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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1181 Session of  
2015

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INTRODUCED BY BARTOLOTTA, VULAKOVICH, HUTCHINSON, RESCHENTHALER,  
STEFANO, FOLMER, BROWNE AND WARD, APRIL 1, 2016

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REFERRED TO TRANSPORTATION, APRIL 1, 2016

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AN ACT

1 Amending the act of June 1, 1945 (P.L.1242, No.428), entitled  
2 "An act relating to roads, streets, highways and bridges;  
3 amending, revising, consolidating and changing the laws  
4 administered by the Secretary of Highways and by the  
5 Department of Highways relating thereto," in construction,  
6 improvement, maintenance and repair of State highways,  
7 further providing for prequalifications of bidders.

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

10 Section 1. Section 404.1 of the act of June 1, 1945  
11 (P.L.1242, No.428), known as the State Highway Law, added  
12 September 20, 1961 (P.L.1529, No.649), is amended to read:

13 Section 404.1. Prequalifications of Bidders.--The  
14 department, after consultation with and receiving the advices of  
15 the secretaries of Pennsylvania associations representing  
16 highway constructors and other parties in interest who have  
17 notified the Secretary of [Highways] Transportation, in writing,  
18 of such interest, shall, by regulations, establish and may, from  
19 time to time, modify or supplement a system for the  
20 qualification of competent and responsible bidders on highway

1 projects and furnish to such secretaries and others in interest  
2 copies of such regulations. In determining the qualifications of  
3 bidders, the department shall consider the following factors  
4 relating to the contractors: (1) equipment, (2) past record, (3)  
5 experience, (4) personnel of organization, (5) financial  
6 condition. In determining the qualifications of newly organized  
7 bidders, the department shall consider the following factors  
8 relating to newly organized contractors: (1) equipment, (2)  
9 personnel of organization, and (3) financial condition.

10 The department [shall] may not consider bids from any bidder  
11 who is not qualified.

12 For contractors seeking to be prequalified to bid directly to  
13 the department on projects up to an aggregate sum of one million  
14 dollars (\$1,000,000.00), the department:

15 (1) may not require the applicant to submit either an  
16 audited or review type of financial statement to demonstrate the  
17 applicant's financial condition; and

18 (2) shall accept a compiled financial statement from the  
19 applicant.

20 Section 2. The provisions of 67 Pa. Code § 457.4 are  
21 abrogated insofar as they are inconsistent with the amendment of  
22 section 404.1 of the act.

23 Section 3. The amendment of section 404.1 of the act shall  
24 apply to persons applying for prequalification on or after the  
25 effective date of this section.

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