

## No. 1980-160

## AN ACT

## SB 1342

Amending the act of March 7, 1901 (P.L.20, No.14), entitled "An act for the government of cities of the second class," prohibiting fee sharing among city officers, employes and consultants or persons contracting for personal services with the city.

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

Section 1. Section 1.1 of Article XV, act of March 7, 1901 (P.L.20, No.14), referred to as the Second Class City Law, amended October 4, 1978 (P.L.1047, No.240), is amended to read:

## ARTICLE XV.

## Contracts.

Section 1.1. Every contract relating to city affairs shall be authorized by general or specific ordinance of council and shall be let in the manner prescribed by council. All contracts shall be awarded to the lowest responsible bidder except in the following cases:

I. Purchases at public sale or pursuant to tariffs on file with the Pennsylvania Public Utility Commission;

II. Contracts for personal or professional services;

III. Contracts with political subdivisions, the Commonwealth of Pennsylvania or the United States Government or with any agencies or authorities of such governmental bodies; or

IV. Purchases of personal property where, by reason of patents or copyrights, the required type of item is available from only one seller.

For competitive bidding on contracts involving an amount exceeding two thousand five hundred dollars (\$2,500), invitations for bids shall be issued pursuant to reasonable notice, which shall be by advertisement and all bids shall be filed with the city controller and opened publicly at a time and place to be designated in the notice, and the figures shall be announced to persons present. For competitive bidding on contracts involving an amount of two thousand five hundred dollars (\$2,500), or less, the Director of the Department of Supplies may obtain oral bids or letter bids or may proceed by a comparison of specific prices as set forth in the sellers' literature.

Every contract for the construction, reconstruction, alteration, repair, improvement or maintenance of public works shall comply with the provisions of the act of March 3, 1978 (P.L.6, No.3), known as the "Steel Products Procurement Act."

*No person, consultant, firm or corporation contracting with a city for purposes of rendering personal or professional services to the city shall share with any city officer or employe, and no city officer or*

*employe shall accept, any portion of the compensation or fees paid by the city for the contracted services provided to the city except under the following terms or conditions:*

*(1) Full disclosure of all relevant information regarding the sharing of the compensation or fees shall be made to the council of the city.*

*(2) The council of the city must approve the sharing of any fee or compensation for personal or professional services prior to the performance of said services.*

*(3) No fee or compensation for personal or professional services may be shared except for work actually performed.*

*(4) No shared fee or compensation for personal or professional services may be paid at a rate in excess of that commensurate for similar personal or professional services.*

Section 2. Article XV is amended by adding a section to read:

*Section 1.2. It shall be unlawful for any architect or engineer, in the employ of any city, and engaged in the preparation of plans, specifications or estimates, to bid or negotiate on any public work at any letting of such work by the city, except that any such architect or engineer who shall have prepared preliminary plans only shall not be prohibited from bidding or negotiating on the final contract for such work.*

*It shall be unlawful for the officers of any city charged with the duty of letting any public work, to award a contract to any such architect or engineer, in the employ of the city who is in any way interested in any contract for public work for the city or for any such architect or engineer to receive any remuneration or gratuity from any person interested in such contract except under the terms and conditions as provided in section 1.1.*

*Any person violating any of the provisions of this section shall forfeit his office, and shall be guilty of a misdemeanor, and on conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500), or to undergo imprisonment for not more than six months, or both.*

Section 3. This act shall take effect in 60 days.

APPROVED—The 10th day of October, A. D. 1980.

DICK THORNBURGH