

Gaskill

Rife

Kibbie

SSB-3107

Natural Resources

Succeeded by
SF/HF 2249

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
NATURAL RESOURCES AND
ENVIRONMENT BILL
BY CHAIRPERSON BARTZ)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to a state agency purchasing preference for bio-
2 based hydraulic fluids, greases, and other industrial
3 lubricants.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 18.6, subsection 12, paragraph b, Code
2 Supplement 1999, is amended to read as follows:

3 b. The procurement of biodegradable bio-based hydraulic
4 fluids, greases, and other industrial lubricants manufactured
5 from soybeans by state agencies in accordance with the
6 requirements of section 18.22.

7 Sec. 2. Section 18.22, subsection 4, Code 1999, is amended
8 to read as follows:

9 4. a. Provide that when purchasing hydraulic fluids,
10 greases, and other industrial lubricants the department or a
11 state agency authorized by the department to directly purchase
12 hydraulic fluids, greases, and other industrial lubricants
13 shall give preference to purchasing biodegradable bio-based
14 hydraulic fluids, greases, and other industrial lubricants
15 manufactured from soybeans.

16 ~~b. The department or state agency purchasing the hydraulic~~
17 ~~fluid shall purchase biodegradable hydraulic fluid, if both of~~
18 ~~the following apply:~~

19 ~~(1) The purchase is within the purchasing budget of the~~
20 ~~department or a state agency.~~

21 ~~(2) The use of biodegradable hydraulic fluid in the~~
22 ~~equipment operated by the department or state agency is~~
23 ~~consistent with the manufacturer's specifications for the~~
24 ~~equipment.~~

25 c. b. The department shall provide for the implementation
26 of requirements necessary in order to carry out this
27 subsection by the department or state agency making the
28 purchase, which shall include all of the following:

29 (1) Including the preference requirements in publications
30 used to solicit bids for hydraulic fluids, greases, and other
31 industrial lubricants.

32 (2) Describing the preference requirements at bidders'
33 conferences in which bids for the sale of hydraulic fluids,
34 greases, and other industrial lubricants are sought by the
35 department or authorized state agency.

1 (3) Discussing the preference requirements in procurement
2 solicitations or invitations to bid for hydraulic fluids,
3 greases, and other industrial lubricants.

4 (4) Informing industry trade associations about the
5 preference requirements.

6 c. As used in this section, unless the context otherwise
7 requires:

8 (1) "Bio-based hydraulic fluids, greases, and other
9 industrial lubricants" means as defined by the United States
10 department of agriculture, if the department has adopted such
11 a definition. If the United States department of agriculture
12 has not adopted a definition, "bio-based hydraulic fluids,
13 greases, and other industrial lubricants" means hydraulic
14 fluids, greases, and other lubricants containing a minimum of
15 fifty-one percent soybean oil.

16 (2) "Other industrial lubricants" means lubricants used or
17 applied to machinery.

18 Sec. 3. Section 216B.3, subsection 17, Code Supplement
19 1999, is amended to read as follows:

20 17. Comply with the requirements for the purchase of
21 lubricating oils, industrial oils, greases, and hydraulic
22 fluids as established pursuant to section 18.22.

23 Sec. 4. Section 260C.19B, Code 1999, is amended to read as
24 follows:

25 260C.19B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
26 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

27 Hydraulic fluids, greases, and other industrial lubricants
28 purchased by or used under the direction of the board of
29 directors to provide services to a merged area shall be
30 purchased in compliance with the preference requirements for
31 purchasing biodegradable bio-based hydraulic fluids, greases,
32 and other industrial lubricants as provided pursuant to
33 section 18.22.

34 Sec. 5. Section 262.25B, Code 1999, is amended to read as
35 follows:

1 262.25B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
2 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

3 The state board of regents and institutions under the
4 control of the board purchasing hydraulic fluids, greases, and
5 other industrial lubricants shall give preference to
6 purchasing biodegradable bio-based hydraulic fluids, greases,
7 and other industrial lubricants as provided in section 18.22.

8 Sec. 6. Section 307.21, subsection 4, paragraph b,
9 subparagraph (4), Code Supplement 1999, is amended to read as
10 follows:

11 (4) Comply with the requirements for the purchase of
12 lubricating oils, industrial oils, greases, and hydraulic
13 fluids as established pursuant to section 18.22.

14 Sec. 7. Section 904.312B, Code 1999, is amended to read as
15 follows:

16 904.312B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
17 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

18 The department when purchasing hydraulic fluids, greases,
19 and other industrial lubricants shall give preference to
20 purchasing biodegradable bio-based hydraulic fluids, greases,
21 and other industrial lubricants as provided in section 18.22.

22 EXPLANATION

23 This bill relates to the purchase preference of bio-based
24 hydraulic fluids, greases, and other industrial lubricants by
25 state agencies. The bill requires that the department of
26 general services or a state agency authorized by the
27 department give preference to purchasing hydraulic fluids,
28 greases, and other industrial lubricants manufactured from
29 soybeans. The bill provides that the department shall revise
30 procurement specifications to ensure that the preference by
31 state agencies for bio-based hydraulic fluids, greases, and
32 other industrial lubricants occurs.

33 The bill amends Code sections 216B.3, 260C.19B, 262.25B,
34 307.21, and 904.312B which require the department of the
35 blind, the board of directors of the community colleges, the

1 board of regents and institutions under the board, the
 2 department of transportation, and the department of
 3 corrections to comply with the purchasing preference of bio-
 4 based hydraulic fluids, greases, and other industrial
 5 lubricants.

6 The bill defines bio-based hydraulic fluids, greases, and
 7 other industrial lubricants as the same as defined by the
 8 United States department of agriculture if the department has
 9 adopted such a definition. Otherwise, the term means
 10 hydraulic fluids, greases, and other lubricants containing a
 11 minimum of 51 percent soybean oil. The bill also defines
 12 other industrial lubricants as lubricants used or applied to
 13 machinery.

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H 3/1/00 State Gov.
H 3/17/00 Do Pass
H 3/23/00 Unfinished Business Calendar

FILED FEB 22 2000

SENATE FILE 2249
BY COMMITTEE ON NATURAL
RESOURCES AND ENVIRONMENT

(SUCCESSOR TO SSB 3107)

Passed Senate, Date 2/29/00 (P. 456) Passed House, Date 4-3-00 (P. 1182)
Vote: Ayes 48 Nays 0 Vote: Ayes 98 Nays 0
Approved 4-19-00

Re. Passed 4-11-00
Vote 49-0

(P. 1099)

A BILL FOR

1 An Act relating to a state agency purchasing preference for bio-
2 based hydraulic fluids, greases, and other industrial
3 lubricants.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HOUSE AMENDMENT TO
SENATE FILE 2249

S-5330
1 Amend Senate File 2249, as passed by the Senate, as
2 follows:
3 1. Page 1, line 3, by inserting after the word
4 "procurement" the words "by state agencies".
5 2. Page 1, line 5, by striking the words "by
6 state agencies".

RECEIVED FROM THE HOUSE

S-5330 FILED APRIL 3, 2000
Senate Concurred 4-11-00 (P. 1098)

SF 2249

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by state agencies

1 Section 1. Section 18.6, subsection 12, paragraph b, Code
2 Supplement 1999, is amended to read as follows:

3 b. The procurement of biodegradable bio-based hydraulic
4 fluids, greases, and other industrial lubricants manufactured
5 from soybeans by state agencies in accordance with the
6 requirements of section 18.22.

7 Sec. 2. Section 18.22, subsection 4, Code 1999, is amended
8 to read as follows:

9 4. a. Provide that when purchasing hydraulic fluids,
10 greases, and other industrial lubricants the department or a
11 state agency authorized by the department to directly purchase
12 hydraulic fluids, greases, and other industrial lubricants
13 shall give preference to purchasing biodegradable bio-based
14 hydraulic fluids, greases, and other industrial lubricants
15 manufactured from soybeans.

16 ~~b.---The-department-or-state-agency-purchasing-the-hydraulic~~
17 ~~fluid-shall-purchase-biodegradable-hydraulic-fluid,-if-both-of~~
18 ~~the-following-apply:~~

19 ~~(1)--The-purchase-is-within-the-purchasing-budget-of-the~~
20 ~~department-or-a-state-agency.~~

21 ~~(2)--The-use-of-biodegradable-hydraulic-fluid-in-the~~
22 ~~equipment-operated-by-the-department-or-state-agency-is~~
23 ~~consistent-with-the-manufacturer's-specifications-for-the~~
24 ~~equipment.~~

25 ~~c.~~ b. The department shall provide for the implementation
26 of requirements necessary in order to carry out this
27 subsection by the department or state agency making the
28 purchase, which shall include all of the following:

29 (1) Including the preference requirements in publications
30 used to solicit bids for hydraulic fluids, greases, and other
31 industrial lubricants.

32 (2) Describing the preference requirements at bidders'
33 conferences in which bids for the sale of hydraulic fluids,
34 greases, and other industrial lubricants are sought by the
35 department or authorized state agency.

1 (3) Discussing the preference requirements in procurement
2 solicitations or invitations to bid for hydraulic fluids,
3 greases, and other industrial lubricants.

4 (4) Informing industry trade associations about the
5 preference requirements.

6 c. As used in this section, unless the context otherwise
7 requires:

8 (1) "Bio-based hydraulic fluids, greases, and other
9 industrial lubricants" means as defined by the United States
10 department of agriculture, if the department has adopted such
11 a definition. If the United States department of agriculture
12 has not adopted a definition, "bio-based hydraulic fluids,
13 greases, and other industrial lubricants" means hydraulic
14 fluids, greases, and other lubricants containing a minimum of
15 fifty-one percent soybean oil.

16 (2) "Other industrial lubricants" means lubricants used or
17 applied to machinery.

18 Sec. 3. Section 216B.3, subsection 17, Code Supplement
19 1999, is amended to read as follows:

20 17. Comply with the requirements for the purchase of
21 lubricating oils, industrial oils, greases, and hydraulic
22 fluids as established pursuant to section 18.22.

23 Sec. 4. Section 260C.19B, Code 1999, is amended to read as
24 follows:

25 260C.19B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
26 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

27 Hydraulic fluids, greases, and other industrial lubricants
28 purchased by or used under the direction of the board of
29 directors to provide services to a merged area shall be
30 purchased in compliance with the preference requirements for
31 purchasing ~~biodegradable~~ bio-based hydraulic fluids, greases,
32 and other industrial lubricants as provided pursuant to
33 section 18.22.

34 Sec. 5. Section 262.25B, Code 1999, is amended to read as
35 follows:

1 262.25B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
2 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

3 The state board of regents and institutions under the
4 control of the board purchasing hydraulic fluids, greases, and
5 other industrial lubricants shall give preference to
6 purchasing biodegradable bio-based hydraulic fluids, greases,
7 and other industrial lubricants as provided in section 18.22.

8 Sec. 6. Section 307.21, subsection 4, paragraph b,
9 subparagraph (4), Code Supplement 1999, is amended to read as
10 follows:

11 (4) Comply with the requirements for the purchase of
12 lubricating oils, industrial oils, greases, and hydraulic
13 fluids as established pursuant to section 18.22.

14 Sec. 7. Section 904.312B, Code 1999, is amended to read as
15 follows:

16 904.312B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC
17 FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

18 The department when purchasing hydraulic fluids, greases,
19 and other industrial lubricants shall give preference to
20 purchasing biodegradable bio-based hydraulic fluids, greases,
21 and other industrial lubricants as provided in section 18.22.

22 EXPLANATION

23 This bill relates to the purchase preference of bio-based
24 hydraulic fluids, greases, and other industrial lubricants by
25 state agencies. The bill requires that the department of
26 general services or a state agency authorized by the
27 department give preference to purchasing hydraulic fluids,
28 greases, and other industrial lubricants manufactured from
29 soybeans. The bill provides that the department shall revise
30 procurement specifications to ensure that the preference by
31 state agencies for bio-based hydraulic fluids, greases, and
32 other industrial lubricants occurs.

33 The bill amends Code sections 216B.3, 260C.19B, 262.25B,
34 307.21, and 904.312B which require the department of the
35 blind, the board of directors of the community colleges, the

1 board of regents and institutions under the board, the
2 department of transportation, and the department of
3 corrections to comply with the purchasing preference of bio-
4 based hydraulic fluids, greases, and other industrial
5 lubricants.

6 The bill defines bio-based hydraulic fluids, greases, and
7 other industrial lubricants as the same as defined by the
8 United States department of agriculture if the department has
9 adopted such a definition. Otherwise, the term means
10 hydraulic fluids, greases, and other lubricants containing a
11 minimum of 51 percent soybean oil. The bill also defines
12 other industrial lubricants as lubricants used or applied to
13 machinery.

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SENATE FILE 2249

H-8691

1 Amend Senate File 2249, as passed by the Senate, as
2 follows:

- 3 1. Page 1, line 3, by inserting after the word
- 4 "procurement" the words "by state agencies".
- 5 2. Page 1, line 5, by striking the words "by
- 6 state agencies".

By GARMAN of Story

H-8691 FILED APRIL 3, 2000
ADOPTED BY UNANIMIOUS CONSENT

(P. 1181)

**SENATE FILE 2249
FISCAL NOTE**

A fiscal note for Senate File 2249 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

SUMMARY

Senate File 2249 encourages State agencies to give purchasing preference for bio-based hydraulic fluids, grease products, and other industrial lubricants. Bid procurement specifications are to include purchasing preference for bio-based products. The Bill defines bio-based products as hydraulic fluids, grease, and other lubricants containing a minimum of 51% soybean oil.

ASSUMPTIONS

1. The Department of Transportation estimates the average cost to purchase petroleum-based hydraulic fluid is \$1.67 per gallon and the average cost to purchase bio-based hydraulic fluid is \$11.40 per gallon. The Department of Transportation purchased approximately 20,000 gallons of hydraulic fluid in FY 1999.
2. The Iowa Board of Regents estimates the average cost to purchase petroleum-based hydraulic fluid is \$3.50 per gallon and the average cost to purchase bio-based hydraulic fluid is \$11.08 per gallon.
3. The Department of Transportation estimates the average cost to purchase petroleum-based grease is \$1.33 per pound and the average cost to purchase bio-based grease is \$1.96 per pound. The Department of Transportation purchased approximately 1,575 pounds of grease in FY 1999.
4. The Department of Transportation estimates the average cost to purchase a 14-ounce petroleum-based grease cartridge is \$1.32 and the average cost to purchase a bio-based grease cartridge is \$1.96. The Department of Transportation purchased approximately 7,800 cartridges in FY 1999.

FISCAL IMPACT

Senate File 2249 is expected to increase expenditures from the Primary Road Fund to the Department of Transportation by \$204,000 in FY 2001. The Iowa Board of Regents estimates a \$22,000 increase in expenditures for FY 2001 from the General Fund.

SOURCES

Iowa Board of Regents
Department of Transportation

(LSB 5989SV, DFK)

SENATE FILE 2249

AN ACT

RELATING TO A STATE AGENCY PURCHASING PREFERENCE FOR BIO-BASED
HYDRAULIC FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 18.6, subsection 12, paragraph b, Code Supplement 1999, is amended to read as follows:

b. The procurement by state agencies of biodegradable bio-based hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans in accordance with the requirements of section 18.22.

Sec. 2. Section 18.22, subsection 4, Code 1999, is amended to read as follows:

4. a. Provide that when purchasing hydraulic fluids, greases, and other industrial lubricants the department or a state agency authorized by the department to directly purchase hydraulic fluids, greases, and other industrial lubricants shall give preference to purchasing biodegradable bio-based hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans.

~~b.--The department or state agency purchasing the hydraulic fluid shall purchase biodegradable hydraulic fluid, if both of the following apply:~~

~~(1)--The purchase is within the purchasing budget of the department or a state agency.~~

~~(2)--The use of biodegradable hydraulic fluid in the equipment operated by the department or state agency is consistent with the manufacturer's specifications for the equipment.~~

c. b. The department shall provide for the implementation of requirements necessary in order to carry out this subsection by the department or state agency making the purchase, which shall include all of the following:

(1) Including the preference requirements in publications used to solicit bids for hydraulic fluids, greases, and other industrial lubricants.

(2) Describing the preference requirements at bidders' conferences in which bids for the sale of hydraulic fluids, greases, and other industrial lubricants are sought by the department or authorized state agency.

(3) Discussing the preference requirements in procurement solicitations or invitations to bid for hydraulic fluids, greases, and other industrial lubricants.

(4) Informing industry trade associations about the preference requirements.

c. As used in this section, unless the context otherwise requires:

(1) "Bio-based hydraulic fluids, greases, and other industrial lubricants" means as defined by the United States department of agriculture, if the department has adopted such a definition. If the United States department of agriculture has not adopted a definition, "bio-based hydraulic fluids, greases, and other industrial lubricants" means hydraulic fluids, greases, and other lubricants containing a minimum of fifty-one percent soybean oil.

(2) "Other industrial lubricants" means lubricants used or applied to machinery.

Sec. 3. Section 216B.3, subsection 17, Code Supplement 1999, is amended to read as follows:

17. Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section 18.22.

Sec. 4. Section 260C.19B, Code 1999, is amended to read as follows:

260C.19B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

Hydraulic fluids, greases, and other industrial lubricants purchased by or used under the direction of the board of directors to provide services to a merged area shall be purchased in compliance with the preference requirements for purchasing biodegradable bio-based hydraulic fluids, greases, and other industrial lubricants as provided pursuant to section 18.22.

Sec. 5. Section 262.25B, Code 1999, is amended to read as follows:

262.25B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

The state board of regents and institutions under the control of the board purchasing hydraulic fluids, greases, and other industrial lubricants shall give preference to purchasing biodegradable bio-based hydraulic fluids, greases, and other industrial lubricants as provided in section 18.22.

Sec. 6. Section 307.21, subsection 4, paragraph b, subparagraph (4), Code Supplement 1999, is amended to read as follows:

(4) Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section 18.22.

Sec. 7. Section 904.312B, Code 1999, is amended to read as follows:

904.312B PURCHASE OF BIODEGRADABLE BIO-BASED HYDRAULIC FLUIDS, GREASES, AND OTHER INDUSTRIAL LUBRICANTS.

The department when purchasing hydraulic fluids, greases, and other industrial lubricants shall give preference to

purchasing biodegradable bio-based hydraulic fluids, greases, and other industrial lubricants as provided in section 18.22.

MARY E. KRAMER
President of the Senate

BRENT SIEGRIST
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2249, Seventy-eighth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved 4/19, 2000

THOMAS J. VILSACK
Governor