THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2715 Session of 2020

INTRODUCED BY BURNS, MILLARD, SCHLOSSBERG, D. MILLER, PASHINSKI, ROZZI, DELLOSO, ZIMMERMAN, CIRESI, MALAGARI, DERMODY, NEILSON, KORTZ, ORTITAY, BURGOS, O'NEAL, T. DAVIS AND DELUCA, JULY 30, 2020

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JULY 30, 2020

AN ACT

- Amending the act of March 3, 1978 (P.L.6, No.3), entitled "An act to promote the general welfare and stimulate the economy of the Commonwealth by requiring that all public bodies, including the Commonwealth, its political subdivisions, and all authorities, include in all contracts for construction, 5 reconstruction, alteration, repair, improvement or 6 maintenance of improvements of a permanent or temporary 7 nature, a provision that if any steel products are to be used in the performance of the contract only steel products 9 produced in the United States shall be used, and imposing liability for violation of this act," further providing for 10 11 contracts for public works to use or supply steel products 12 13 and for restrictions on payments by public agencies under certain circumstances. 14 15 The General Assembly of the Commonwealth of Pennsylvania 16 hereby enacts as follows: 17 Section 1. Sections 4 and 5 of the act of March 3, 1978 (P.L.6, No.3), known as the Steel Products Procurement Act, are 18 19 amended to read:
- 20 Section 4. (a) Every public agency shall require that every
- 21 contract document for the construction, reconstruction,
- 22 alteration, repair, improvement or maintenance of public works
- 23 contain a provision that, if any steel products are to be used

- 1 or supplied in the performance of the contract, only steel
- 2 products as herein defined shall be used or supplied in the
- 3 performance of the contract or any subcontracts thereunder.
- 4 (a.1) Any person initiating a project involving
- 5 construction, reconstruction, alteration, repair, improvement or
- 6 <u>maintenance for which the person has received or will receive</u>
- 7 <u>public funding or tax incentives from a public agency, shall use</u>
- 8 steel products as herein defined if any steel products are to be
- 9 <u>used or supplied in the completion of the project. This</u>
- 10 subsection shall apply to any subcontracts thereunder.
- 11 (b) This section shall not apply in any case:
- 12 (1) where the head of the public agency, in writing,
- 13 determines that steel products as herein defined are not
- 14 produced in the United States in sufficient quantities to meet
- 15 the requirements of the contract; or
- 16 (2) to items on a list of exempt machinery and equipment
- 17 steel products, which have been identified by the Department of
- 18 General Services as not produced in the United States in
- 19 sufficient quantities in the previous calendar year, and
- 20 published on the department's publicly accessible Internet
- 21 website, which contractors, subcontractors, suppliers, bidders,
- 22 offerors and public agencies can rely upon in preparing bids and
- 23 contracts. The list of exempt machinery and equipment steel
- 24 products shall be updated annually on a date selected by the
- 25 Department of General Services. The Department of General
- 26 Services may not make changes to the list during the year
- 27 following publication. Prior to publication on the Internet
- 28 website, and in each subsequent year, the Department of General
- 29 Services shall publish the list of exempt machinery and
- 30 equipment steel products in the Pennsylvania Bulletin and

- 1 provide for a 30-day public comment period. The Department of
- 2 General Services shall, through a statement of policy, establish
- 3 a process for creating the list of exempt machinery and
- 4 equipment steel products and resolving disputes with respect to
- 5 items on the list raised during the public comment period prior
- 6 to the publication of the Internet website. The provisions of 2
- 7 Pa.C.S. Ch. 5 Subch. A (relating to practice and procedure of
- 8 Commonwealth agencies) shall not apply to this section.
- 9 Section 5. (a) No public agency shall authorize, provide
- 10 for or make any payments to any person under any contract
- 11 containing the provision required by section 4 unless, when
- 12 unidentified steel products are supplied under a contract, such
- 13 person has provided documentation including, but not limited to,
- 14 invoices, bills of lading, and mill certification that the steel
- 15 was melted and manufactured in the United States, which
- 16 establish that such person has fully complied with such
- 17 provision. If a steel product is identifiable from its face,
- 18 such person must submit certification which satisfies the public
- 19 agency that such person has fully complied with the provision
- 20 required by section 4. Any such payments made to any person by
- 21 any public agency which should not have been made as a result of
- 22 this section shall be recoverable directly from the contractor,
- 23 subcontractor, manufacturer or supplier who did not comply with
- 24 section 4 by either such public agency or the Attorney General
- 25 of Pennsylvania.
- 26 (a.1) No public agency shall authorize, provide for or make
- 27 any payments to any person of public funds, grants, tax credits
- 28 or other tax incentives from a public agency unless, when
- 29 <u>unidentified steel products are supplied, such person has</u>
- 30 provided documentation including, but not limited to, invoices,

- 1 bills of lading and mill certification that the steel was melted
- 2 and manufactured in the United States, which establishes that
- 3 such person has fully complied with such provision. If a steel
- 4 product is identifiable from its face, such person must submit
- 5 <u>certification which satisfies the public agency that such person</u>
- 6 has fully complied with the provision required under section 4.
- 7 Any such payments made to any person by any public agency which
- 8 should not have been made as a result of this section shall be
- 9 recoverable directly from the contractor, subcontractor,
- 10 manufacturer or supplier who did not comply with section 4 by
- 11 either such public agency or the Attorney General of
- 12 <u>Pennsylvania.</u>
- 13 (b) In addition to the withholding of payments, any person
- 14 who willfully violates any of the provisions of this act shall
- 15 be prohibited from submitting any bids to any public agency for
- 16 any contract for a period of five years from the date of the
- 17 determination that a violation has occurred. In the event the
- 18 person who violates the provisions of section 4(a) is a
- 19 subcontractor, manufacturer or supplier, such person shall be
- 20 prohibited from performing any work or supplying any materials
- 21 to a public agency for a period of five years from the date of
- 22 the determination that a violation has occurred.
- 23 (c) Title 2 of the Pennsylvania Consolidated Statutes
- 24 (relating to administrative law and procedure) applies to
- 25 decisions by public agencies that a person has violated section
- 26 4(a).
- 27 Section 2. This act shall take effect in 60 days.