
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2693 Session of
2020

INTRODUCED BY ZABEL, HANBIDGE, WEBSTER, MADDEN, MURT, GALLOWAY,
SHUSTERMAN, NEILSON, KORTZ, HOWARD, HILL-EVANS, CIRESI,
OTTEN, McNEILL, LEE, DONATUCCI AND INNAMORATO, JULY 14, 2020

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JULY 14, 2020

AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated
2 Statutes, in ethics in public contracting, providing for
3 definitions and for disclosure of contributions by
4 contractors.

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

7 Section 1. Title 62 of the Pennsylvania Consolidated
8 Statutes is amended by adding sections to read:

9 § 2301.1. Definitions.

10 The following words and phrases when used in this chapter
11 shall have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "Affiliate." Any of the following:

14 (1) A parent, subsidiary or otherwise-affiliated entity
15 of an applicant or a contractor.

16 (2) An officer, director, associate, controlling
17 shareholder, individual owner, partner or limited partner of
18 an applicant or a contractor.

1 (3) An officer, director, associate, controlling
2 shareholder, individual owner, partner or limited partner of
3 a parent, subsidiary or otherwise-affiliated entity of an
4 applicant or a contractor.

5 (4) A political committee controlled by an applicant or
6 a contractor.

7 (5) A political committee controlled by a parent,
8 subsidiary or otherwise-affiliated entity of an applicant or
9 a contractor.

10 (6) A lobbyist or lobbying firm identified on an
11 applicant's disclosure statement or a contractor's updated
12 disclosure statement.

13 "Applicant." A bidder, offeror or other person seeking a
14 contract, which is to be awarded under section 513 (relating to
15 competitive sealed proposals), 514 (relating to small
16 procurements), 515 (relating to sole source procurement), 516
17 (relating to emergency procurement), 518 (relating to
18 competitive selection procedures for certain services) or 519
19 (relating to selection procedure for insurance and notary
20 bonds).

21 "Elected official." An individual elected by the public to
22 serve a term in an elective office. The term shall include an
23 individual appointed to fill an unexpired term in an elective
24 office.

25 "Elective office." A position in a governmental body to
26 which an individual is required under the Constitution of
27 Pennsylvania or by State law to be elected by the public.

28 "Lobbying." As defined in 65 Pa.C.S. § 13A03 (relating to
29 definitions).

30 "Lobbying firm." As defined in 65 Pa.C.S. § 13A03.

1 "Lobbyist." As defined in 65 Pa.C.S. § 13A03.

2 "Reportable contribution." Any of the following:

3 (1) A contribution made by an applicant or a contractor
4 or an affiliate of an applicant or a contractor to:

5 (i) a candidate for nomination or election to an
6 elective office or to the candidate's political
7 committee;

8 (ii) an elected official or to the elected
9 official's candidate political committee; or

10 (iii) a political committee not described in
11 subparagraph (i) with the purpose and intent that the
12 political committee will, directly or indirectly, make
13 the contribution available to a candidate for nomination
14 or election to an elective office or to the candidate's
15 political committee, or to an elected official or the
16 elected official's candidate political committee.

17 (2) A contribution made by a person to a candidate for
18 nomination or election to an elective office or to the
19 candidate's political committee, or to an elected official or
20 to the elected official's candidate political committee, for
21 which a person who is an applicant or a contractor or any of
22 their respective affiliates acts as an intermediary.

23 § 2304. Disclosure of contributions by contractors.

24 (a) Initial disclosure requirements.--

25 (1) A Commonwealth agency may not award a contract to an
26 applicant under section 513 (relating to competitive sealed
27 proposals), 514 (relating to small procurements), 515
28 (relating to sole source procurement), 516 (relating to
29 emergency procurement), 518 (relating to competitive
30 selection procedures for certain services) or 519 (relating

1 to selection procedure for insurance and notary bonds),
2 unless the applicant has submitted to the Commonwealth agency
3 a completed and signed disclosure statement that sets forth
4 the information required under subsection (c) and is
5 otherwise in compliance with this section.

6 (2) Except as provided in paragraph (3), an applicant
7 shall submit a completed and signed disclosure statement to
8 the Commonwealth agency with other bid or proposal materials
9 relating to the contract on or prior to the time and date
10 established by the Commonwealth agency for receipt of bids or
11 proposals.

12 (3) For contracts awarded under section 514, 515 or 516
13 that do not require the submission of bids or offers, an
14 applicant shall submit a completed disclosure statement as
15 directed by the Commonwealth agency, but prior to the
16 Commonwealth agency's award of the contract.

17 (4) A bid or offer made without a completed and signed
18 disclosure statement may not be considered a responsive bid
19 or offer.

20 (b) Requirements to update disclosures.--

21 (1) During the term of the contract and for one year
22 thereafter, a contractor who has been awarded a contract
23 under section 513, 514, 515, 516, 518 or 519 shall submit an
24 updated disclosure statement to the Commonwealth agency
25 within five days following making a reportable contribution
26 or learning that an affiliate has made a reportable
27 contribution. An updated disclosure statement shall include
28 the reportable contributions made since the date of the first
29 disclosure statement submitted.

30 (2) A contract awarded under section 513, 514, 515, 516,

1 518 or 519 must contain a provision requiring the contractor
2 to submit an updated disclosure statement as required under
3 paragraph (1).

4 (c) Form of disclosure statements.--

5 (1) The department shall develop a form of disclosure
6 statement to be used by applicants and contractors under this
7 section.

8 (2) The invitations for bids, requests for proposals and
9 other Commonwealth agency communications with prospective
10 contractors regarding a contract awarded under section 513,
11 514, 515, 516, 518 or 519 must include a disclosure statement
12 form and information regarding the disclosure requirements of
13 this section.

14 (3) The department and the Department of State shall
15 post the disclosure statement form and information regarding
16 the disclosure requirements of this section on their
17 respective publicly accessible Internet websites and shall
18 otherwise make the forms and information available upon
19 request.

20 (d) Content of disclosure statements and updates.--A
21 disclosure statement submitted under subsection (a) shall
22 include the following information:

23 (1) The name, business address and telephone number of
24 the applicant or contractor.

25 (2) The contract number or other identifying information
26 regarding the contract sought by the applicant or awarded to
27 the contractor.

28 (3) The names, business addresses and telephone numbers
29 of the lobbyists and lobbying firms paid by the applicant to
30 lobby a Commonwealth agency to influence the awarding of a

1 contract within one year prior to the date of an applicant's
2 bid, offer or proposal.

3 (4) A list of the reportable contributions made within
4 one year prior to the date of the applicant's bid, offer or
5 proposal. For each reportable contribution made, the
6 applicant shall identify the recipient of the contribution
7 and the date and amount of the contribution.

8 (5) The fundraising events hosted by an applicant or any
9 of the applicant's affiliates within one year prior to the
10 date of the applicant's bid, offer or proposal for the
11 purpose of soliciting or receiving reportable contributions
12 and the date and amount of reportable contributions solicited
13 or received at each event. An updated disclosure statement
14 shall be submitted during the term of a contract within five
15 days following a fundraising event described in this
16 paragraph hosted by a contractor or an affiliate of a
17 contractor.

18 (6) The name, business address and telephone number of
19 all subcontractors which the applicant intends to use on the
20 contract or which the contractor is using on the contract.

21 (e) Posting of disclosure statements and updates.--

22 (1) A Commonwealth agency shall promptly transmit to the
23 Department of State a copy of the disclosure statement and
24 each updated disclosure statement it receives from an
25 applicant or a contractor under this section.

26 (2) The Department of State shall post each disclosure
27 statement and each updated disclosure statement received
28 under this section on its publicly accessible Internet
29 website no later than five days after the disclosure
30 statement or update has been received by the department. A

1 disclosure statement and related updates shall remain posted
2 for a period of time encompassing the length of the contract
3 and one year thereafter. To the extent practicable, a
4 disclosure statement and related updates shall be posted
5 together.

6 (3) The Department of State shall make disclosure
7 statements and updated disclosure statements received under
8 this section available for public inspection and copying.

9 (f) Penalties.--In addition to other penalties that may be
10 assessed under other law, an applicant or a contractor who makes
11 a material misstatement or omission in a disclosure statement or
12 an updated disclosure statement may be debarred or suspended
13 under section 531 (relating to debarment or suspension).

14 (g) Application of section.--This section shall apply to a
15 bid, offer or proposal that is solicited on or after the
16 effective date of this section.

17 Section 2. This act shall take effect immediately.