
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2441 Session of
2006

INTRODUCED BY SONNEY, ARMSTRONG, BALDWIN, BOYD, CALTAGIRONE,
DENLINGER, J. EVANS, FRANKEL, GERGELY, GINGRICH, GOOD, GRELL,
HARPER, KENNEY, MANN, McILHATTAN, S. MILLER, NICKOL, PICKETT,
PYLE, QUIGLEY, RAPP, REICHLEY, ROSS, SEMMEL, SIPTROTH,
R. STEVENSON, T. STEVENSON, E. Z. TAYLOR AND THOMAS,
FEBRUARY 7, 2006

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 7, 2006

AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated
2 Statutes, further providing for application of part; and
3 providing for electronic bidding by local government units.

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

6 Section 1. Section 3101 of Title 62 of the Pennsylvania
7 Consolidated Statutes is amended to read:

8 § 3101. Application of part.

9 [This] Except for Chapter 46 (relating to electronic bidding
10 by local government units), which applies only to local
11 government units, this part applies to government agencies. In
12 the case of Commonwealth agencies, this part shall be read in
13 pari materia with Part I (relating to Commonwealth Procurement
14 Code).

15 Section 2. Title 62 is amended by adding a chapter to read:

16 CHAPTER 46

1 ELECTRONIC BIDDING BY LOCAL GOVERNMENT UNITS

2 Sec.

3 4601. Short title of chapter.

4 4602. Definitions.

5 4603. Electronic bidding.

6 4604. Competitive electronic auction bidding.

7 § 4601. Short title of chapter.

8 This chapter shall be known and may be cited as the Local
9 Government Unit Electronic Bidding Act.

10 § 4602. Definitions.

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

14 "Local government unit." A county, city, borough,
15 incorporated town, township, school district, vocational school
16 district, county institution district, home rule municipality,
17 local authority or any joint or cooperative body of local
18 government units or any instrumentality, authority or
19 corporation thereof which has authority to enter into a
20 contract.

21 § 4603. Electronic bidding.

22 Notwithstanding any other provision of law concerning the
23 requirements for competitive bidding for purchases and contracts
24 by a local government unit, a local government unit may permit
25 the electronic submission of bids and may receive bids
26 electronically if the local government unit has the electronic
27 capability to maintain the confidentiality of the bid until the
28 bid opening time.

29 § 4604. Competitive electronic auction bidding.

30 (a) Conditions for use.--Notwithstanding any other provision

1 of law concerning the requirements for competitive bidding for
2 purchases and contracts, if a local government unit determines
3 by resolution that use of competitive electronic auction bidding
4 is in the best interests of the local government unit, a
5 contract for supplies or services, but not for construction or
6 design professional services, may be entered into by competitive
7 electronic auction bidding.

8 (b) Invitation for bids.--An invitation for bids shall be
9 issued and shall include a procurement description and all
10 contractual terms, whenever practical, and conditions applicable
11 to the procurement, including a notice that bids will be
12 received in an electronic auction manner.

13 (c) Public notice.--Public notice and advertisement of the
14 invitation for bids shall be given in the same manner as
15 provided in the law otherwise applicable to the local government
16 unit.

17 (d) Auctions.--Bids shall be accepted electronically at the
18 time and in the manner designated in the invitation for bids.
19 During the auction, each bidder shall have the capability to
20 view their bid rank or the low bid price. Bidders may reduce
21 their bid prices during the auction. At the conclusion of the
22 auction, the record of the bid prices received and the name of
23 each bidder shall be open to public inspection.

24 (e) Withdrawal of bids.--After the auction period has
25 terminated, withdrawal of bids shall be permitted by the written
26 determination of the local government unit when the bidder
27 requests relief and presents credible evidence that the reason
28 for the lower bid price was a clerical mistake, as opposed to a
29 judgment mistake, and was actually due to an unintentional
30 arithmetical error or an unintentional omission of a substantial

1 quantity of work, labor, material or services made directly in
2 the compilation of the bid. The request for relief and the
3 supporting evidence must be received by the local government
4 unit within a reasonable time period after the bid opening. The
5 time period shall be specified by the local government unit.

6 (f) Award.--The contract shall be awarded within 60 days of
7 the auction by written notice to the lowest responsible bidder,
8 or all bids shall be rejected, except as otherwise provided in
9 this section. Extensions of the date for the award may be made
10 by mutual written consent of the local government unit and the
11 lowest responsible bidder.

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