

## CHAPTER 72

## DUTIES RELATING TO PUBLIC CONTRACTS

72.1	Contracts for excess expenditures — exception for coal.	72.3	Divulging contents of sealed bids.
72.2	Executive council may authorize indebtedness.	72.4	Penalty.
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**72.1 Contracts for excess expenditures — exception for coal.**

Officers empowered to expend, or direct the expenditure of, public money of the state shall not make any contract for any purpose which contemplates an expenditure of such money in excess of that authorized by law. However, the state or an agency of the state may enter into a contract of not exceeding ten years in duration for the purchase of coal to be used in facilities under the jurisdiction of the state or the state agency. The execution of the contract shall be contingent upon appropriations by the general assembly in sufficient amounts to meet the terms of the contract.

[R60, §2181; C73, §127; C97, §185, 186; C24, 27, 31, 35, 39, §1168; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §72.1]

**72.2 Executive council may authorize indebtedness.**

Nothing herein contained shall prevent the incurring of an indebtedness on account of support funds for state institutions, upon the prior written direction of the executive council, specifying the items and amount of such indebtedness to be increased, and the necessity therefor.

[C97, §186; C24, 27, 31, 35, 39, §1169; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §72.2]

**72.3 Divulging contents of sealed bids.**

No public officer or deputy thereof, if any, shall directly or indirectly or in any manner whatsoever, at any other time or in any other manner than as provided by law, open any sealed bid or convey or divulge to any person any part of the contents of a sealed bid, on any proposed contract concerning which a sealed bid is required or permitted by law.

[S13, §1279-a; C24, 27, 31, 35, 39, §1170; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §72.3]  
Referred to in [§8A.311](#), [72.4](#)

**72.4 Penalty.**

A violation of the provisions of [section 72.3](#) shall, in addition to criminal liability, render the violator liable, personally and on the violator's bond, if any, to liquidated damages in the sum of one thousand dollars for each violation, to inure to and be collected by the state, county, city, school corporation or other municipal corporation of which the violator is an officer or deputy.

[S13, §1279-a; C24, 27, 31, 35, 39, §1171; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §72.4]

**72.5 Life cycle cost.**

1. a. A contract for a public improvement or construction of a public building, including new construction or renovation of an existing public building, by the state, or an agency of the state, shall not be let without satisfying the following requirements:

(1) A design professional submitting a design development proposal for consideration of the public body shall at minimum prepare one proposal meeting the design program's space and use requirements which reflects the lowest life cycle cost possible in light of existing commercially available technology.

(2) Submission of a cost-benefit analysis of any deviations from the lowest life cycle cost proposal contained in other design proposals requested by or prepared for submission to the public body.

b. The public body may request additional design proposals in light of funds available for construction, aesthetic considerations, or any other reason.

c. [This subsection](#) applies for all design development proposals requested on or after January 1, 1991.

2. The director of the economic development authority, in consultation with the department of management and the state building code commissioner, shall develop standards and methods to evaluate design development documents and construction documents based upon life cycle cost factors to facilitate fair and uniform comparisons between design proposals and informed decision making by public bodies.

3. The department of management shall develop a proposal for submission to the general assembly on or before January 10, 1991, to create a division within the department of management to evaluate life cycle costs on design proposals submitted on public improvement and construction contracts for agencies of the state, to assure uniform comparisons and professional evaluations of design proposals by an independent agency. The report shall also address potential redundancy and conflicts within existing state law regarding life cycle cost analysis and recommend the resolution of any problems which are identified.

4. It is the intent of the general assembly to discourage construction of public buildings based upon lowest acquisition cost, and instead to require that such decisions be based upon life cycle costs to reduce energy consumption, maintenance requirements, and continuing burdens upon taxpayers.

[90 Acts, ch 1252, §5; 94 Acts, ch 1173, §5; 2004 Acts, ch 1086, §17; 2006 Acts, ch 1014, §1; 2007 Acts, ch 22, §17; 2008 Acts, ch 1032, §201; 2009 Acts, ch 108, §5, 41; 2011 Acts, ch 118, §50, 89; 2023 Acts, ch 19, §1484](#)

Referred to in [§476.10B](#)  
Subsection 2 amended