2019

AN ACT

Amending the act of October 27, 1979 (P.L.241, No.78), entitled "An act authorizing political subdivisions, municipality 2 authorities and transportation authorities to enter into 3 contracts for the purchase of goods and the sale of real and personal property where no bids are received," further 5 providing for title of the act; adding a short title; and 6 providing for contracts for services. 7 8 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 10 Section 1. The title of the act of October 27, 1979 11 (P.L.241, No.78), entitled "An act authorizing political subdivisions, municipality authorities and transportation 12 13 authorities to enter into contracts for the purchase of goods 14 and the sale of real and personal property where no bids are 15 received," is amended to read: 16 AN ACT 17 Authorizing political subdivisions, municipality authorities and 18 transportation authorities to enter into contracts for 19 services, the purchase of goods and the sale of real and 20 personal property where no bids are received.

- 1 Section 2. The act is amended by adding a section to read:
- 2 <u>Section 1. Short title.</u>
- 3 This act shall be known and may be cited as the Public
- 4 <u>Contract Bid Nonreceipt Act.</u>
- 5 Section 3. Section 1 of the act is renumbered and amended by
- 6 adding subsections to read:
- 7 Section [1] <u>1.1</u>. Nonreceipt of bids.
- 8 * * *
- 9 (c) Contracts for services. -- When a political subdivision,
- 10 municipality authority or transportation authority is required
- 11 to advertise for bids in order to enter into a contract for
- 12 <u>services and no bids are received, the political subdivision,</u>
- 13 <u>municipality authority or transportation authority may proceed</u>
- 14 <u>as follows:</u>
- 15 (1) The political subdivision, municipality authority or
- 16 <u>transportation authority may advertise for bids a second</u>
- 17 time.
- 18 (2) If no bids are received within 15 days of the second
- 19 <u>advertisement, the political subdivision, municipality</u>
- 20 <u>authority or transportation authority may initiate</u>
- 21 negotiations for a contract to obtain the services previously
- 22 advertised, with any provider not otherwise disqualified by
- 23 law or an enactment or policy of the governing body.
- 24 (3) Prior to executing the contract, the political
- 25 <u>subdivision</u>, <u>municipality authority or transportation</u>
- 26 authority, at a regular or special meeting of its governing
- 27 <u>body, must publicly announce the identity of the parties, the</u>
- 28 <u>proposed contract price and a summary of the other terms and</u>
- 29 conditions relating to any proposed contract in order to
- demonstrate that the services to be procured are consistent

- 1 with those previously advertised.
- 2 (d) Evasion. -- The penalties, civil or criminal, surcharges
- 3 and other liability set forth in law, regulation or ordinance
- 4 for evading an advertising requirement for bids shall apply to a
- 5 member of the governing body of a political subdivision,
- 6 municipality authority or transportation authority who votes for
- 7 a transaction under this section with the intent to evade the
- 8 advertising requirement of the applicable law, regulation or
- 9 <u>ordinance.</u>
- 10 (e) Definition. -- As used in this section, the term
- 11 <u>"services" means the furnishing of labor, time or effort by a</u>
- 12 contractor not involving the delivery of a specific end product
- 13 other than drawings, specifications or reports which are merely
- 14 <u>incidental to the required performance. The term includes the</u>
- 15 routine operation or maintenance of existing structures,
- 16 <u>buildings or real property</u>, the repair or rehabilitation of
- 17 existing infrastructure and utility services, or those services
- 18 formerly provided by public utilities, such as electrical,
- 19 <u>telephone</u>, water and sewage service. The term does not include
- 20 employment agreements or collective bargaining agreements.
- 21 Section 4. This act shall take effect in 60 days.