

Monday, October 19, 2026 11:00 AM Voting Meeting

**House State Government Committee Voting Meeting
Majority Caucus Room
Room 140 Main Capitol
Harrisburg, PA 17120
October 19, 2026
11:00 AM**

Agenda

Senate Bill 1410 (PHILLIPS-HILL) An Act prohibiting certain terms in procurement contracts entered into by Commonwealth parties.

And any other business that comes before the Committee

Adjournment

If you are unable to attend the meeting or plan on participating virtually, please submit your vote by designation form prior to the committee meeting date. If you are on Capitol leave, please submit your leave form as soon as possible.

Vote by designation forms or leave forms can be sent via e-mail to:

Chair Hill-Evans: Sonia Terech at STerech@pahouse.net

Chair Roae: Pam Neugard at Pneugard@pahousegop.com

TEAMS LINK:

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Attachments:

- SB1410 Bill Analysis
- SB1410 PN1864 (Phillips-Hill) Commonwealth Party Procurement Contract Terms Act

HOUSE OF REPRESENTATIVES

DEMOCRATIC COMMITTEE BILL ANALYSIS

Bill No:	SB1410 PN1864	Prepared By:	Maya Fitterer (717) 787-8529
Committee:	State Government	Executive Director:	Hanna Yu
Sponsor:	Phillips-Hill, Kristin		
Date:	10/13/2026		

A. Brief Concept

Establishes the Commonwealth Party Procurement Contract Terms Act.

C. Analysis of the Bill

This legislation would establish the Commonwealth Party Procurement Contract Terms Act, which would prohibit a Commonwealth party or local agency from entering into a contract or agreement that includes certain terms, regardless of cost, unless required by federal or state law.

Prohibited terms:

The Commonwealth party or local agency could not enter into a contract or agreement for the procurement or disposal of supplies, services or construction, or the licensing, access, exchange or use of information, software or information technology, if it includes any of the following provisions:

- Requires the Commonwealth party or local agency to indemnify, defend, or hold any other entity harmless from liability.
- Subjects the Commonwealth party or local agency to binding arbitration or any other binding dispute resolution process.
- Designates a venue for a legal action or dispute against the Commonwealth party outside the courts of the Commonwealth or a Federal court in PA or waives a claim or defense that the forum is not convenient or proper.
- Requires the contract to be governed by the laws of a jurisdiction other than the Commonwealth or required by Federal law.
- Conflicts with an applicable Federal or State statute or regulation.
- Requires the Commonwealth party or local agency to be responsible for or pay attorney or collection fees.
- Requires the Commonwealth party or local agency to pay interest or late fees other than what the Commonwealth party is authorized to pay under the Fiscal Code and Title 4 of the PA Code.

Effect of prohibited terms:

If a term or condition in a contract or agreement violates the prohibited terms, that term or condition would be void and unenforceable. The remainder of the contract or agreement would remain valid and enforceable, functioning as if the void term had not been included.

Definitions:

- **"Commonwealth party:"** The government of the Commonwealth, including any of its courts and other officers or agencies of the unified judicial system, the General Assembly and its officers and agencies, the Governor and a department, board, commission, authority, officer and agency of the Commonwealth. The term does not include a political subdivision or municipal or other local authority, or any of their officers or agencies.
- **"Local agency:"** A government unit other than the Commonwealth government. The term includes an intermediate unit, municipality cooperating in the exercise or

performance of governmental functions, powers or responsibilities under 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental cooperation), a council of government and other entity created by two or more municipalities under 53 Pa.C.S. Ch. 23 Subch. A.

- **"Intergovernmental cooperation:"** A municipality by act of its governing body may, or upon being required by initiative and referendum in the area affected shall, cooperate or agree in the exercise of any function, power or responsibility with or delegate or transfer any function, power or responsibility to one or more other local governments, the Federal Government or any other state or its government.

Effective Date:

This act would only apply to contracts entered into, amended, or renewed on or after the effective date, which is 60 days.

G. Relevant Existing Laws

[Title 62 of the Pennsylvania Consolidated Statutes](#) provides for procurement, governing all relevant contracts entered into by the Commonwealth.

The following words are defined in [Section 103 of Title 62 \(Procurement\)](#) of the Pennsylvania Consolidated Statutes, relating to definitions:

- **"Construction:"** The process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property. The term does not include the routine operation or maintenance of existing structures, buildings or real property.
 - **"Real property"** is defined as land and all structures and fixtures thereon and all estates and interests in land, including easements, covenants, and leaseholders ([Section 2103 of Title 68 \(Real and Personal Property\) Pa.C.S.](#)).
- **"Procurement:"** Buying, purchasing, renting, leasing, licensing or otherwise acquiring any supplies, services or construction. The term also includes all functions that pertain to the obtaining of any supply, service or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract and all phases of contract administration.
- **"Services:"** The furnishing of labor, time or effort by a contractor not involving the delivery of a specific end product other than drawings, specifications or reports which are merely incidental to the required performance. The term shall include the routine operation or maintenance of existing structures, buildings or real property. The term does not include employment agreements or collective bargaining agreements. The term includes utility services and those services formerly provided by public utilities such as electrical, telephone, water and sewage service.
- **"Supplies:"** Any property, including, but not limited to, equipment, materials, printing, insurance and leases of and installment purchases of tangible or intangible personal property. The term does not include real property, leases of real property or alcoholic beverages or liquor purchased for resale by the Pennsylvania Liquor Control Board.

[Section 1507 of Act 176 of 1929](#), also known as the Fiscal Code, provides for interest penalties on Commonwealth Accounts.

[Title 4 of the PA Code, Chapter 2, Subchapter B](#), provides for interest penalties for late payments.

E. Prior Session (Previous Bill Numbers & House/Senate Votes).

None.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1410 Session of
2026

INTRODUCED BY PHILLIPS-HILL, JUNE 29, 2026

REFERRED TO STATE GOVERNMENT, JUNE 29, 2026

AN ACT

1 Prohibiting certain terms in procurement contracts entered into
2 by Commonwealth parties.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Commonwealth
7 Party Procurement Contract Terms Act.

8 Section 2. Definitions.

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

12 "Commonwealth party." The government of the Commonwealth,
13 including any of its courts and other officers or agencies of
14 the unified judicial system, the General Assembly and its
15 officers and agencies, the Governor and a department, board,
16 commission, authority, officer and agency of the Commonwealth.
17 The term does not include a political subdivision or municipal
18 or other local authority, or any of their officers or agencies.

1 "Construction." As defined in 62 Pa.C.S. § 103 (relating to
2 definitions).

3 "Local agency." A government unit other than the
4 Commonwealth government. The term includes an intermediate unit,
5 municipality cooperating in the exercise or performance of
6 governmental functions, powers or responsibilities under 53
7 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental
8 cooperation), a council of government and other entity created
9 by two or more municipalities under 53 Pa.C.S. Ch. 23 Subch. A.

10 "Procurement." As defined in 62 Pa.C.S. § 103.

11 "Services." As defined in 62 Pa.C.S. § 103.

12 "Supplies." As defined in 62 Pa.C.S. § 103.

13 Section 3. Prohibited terms.

14 Except as otherwise required by Federal or State law, a
15 contract or agreement, regardless of cost, for the procurement
16 or disposal of supplies, services or construction or the
17 licensing, access, exchange or use of information, software or
18 information technology entered into by a Commonwealth party or
19 local agency may not include a provision that:

20 (1) Requires the Commonwealth party or local agency to
21 indemnify, defend or hold any other entity harmless from
22 liability.

23 (2) Subjects the Commonwealth party or local agency to
24 binding arbitration or any other binding dispute resolution
25 process.

26 (3) Designates a venue for a legal action or dispute
27 against the Commonwealth party outside the courts of the
28 Commonwealth or a Federal court in Pennsylvania or waives a
29 claim or defense that the forum is not convenient or proper.

30 (4) Requires the contract to be governed by the laws of

1 a jurisdiction other than the Commonwealth of Pennsylvania or
2 required by Federal law.

3 (5) Conflicts with an applicable Federal or State
4 statute or regulation.

5 (6) Requires the Commonwealth party or local agency to
6 be responsible for or pay attorney or collection fees.

7 (7) Requires the Commonwealth party to pay interest or
8 late fees other than what the Commonwealth party is
9 authorized to pay under section 1507 of the act of April 9,
10 1929 (P.L.343, No.176), known as The Fiscal Code, and
11 accompanying regulations under 4 Pa. Code Ch. 2 Subch. B
12 (relating to interest penalties for late payments).

13 Section 4. Effect of prohibited terms.

14 A term or condition in a contract or agreement, regardless of
15 cost, for the procurement or disposal of supplies, services or
16 construction or the licensing, access or use of software or
17 information technology entered into by a Commonwealth party or
18 local agency that violates section 3 shall be void and
19 unenforceable. The remainder of the contract or agreement shall
20 remain valid and enforceable as if the void term had not been
21 included.

22 Section 5. Applicability.

23 This act shall apply to contracts and agreements entered
24 into, amended or renewed, on or after the effective date of this
25 section.

26 Section 6. Effective date.

27 This act shall take effect in 60 days.