

No. 245

AN ACT

HB 1778

Amending the act of June 23, 1931 (P.L.932, No.317), entitled "An act relating to cities of the third class; and amending, revising, and consolidating the law relating thereto," further regulating contracts as to advertising requirements.

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

Section 1. Subsections (a) and (b) and the first paragraph of subsection (d) of section 1901 and section 1902, act of June 23, 1931 (P.L.932, No.317), known as "The Third Class City Code," reenacted and amended June 28, 1951 (P.L.662, No.164), and amended October 9, 1967 (P.L.378, No.170), are amended to read:

Section 1901. Power to Make Contracts; Regulations Concerning Contracts.—(a) Each city may make contracts for carrying into execution the provisions of this act and the laws of the Commonwealth. The council shall, by ordinance, provide for and regulate the award of all contracts. All contracts or purchases not in excess of [**one thousand five hundred dollars**] *two thousand dollars* shall be by note or memorandum in writing, signed by the officer or employe making the purchase or contract.

(b) All services and personal properties required by any city, or any department thereof, where the amount exceeds the sum of [**one thousand five hundred dollars**] *two thousand dollars*, shall be furnished and performed under written contract, and the contract shall be awarded and given to the lowest responsible bidder, after advertising three times, each publication on a different day, in not more than two newspapers, in accord with the provisions of section one hundred and nine of this act, and the bids shall not be opened until at least ten days have elapsed after the first advertisement.

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(d) The contracts or purchases made by council involving an expenditure of over [**one thousand five hundred dollars**] *two thousand dollars*, which shall not require advertising or bidding, as hereinbefore provided are as follows:

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Section 1902. Evasion of Advertising Requirements.—No member or members of council shall evade the provisions of the preceding section as to advertising for bids by purchasing or contracting for services and personal properties piecemeal for the purpose of obtaining prices under [**one thousand five hundred dollars**] *two thousand dollars* upon transactions which should, in the exercise of reasonable discretion and prudence, be conducted as one transaction amounting to more than [**one thousand five**

**hundred dollars] two thousand dollars.** 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 transactions involved should have been made as one transaction for one price. Any members of council who so vote in violation of this provision and who know that the transaction upon which they so vote 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, shall be jointly and severally subject to surcharge for ten per centum of the full amount of the contract or purchase. Wherever it shall appear that a member of council may have voted in violation of this section but the purchase or contract on which he so voted was not approved by council, this section shall be inapplicable.

Section 2. This act shall take effect immediately.

APPROVED—The 23rd day of November, A. D. 1976.

MILTON J. SHAPP