

No. 1990-96

## AN ACT

## SB 752

Amending the act of July 12, 1972 (P.L.762, No.180), entitled "An act relating to intergovernmental cooperation," further providing for joint purchases and competitive bidding; and providing a penalty.

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

Section 1. Section 7.1 of the act of July 12, 1972 (P.L.762, No.180), referred to as the Intergovernmental Cooperation Law, amended December 22, 1981 (P.L.534, No.153), is amended to read:

Section 7.1. All joint purchases involving an expenditure of more than ~~[\$4,000]~~ \$10,000 shall be made by contract, in writing, only after notice for bids once a week for two weeks in at least one and not more than two newspapers of general circulation circulating generally in the joining municipalities. All contracts shall be let to the lowest responsible bidder. 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."

Section 2. The act is amended by adding sections to read:

*Section 7.4. Written or telephonic price quotations from at least three qualified and responsible contractors shall be requested for all contracts that exceed \$4,000 but are less than the amount requiring advertisement and competitive bidding or, in lieu of price quotations, a memorandum shall be kept on file showing that fewer than three qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record of telephonic price quotations shall be made and shall contain at least the date of the quotation, the name of the contractor and the contractor's representative, the construction, reconstruction, repair, maintenance or work which was the subject of the quotation and the price. Written price quotations, written records of telephonic price quotations and memoranda shall be retained for a period of three years.*

*Section 7.5. No municipality shall evade the provisions of section 7.1 as to advertising for bids or purchasing materials or contracting for services piecemeal for the purpose of obtaining prices under \$10,000 upon transactions which should, in the exercise of reasonable discretion and prudence, be conducted as one transaction amounting to more than \$10,000. This provision is intended to make unlawful the practice of evading advertising requirements by making a series of purchases or contracts each for less than the advertising requirement price or by making several simultaneous purchases or contracts each below said price, when in either case the transaction involved should have been made as one transaction for one price.*

***Section 7.6. Any member of a governing body of a municipality who votes to unlawfully evade the provisions of section 7.1 and who knows that the transaction upon which he so votes is or ought to be a part of a larger transaction and that it is being divided in order to evade the requirements as to advertising for bids commits a misdemeanor of the third degree for each contract entered into as a direct result of that vote.***

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

APPROVED—The 10th day of July, A. D. 1990.

ROBERT P. CASEY