

CHAPTER 1045
RESIDENT PREFERENCE IN CERTAIN CONTRACTS
S.F. 2160

AN ACT to provide a preference for residents in awarding of public contracts in certain situations.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Chapter 23, Code 1983, is amended by adding the following new section:

NEW SECTION. 23.21 BID PREFERENCE UNDER CERTAIN CONDITIONS. Notwithstanding this chapter, chapter 73, chapter 309, chapter 310, chapter 331, or chapter 384, when a contract for a public improvement is to be awarded to the lowest responsible bidder, a resident bidder shall be allowed a preference as against a nonresident bidder from a state or foreign country which gives or requires a preference to bidders from that state or foreign country. The preference is equal to the preference given or required by the state or foreign country in which the nonresident bidder is a resident. "Resident bidder" means a person authorized to transact business in this state and having a place of business for transacting business within the state at which it is and has conducted business for at least six months prior to the first advertisement for the public improvement and in the case of a corporation, at least fifty percent of the common stock is owned by residents of this state. If another state or foreign country has a more stringent definition of a resident bidder, the more stringent definition is applicable as to bidders from that state or foreign country.

For purposes of this section, "public improvement" means public improvements as defined in section 23.1 and includes road construction, reconstruction, and maintenance projects.

This section applies to the state, its agencies, and any political subdivisions of the state.

If it is determined that this may cause denial of federal funds which would otherwise be available, or would otherwise be inconsistent with requirements of federal law, this section shall be suspended, but only to the extent necessary to prevent denial of the funds or to eliminate the inconsistency with federal requirements.

Sec. 2. Section 1 applies to contracts for public improvements for which requests for bids are published or requested after the effective date of this Act.

Sec. 3. This Act, being deemed of immediate importance, takes effect from and after its publication in the Waterloo Courier Record, a newspaper published in Waterloo, Iowa, and in The Red Oak Express, a newspaper published in Red Oak, Iowa.

Approved April 3, 1984

Pursuant to the authority vested in the undersigned, Secretary of State of the State of Iowa, under the provisions of Section 3.9, Code of Iowa, 1983, there being no newspaper by the name of Waterloo Courier Record, published in Waterloo, Iowa, I hereby designate the Waterloo Courier Cedar Falls Record published in Waterloo, Iowa to publish the foregoing Act, Senate File 2160.

I hereby certify that the foregoing Act, Senate File 2160 was published in The Red Oak Express, Red Oak, Iowa on April 6, 1984 and in the Waterloo Courier Cedar Falls Record, Waterloo, Iowa on April 9, 1984.

MARY JANE ODELL, *Secretary of State*