

No. 1985-18

AN ACT

SB 638

Amending the act of April 4, 1984 (P.L.193, No.40), entitled "An act requiring certain public agencies in the Commonwealth of Pennsylvania to purchase or lease motor vehicles which are manufactured or assembled in the United States; and imposing a penalty," further providing for motor vehicle procurement by public agencies; and changing penalty provisions.

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

Section 1. Sections 2, 4, 5 and 8 of the act of April 4, 1984 (P.L.193, No.40), known as the Motor Vehicle Procurement Act, are amended to read:
Section 2. Definitions.

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

"Motor vehicle." [Includes motorcycle, automobile, truck, tractor, plow and earth moving equipment] *A vehicle which is self-propelled except one which is propelled solely by human or animal power. The term includes those vehicles designed primarily for use in construction or agriculture or road maintenance such as tractors and earth-moving equipment.*

"North America." *The United States of America and Canada. The United States includes all territory, continental or insular, subject to the jurisdiction of the United States.*

"Person." Natural persons as well as corporations, partnerships, business units and associations.

"Procure." *To acquire by purchase, lease or rent; however, it does not include any rentals or leases where the term thereof is less than one month.*

"Public agency."

(1) The Commonwealth and its departments, boards, commissions and agencies.

(2) Counties, cities, boroughs, townships, school districts and any other governmental unit or district.

(3) The State Public School Building Authority, the State Highway and Bridge Authority and any other authority now in existence or hereafter created or organized by the Commonwealth.

(4) The municipal or school or other authorities now in existence or hereafter created or organized by any county, city, borough, township or school district or combination thereof.

(5) Any and all other public bodies, authorities, offices, agencies and instrumentalities exercising a governmental or proprietary function.

["United States." *The United States of America. It includes all territory, continental or insular, subject to the jurisdiction of the United States.*]

Section 4. Public policy.

(a) Legislative finding.—It is determined by the General Assembly and declared to be its legislative finding that:

(1) The production of motor vehicles and component parts constitutes a major industry of the Commonwealth. It provides employment for and incomes of hundreds of thousands of the people of this Commonwealth and, in turn, millions of persons in the United States.

(2) The taxes paid to the Commonwealth and its political subdivisions by employers and employees engaged in the production and sale of motor vehicles is one of the largest single sources of public revenues in this Commonwealth.

(3) It has, for many years, been the policy of the Commonwealth to aid and support the development and expansion of industry here to foster the economic well-being of the Commonwealth and its people.

(4) The economy and general welfare of the Commonwealth and its citizens, as well as the economy, general welfare and national security of the United States, are inseparably related in the preservation and development of the motor vehicle industry in Pennsylvania and in other states of the United States.

(5) *The production of motor vehicles and motor vehicle components in Canada involves the use of a substantial amount of resources from the United States, including labor and materials.*

(b) General Assembly declaration.—The General Assembly declares it to be the policy of the Commonwealth of Pennsylvania that public officers and agencies should aid and promote the development of the motor vehicle industry of [the United States] *North America* to stimulate and improve the economic well-being of the Commonwealth and its citizens.

Section 5. Contract provisions.

(a) Motor vehicles to be manufactured [or assembled in the United States] *in North America*.—A public agency shall [purchase, lease or rent] *procure* only motor vehicles which are manufactured [or assembled in the United States. In the case of motor vehicles which are assembled but not manufactured in the United States, a public agency shall not purchase, lease or rent any such motor vehicle unless a majority of the parts, as set forth at 40 CFR 600.511-80, used in assembling such motor vehicles are manufactured in the United States. Contract documents for the purchase, lease or rental of motor vehicles shall contain a provision that the vehicles purchased, leased or rented by the public agency shall be manufactured or assembled in the United States] *in North America. A motor vehicle is manufactured in North America if a substantial majority of the principal components are assembled into the final product in an assembly plant in North America. Contract documents for the procurement of motor vehicles shall contain a provision that the vehicles procured by the public agency shall be manufactured in North America.*

(b) Exception.—This section shall not apply where the head of the public agency shall state in writing that it is inconsistent with the public interest or that the cost is unreasonable.

Section 8. Penalty.

[A violation of a provision of this act shall be a misdemeanor of the first degree.] *In addition to the withholding of payments, any person who willfully violates any of the provisions of this act may be prohibited by any public agency from participation in contracts awarded by the public agency for a period of five years from the date of the determination that a violation has occurred.*

Section 2. This act shall take effect immediately.

APPROVED—The 16th day of May, A. D. 1985.

DICK THORNBURGH