

CHAPTER 1036

GOVERNMENT AGENCY OPERATIONS — REPORTS, PURCHASING, LEASES, AND DEBT COLLECTION

H.F. 2288

AN ACT relating to reporting and other requirements concerning the department of administrative services and other state agencies.

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

Section 1. Section 7A.3, subsection 2, Code 2014, is amended by striking the subsection.

Sec. 2. Section 8A.110, subsection 5, Code 2014, is amended by striking the subsection.

Sec. 3. Section 8A.111, subsection 2, Code 2014, is amended to read as follows:

2. ~~Internal service fund service business plans and financial reports as required under section 8A.123, subsection 5, paragraph “a”, and an An annual internal service fund expenditure report as required under section 8A.123, subsection 5, paragraph “b”.~~

Sec. 4. Section 8A.111, subsections 5 and 11, Code 2014, are amended by striking the subsections.

Sec. 5. Section 8A.123, subsection 5, paragraph a, Code 2014, is amended by striking the paragraph.

Sec. 6. Section 8A.315, subsection 2, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. Notwithstanding the requirements of this subsection regarding the purchase of recycled printing and writing paper, the department may purchase printing and writing paper in lieu of recycled paper if the department determines that the purchase will result in significant savings to the state.

Sec. 7. Section 8A.321, subsection 6, paragraph c, subparagraph (1), Code 2014, is amended to read as follows:

(1) ~~The department shall annually issue a request for proposals for leasing privately owned office space for state employees in the downtown area of the city of Des Moines.~~ Prior to replacing or renovating publicly owned buildings or relocating any state agencies at the seat of government to any space in publicly owned buildings, the department shall issue a request for proposals for leasing privately owned office space for state employees in the downtown area of the city of Des Moines and shall use such proposals to compare the costs of privately owned space to publicly owned space. The department shall locate state employees in office space in the most cost-efficient manner possible. In determining cost efficiency, the department shall consider all costs of the publicly owned space, the costs of the original acquisition of the publicly owned space, the costs of tenant improvements to the publicly owned space, and the anticipated economic and useful life of the publicly owned building space.

Sec. 8. Section 8A.362, subsection 4, paragraph c, Code 2014, is amended by striking the paragraph.

Sec. 9. Section 8A.378, unnumbered paragraph 3, Code 2014, is amended to read as follows:

The department shall negotiate implementation of the plan with the city of Des Moines with the goal of entering into a memorandum of understanding in relation to the plan. ~~The department shall provide the governor and the capitol planning commission with quarterly reports regarding progress made on the capitol view preservation plan and execution of the memorandum of understanding.~~

Sec. 10. Section 8A.504, subsection 1, paragraphs a, b, and d, Code 2014, are amended to read as follows:

a. “*Collection entity*” means the department of administrative services and any other state public agency that maintains a separate accounting system and elects to establish a debt collection setoff procedure for collection of debts owed to the ~~state or its agencies~~ public agency.

b. “*Person*” does not include a state public agency.

d. “*State “Public agency”*” means a board, commission, department, including the department of administrative services, or other administrative office or unit of the state of Iowa or any other state entity reported in the Iowa comprehensive annual financial report, or a political subdivision of the state, or an office or unit of a political subdivision. “*State “Public agency”*” does include the clerk of the district court as it relates to the collection of a qualifying debt. “*State “Public agency”*” does not include the general assembly or the governor.

Sec. 11. Section 8A.504, subsections 2, 3, and 5, Code 2014, are amended to read as follows:

2. *Setoff procedure*. The collection entity shall establish and maintain a procedure to set off against any claim owed to a person by a state public agency any liability of that person owed to a state public agency, a support debt being enforced by the child support recovery unit pursuant to chapter 252B, or such other qualifying debt. The procedure shall only apply when at the discretion of the director it is feasible. The procedure shall meet the following conditions:

a. Before setoff, a person’s liability to a state public agency and the person’s claim on a state public agency shall be in the form of a liquidated sum due, owing, and payable.

b. Before setoff, the state public agency shall obtain and forward to the collection entity the full name and social security number of the person liable to it or to whom a claim is owing who is a natural person. If the person is not a natural person, before setoff, the state public agency shall forward to the collection entity the information concerning the person as the collection entity shall, by rule, require. The collection entity shall cooperate with other state public agencies in the exchange of information relevant to the identification of persons liable to or claimants of state public agencies. However, the collection entity shall provide only relevant information required by a state public agency. The information shall be held in confidence and used for the purpose of setoff only. Section 422.72, subsection 1, does not apply to this paragraph.

c. Before setoff, a state public agency shall, at least annually, submit to the collection entity the information required by paragraph “b” along with the amount of each person’s liability to and the amount of each claim on the state public agency. The collection entity may, by rule, require more frequent submissions.

d. Before setoff, the amount of a person’s claim on a state public agency and the amount of a person’s liability to a state public agency shall constitute a minimum amount set by rule of the collection entity.

e. Upon submission of an allegation of liability by a state public agency, the collection entity shall notify the state public agency whether the person allegedly liable is entitled to payment from a state public agency, and, if so entitled, shall notify the state public agency of the amount of the person’s entitlement and of the person’s last address known to the collection entity. Section 422.72, subsection 1, does not apply to this paragraph.

f. (1) Upon notice of entitlement to a payment, the state public agency shall send written notification to that person of the state public agency’s assertion of its rights to all or a portion of the payment and of the state public agency’s entitlement to recover the liability through the setoff procedure, the basis of the assertion, the opportunity to request that a jointly or commonly owned right to payment be divided among owners, and the person’s opportunity to give written notice of intent to contest the amount of the allegation. ~~The state agency shall send a copy of the notice to the collection entity.~~ A public agency shall provide the person with an opportunity to contest the liability. A state public agency subject to chapter 17A shall give notice, conduct hearings, and allow appeals in conformity with chapter 17A.

(2) However, upon submission of an allegation of the liability of a person which is owing and payable to the clerk of the district court and upon the determination by the collection entity that the person allegedly liable is entitled to payment from a state public agency, the collection entity shall send written notification to the person which states the assertion by the clerk of the district court of rights to all or a portion of the payment, the clerk's entitlement to recover the liability through the setoff procedure, the basis of the assertions, the person's opportunity to request within fifteen days of the mailing of the notice that the collection entity divide a jointly or commonly owned right to payment between owners, the opportunity to contest the liability to the clerk by written application to the clerk within fifteen days of the mailing of the notice, and the person's opportunity to contest the collection entity's setoff procedure.

g. Upon the timely request of a person liable to a state public agency or of the spouse of that person and upon receipt of the full name and social security number of the person's spouse, a state public agency shall notify the collection entity of the request to divide a jointly or commonly owned right to payment. Any jointly or commonly owned right to payment is rebuttably presumed to be owned in equal portions by its joint or common owners.

h. The collection entity shall, after the state public agency has sent notice to the person liable or, if the liability is owing and payable to the clerk of the district court, the collection entity has sent notice to the person liable, set off the amount owed to the agency against any amount which a state public agency owes that person. The collection entity shall refund any balance of the amount to the person. The collection entity shall periodically transfer amounts set off to the state public agencies entitled to them. If a person liable to a state public agency gives written notice of intent to contest an allegation, a state public agency shall hold a refund or rebate until final disposition of the allegation. Upon completion of the setoff, a state public agency shall notify in writing the person who was liable or, if the liability is owing and payable to the clerk of the district court, shall comply with the procedures as provided in paragraph "j".

i. The department of revenue's existing right to credit against tax due or to become due under section 422.73 is not to be impaired by a right granted to or a duty imposed upon the collection entity or other state public agency by this section. This section is not intended to impose upon the collection entity or the department of revenue any additional requirement of notice, hearing, or appeal concerning the right to credit against tax due under section 422.73.

j. If the alleged liability is owing and payable to the clerk of the district court and setoff as provided in this section is sought, all of the following shall apply:

(1) The judicial branch shall prescribe procedures to permit a person to contest the amount of the person's liability to the clerk of the district court.

(2) The collection entity shall, except for the procedures described in subparagraph (1), prescribe any other applicable procedures concerning setoff as provided in this subsection.

(3) Upon completion of the setoff, the collection entity shall file, at least monthly, with the clerk of the district court a notice of satisfaction of each obligation to the full extent of all moneys collected in satisfaction of the obligation. The clerk shall record the notice and enter a satisfaction for the amounts collected and a separate written notice is not required.

k. If the alleged liability is owing and payable to a community college and setoff pursuant to this section is sought, both of the following shall apply:

(1) In addition to satisfying other applicable setoff procedures established under this subsection, the community college shall prescribe procedures to permit a person to contest the amount of the person's liability to the community college. Such procedures shall be consistent with and ensure the protection of the person's right of due process under Iowa law.

(2) The collection entity shall, except for the procedures prescribed pursuant to subparagraph (1), prescribe any other applicable procedures concerning setoff as provided in this subsection.

3. In the case of multiple claims to payments filed under this section, priority shall be given to claims filed by the child support recovery unit or the foster care recovery unit, next priority shall be given to claims filed by the clerk of the district court, next priority shall be given to claims filed by the college student aid commission, next priority shall be given to claims filed by the investigations division of the department of inspections and appeals, and last priority

shall be given to claims filed by other state public agencies. In the case of multiple claims in which the priority is not otherwise provided by this subsection, priority shall be determined in accordance with rules to be established by the director.

5. Under substantive rules established by the director, the department shall seek reimbursement from other state public agencies to recover its costs for setting off liabilities.

Sec. 12. Section 8B.9, subsection 2, Code 2014, is amended to read as follows:

2. ~~Internal service fund service business plans and financial reports as required under section 8B.13, subsection 5, paragraph "a", and an~~ An annual internal service fund expenditure report as required under section 8B.13, subsection 5, paragraph "b".

Sec. 13. Section 8B.13, subsection 5, paragraph a, Code 2014, is amended by striking the paragraph.

Sec. 14. Section 70A.25, subsection 3, Code 2014, is amended by striking the subsection.

Sec. 15. Section 99D.2, subsection 3, Code 2014, is amended to read as follows:

3. "Claimant agency" means a state public agency as defined in section 8A.504, subsection 1, or the state court administrator as defined in section 602.1101.

Sec. 16. Section 99F.1, subsection 4, Code 2014, is amended to read as follows:

4. "Claimant agency" means a state public agency as defined in section 8A.504, subsection 1, or the state court administrator as defined in section 602.1101.

Sec. 17. 2003 Iowa Acts, chapter 179, section 21, unnumbered paragraph 4, as amended and redesignated as subsection 6, by 2005 Iowa Acts, chapter 161, section 1, is amended to read as follows:

6. ~~The department or agency receiving funds under this section shall report monthly to the fiscal committee of the legislative council on the use of the funds.~~

Sec. 18. REPEAL. Section 8D.10, Code 2014, is repealed.

Approved March 26, 2014