



Pennsylvania Association of School Business Officials

## Legislative Action Alert

*Taking care of the business of schools...everyday*

### **Non-Contract Bid Limit Bills Sent to Governor**

Please thank your lawmakers.

On Monday, October 24<sup>th</sup>, a fourteen bill package increasing the dollar amount for which bids and quotes would be required received final passage in both legislative chambers and soon will be sent to the governor for his signature.

SB 296 (Eichelberger), in specific, would increase the dollar amount requiring full advertising and bidding of contracts from \$10,000 to \$18,500, as well as increase the range of a contract requiring written or telephonic quotes from \$4,000 to \$10,000. For projects costing \$10,000 or less, school districts could use their own maintenance staff. The bill also provides for an annual adjustment based on the Consumer Price Index for All Urban Consumers, with an annual cap of 3 percent. The new limit applies to contracts and purchases advertised on or after January 1, 2013, unless the Governor signs the legislation immediately, in which case the new limit would apply to contracts and purchases advertised on or after January 1, 2012.

Under current law, a school district must seek written or telephone price quotes from at least three contracts or suppliers for contracts over \$4,000, but not more than \$10,000. A school district must also advertise for bidders in a newspaper of general circulation for contracts exceeding \$10,000.

Additional bills increasing bid limits contained in the Prevailing Wage Act and the Separations Act await consideration in committee, or are pending further consideration on the floor of their respective legislative chamber.

SB 296 passed both the House and Senate by a unanimous vote. Please take a moment to thank your House and Senate members for their affirmative support. SB 296, when signed into law by Governor Corbett, will provide relief to school districts for the excess costs imposed by antiquated thresholds.

To read the text of SB 296, [CLICK HERE](#).