

**CAWP  
Summary of Legislation  
October 2011**

**Legislative News**

**Agreement Reached on Bid Advertising Threshold Bills**

Legislation to raise the thresholds for when local governments must advertise competitive bids for projects and services will now move forward, as the array of interested parties has reached agreement after several sessions to raise the bidding thresholds from \$10, to \$18,500, with an annual adjustment commensurate with the PCI. For years proponents sought to raise the threshold to \$25,000, but in the end relented and compromised at essentially the midway point.

**Legislative Activity**

**The following bills were acted on by the General Assembly this month.**

**BIDDING / CONTRACTING**

[HB 244](#) RE: Professional construction management services (By Rep. Seth Grove, et al)

Amends Public School Code further providing for approved reimbursable rental for certain leases and approved reimbursable sinking fund charges on indebtedness to include the cost of employing or contracting with a construction manager, clerk-of-the-works or other construction administrator to provide professional construction management services; and improvements, including, but not limited to, capital improvements related to school safety to existing buildings. "Professional construction management services" is defined.

**Reported as committed from House Education Committee, read first time, and laid on the table, 10/19/2011  
Removed from the table, 10/26/2011**

**Read Second time and rereferred to House Appropriations Committee, 10/31/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 11/1/2011  
(195-0)**

[HB 710](#) RE: Mechanics' Lien (By Rep. Bob Godshall, et al)

Amends the Mechanics' Lien Law adding language extending the right to lien to a subcontractor on real property. Provides if the contractor has been paid in full, a subcontractor may not file a claim against residential real property unless the owner provides a written waiver to the subcontractor to file a claim.

**Reported from House Consumer Affairs Committee with request to re-refer to House Labor & Industry, and Rereferred to House Labor and Industry, 10/31/2011**

[HB 1602](#) RE: Mechanics' Lien (by Rep. Tom Killion, et al)

Amends the Mechanics' Lien Law further providing for formal notice by subcontractor to the prothonatory of the Court of Common Pleas of the relevant jurisdiction as condition precedent to beginning construction. Notice must be given within 15 days of commencement of the construction. Form of the notice is provided for and a model notice given. A petition for a claim from a lien for a construction project must be filed within four months after completion of the work.

**House Labor and Industry Committee Meetings cancelled for 10/24/11 and 10/31/2011**

**House Labor and Industry Committee Meeting set for 11-14-11, 11:00 a.m., Room 205, Ryan Office Building**

[HB 1901](#) RE: School Project Bidding (by Rep. Garth Everett, et al)

Amends the Public School Code, in grounds and buildings, further providing for work to be done under contract let on bids and exceptions by requiring the school district to notify the Secretary of Education that an emergency has occurred and a bid has been selected under the emergency process. The bill removes the provision requiring approval of such bids by the secretary and instead they must be approved by the board of school directors.

**Introduced and referred to House Education Committee, 10/18/2011**

**Reported as committed from House Education Committee, read first time, and laid on the table, 10/19/2011**

**Removed from the table, 10/25/2011**

**Read second time and Rereferred to House Appropriations Committee, 10/26/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/31/2011 (196-0)**

**Received in the Senate and referred to Senate Education Committee, 11/1/2011**

[SB 282](#) RE: Bid Thresholds (by Sen. Bob Robbins, et al)

Amends the Third Class County Code increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

**Reported as committed from House Appropriations Committee, 10/17/2011**

**Read second time and Rereferred to House Appropriations Committee, 10/19/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/24/2011 (197-1)**

**In the hands of the Governor 10/26/2011. Last day for Governor's action, 11/5/2011**

[SB 283](#) RE: Bid Thresholds (by Sen. Lisa Baker, et al)

Amends The Second Class Township Code increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 284](#) RE: Bid Thresholds (By Sen. John Eichelberger, et al)

Amends The First Class Township Code increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 285](#) RE: Bid Thresholds (by Sen. Mike Folmer, et al)

Amends The Borough Code increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

**Reported as committed from House Appropriations Committee, 10/17/2011**

**Read second time and Rereferred to House Appropriations Committee, 10/19/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/24/2011 (198-0)**

**In the hands of the Governor 10/26/2011. Last day for Governor's action, 11/5/2011**

[SB 286](#) RE: Bid Thresholds (By Sen. John Gordner, et al)

Amends "An act relating to and regulating the contracts of incorporated towns and providing penalties" increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as amended from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

**Reported as committed from House Appropriations Committee, 10/17/2011**

**Read second time and Rereferred to House Appropriations Committee, 10/19/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/24/2011 (198-0)**  
**Received as amended in Senate and rereferred Senate Rules and Executive Nominations Committee, 10/25/2011**  
**Re-reported on concurrence as committed from Senate Rules and Executive Nominations Committee, 10/26/2011**  
**Senate concurred in House amendments, 10/3/2011 (49-0)**  
**Signed in the Senate and House, 11/1/2011**  
**In the hands of the Governor 11/2/2011. Last day for Governor's action, 11/12/2011**

[SB 287](#) RE: Bid Thresholds (By Sen. Jim Ferlo, et al)

Amends Titles 53 (Municipalities Generally) and 74 (Transportation) increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as amended from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 288](#) RE: Bid Thresholds (By Sen. John Rafferty, et al)

Amends the Second Class County Code increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 289](#) RE: Bid Thresholds (By Sen. Jim Ferlo, et al)

Amends "An act to authorize and empower cities, boroughs, towns, and townships, separately or jointly, to provide for protection against floods by erecting and constructing certain works and improvements, located within or without their territorial limits, and within or without the county in which situate; and to expend moneys and incur indebtedness; to assess benefits against property benefited; to issue improvement bonds imposing no municipal liability; and to acquire, take, injure or destroy property for such purposes" increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 290](#) RE: Bid Thresholds (By Sen. Mike Brubaker, et al)

Amends Political Subdivision Joint Purchase Law increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, land on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

**Reported as committed from House Appropriations Committee, 10/17/2011**

**Read second time and Rereferred to House Appropriations Committee, 10/19/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/24/2011 (198-0)**

**In the hands of the Governor 10/26/2011. Last day for Governor's action, 11/5/2011**

[SB 291](#) RE: Bid Thresholds (By Sen. Jim Ferlo, et al)

Amends the Public Auditorium Authorities Law increasing the minimum dollar amount of purchases that must be made via competitive bid, subject to certain conditions, from a threshold of \$10,000 to \$18,500. Written or telephonic quotes shall be required for all contracts in excess of \$10,000 (increased from \$4,000). The bill provides for annual adjustment based on the CPI-U.

**Reported as committed from House Local Government Committee, read first time, laid on the table, removed from the table, and rereferred to House Appropriations Committee, 10/4/2011**

[SB 637](#) RE: E-Verify (by Sen. Kim Ward, et al)

Amends Title 62 (Procurement), in contracts for public works, adding a subchapter requiring verification of the employment eligibility of all employees for purposes of wage reporting and employment eligibility in certain public works projects as a precondition of being awarded a contract. The bill prescribes penalties.

**Reported from House Labor and Industry Committee, with request to re-refer to House State Government Committee, and Rereferred to House State Government Committee, 10/4/2011**

**Reported as amended from House State Government Committee, read first time, and Laid on the table, 11/1/2011**

## **EMPLOYMENT**

[SB 1285](#) RE: Marcellus Shale Unconventional Well Job Training and Certification Act (by Sen. Jim Brewster, et al)

Requires job training and certification of workers at unconventional well sites in the Marcellus Shale formation allowing a 12-month transitional period from the effective date of the act for workers to obtain the necessary job training. Standards for job training and certification for workers shall be established by the Department of Labor and Industry in conjunction with the Marcellus Shale Industry Job Training Certification Advisory Board, which will be established by the bill. This Act does not include persons working in a clerical or administrative position.

**Introduced and referred to Senate Labor and Industry Committee, 10/12/2011**

## **HEALTH CARE REFORM**

[SB 400](#) RE: Family and Business Healthcare Security Act (by Sen. Jim Ferlo, et al)

Creates a comprehensive Pennsylvania health care plan, creates and provides regulations and duties for a Pennsylvania Health Care Board consisting of members composed of by a diverse group with specified qualifications; establishes a Health Professional Quality Panel, Health Institution Quality Panel and Health Supplier Quality Panel comprised of individuals drawn from both the medical service community and providers, and establishes the Pennsylvania Health Care Agency along with pertinent duties and regulations, to administer the plan. The bill provides health care coverage for all residents of Pennsylvania and allows for the inclusion of all licensed health care providers in participation with the bill. The bill would be funded via the establishment of the Pennsylvania Health Care Trust Fund which is used solely to finance the plan and draws revenue dedicated sources specified by the general assembly including a three percent wellness tax on income. The bill also provides for transitional support and training for health care industry workers whose jobs are displaced as a result of the implementation and operation of the plan and a tax credit for volunteer emergency responders equal to \$1,000 towards State income tax.

**Introduced and referred to Senate Banking and Insurance Committee, 10/12/2011**

## **LOCAL/STATE GOVERNMENT/REGULATIONS**

[SB 747](#) RE: Plumbing Contractors Licensure Act (by Sen. Ted Erickson, et al)

Provides for plumbing contractor licensure, establishes the State Board of Plumbing Contractors and provides for its powers and duties, and establishes fees, fines and civil penalties. The State Board of Plumbing Contractors within the Department of Labor and Industry shall be created and charged with various duties including regulating the licensing of individuals engaged in providing plumbing services, contracting with a professional testing organization to administer tests to qualified applicants for licensure, maintaining a registry of licensees, providing for its contents, and ensuring various reporting requirements are met. Individuals who are not licensed could not provide plumbing services and only master plumbers could use the title "licensed plumbing contractor" and the abbreviation "L.P.C.", subject to certain exceptions. Qualifications for various classes of plumbers are further provided for under the act as are disciplinary options. Reciprocity with other states is also provided for, subject to certain conditions. The sum of \$85,000 shall be appropriated to the department for the payment of costs associated with this bill. This amount shall be repaid by the board within three years of the beginning of issuance of licenses. The act does not authorize the board or a municipality to adopt plumbing standards outside the relevant provisions of the Pennsylvania

Construction Code. Also the bill creates the Plumbing Contractors Licensure Account in the State Treasury. Beginning July 1, 2011, all moneys collected by the board shall be paid into the account. Bill further requires all plumbers be properly licensed under the Act before holding themselves out as a plumber and places greater requirements on plumber licensure.

**Reported as committed from Senate Appropriations Committee, and read second time, 10/24/2011**

**Read third time and passed Senate, 10/25/2011 (35-14)**

**Received in the House and referred to House Professional Licensure Committee, 10/26/2011**

## **PREVAILING WAGE**

[HB 1541](#) RE: Prevailing Wage (By Rep. Scott Perry, et al)

Amends the Pennsylvania Prevailing Wage Act amending the definition of "public work" to require at least 51 percent of the monies be public funds.

**Reported as committed from House Labor and Industry Committee, read first time, and laid on the table, 10/3/2011**

## **OTHER BILLS OF INTEREST**

[HB 1349](#) RE: Regulatory Impact Statements (By Rep. Tina Pickett, et al)

Amends Regulatory Review Act requiring an impact statement for any proposed regulation that may have an adverse impact on small business; providing guidelines for regulatory flexibility analysis.

**Read Second time, and Rereferred to House Appropriations Committee, 10/4/2011**

**Reported as committed from House Appropriations Committee, read third time, and passed House, 10/5/2011 (158-41)**

**Received in the Senate and referred to Senate State Government Committee, 10/12/2011**

**Reported as committed from Senate State Government Committee, and read first time, 10/25/2011**

[SB 1273](#) RE: Regulatory Impact Statements (by Sen. Chuck McIlhinney, et al)

Amends Regulatory Review Act requiring an impact statement for any proposed regulation that may have an adverse impact on small business; providing guidelines for regulatory flexibility analysis.

**Introduced and referred to Senate State Government Committee, 10/4/2011**

## **Upcoming meetings of Interest**

### **2011 SENATE SESSION SCHEDULE**

**November 1, 14, 15, 16**

**December 5, 6, 7, 12, 13, 14**

### **2011 HOUSE SESSION SCHEDULE**

**November 1, 2, 14, 15, 16, 21, 22, and 23**

**December 5, 6, 7, 12, 13, and 14**

**The Spring 2012 Session Schedule has not yet been announced.**

*Copies of all bills of interest can be accessed via the Internet at:*

<http://www.legis.state.pa.us/WU01/LI/BI/billroom.htm>