

March 15, 1965.

Senate File 105

By DENMAN, BURKE, BURNS, DeKOSTER,
ELVERS, ELY, FLOY, GRIFFIN, HAGEDORN,
HEABERLIN, HEYING, LODWICK, MURRAY,
NIMS, O'MALLEY, REPPERT and RIGLER.
(As Amended by the Senate.)

Passed Senate, Date 3/16 Passed House, Date 4/9

Vote: Ayes 55 Nays 1 Vote: Ayes 108 Nays 1

Approved April 29, 1965

passed as amended 7/20 (54-1)

A BILL FOR

An Act relating to conflicts of interest of municipal officials and employees.

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

1 Section 1. Section three hundred sixty-eight A point twenty-two
(368A.22),
2 Code 1962, as amended by chapter two hundred forty (240), Acts of
the
3 Sixtieth General Assembly, is hereby repealed and the following en-
acted
4 in lieu thereof:

5 1. When used in this Act "contract" means any claim, account or
6 demand against or agreement with a municipality, express or implied,
and
7 shall include the designation of a depository of public funds.

8 2. No municipal officer or employee shall have an interest, direct
9 or indirect, in any contract or job of work or material or the profits
10 thereof or services to be furnished or performed for his municipality.

11 The provisions of this section shall not apply to:

12 a. The payment of lawful compensation to any municipal officer or
13 employee holding more than one (1) municipal office or position, the
holding
14 of which is not incompatible with another public office or is not pro-
hibited
15 by law.

16 b. The designation of a bank or trust company as a depository,
paying
17 agent, or for investment of funds.

18 c. The treasurer of any municipality who is employed by a bank or
19 trust company designated as a depository, paying agent, or for invest-
ment

20 of funds of the municipality, provided he has no ownership in such
21 trust company except a stock interest of the kind described in sub-
22 section i.

23 d. Contracts made by municipalities of less than three thousand
24 (3,000) population, upon competitive bid in writing, publicly invited
25 and
26 opened.

27 e. Contracts with a person, firm, corporation or association in which
28 a municipal officer or employee has an interest solely by reason of
29 employment, or a stock interest of the kind described in subsection i or
30 both, if such contracts are made by competitive bid, publicly invited
31 and
32 opened, and if the remuneration of such employment will not be di-
33 rectly
34 affected as a result of such contract and the duties of such employment
35 do
36 not directly involve the procurement or preparation of any part of such
37 contract. The competitive bid requirement of this paragraph shall not
38 be required for any contract for professional services not customarily
39 awarded by competitive bid.

40 f. The designation of an official newspaper.

41 g. A contract in which a municipal officer or employee has an inter-
42 est
43 if such contract was made before the time he was elected or appointed,
44 but such contract shall not be renewed.

45 h. Contracts with volunteer firemen or civil defense volunteers.

46 i. A contract with a corporation in which a municipal officer or
47 employee has an interest by reason of stockholdings with less than
48 five (5) per cent of the outstanding stock of the corporation is owned
49 or
50 controlled directly or indirectly by such officer or employee.

51 j. A contract made by competitive bid, publicly invited and open,
52 in which a member of a city or town board of trustees or commission
53 has an interest if he is not authorized by law to participate in the
54 awarding of the contract. The competitive bid requirement of this

- 48 paragraph shall not be required for any contract for professional services
- 49 not customarily awarded by competitive bid.

SENATE FILE 105

- 1 Amend Senate File 105, section 1, by inserting a period (.)
- 2 after the word "municipality" in line 20 and striking the balance
- 3 of line 20 and all of line 21.

Filed and adopted
March 16, 1965.

By SHAFF.

SENATE FILE 105

- 1 Amend Senate File 105, as passed by the Senate, by
- 2 striking paragraph c. of subsection 2 of section 1 and
- 3 inserting in lieu thereof the following:
- 4 "c. An employee of a bank or trust company, who
- 5 serves as treasurer of any municipality."

Filed
April 14, 1965.

Adopted 7/19 *Struck as amended 4/20*

MEACHAM of Poweshiek.

SENATE FILE 105

- 1 Amend Senate File 105, section one (1), by striking in
- 2 line twenty-eight (28) the word "subsection" and inserting
- 3 in lieu thereof the word "paragraph".

Filed and adopted
April 19, 1965.

Struck as amended 4/20

GAUDINEER of Polk.

January 26, 1965.

Senate File 105

Passed on file.

By DENMAN, BURKE, BURNS, DeKOSTER,
SELVERS, ELY, FLOY, GRIFFIN, HAGEDORN,
HEABERLIN, HEYING, LODWICK, MURRAY,
NIMS, O'MALLEY, REPERT and RIGLER.

Passed Senate, Date.....

Passed House, Date.....

Vote: Ayes..... Nays.....

Vote: Ayes..... Nays.....

defeated 3/11
referred 3/11
referred 3/11

substituted for HF 184 4/5
referred on calendar 7/15
referred 7/15

A BILL FOR

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

- 1 Section 1. Section three hundred sixty-eight A point
- 2 twenty-two (368A.22), Code 1962, as amended by chapter two
- 3 hundred forty (240), Acts of the Sixtieth General Assembly,
- 4 is hereby repealed and the following enacted in lieu thereof:
- 5 1. When used in this Act "contract" means any claim,
- 6 account or demand against or agreement with a municipality,
- 7 expressed or implied, and shall include the designation of a
- 8 depository of public funds.
- 9 2. No municipal officer or employee shall have an interest,
- 10 direct or indirect, in any contract or job of work or material
- 11 or the profits thereof or services to be furnished or performed
- 12 for his municipality. The provisions of this section shall not
- 13 apply to:
- 14 a. The payment of lawful compensation to any municipal
- 15 officer or employee holding more than one (1) municipal office
- 16 or position, the holding of which is not incompatible with
- 17 another public office or is not prohibited by law.
- 18 b. The designation of a bank or trust company as a
- 19 depository, paying agent, or for investment of funds.

20 c. The treasurer of any municipality who is employed
21 by a bank or trust company designated as a depository, paying
22 agent, or for investment of funds of the municipality,
23 provided he has no ownership in such bank or trust company.

24 d. Strike municipalities of less than three thousand (3,000)
25 population contracts made upon competitive bid in writing,
26 publicly invited and opened.

27 e. Contracts with a person, firm, corporation or association
28 in which a municipal officer or employee has an interest
29 solely by reason of employment, if such contracts are made
30 by competitive bid, publicly invited and opened, and if the
31 remuneration of such employment will not be directly affected
32 as a result of such contract and the duties of such employment
33 do not directly involve the procurement, preparation or
34 performance of any part of such contract.

35 f. The designation of an official newspaper.

36 g. A contract in which a municipal officer or employee
37 has an interest if such contract was made before the time he
38 was elected or appointed, but such contract shall not be
39 renewed.

40 h. Contracts with volunteer firemen or civil defense
41 volunteers.

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SENATE FILE 105

- 1 Amend Senate File 105 by adding thereto the following:
- 2 "i. A contract with a corporation in which a municipal
- 3 officer or employee has an interest by reason of stockholdings
- 4 when less than five (5) per cent of the outstanding stock
- 5 of the corporation is owned or controlled directly or
- 6 indirectly by such officer or employee."

Filed
March 9, 1965.

adopted 3/9
By DENMAN.

SENATE FILE 105

- 1 Amend Senate File 105 by adding thereto the following:
- 2 "A contract made by competitive bid, publicly invited
- 3 and open, in which a member of a city or town board of
- 4 trustees or commission has an interest if he is not
- 5 authorized by law to participate in the awarding of the
- 6 contract."

Filed
March 10, 1965.

adopted 3/10
By DENMAN.

SENATE FILE 105

- 1 Amend Senate File 105 by adding the following at the end
- 2 of subsection 2:
- 3 "If a municipal officer has an interest, direct or indirect,
- 4 in any matter which is within the scope of the exceptions
- 5 contained in this subsection, he shall not vote when action
- 6 is taken upon such matters."

Filed
March 11, 1965.

adopted 3/11
By STANLEY.

SENATE FILE 105

- 1 Amend Senate File 105 as follows:
- 2 1. Strike lines 24 through 26 and insert in lieu
- 3 thereof the following:
- 4 "d. Contracts made by municipalities of less than three
- 5 thousand (3,000) population, upon competitive bid in
- 6 writing, publicly invited and opened."
- 7 2. In line 23, insert the following before the period:
- 8 "except a stock interest of the kind described in subsection i".
- 9 3. In line 29, insert the following after the word
- 10 "employment": "or a stock interest of the kind described
- 11 in subsection i or both".

Filed
March 11, 1965.

adopted 3/11
By STANLEY.

SENATE FILE 105

- 1 Amend Senate File 105, lines 23 and 34, by striking
- 2 the words "procurement, preparation or performance"
- 3 and inserting in lieu thereof the words "procurement
- 4 or preparation".

Filed and adopted
March 12, 1965.

By BENEKE.

SENATE FILE 105

- 1 Amend Senate File 105 as follows:
- 2 1. Amend paragraph "e" of subsection 2 by adding
- 3 thereto the following:
- 4 "The competitive bid requirement of this paragraph shall
- 5 not be required for any contract for professional services
- 6 not customarily awarded by competitive bid."
- 7 2. Amend paragraph "j" of subsection 2 by adding
- 8 thereto the following:
- 9 "The competitive bid requirement of this paragraph shall
- 10 not be required for any contract for professional services
- 11 not customarily awarded by competitive bid."

Filed
March 11, 1965.

adopted 3/11
By DENMAN and STANLEY.