

**CHAPTER 1229****TRANSPORTATION CONTRACTS SET-ASIDE***H.F. 2398*

**AN ACT** allowing a maximum set-aside of ten percent of the total dollar amount of federal aid contracts let by the state department of transportation for bidding by prequalified disadvantaged business enterprises.

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

**Section 1. NEW SECTION. 314.14 CONTRACTS SET ASIDE FOR DISADVANTAGED BUSINESS ENTERPRISES.**

**1. DEFINITIONS.** As used in this section:

a. "Disadvantaged business enterprise" means a small business concern which meets either of the following:

(1) Is at least fifty-one percent owned by one or more socially and economically disadvantaged individuals.

(2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

b. "Small business concern" means a business which is independently owned and operated and which is not dominant in its field of operation.

c. "Socially and economically disadvantaged individuals" means those individuals who are citizens of the United States or who are lawfully admitted permanent residents and who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, or any other minority or individuals found to be disadvantaged by the United States small business administration. However, the department may also determine, on a case-by-case basis, that an individual who is not a member of one of the enumerated groups is socially and economically disadvantaged. A rebuttable presumption exists that individuals in the following groups are socially and economically disadvantaged.

(1) "Black Americans" which includes persons having origins in any of the black racial groups of Africa.

(2) "Hispanic Americans" which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

(3) "Native Americans" which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.

(4) "Asian-Pacific Americans" which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the United States Trust Territories of the Pacific, and the Northern Marianas.

(5) "Asian-Indian Americans" which includes persons whose origins are from India, Pakistan, and Bangladesh.

d. "Prequalified" means that the disadvantaged business enterprise is currently approved by the department as a disadvantaged business enterprise, is a recognized contractor engaged in the class of work provided for in the plans and specifications, possesses sufficient resources

to complete the work, and is able to furnish a performance bond for one hundred percent of the contract.

2. SET-ASIDE. Notwithstanding section 314.1, there may be set aside for bidding by pre-qualified disadvantaged business enterprises a percentage of the total annual dollar amount of public contracts let by the department. The annual dollar amount set aside for bidding by pre-qualified disadvantaged business enterprises shall not exceed ten percent of the total dollar amount of federal aid highway construction contracts let by the department and federal aid transit dollars administered by the department. The director may estimate the set-aside amount at the beginning of each fiscal year and a suit shall not be brought by any party as a result of this estimate. Set-aside contracts will be awarded to the lowest responsible pre-qualified disadvantaged business enterprise. This section shall not be construed as limiting the commission's right to refuse any or all disadvantaged business enterprise bids.

Sec. 2. Section 314.14 created under this Act is repealed at such time as section 105(f) of the Surface Transportation Assistance Act of 1982, Pub. L. No. 97-424, 96 Stat. 2100, expires pursuant to its own terms or by an act of congress.

Approved May 8, 1984

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**CHAPTER 1230**  
INVESTMENT OF PUBLIC FUNDS  
*S.F. 2220*

**AN ACT** relating to financial institutions by allowing savings and loan associations, savings banks and credit unions to accept public funds, providing for the investment of idle public funds, requiring a commitment to community reinvestment to receive state public funds, providing for the giving of notice on minimum interest rates for public funds, providing for the pledging of assets, providing for the dissolution of the state sinking fund, expanding the deposit limits for bank holding companies, and providing reciprocity for credit unions.

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

Section 1. Section 175.6, subsection 9, Code 1983, is amended to read as follows:

9. Subject to ~~any~~ an agreement with bondholders or noteholders, invest or deposit moneys of the authority in ~~any~~ a manner determined by the authority, notwithstanding ~~the provisions of chapters chapter~~ chapter 452, or 453 or 454.

Sec. 2. Section 220.5, subsection 9, Code 1983, is amended to read as follows:

9. Subject to ~~any~~ an agreement with bondholders or noteholders, invest or deposit moneys of the authority in ~~any~~ a manner determined by the authority, notwithstanding ~~the provisions of chapters chapter~~ chapter 452, or 453 or 454.

Sec. 3. Section 307B.7, subsection 11, Code Supplement 1983, is amended to read as follows: