

MAR 5 2004  
Place On Calendar

HOUSE FILE 2465  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO HF 487)

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

**A BILL FOR**

1 An Act establishing requirements for persons contracting with the  
2 department of human services.

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

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HF 2465

1 Section 1. NEW SECTION. 217.14 CONTRACTOR REQUIREMENTS.

2 1. A person contracting with the department of human  
3 services to provide services shall be subject to all of the  
4 requirements of this section.

5 2. In addition to the requirements of section 68B.7, a  
6 person who has been employed by the department, for a period  
7 of two years after the termination of the employment, shall  
8 not contract with the department to provide services or be a  
9 subcontractor or employee for any other contractor providing  
10 services to the department. However, the prohibition under  
11 this subsection is not applicable under any of the following  
12 circumstances:

13 a. The person is a subcontractor or is an employee of  
14 another state department or an institution under the control  
15 of the state board of regents.

16 b. If there is no longer a person with expertise in a  
17 particular area employed by the department, the department may  
18 contract for a limited period of time to secure the expertise.

19 c. The department has demonstrated a good faith effort to  
20 fill a position that is critical to the health and safety of  
21 departmental clients from a pool of applicants that does not  
22 include former departmental employees, but was unsuccessful in  
23 locating qualified candidates from the pool.

24 d. The person terminated employment with the department  
25 due to a layoff or reduction in force.

26 3. A contractor shall have adequate liability insurance  
27 for the services being performed.

28 4. A contractor shall be subject to evaluation  
29 requirements, with preference given to evaluation performed by  
30 an independent evaluator.

31 EXPLANATION

32 This bill establishes requirements for persons contracting  
33 with the department of human services to provide services.

34 Iowa's ethics law in Code section 68B.7 prohibits a state  
35 employee, within a period of two years after the termination

1 of employment, from appearing before the agency or receiving  
2 compensation for any services rendered on behalf of any  
3 person, firm, corporation, or association in relation to any  
4 case, proceeding, or application with respect to which the  
5 person was directly concerned and personally participated  
6 during the period of employment. The bill provides a general  
7 prohibition during the two-year period against a former  
8 employee of the department providing services as a contractor,  
9 subcontractor, or employee of a contractor providing services  
10 to the department. The bill provides exceptions to the  
11 prohibition, allowing contracting with a former employee under  
12 certain circumstances.

13 The bill requires a contractor to have adequate liability  
14 insurance for the service being performed. A contractor is  
15 subject to evaluation requirements, with preference given to  
16 evaluation performed by an independent evaluator.

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**HOUSE FILE 2465**

**H-8278**

1 Amend House File 2465 as follows:  
2 1. Page 1, by inserting after line 25 the  
3 following:  
4 "e. The person terminated employment with the  
5 department within twelve months of obtaining an  
6 advanced degree from an accredited college or  
7 university and the degree qualified the person to  
8 provide services that the person was not previously  
9 qualified to provide."

By SMITH of Marshall

**H-8278** FILED MARCH 22, 2004

**HOUSE FILE 2465**

**H-8281**

1 Amend House File 2465 as follows:  
2 1. Page 1, by striking lines 8 through 10 and  
3 inserting the following: "not contract with the  
4 department to provide services. However, the  
5 prohibition under".

By WILDERDYKE of Harrison

**H-8281** FILED MARCH 22, 2004

**HOUSE FILE 2465**

**H-8305**

1 Amend House File 2465 as follows:  
2 1. Page 1, by inserting before line 1 the  
3 following:  
4 "Section 1. NEW SECTION. 73.3A CONTRACT EMPLOYEE  
5 SERVICES.  
6 A person who contracts with a commission, board,  
7 committee, officer, or other governing body of the  
8 state to provide administrative, labor, or other  
9 services that would otherwise be provided by state  
10 employees shall, as a condition of receiving the  
11 contract, report all payments received under the  
12 contract to the department of management. The  
13 department of management shall annually prepare an  
14 analysis of the reports and provide the analysis to  
15 the general assembly."  
16 2. Title page, by striking line 2 and inserting  
17 the following: "state."

By WILDERDYKE of Harrison  
T. TAYLOR of Linn

**H-8305** FILED MARCH 23, 2004

HOUSE FILE 2465  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO HF 487)

(AS AMENDED AND PASSED BY THE HOUSE MARCH 24, 2004)

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

**A BILL FOR**

1 An Act establishing requirements for persons contracting with the  
2 state.

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

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HOUSE AMENDMENTS \_\_\_\_\_

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1 Section 1. NEW SECTION. 73.3A CONTRACT EMPLOYEE

2 SERVICES.

3 A person who contracts with a commission, board, committee,  
4 officer, or other governing body of the state to provide  
5 administrative, labor, or other services that would otherwise  
6 be provided by state employees shall, as a condition of  
7 receiving the contract, report all payments received under the  
8 contract to the department of management. The department of  
9 management shall annually prepare an analysis of the reports  
10 and provide the analysis to the general assembly.

11 Sec. 2. NEW SECTION. 217.14 CONTRACTOR REQUIREMENTS.

12 1. A person contracting with the department of human  
13 services to provide services shall be subject to all of the  
14 requirements of this section.

15 2. In addition to the requirements of section 68B.7, a  
16 person who has been employed by the department, for a period  
17 of two years after the termination of the employment, shall  
18 not contract with the department to provide services.

19 However, the prohibition under this subsection is not  
20 applicable under any of the following circumstances:

21 a. The person is a subcontractor or is an employee of  
22 another state department or an institution under the control  
23 of the state board of regents.

24 b. If there is no longer a person with expertise in a  
25 particular area employed by the department, the department may  
26 contract for a limited period of time to secure the expertise.

27 c. The department has demonstrated a good faith effort to  
28 fill a position that is critical to the health and safety of  
29 departmental clients from a pool of applicants that does not  
30 include former departmental employees, but was unsuccessful in  
31 locating qualified candidates from the pool.

32 d. The person terminated employment with the department  
33 due to a layoff or reduction in force.

34 e. The person terminated employment with the department  
35 within twelve months of obtaining an advanced degree from an

1 accredited college or university and the degree qualified the  
2 person to provide services that the person was not previously  
3 qualified to provide.

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