City of Philadelphia

(Bill No. 260458)

AN ORDINANCE

Amending Section 17-103 of The Philadelphia Code, entitled "Bonds Relating to Procurement Contracts" to amend requirements related to performance and payment bonds on certain contracts and providing for disclosure and monitoring of the bond acquisition cost, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 17-103 of The Philadelphia Code is hereby amended to read as follows:

§ 17-103. Bonds Relating to Procurement Contracts.

(1) The Procurement Department, with the consent of the Law Department, may permit the reduction of a contractor's bond or the substitution of a new bond in smaller amount whenever a contractor has satisfactorily performed [his] *the contractor's* basic obligation to perform duties of maintenance or repair as to work done or goods supplied.

(2) [Labor and Materials] *Performance and Payment Bonds*. The Procurement Department shall, in accordance with the *Act of December 20, 1967, P.L. 869 (8 P.S. § 191 et seq., as amended)* [Acts of June 22, 1931, P.L. 880 and P.L. 881, 53 P.S. §§ 523 et seq.,] require [labor and materials bonds] performance and payment bonds, or such other financial security as allowed by the Act, before work is commenced under any contract for the construction, erection, installation, completion, alteration, repair, or addition to, any public work or improvement of any kind where the amount of the contract is in excess of [one] *five* thousand dollars [($1,000).] *($5,000)*.

(3) Disclosure and Monitoring of Bond Acquisition Costs. Prospective bidders shall disclose the cost for the acquisition of the performance and payment bonds. The Procurement Department shall collect, maintain, and analyze information provided by bidders about bond costs.

CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 4, 2026. The Bill was Signed by the Mayor on June 23, 2026.

Elizabeth McCollum
Chief Clerk of the City Council