

**PUBLIC CONTRACT BID NONRECEIPT ACT - TITLE, SHORT TITLE AND
CONTRACTS FOR SERVICES**

Act of Apr. 19, 2022, P.L. 61, No. 18

Cl. 62

Session of 2022

No. 2022-18

SB 478

AN ACT

Amending the act of October 27, 1979 (P.L.241, No.78), entitled "An act authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for the purchase of goods and the sale of real and personal property where no bids are received," further providing for title of the act; adding a short title; and providing for contracts for services.

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

Section 1. The title of the act of October 27, 1979 (P.L.241, No.78), entitled "An act authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for the purchase of goods and the sale of real and personal property where no bids are received," is amended to read:

AN ACT

Authorizing political subdivisions, municipality authorities and transportation authorities to enter into contracts for **services**, the purchase of goods and the sale of real and personal property where no bids are received.

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

Section 1. Short title.

This act shall be known and may be cited as the Public Contract Bid Nonreceipt Act.

Section 3. Section 1 of the act is renumbered and amended to read:

Section [1] **1.1.** Nonreceipt of bids.

(a) Purchase of goods.--When a political subdivision, municipality authority or transportation authority advertises for bids on an item and no bids are received, the political subdivision, municipality authority or transportation authority shall rebid the item. If again such bids are not received, the political subdivision, municipality authority or transportation authority may purchase or enter into contracts for the purchase of any item where no bids are received from suppliers for the

item within 45 days of the date of second advertisement therefor.

(b) Sale of property.--When a political subdivision, municipality authority or transportation authority is required to advertise for bids in order to sell real or personal property and no bids are received, the political subdivision, municipality authority or transportation authority may proceed as follows:

(1) The political subdivision, municipality authority or transportation authority may advertise for bids a second time.

(2) If no bids are received within 15 days of the second advertisement, the political subdivision, municipality authority or transportation authority may initiate negotiations for a private sale of the property, taking into consideration its fair market value.

(3) The political subdivision, municipality authority or transportation authority must publicly announce the identity of the parties, the sale price and a summary of the other terms and conditions relating to any proposed private sale at a regular or special meeting of its governing body.

(4) After the public announcement of the sale is made in accordance with paragraph (3), at least 30 days must elapse before a political subdivision, municipality authority or transportation authority may authorize the private sale in accordance with this subsection.

(c) Contracts for services.--When a political subdivision, municipality authority or transportation authority is required to advertise for bids in order to enter into a contract for services and no bids are received, the political subdivision, municipality authority or transportation authority may proceed as follows:

(1) The political subdivision, municipality authority or transportation authority may advertise for bids a second time.

(2) If no bids are received within 15 days of the second advertisement, the political subdivision, municipality authority or transportation authority may initiate negotiations for a contract to obtain the services previously advertised, with any provider not otherwise disqualified by law or an enactment or policy of the governing body.

(3) Prior to executing the contract, the political subdivision, municipality authority or transportation authority, at a regular or special meeting of its governing body, must publicly announce the identity of the parties, the proposed contract price and a summary of the other terms and conditions relating to any proposed contract in order to

demonstrate that the services to be procured are consistent with those previously advertised.

(d) Evasion.--The penalties, civil or criminal, surcharges and other liability set forth in law, regulation or ordinance for evading an advertising requirement for bids shall apply to a member of the governing body of a political subdivision, municipality authority or transportation authority who votes for a transaction under this section with the intent to evade the advertising requirement of the applicable law, regulation or ordinance.

(e) Definition.--As used in this section, the term "services" means the furnishing of labor, time or effort by a contractor not involving the delivery of a specific end product other than drawings, specifications or reports which are merely incidental to the required performance. The term includes the routine operation or maintenance of existing structures, buildings or real property, the repair or rehabilitation of existing infrastructure and utility services or those services formerly provided by public utilities, such as electrical, telephone, water and sewage service. The term does not include employment agreements or collective bargaining agreements.

Section 4. This act shall take effect in 60 days.

APPROVED--The 19th day of April, A.D. 2022.

TOM WOLF