## CHAPTER 121

## DEPARTMENT OF GENERAL SERVICES PRACTICES AND PROCEDURES S.F. 282

AN ACT relating to practices and procedures of the department of general services, regulating state purchasing of recycled paper, modifying an appropriation to the department, and providing an effective date.

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

Section 1. Section 18.6, subsection 9, paragraph b, Code 1999, is amended to read as follows:

- b. In awarding a contract, the department shall let the work to the lowest responsible bidder submitting a sealed proposal. However, if the department considers the bids received not to be acceptable, all bids may be rejected and new bids requested. A bid shall be accompanied by a certified or cashier's check or bid bond in an amount designated in the advertisement for bids as security that the bidder will enter into a contract for the doing of the work requested. The department shall establish the bid security in an amount equal to at least five percent, but not more than ten percent of the estimated total cost of the work. The certified or cashier's checks or bid bonds of unsuccessful bidders shall be returned as soon as the successful bidder is determined. The certified or cashier's check or bid bond of the successful bidder shall be returned upon execution of the contract. This section does not apply to the construction, erection, demolition, alteration, or repair of a public improvement when the contracting procedure for the work requested is otherwise provided for in law.
- Sec. 2. Section 18.12, subsection 9, paragraph a, Code 1999, is amended to read as follows:
- a. Lease all buildings and office space necessary to carry out the provisions of this chapter or necessary for the proper functioning of any state agency at the seat of government, with the approval of the executive council if. For state agencies at the seat of government, the director may lease buildings and office space in Polk county or in a county contiguous to Polk county. If no specific appropriation has been made, the proposed lease shall be submitted to the executive council for approval. The cost of any lease for which no specific appropriation has been made shall be paid from the fund provided in section 7D.29.
  - Sec. 3. Section 18.18, Code 1999, is amended to read as follows: 18.18 STATE PURCHASES — RECYCLED PRODUCTS — SOYBEAN-BASED INKS.
- 1. When purchasing paper products other than printing and writing paper, the department shall, when the price is reasonably competitive and the quality as intended, purchase the recycled product. The department shall also purchase, when the price is reasonably competitive and the quality as intended, and in keeping with the schedule established in this subsection, soybean-based inks and plastic products with recycled content including but not limited to plastic garbage can liners.
- a. One hundred percent of the purchases of inks which are used for newsprint printing services performed internally or contracted for by the department shall be soybean-based.
- b. One hundred percent of the purchases of inks, other than inks which are used for newsprint printing services, and which are used internally or contracted for by the department, shall be soybean-based to the extent formulations for such inks are available.
- c. A minimum of ten percent of the purchases of garbage can liners made by the department shall be plastic garbage can liners with recycled content. The percentage shall increase by ten percent annually until fifty percent of the purchases of garbage can liners are plastic garbage can liners with recycled content.
- d. The department shall report to the general assembly on February 1 of each year the following:

- (1) A listing of plastic products which are regularly purchased by the department and other state agencies for which recycled content product alternatives are available, including the cost of the plastic products purchased and the cost of the recycled content product alternatives.
- (2) Information relating to soybean-based inks and plastic garbage can liners with recycled content regularly purchased by the department and other state agencies, including the cost of purchasing soybean-based inks and plastic garbage can liners with recycled content and the percentages of soybean-based inks and plastic garbage can liners with recycled content that have been purchased.
- e. For purposes of this section subsection "recycled content" means that the content of the product contains a minimum of thirty percent postconsumer material.
  - 2. a. As used in this subsection, unless the context otherwise requires:
- (1) "Postconsumer material" means only those products generated by a business or consumer which have served their intended end uses, and which have been separated or diverted from solid waste for the purposes of collection, recycling, and disposition. Postconsumer material does not include manufacturing wastes.
- (2) "Recycled paper" means a paper product with not less than fifty percent of its total weight consisting of secondary and postconsumer material. At least ten percent of the total weight of recycled paper shall be postconsumer materials.
- (3) "Secondary material" means fragments of finished products or finished products of a manufacturing process which has converted a resource into a commodity of real economic value, and includes postconsumer material but does not include excess virgin resources of the manufacturing process.
- b. The Except as otherwise provided in this section, the department, in conjunction with recommendations made by the department of natural resources, shall purchase and use recycled printing and writing paper so that fifty percent by January 1, 1992, seventy five percent by January 1, 1996, and ninety percent by January 1, 2000, of the volume of printing and writing paper purchased is recycled paper. The recycled printing and writing paper shall meet the requirements for procuring recycled printing and writing paper set forth in 40 C.F.R., pt. 247, and in related recovered materials advisory notices issued by the United States environmental protection agency.
- e. The department shall adopt standards for the allowable content of postconsumer and secondary material of recycled paper which shall conform with but may be more stringent than the American society for testing and materials standards.
- d. b. The department shall establish a prioritization procedure for the purchase of recycled paper which provides for a five percent differential in the cost of the purchase of paper which has been recycled through the use of a nonchlorinated process.
- e. c. If a provision under this subsection results in the limitation of sources for the purchase of printing and writing paper to three or fewer sources, the department may waive the requirement in order to purchase necessary amounts of printing and writing paper.
- f. The department of general services, in conjunction with the department of natural resources, shall review the availability of a higher percentage content of postconsumer content printing and writing paper and shall, by rule, adjust the percentage requirement accordingly.
- g. d. Notwithstanding the requirements of this subsection regarding the purchase of recycled printing and writing paper, the department shall purchase acid-free permanent paper in the amount necessary for the production or reproduction of documents, papers, or similar materials produced or reproduced for permanent preservation pursuant to law.
- 3. The department of general services, in conjunction with the department of natural resources, shall review the procurement specifications currently used by the state to eliminate, wherever possible, discrimination against the procurement of products manufactured with recovered materials and soybean-based inks.

- 4. The department of natural resources shall assist the department of general services in locating suppliers of recycled products and soybean-based inks and collecting data on recycled content and soybean-based ink purchases.
- 5. Information on recycled content shall be requested on all bids for paper products other than printing and writing paper issued by the state and on other bids for products which could have recycled content such as oil, plastic products, including but not limited to compost materials, aggregate, solvents, soybean-based inks, and rubber products. Except for purchases of printing and writing paper made pursuant to subsection 2, paragraphs "c" and "d", the department of general services shall require persons submitting bids for printing and writing paper to certify that the printing and writing paper proposed complies with the requirements referred to in subsection 2, paragraph "a".
- 6. The department of general services, in conjunction with the department of natural resources, shall adopt rules and regulations to earry out the provisions of administer this section.
- 7. All state agencies shall fully cooperate with the departments of general services and natural resources in all phases of implementing this section.
- 8. The department, whenever technically feasible, shall purchase and use degradable loose foam packing material manufactured from grain starches or other renewable resources, unless the cost of the packing material is more than ten percent greater than the cost of packing material made from nonrenewable resources. For the purposes of this subsection, "packing material" means material, other than an exterior packing shell, that is used to stabilize, protect, cushion, or brace the contents of a package.
  - Sec. 4. Section 18.27, subsection 5, Code 1999, is amended by striking the subsection.
  - Sec. 5. Section 18.28, Code 1999, is amended to read as follows: 18.28 "PRINTING" DEFINED.

As used in chapter 7A and sections 18.26 to 18.103, "printing" means the reproduction of an image from a printing surface made generally by a contact impression that causes a transfer of ink, or the reproduction of an impression by a photographic process, or the reproduction of an image by electronic means and shall include binding and may include material, processes, or operations necessary to produce a finished printed product, but shall not include binding, rebinding or repairs of books, journals, pamphlets, magazines and literary articles by any library of the state or any of its offices, departments, boards and commissions held as a part of their library collection.

Sec. 6. Section 18.37, Code 1999, is amended to read as follows:

18.37 DEPOSIT WITH BID OR YEARLY BOND.

When a bidder submits a bid to the department, the director may require the bidder to file a bid bond or a certified <u>or cashier's</u> check payable to the state treasurer in an amount to be fixed in the bid specifications, either covering all classes or items or services, or separate certified <u>or cashier's</u> checks for each bid in case the bidder makes more than one bid. In lieu of a certified <u>or cashier's</u> check, the bidder may furnish a yearly bond in an amount to be established by the director. Certified <u>or cashier's</u> checks deposited by unsuccessful bidders, and by successful bidders when they have entered into the contract, shall be returned to them.

Sec. 7. Section 18.43, Code 1999, is amended to read as follows:

18.43 DUTY TO ENTER INTO CONTRACT — FORFEITURE.

If the department requires a bid bond or certified <u>or cashier's</u> check as provided in section 18.37, a successful bidder shall, within ten days after the award, enter into a contract in accordance with the bid. Unless this is done, or the delay is for reasons satisfactory to the director, the bid bond or certified <u>or cashier's</u> check submitted with the bid shall be forfeited to the state. The bid specifications on which the bid is made constitute a part of the contract.

- Sec. 8. Section 216B.3, subsection 14, Code 1999, is amended to read as follows:
- 14. In conjunction with the recommendations made by the department of natural resources, purchase Purchase and use recycled printing and writing paper in accordance with the schedule established in section 18.18; establish a wastepaper recycling program, by January 1, 1990, in accordance with the recommendations made by the department of natural resources and requirements of section 18.20; and, in accordance with section 18.6, require product content statements, the provision of information regarding on-site review of waste management in product bidding and contract procedures, and compliance with requirements regarding contract bidding.
  - Sec. 9. Section 262.9, subsection 6, Code 1999, is amended to read as follows:
- 6. In conjunction with the recommendations made by the department of natural resources, purchase Purchase and use recycled printing and writing paper, with the exception of specialized paper when no recyclable product is available, in accordance with the schedule established in section 18.18; establish a wastepaper recycling program for all institutions governed by the board in accordance with recommendations made by the department of natural resources and the requirements of section 18.20; shall, in accordance with the requirements of section 18.6, require product content statements, the provision of information regarding on-site review of waste management in product bidding and contract procedures, and compliance with requirements regarding procurement specifications; and shall comply with the requirements for the purchase of lubricating oils and industrial oils as established pursuant to section 18.22.
- Sec. 10. Section 307.21, subsection 4, paragraph b, subparagraph (1), Code 1999, is amended to read as follows:
- (1) Purchase and use recycled printing and writing paper in accordance with the schedule established in section 18.18 and in conjunction with recommendations made by the department of natural resources.
- Sec. 11. 1998 Iowa Acts, chapter 1219, section 6, subsection 1, unnumbered paragraph 3, is amended to read as follows:

Of the amount appropriated in this subsection, up to \$1,250,000 may be used by the department for the purchase of property located at the southwest corner of Lyon street and East Tenth street, together with the contiguous property south of the southwest corner property and the property between East Tenth street and East Eleventh street between Lyon street and Des Moines street, all in the city of Des Moines.

Sec. 12. EFFECTIVE DATE. Section 11 of this Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 14, 1999