

Maddox  
Schuerer  
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SSB-1112

State Government

Introduced By

SENATE/HOUSE FILE SF/HE 282  
BY (PROPOSED DEPARTMENT OF  
GENERAL SERVICES BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to practices and procedures of the department of  
2 general services, regulating state purchasing of recycled  
3 paper, modifying an appropriation to the department, and  
4 providing an effective date.

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

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

3 9. a. When the estimated total cost of construction,  
4 erection, demolition, alteration, or repair of a public  
5 improvement exceeds ~~twenty-five~~ one hundred thousand dollars,  
6 the department shall solicit bids on the proposed improvement  
7 by publishing an advertisement in a print format. The  
8 advertisement shall appear in two publications in a newspaper  
9 published in the county in which the work is to be done. The  
10 first advertisement for bids appearing in a newspaper shall be  
11 not less than fifteen days prior to the date set for receiving  
12 bids. The department may publish an advertisement in an  
13 electronic format as an additional method of soliciting bids  
14 under this paragraph.

15 b. In awarding a contract, the department shall let the  
16 work to the lowest responsible bidder submitting a sealed  
17 proposal. However, if the department considers the bids  
18 received not to be acceptable, all bids may be rejected and  
19 new bids requested. A bid shall be accompanied by a certified  
20 or cashier's check or bid bond in an amount designated in the  
21 advertisement for bids as security that the bidder will enter  
22 into a contract for the ~~doing-of-the~~ work requested. The  
23 department shall establish the bid security in an amount equal  
24 to at least five percent, but not more than ten percent of the  
25 estimated total cost of the work. The certified or cashier's  
26 checks or bid bonds of unsuccessful bidders shall be returned  
27 as soon as the successful bidder is determined. The certified  
28 or cashier's check or bid bond of the successful bidder shall  
29 be returned upon execution of the contract. This section does  
30 not apply to the construction, erection, demolition,  
31 alteration, or repair of a public improvement when the  
32 contracting procedure for the work requested is otherwise  
33 provided for in law.

34 Sec. 2. Section 18.12, subsection 9, paragraph a, Code  
35 1999, is amended to read as follows:

1 a. Lease all buildings and office space necessary to carry  
2 out the provisions of this chapter or necessary for the proper  
3 functioning of any state agency at the seat of government,  
4 ~~with the approval of the executive council if.~~ For state  
5 agencies at the seat of government, the director may lease  
6 buildings and office space in Polk county or in a county  
7 contiguous to Polk county. If no specific appropriation has  
8 been made, the proposed lease shall be submitted to the  
9 executive council for approval. The cost of any lease for  
10 which no specific appropriation has been made shall be paid  
11 from the fund provided in section 7D.29.

12 Sec. 3. Section 18.18, Code 1999, is amended to read as  
13 follows:

14 18.18 STATE PURCHASES -- RECYCLED PRODUCTS -- SOYBEAN-  
15 BASED INKS.

16 1. When purchasing paper products other than printing and  
17 writing paper, the department shall, when the price is  
18 reasonably competitive and the quality as intended, purchase  
19 the recycled product. The department shall also purchase,  
20 when the price is reasonably competitive and the quality as  
21 intended, and in keeping with the schedule established in this  
22 subsection, soybean-based inks and plastic products with  
23 recycled content including but not limited to plastic garbage  
24 can liners.

25 a. One hundred percent of the purchases of inks which are  
26 used for newsprint printing services performed internally or  
27 contracted for by the department shall be soybean-based.

28 b. One hundred percent of the purchases of inks, other  
29 than inks which are used for newsprint printing services, and  
30 which are used internally or contracted for by the department,  
31 shall be soybean-based to the extent formulations for such  
32 inks are available.

33 c. A minimum of ten percent of the purchases of garbage  
34 can liners made by the department shall be plastic garbage can  
35 liners with recycled content. The percentage shall increase

1 by ten percent annually until fifty percent of the purchases  
2 of garbage can liners are plastic garbage can liners with  
3 recycled content.

4 d. The department shall report to the general assembly on  
5 February 1 of each year the following:

6 (1) A listing of plastic products which are regularly  
7 purchased by the department and other state agencies for which  
8 recycled content product alternatives are available, including  
9 the cost of the plastic products purchased and the cost of the  
10 recycled content product alternatives.

11 (2) Information relating to soybean-based inks and plastic  
12 garbage can liners with recycled content regularly purchased  
13 by the department and other state agencies, including the cost  
14 of purchasing soybean-based inks and plastic garbage can  
15 liners with recycled content and the percentages of soybean-  
16 based inks and plastic garbage can liners with recycled  
17 content that have been purchased.

18 e. For purposes of this section subsection "recycled  
19 content" means that the content of the product contains a  
20 minimum of thirty percent postconsumer material.

21 2. a. ~~As-used-in-this-subsection, unless the context~~  
22 ~~otherwise requires:~~

23 ~~{1}--"Postconsumer material" means only those products~~  
24 ~~generated by a business or consumer which have served their~~  
25 ~~intended end uses, and which have been separated or diverted~~  
26 ~~from solid waste for the purposes of collection, recycling,~~  
27 ~~and disposition.--Postconsumer material does not include~~  
28 ~~manufacturing wastes.~~

29 ~~{2}--"Recycled paper" means a paper product with not less~~  
30 ~~than fifty percent of its total weight consisting of secondary~~  
31 ~~and postconsumer material.--At least ten percent of the total~~  
32 ~~weight of recycled paper shall be postconsumer materials.~~

33 ~~{3}--"Secondary material" means fragments of finished~~  
34 ~~products or finished products of a manufacturing process which~~  
35 ~~has converted a resource into a commodity of real economic~~

1 value and includes postconsumer material but does not include  
2 excess virgin resources of the manufacturing process.

3 b. The Except as otherwise provided in this section, the  
4 department in conjunction with recommendations made by the  
5 department of natural resources, shall purchase and use  
6 recycled printing and writing paper so that fifty percent by  
7 January 1, 1992, seventy five percent by January 1, 1996, and  
8 ninety percent by January 1, 2000, of the volume of printing  
9 and writing paper purchased is recycled paper. The recycled  
10 printing and writing paper shall meet the requirements for  
11 procuring recycled printing and writing paper set forth in 40  
12 C.F.R., pt. 247, and in related recovered materials advisory  
13 notices issued by the United States environmental protection  
14 agency.

15 c. The department shall adopt standards for the allowable  
16 content of postconsumer and secondary material of recycled  
17 paper which shall conform with but may be more stringent than  
18 the American society for testing and materials standards.

19 d. b. The department shall establish a prioritization  
20 procedure for the purchase of recycled paper which provides  
21 for a five percent differential in the cost of the purchase of  
22 paper which has been recycled through the use of a  
23 nonchlorinated process.

24 e. c. If a provision under this subsection results in the  
25 limitation of sources for the purchase of printing and writing  
26 paper to three or fewer sources, the department may waive the  
27 requirement in order to purchase necessary amounts of printing  
28 and writing paper.

29 f. The department of general services in conjunction with  
30 the department of natural resources shall review the  
31 availability of a higher percentage content of postconsumer  
32 content printing and writing paper and shall by rule adjust  
33 the percentage requirement accordingly.

34 g. d. Notwithstanding the requirements of this subsection  
35 regarding the purchase of recycled printing and writing paper,

1 the department shall purchase acid-free permanent paper in the  
2 amount necessary for the production or reproduction of  
3 documents, papers, or similar materials produced or reproduced  
4 for permanent preservation pursuant to law.

5 3. The department of general services, in conjunction with  
6 the department of natural resources, shall review the  
7 procurement specifications currently used by the state to  
8 eliminate, wherever possible, discrimination against the  
9 procurement of products manufactured with recovered materials  
10 and soybean-based inks.

11 4. The department of natural resources shall assist the  
12 department of general services in locating suppliers of  
13 recycled products and soybean-based inks and collecting data  
14 on recycled content and soybean-based ink purchases.

15 5. Information on recycled content shall be requested on  
16 all bids for paper products other than printing and writing  
17 paper issued by the state and on other bids for products which  
18 could have recycled content such as oil, plastic products,  
19 including but not limited to compost materials, aggregate,  
20 solvents, soybean-based inks, and rubber products. Except for  
21 purchases of printing and writing paper made pursuant to  
22 subsection 2, paragraphs "c" and "d", the department of  
23 general services shall require persons submitting bids for  
24 printing and writing paper to certify that the printing and  
25 writing paper proposed complies with the requirements referred  
26 to in subsection 2, paragraph "a".

27 6. The department of general services, in conjunction with  
28 the department of natural resources, shall adopt rules and  
29 ~~regulations to carry-out-the-provisions-of~~ administer this  
30 section.

31 7. All state agencies shall fully cooperate with the  
32 departments of general services and natural resources in all  
33 phases of implementing this section.

34 8. The department, whenever technically feasible, shall  
35 purchase and use degradable loose foam packing material

1 manufactured from grain starches or other renewable resources,  
 2 unless the cost of the packing material is more than ten  
 3 percent greater than the cost of packing material made from  
 4 nonrenewable resources. For the purposes of this subsection,  
 5 "packing material" means material, other than an exterior  
 6 packing shell, that is used to stabilize, protect, cushion, or  
 7 brace the contents of a package.

8 Sec. 4. Section 18.27, subsection 5, Code 1999, is amended  
 9 by striking the subsection.

10 Sec. 5. Section 18.28, Code 1999, is amended to read as  
 11 follows:

12 18.28 "PRINTING" DEFINED.

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

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

27 18.37 DEPOSIT WITH BID OR YEARLY BOND.

28 When a bidder submits a bid to the department, the director  
 29 may require the bidder to file a bid bond or a certified or  
 30 cashier's check payable to the state treasurer in an amount to  
 31 be fixed in the bid specifications, either covering all  
 32 classes or items or services, or separate certified or  
 33 cashier's checks for each bid in case the bidder makes more  
 34 than one bid. In lieu of a certified or cashier's check, the  
 35 bidder may furnish a yearly bond in an amount to be

1 established by the director. Certified or cashier's checks  
2 deposited by unsuccessful bidders, and by successful bidders  
3 when they have entered into the contract, shall be returned to  
4 them.

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

7 18.43 DUTY TO ENTER INTO CONTRACT -- FORFEITURE.

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

16 Sec. 8. Section 216B.3, subsection 14, Code 1999, is  
17 amended to read as follows:

18 ~~14. In-conjunction-with-the-recommendations-made-by-the~~  
19 ~~department-of-natural-resources,-purchase~~ Purchase and use  
20 recycled printing and writing paper in accordance with the  
21 schedule established in section 18.18; establish a wastepaper  
22 recycling program, by January 1, 1990, in accordance with the  
23 recommendations made by the department of natural resources  
24 and requirements of section 18.20; and, in accordance with  
25 section 18.6, require product content statements, the  
26 provision of information regarding on-site review of waste  
27 management in product bidding and contract procedures, and  
28 compliance with requirements regarding contract bidding.

29 Sec. 9. Section 262.9, subsection 6, Code 1999, is amended  
30 to read as follows:

31 ~~6. In-conjunction-with-the-recommendations-made-by-the~~  
32 ~~department-of-natural-resources,-purchase~~ Purchase and use  
33 recycled printing and writing paper, with the exception of  
34 specialized paper when no recyclable product is available, in  
35 accordance with the schedule established in section 18.18;



1 establish a wastepaper recycling program for all institutions  
2 governed by the board in accordance with recommendations made  
3 by the department of natural resources and the requirements of  
4 section 18.20; shall, in accordance with the requirements of  
5 section 18.6, require product content statements, the  
6 provision of information regarding on-site review of waste  
7 management in product bidding and contract procedures, and  
8 compliance with requirements regarding procurement  
9 specifications; and shall comply with the requirements for the  
10 purchase of lubricating oils and industrial oils as  
11 established pursuant to section 18.22.

12 Sec. 10. Section 307.21, subsection 4, paragraph b,  
13 subparagraph (1), Code 1999, is amended to read as follows:

14 (1) Purchase and use recycled printing and writing paper  
15 in accordance with the schedule established in section 18.18  
16 ~~and in conjunction with recommendations made by the department~~  
17 ~~of natural resources.~~

18 Sec. 11. Section 573.1, Code 1999, is amended to read as  
19 follows:

20 1. "Construction", in addition to its ordinary meaning,  
21 includes repair, alteration and demolition, but does not  
22 include restoration performed by restoration artisans or  
23 artists.

24 Sec. 12. 1998 Iowa Acts, chapter 1219, section 6,  
25 subsection 1, unnumbered paragraph 3, is amended to read as  
26 follows:

27 Of the amount appropriated in this subsection, up to  
28 \$1,250,000 may be used by the department for the purchase of  
29 property located at the southwest corner of Lyon street and  
30 East Tenth street, together with the contiguous property south  
31 of the southwest corner property and the property between East  
32 Tenth street and East Eleventh street between Lyon street and  
33 Des Moines street, all in the city of Des Moines.

34 Sec. 13. EFFECTIVE DATE. Section 12 of this Act, being  
35 deemed of immediate importance, takes effect upon enactment.

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EXPLANATION

This bill relates to practices of and appropriations to the department of general services. Code section 18.6 is amended to increase the threshold cost of state construction, demolition, or repair of a state public improvement for which the department must solicit bids from the public from \$25,000 to \$100,000.

The bill amends Code section 18.12 to modify the duty of the director of the department to lease buildings and office space for the proper functioning of a state agency at the seat of government. It specifies that the director may lease such buildings and space in Polk county or in a county contiguous to Polk county.

Code section 18.18, relating to requirements for purchasing recycled products by the department of general services, is amended to provide that purchases of recycled printing and writing paper are to meet federal requirements established by the United States environmental protection agency. Currently, all types of paper, with certain exceptions, are required to be recycled paper, as defined in Code section 18.18 in conjunction with recommendations made by the department of natural resources. The bill requires persons submitting bids for printing and writing paper to certify that the paper proposed meets the federal requirements. The bill also makes corresponding changes in Code sections 216B.3, 262.9, and 307.21.

The bill eliminates the requirement in Code section 18.27 that the director of the department make annual, fiscal, or calendar reports to the governor of the cost of the public printing for each department during the preceding fiscal term. The bill also amends Code section 18.28 to include the reproduction of an image by electronic means within the definition of "printing" for purposes of statutory provisions relating to the department's state printing responsibilities and official state reports and publications.

1 The bill also amends Code sections 18.6, 18.37, and 18.43  
 2 to allow persons bidding on public improvement projects and  
 3 public printing projects to submit a cashier's check in lieu  
 4 of a certified check or bid bond as surety that the person  
 5 will enter into a contract with the state if the bid is  
 6 awarded to the person. The bill modifies the definition of  
 7 "construction" in Code section 573.1 to exclude restoration  
 8 performed by restoration artisans or artists from the  
 9 mandatory performance bond requirements for public  
 10 improvements.

11 Finally, the bill amends a provision passed by the general  
 12 assembly in 1998 relating to an appropriation to the  
 13 department for renovation of state-owned buildings and  
 14 facilities. It specifies the authority of the department to  
 15 expend up to \$1,250,000 of the appropriation for the purchase  
 16 of property to the north of the capitol complex to include a  
 17 larger portion of property in that area. This provision of  
 18 the bill is effective upon enactment.

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3 1999

SENATE FILE

282

BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1112)

(P. 621)  
Passed Senate, Date 3/16/99 Passed House, Date 4/12/99  
Vote: Ayes 46 Nays 0 Vote: Ayes 96 Nays \_\_\_\_\_  
Approved May 14, 1999

A BILL FOR

1 An Act relating to practices and procedures of the department of  
2 general services, regulating state purchasing of recycled  
3 paper, modifying an appropriation to the department, and  
4 providing an effective date.

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

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SF 282

1 Section 1. Section 18.6, subsection 9, paragraph b, Code  
2 1999, is amended to read as follows:

3 b. In awarding a contract, the department shall let the  
4 work to the lowest responsible bidder submitting a sealed  
5 proposal. However, if the department considers the bids  
6 received not to be acceptable, all bids may be rejected and  
7 new bids requested. A bid shall be accompanied by a certified  
8 or cashier's check or bid bond in an amount designated in the  
9 advertisement for bids as security that the bidder will enter  
10 into a contract for the ~~doing-of-the~~ work requested. The  
11 department shall establish the bid security in an amount equal  
12 to at least five percent, but not more than ten percent of the  
13 estimated total cost of the work. The certified or cashier's  
14 checks or bid bonds of unsuccessful bidders shall be returned  
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17 be returned upon execution of the contract. This section does  
18 not apply to the construction, erection, demolition,  
19 alteration, or repair of a public improvement when the  
20 contracting procedure for the work requested is otherwise  
21 provided for in law.

22 Sec. 2. Section 18.12, subsection 9, paragraph a, Code  
23 1999, is amended to read as follows:

24 a. Lease all buildings and office space necessary to carry  
25 out the provisions of this chapter or necessary for the proper  
26 functioning of any state agency at the seat of government,  
27 ~~with-the-approval-of-the-executive-council-if.~~ For state  
28 agencies at the seat of government, the director may lease  
29 buildings and office space in Polk county or in a county  
30 contiguous to Polk county. If no specific appropriation has  
31 been made, the proposed lease shall be submitted to the  
32 executive council for approval. The cost of any lease for  
33 which no specific appropriation has been made shall be paid  
34 from the fund provided in section 7D.29.

35 Sec. 3. Section 18.18, Code 1999, is amended to read as

1 follows:

2 18.18 STATE PURCHASES -- RECYCLED PRODUCTS -- SOYBEAN-  
3 BASED INKS.

4 1. When purchasing paper products other than printing and  
5 writing paper, the department shall, when the price is  
6 reasonably competitive and the quality as intended, purchase  
7 the recycled product. The department shall also purchase,  
8 when the price is reasonably competitive and the quality as  
9 intended, and in keeping with the schedule established in this  
10 subsection, soybean-based inks and plastic products with  
11 recycled content including but not limited to plastic garbage  
12 can liners.

13 a. One hundred percent of the purchases of inks which are  
14 used for newsprint printing services performed internally or  
15 contracted for by the department shall be soybean-based.

16 b. One hundred percent of the purchases of inks, other  
17 than inks which are used for newsprint printing services, and  
18 which are used internally or contracted for by the department,  
19 shall be soybean-based to the extent formulations for such  
20 inks are available.

21 c. A minimum of ten percent of the purchases of garbage  
22 can liners made by the department shall be plastic garbage can  
23 liners with recycled content. The percentage shall increase  
24 by ten percent annually until fifty percent of the purchases  
25 of garbage can liners are plastic garbage can liners with  
26 recycled content.

27 d. The department shall report to the general assembly on  
28 February 1 of each year the following:

29 (1) A listing of plastic products which are regularly  
30 purchased by the department and other state agencies for which  
31 recycled content product alternatives are available, including  
32 the cost of the plastic products purchased and the cost of the  
33 recycled content product alternatives.

34 (2) Information relating to soybean-based inks and plastic  
35 garbage can liners with recycled content regularly purchased

1 by the department and other state agencies, including the cost  
2 of purchasing soybean-based inks and plastic garbage can  
3 liners with recycled content and the percentages of soybean-  
4 based inks and plastic garbage can liners with recycled  
5 content that have been purchased.

6 e. For purposes of this section subsection "recycled  
7 content" means that the content of the product contains a  
8 minimum of thirty percent postconsumer material.

9 2. a. ~~As used in this subsection, unless the context~~  
10 ~~otherwise requires:~~

11 ~~{1}--"Postconsumer material" means only those products~~  
12 ~~generated by a business or consumer which have served their~~  
13 ~~intended end uses, and which have been separated or diverted~~  
14 ~~from solid waste for the purposes of collection, recycling,~~  
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17 ~~{2}--"Recycled paper" means a paper product with not less~~  
18 ~~than fifty percent of its total weight consisting of secondary~~  
19 ~~and postconsumer material.--At least ten percent of the total~~  
20 ~~weight of recycled paper shall be postconsumer materials.~~

21 ~~{3}--"Secondary material" means fragments of finished~~  
22 ~~products or finished products of a manufacturing process which~~  
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24 ~~value, and includes postconsumer material but does not include~~  
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26 b.--The Except as otherwise provided in this section, the  
27 department, in conjunction with recommendations made by the  
28 department of natural resources, shall purchase and use  
29 recycled printing and writing paper so that fifty percent by  
30 January 1, 1992, seventy-five percent by January 1, 1996, and  
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10 paper which has been recycled through the use of a  
11 nonchlorinated process.

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13 limitation of sources for the purchase of printing and writing  
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17 ~~f. The department of general services, in conjunction with~~  
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19 ~~availability of a higher percentage content of postconsumer~~  
20 ~~content printing and writing paper and shall, by rule, adjust~~  
21 ~~the percentage requirement accordingly.~~

22 g. d. Notwithstanding the requirements of this subsection  
23 regarding the purchase of recycled printing and writing paper,  
24 the department shall purchase acid-free permanent paper in the  
25 amount necessary for the production or reproduction of  
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3 5. Information on recycled content shall be requested on  
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6 could have recycled content such as oil, plastic products,  
7 including but not limited to compost materials, aggregate,  
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9 purchases of printing and writing paper made pursuant to  
10 subsection 2, paragraphs "c" and "d", the department of  
11 general services shall require persons submitting bids for  
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13 writing paper proposed complies with the requirements referred  
14 to in subsection 2, paragraph "a".

15 6. The department of general services, in conjunction with  
16 the department of natural resources, shall adopt rules and  
17 ~~regulations to carry-out-the-provisions-of~~ administer this  
18 section.

19 7. All state agencies shall fully cooperate with the  
20 departments of general services and natural resources in all  
21 phases of implementing this section.

22 8. The department, whenever technically feasible, shall  
23 purchase and use degradable loose foam packing material  
24 manufactured from grain starches or other renewable resources,  
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26 percent greater than the cost of packing material made from  
27 nonrenewable resources. For the purposes of this subsection,  
28 "packing material" means material, other than an exterior  
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30 brace the contents of a package.

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32 by striking the subsection.

33 Sec. 5. Section 18.28, Code 1999, is amended to read as  
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35 18.28 "PRINTING" DEFINED.

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2 "printing" means the reproduction of an image from a printing  
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4 transfer of ink, ~~or~~ the reproduction of an impression by a  
5 photographic process, or the reproduction of an image by  
6 electronic means and shall include binding and may include  
7 material, processes, or operations necessary to produce a  
8 finished printed product, but shall not include binding,  
9 rebinding or repairs of books, journals, pamphlets, magazines  
10 and literary articles by any library of the state or any of  
11 its offices, departments, boards and commissions held as a  
12 part of their library collection.

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

15 18.37 DEPOSIT WITH BID OR YEARLY BOND.

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

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

30 18.43 DUTY TO ENTER INTO CONTRACT -- FORFEITURE.

31 If the department requires a bid bond or certified or  
32 cashier's check as provided in section 18.37, a successful  
33 bidder shall, within ten days after the award, enter into a  
34 contract in accordance with the bid. Unless this is done, or  
35 the delay is for reasons satisfactory to the director, the bid

1 bond or certified or cashier's check submitted with the bid  
2 shall be forfeited to the state. The bid specifications on  
3 which the bid is made constitute a part of the contract.

4 Sec. 8. Section 216B.3, subsection 14, Code 1999, is  
5 amended to read as follows:

6 ~~14. In-conjunction-with-the-recommendations-made-by-the~~  
7 ~~department-of-natural-resources,-purchase~~ Purchase and use  
8 recycled printing and writing paper in accordance with the  
9 schedule established in section 18.18; establish a wastepaper  
10 recycling program, by January 1, 1990, in accordance with the  
11 recommendations made by the department of natural resources  
12 and requirements of section 18.20; and, in accordance with  
13 section 18.6, require product content statements, the  
14 provision of information regarding on-site review of waste  
15 management in product bidding and contract procedures, and  
16 compliance with requirements regarding contract bidding.

17 Sec. 9. Section 262.9, subsection 6, Code 1999, is amended  
18 to read as follows:

19 ~~6. In-conjunction-with-the-recommendations-made-by-the~~  
20 ~~department-of-natural-resources,-purchase~~ Purchase and use  
21 recycled printing and writing paper, with the exception of  
22 specialized paper when no recyclable product is available, in  
23 accordance with the schedule established in section 18.18;  
24 establish a wastepaper recycling program for all institutions  
25 governed by the board in accordance with recommendations made  
26 by the department of natural resources and the requirements of  
27 section 18.20; shall, in accordance with the requirements of  
28 section 18.6, require product content statements, the  
29 provision of information regarding on-site review of waste  
30 management in product bidding and contract procedures, and  
31 compliance with requirements regarding procurement  
32 specifications; and shall comply with the requirements for the  
33 purchase of lubricating oils and industrial oils as  
34 established pursuant to section 18.22.

35 Sec. 10. Section 307.21, subsection 4, paragraph b,

1 subparagraph (1), Code 1999, is amended to read as follows:

2 (1) Purchase and use recycled printing and writing paper  
3 in accordance with the schedule established in section 18.18  
4 ~~and-in-conjunction-with-recommendations-made-by-the-department~~  
5 ~~of-natural-resources.~~

6 Sec. 11. 1998 Iowa Acts, chapter 1219, section 6,  
7 subsection 1, unnumbered paragraph 3, is amended to read as  
8 follows:

9 Of the amount appropriated in this subsection, up to  
10 \$1,250,000 may be used by the department for the purchase of  
11 property located at the southwest corner of Lyon street and  
12 East Tenth street, together with the contiguous property south  
13 of the southwest corner property and the property between East  
14 Tenth street and East Eleventh street between Lyon street and  
15 Des Moines street, all in the city of Des Moines.

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

18 EXPLANATION

19 This bill relates to practices of and appropriations to the  
20 department of general services. Code section 18.6 is amended  
21 to permit a cashier's check to be used as bid security for  
22 bids on public improvement projects.

23 The bill amends Code section 18.12 to modify the duty of  
24 the director of the department to lease buildings and office  
25 space for the proper functioning of a state agency at the seat  
26 of government. It specifies that the director may lease such  
27 buildings and space in Polk county or in a county contiguous  
28 to Polk county.

29 Code section 18.18, relating to requirements for purchasing  
30 recycled products by the department of general services, is  
31 amended to provide that purchases of recycled printing and  
32 writing paper are to meet federal requirements established by  
33 the United States environmental protection agency. Currently,  
34 all types of paper, with certain exceptions, are required to  
35 be recycled paper, as defined in Code section 18.18 in

1 conjunction with recommendations made by the department of  
2 natural resources. The bill requires persons submitting bids  
3 for printing and writing paper to certify that the paper  
4 proposed meets the federal requirements. The bill also makes  
5 corresponding changes in Code sections 216B.3, 262.9, and  
6 307.21.

7 The bill eliminates the requirement in Code section 18.27  
8 that the director of the department make annual, fiscal, or  
9 calendar reports to the governor of the cost of the public  
10 printing for each department during the preceding fiscal term.  
11 The bill also amends Code section 18.28 to include the  
12 reproduction of an image by electronic means within the  
13 definition of "printing" for purposes of statutory provisions  
14 relating to the department's state printing responsibilities  
15 and official state reports and publications.

16 The bill also amends Code sections 18.37 and 18.43 to allow  
17 persons bidding on public printing projects to submit a  
18 cashier's check in lieu of a certified check or bid bond as  
19 surety that the person will enter into a contract with the  
20 state if the bid is awarded to the person.

21 Finally, the bill amends a provision passed by the general  
22 assembly in 1998 relating to an appropriation to the  
23 department for renovation of state-owned buildings and  
24 facilities. It specifies the authority of the department to  
25 expend up to \$1,250,000 of the appropriation for the purchase  
26 of property to the north of the capitol complex to include a  
27 larger portion of property in that area. This provision of  
28 the bill is effective upon enactment.

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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 17, 1992, seventy-five percent by January 17, 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.

~~c. 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 ~~carry 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 or cashier's 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 or cashier's checks for each bid in case the bidder makes more than one bid. In lieu of a certified or cashier's check, the bidder may furnish a yearly bond in an amount to be established by the director. Certified or cashier's 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 or cashier's 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 or cashier's 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.

\_\_\_\_\_  
MARY E. KRAMER  
President of the Senate

\_\_\_\_\_  
RON J. CORBETT  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 282, Seventy-eighth General Assembly.

\_\_\_\_\_  
MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 14, 1999

\_\_\_\_\_  
THOMAS J. VILSACK  
Governor