

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 331 Session of 2009

INTRODUCED BY WAUGH, EICHELBERGER, PILEGGI, MUSTO, ROBBINS, STOUT, FOLMER, ORIE, BAKER, SMUCKER, BROWNE, PICCOLA, BRUBAKER, CORMAN, KASUNIC, SCARNATI, EARLL, GORDNER, RAFFERTY, ERICKSON, WONDERLING, M. WHITE, GREENLEAF, PIPPY, BOSCOLA, ALLOWAY, O'PAKE AND FERLO, FEBRUARY 20, 2009

REFERRED TO URBAN AFFAIRS AND HOUSING, FEBRUARY 20, 2009

AN ACT

1 Amending the act of May 28, 1937 (P.L.955, No.265), entitled, as
 2 amended, "An act to promote public health, safety, morals,
 3 and welfare by declaring the necessity of creating public
 4 bodies, corporate and politic, to be known as housing
 5 authorities to engage in slum clearance, and to undertake
 6 projects, to provide dwelling accommodations for persons of
 7 low income; providing for the organization of such housing
 8 authorities; defining their powers and duties; providing for
 9 the exercise of such powers, including the acquisition of
 10 property by purchase, gift or eminent domain, the renting and
 11 selling of property, and including borrowing money, issuing
 12 bonds, and other obligations, and giving security therefor;
 13 prescribing the remedies of obligees of housing authorities;
 14 authorizing housing authorities to enter into agreements,
 15 including agreements with the United States, the
 16 Commonwealth, and political subdivisions and municipalities
 17 thereof; defining the application of zoning, sanitary, and
 18 building laws and regulations to projects built or maintained
 19 by such housing authorities; exempting the property and
 20 securities of such housing authorities from taxation; and
 21 imposing duties and conferring powers upon the State Planning
 22 Board, and certain other State officers and departments,"
 23 further providing for awards of contracts, completion bond,
 24 additional bond for protection of materialmen and others.

25 The General Assembly of the Commonwealth of Pennsylvania
 26 hereby enacts as follows:

27 Section 1. Section 11 of the act of May 28, 1937 (P.L.955,

1 or not the same is to be used in connection with the
2 construction, erection, installation, completion, alteration,
3 repair of, or addition to, any project subject to the control of
4 any Authority, shall exceed [ten thousand (\$10,000) dollars]
5 twenty-five thousand (\$25,000) dollars subject to annual
6 adjustment under subsection (b.3), it shall be the duty of such
7 Authority to have such purchase or rental made pursuant to a
8 contract awarded to the lowest responsible bidder, after
9 advertisement for bids, such advertisement to be inserted in a
10 newspaper of general circulation within the county in which the
11 Authority operates.

12 (b.1) An authority shall not evade the provisions of
13 subsection (a) or (b) as to advertising for bids by purchasing
14 materials or contracting for services piecemeal for the purpose
15 of obtaining prices under [ten thousand (\$10,000) dollars]
16 twenty-five thousand (\$25,000) dollars subject to annual
17 adjustment under subsection (b.3) upon transactions which
18 should, in the exercise of reasonable discretion and prudence,
19 be conducted as one transaction amounting to more than [ten
20 thousand (\$10,000) dollars] twenty-five thousand (\$25,000)
21 dollars subject to annual adjustment under subsection (b.3).

22 This provision is intended to make unlawful the practice of
23 evading advertising requirements by making a series of purchases
24 or contracts, each for less than the advertising requirement
25 price, or by making several simultaneous purchases or contracts,
26 each below said price, when, in either case, the transactions
27 involved should have been made as one transaction for one price.

28 (b.2) Written or telephonic price quotations from at least
29 three qualified and responsible contractors shall be requested
30 for all contracts that exceed [four thousand (\$4,000) dollars]

1 year, with the result rounded to the nearest multiple of ten
2 (\$10) dollars.

3 (ii) In the case of written or telephonic price quotations,
4 the positive percentage change, as determined in accordance with
5 clause (1), shall be multiplied by the amount applicable under
6 subsection (b.2) for the current year and the product thereof
7 shall be added to the amount applicable under subsection (b.2)
8 for the current year, with the result rounded to the nearest
9 multiple of ten (\$10) dollars.

10 (3) The annual determination required under clause (1) and
11 the calculation of the adjustments required under clause (2)
12 shall be made in the period between October 1 and November 15 of
13 the year following the effective date of this subsection, and
14 annually between October 1 and November 15 of each successive
15 year.

16 (4) The adjusted amounts obtained in accordance with clause
17 (2) shall become effective January 1 for the calendar year
18 following the year in which the determination required under
19 clause (1) is made.

20 (5) The Department of Labor and Industry shall give notice
21 in the Pennsylvania Bulletin prior to January 1 of each calendar
22 year of the annual percentage change determined in accordance
23 with clause (1) and the amounts, whether adjusted or unadjusted
24 in accordance with clause (2), at which competitive bidding is
25 required under subsection (a) and written or telephonic price
26 quotations are required under subsection (b.2) for the calendar
27 year beginning the first day of January after publication of the
28 notice.

29 (c) A housing authority shall require as a condition of the
30 award of any contract, pursuant to subsection (a) or (b) of this

1 effective date of this section.

2 Section 3. This act shall take effect immediately.