



For Immediate Release

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eBizITPA Hails Legislation Permitting Use of Electronic Bidding and Reverse Auctions by Local Government Units

More Streamlined Government Procurement Processes and Big Savings for Taxpayers Possible

ERIE, PA (7/11/2006) --- The Erie-based Center for eBusiness and Advanced IT (eBizITPA) applauds new legislation passed by the Pennsylvania Senate on June 30 and signed into law by Governor Ed Rendell on July 7. The Local Government Unit Electronic Bidding Act, PA Act 88 of 2006, allows local government units – municipalities, school districts, COGs, authorities and others – to incorporate electronic bidding and reverse auctions into their competitive bidding processes. eBizITPA offers training programs and services to help local government units maximize the advantages of e-business tools.

“At eBizITPA, we are convinced that strategic use of information technology is the key to streamlined processes and reduced costs of doing business. With the passage of Act 88, Pennsylvania’s local governments can now use technology to enhance procurement and deliver savings that taxpayers can appreciate,” commented Mary Bula, eBizITPA Outreach Specialist. “As part of the eBizITPA mission, we have designed training seminars to teach local government units how to effectively use electronic bidding and reverse auctions to maximum advantage.”

Reverse auctions are real-time, online bidding events where vendors submit bids, receive feedback regarding where they rank with respect to competing bidders, and may lower their bids to win the buyers’ business. Electronic bidding allows organizations to obtain competitive bids for goods and services electronically, or via the Internet.

“Reverse auctions have helped private industry and governments across the nation to achieve significant savings and improve efficiency in procurement,” noted Bula. “We are excited to be able to help Pennsylvania’s local government units achieve parity in efficient purchasing with their colleagues in other states and in the private sector.”

The Commonwealth of Pennsylvania has a history of using reverse auctions, authorized under the Procurement Code, PA Title 62. However, prior to passage of Act 88, most Pennsylvania municipalities could not use electronic bidding or reverse auctions because they were restricted by the competitive bidding language in their municipal codes. Act 88 amends the Commonwealth’s Procurement Code to allow local governments to use electronic bidding and reverse auctions for their own purchases.

Erie County legislators Representative Curt Sonney and Senator Jane Earll were instrumental in the introduction and passage of Act 88. “Without the commitment and leadership of Representative Sonney and Senator Earll, Pennsylvania’s local governments would not have the ability to dramatically

improve the way they handle procurements,” said Bula. “And their colleagues across the state obviously appreciate the legislation’s value, as evidenced by the unanimous vote for approval.”

Act 88 will take effect on September 5, 2006. eBizITPA is finalizing training to help government officials understand and implement these new tools. Currently available is a web-based seminar on reverse auction basics. eBizITPA is developing a more comprehensive workshop on reverse auctions and electronic bidding that will be available in Fall 2006, and a second web-based seminar on electronic bidding. Information on eBizITPA’s training programs can be found at www.ebizitpa.org or by calling 814.898.6500.

eBizITPA also offers eDynaQuote, an easy to use electronic bidding and reverse auction tool. Information about this service can be found at www.edynaquote.com or by calling eDynaQuote at 866.412.7161.

The Center for eBusiness and Advanced IT (eBizITPA) is a state-wide Ben Franklin Technology Development Authority initiative designed to help Pennsylvania enterprises understand and use information technology and e-business tools to be more successful.

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