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Place On Calendar

HOUSE FILE 534
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 192)

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

A BILL FOR

1 An Act providing for the reorganization of certain state
2 departments by establishing a department of administrative
3 services, making related changes, providing penalties, making
4 appropriations, and providing an effective date.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 DIVISION I
2 DEPARTMENT OF ADMINISTRATIVE SERVICES
3 ARTICLE 1
4 DEPARTMENT OF ADMINISTRATIVE SERVICES
5 Section 1. NEW SECTION. 8A.101 DEFINITIONS.
6 As used in this chapter, unless the context otherwise
7 requires:
8 1. "Agency" or "state agency" means a unit of state
9 government, which is an authority, board, commission,
10 committee, council, department, examining board, or
11 independent agency as defined in section 7E.4, including but
12 not limited to each principal central department enumerated in
13 section 7E.5. However, "agency" or "state agency" does not
14 mean any of the following:
15 a. The office of the governor or the office of an elective
16 constitutional or statutory officer.
17 b. The general assembly, or any office or unit under its
18 administrative authority.
19 c. The judicial branch, as provided in section 602.1102.
20 d. A political subdivision of the state or its offices or
21 units, including but not limited to a county, city, or
22 community college.
23 2. "Department" means the department of administrative
24 services.
25 3. "Director" means the director of the department of
26 administrative services or the director's designee.
27 4. "Governmental entity" means any unit of government in
28 the executive, legislative, or judicial branch of government;
29 an agency or political subdivision; any unit of another state
30 government, including its political subdivisions; any unit of
31 the United States government; or any association or other
32 organization whose membership consists primarily of one or
33 more of any of the foregoing.
34 5. "Governmental subdivision" means a county, city, school
35 district, or combination thereof.

1 6. "Public records" means the same as defined in section
2 22.1.
3 Sec. 2. NEW SECTION. 8A.102 DEPARTMENT CREATED --
4 DIRECTOR APPOINTED.
5 1. The department of administrative services is created.
6 The director of the department shall be appointed by the
7 governor to serve at the pleasure of the governor and is
8 subject to confirmation by the senate. If the office becomes
9 vacant, the vacancy shall be filled in the same manner as
10 provided for the original appointment.
11 2. The person appointed as director shall be
12 professionally qualified by education and have no less than
13 five years' experience in the field of management, public or
14 private sector personnel administration, including the
15 application of merit principles in public employment,
16 financial management, and policy development and
17 implementation. The appointment shall be made without regard
18 for political affiliation. The director shall not be a member
19 of any local, state, or national committee of a political
20 party, an officer or member of a committee in any partisan
21 political club or organization, or hold or be a candidate for
22 a paid elective public office. The director is subject to the
23 restrictions on political activity provided in section 8A.416.
24 The governor shall set the salary of the director within pay
25 grade nine.
26 Sec. 3. NEW SECTION. 8A.103 DEPARTMENT -- PURPOSE --
27 MISSION.
28 The department is created for the purpose of managing and
29 coordinating the major resources of state government including
30 the human, financial, physical, and information resources of
31 state government.
32 The mission of the department is to implement a world-
33 class, customer-focused organization that provides a
34 complement of valued products and services to the internal
35 customers of state government.

1 Sec. 4. NEW SECTION. 8A.104 POWERS AND DUTIES OF THE
2 DIRECTOR.
3 The director shall do all of the following:
4 1. Coordinate the internal operations of the department
5 and develop and implement policies and procedures designed to
6 ensure the efficient administration of the department.
7 2. Appoint all personnel deemed necessary for the
8 administration of the department's functions as provided in
9 this chapter.
10 3. Prepare an annual budget for the department.
11 4. Develop and recommend legislative proposals deemed
12 necessary for the continued efficiency of the department's
13 functions, and review legislative proposals generated outside
14 the department which are related to matters within the
15 department's purview.
16 5. Adopt rules deemed necessary for the administration of
17 this chapter in accordance with chapter 17A.
18 6. Develop and maintain enterprisewide support systems
19 within the department to provide appropriate administrative
20 support and sufficient data for the effective and efficient
21 operation of the enterprise.
22 7. Enter into contracts for the receipt and provision of
23 services as deemed necessary. The director and the governor
24 may obtain and accept grants and receipts to or for the state
25 to be used for the administration of the department's
26 functions as provided in this chapter.
27 8. Establish the internal organization of the department
28 and allocate and reallocate duties and functions not assigned
29 by law to an officer or any subunit of the department to
30 promote economic and efficient administration and operation of
31 the department.
32 9. Install a records system for the keeping of records
33 which are necessary for a proper audit and effective operation
34 of the department.
35 10. Determine which risk exposures shall be self-insured

1 or assumed by the state with respect to loss and loss
2 exposures of state government.
3 11. Keep in the director's office a complete record
4 containing an itemized account of all state property,
5 including furniture and equipment, under the director's care
6 and control, and plans and surveys of the public grounds,
7 buildings, and underground constructions at the seat of
8 government and of the state laboratories facility in Ankeny.
9 12. Serve as the chief information officer for the state.
10 13. Exercise and perform such other powers and duties as
11 may be prescribed by law.
12 Sec. 5. NEW SECTION. 8A.105 PROHIBITED INTERESTS --
13 PENALTY.
14 The director shall not have any pecuniary interest,
15 directly or indirectly, in any contract for supplies furnished
16 to the state, or in any business enterprise involving any
17 expenditure by the state. A violation of the provisions of
18 this section shall be a serious misdemeanor, and upon
19 conviction, the director shall be removed from office in
20 addition to any other penalty.
21 Sec. 6. NEW SECTION. 8A.106 PUBLIC RECORDS.
22 1. The records of the department, except personal
23 information in an employee's file if the publication of such
24 information would serve no proper public purpose, shall be
25 public records and shall be open to public inspection, subject
26 to reasonable rules as to the time and manner of inspection
27 which may be prescribed by the director. However, the
28 department shall not be required to release financial
29 information, business, or product plans which if released
30 would give advantage to competitors and serve no public
31 purpose, relating to commercial operations conducted or
32 intended to be conducted by the department.
33 2. The state agency that is the lawful custodian of a
34 public record shall be responsible for determining whether a
35 record is required by federal or state statute to be

1 confidential. The transmission of a record by a state agency
2 by use of electronic means established, maintained, or managed
3 by the department shall not constitute a transfer of the legal
4 custody of the record from the individual state agency to the
5 department or to any other person or entity.
6 3. The department shall not have authority to determine
7 whether an individual state agency should automate records of
8 which the individual state agency is the lawful custodian.
9 However, the department may encourage state agencies to
10 implement electronic access to public records.
11 4. A state agency shall not limit access to a record by
12 requiring a citizen to receive the record electronically as
13 the only means of providing the record. A person shall have
14 the right to examine and copy a printed form of a public
15 record as provided in section 22.2, unless the public record
16 is confidential.
17 Sec. 7. NEW SECTION. 8A.107 OATHS AND SUBPOENAS.
18 The director may administer oaths, subpoena witnesses, and
19 compel the production of books and papers pertinent to any
20 investigation or hearing authorized by this chapter. A person
21 who fails to appear in response to a subpoena or produce books
22 or papers pertinent to the investigation or hearing or who
23 knowingly gives false testimony is guilty of a simple
24 misdemeanor.
25 Sec. 8. NEW SECTION. 8A.108 ACCEPTANCE OF FUNDS.
26 The department may receive and accept donations, grants,
27 gifts, and contributions in the form of moneys, services,
28 materials, or otherwise, from the United States or any of its
29 agencies, from this state or any of its agencies, or from any
30 other person, and may use or expend such moneys, services,
31 materials, or other contributions, or issue grants, in
32 carrying out the operations of the department. All federal
33 grants to and the federal receipts of the department are
34 hereby appropriated for the purpose set forth in such federal
35 grants or receipts.

1 Sec. 9. NEW SECTION. 8A.109 FEDERAL FUNDS.
2 1. Neither the provisions of this chapter nor rules
3 adopted pursuant to this chapter shall apply in any situation
4 where such provision or rule is in conflict with a governing
5 federal regulation or where the provision or rule would
6 jeopardize the receipt of federal funds.
7 2. If it is determined by the attorney general that any
8 provision of this chapter would cause denial of funds or
9 services from the United States government which would
10 otherwise be available to an agency of this state, such
11 provision shall be suspended as to such agency, but only to
12 the extent necessary to prevent denial of such funds or
13 services.
14 Sec. 10. NEW SECTION. 8A.110 STATE EMPLOYEE SUGGESTION
15 SYSTEM.
16 1. There is created a state employee suggestion system for
17 the purpose of encouraging state employees to develop and
18 submit ideas which will reduce costs and increase efficiency
19 in state government and which will make monetary and other
20 awards to state employees whose cost reduction ideas are
21 adopted under the system.
22 2. The department shall provide necessary personnel for
23 the efficient operation of the system. The department shall
24 adopt rules as necessary for the administration of the system
25 and to establish the award policy under which the system will
26 operate. The rules shall include:
27 a. Eligibility standards and restrictions for both the
28 state employee submitting the suggestion and the suggestion
29 being submitted. The rules shall provide that suggestions
30 relating to academic affairs, including teaching, research,
31 and patient care programs at a university teaching hospital,
32 are ineligible.
33 b. Procedures for submitting and evaluating suggestions,
34 including the responsibilities of each person involved in the
35 system and providing that the final decision to implement

1 shall be made by the director of the applicable state agency.
2 c. The method of presentation of awards to employees.
3 d. The method of promoting the suggestion program in the
4 broadest possible manner to state employees.
5 e. Any other policies necessary to properly administer the
6 system.
7 3. a. When a suggestion is implemented and results in a
8 direct cost reduction within state government, the suggester
9 shall be awarded ten percent of the first year's net savings,
10 not exceeding ten thousand dollars, and a certificate. A cash
11 award shall not be awarded for a suggestion which saves less
12 than one hundred dollars during the first year of
13 implementation. The state agency head shall approve all
14 awards and determine the amount to be awarded. Appeals of
15 award amounts shall be submitted to the director whose
16 decision is final.
17 b. Certificates shall be awarded to suggesters of
18 implemented suggestions that result in a direct cost reduction
19 of less than one hundred dollars. The state agency head shall
20 make the determination as to who will receive certificates.
21 That decision is final.
22 4. An award made pursuant to this section shall be paid
23 for out of the appropriated funds of the state agency
24 realizing the cost savings, but the payment for awards shall
25 not violate any state or federal contract, law, or regulation,
26 or impair any agency contractual obligation.
27 5. a. A state agency shall keep records of each
28 suggestion implemented and the cost savings resulting from the
29 suggestion for a period of one year from the date of
30 implementation of the suggestion.
31 b. The director shall file a report with the governor and
32 the general assembly for each fiscal year, relating to the
33 administration and implementation of the suggestion system and
34 the benefits for the state, the state departments, and state
35 employees.

1 6. The ability of employees to patent ideas submitted
2 under this section is subject to all other agency rules and
3 Code requirements pertaining to patents.
4 Sec. 11. NEW SECTION. 8A.121 FINANCING DEPARTMENT
5 SERVICES -- CUSTOMER COUNCILS.
6 1. The department shall establish a process by which the
7 department shall determine which services provided by the
8 department shall be funded by an appropriation to the
9 department and which services shall be funded by the
10 governmental entity receiving the service.
11 2. a. For services which the department determines shall
12 be funded by the governmental entity receiving the service,
13 the department shall establish a process for determining
14 whether the department shall be the sole provider of the
15 service or not.
16 b. If the department determines that it shall be the sole
17 provider of a service, the department shall establish, by
18 rule, a customer council responsible for overseeing
19 departmental operations with regard to the service provided to
20 ensure that the department meets the needs of affected
21 governmental entities and the citizens those entities serve.
22 The rules adopted shall provide, at a minimum, for the method
23 of appointment of members to the council by governmental
24 entities required to receive the service from the department
25 and for the powers and duties of the council as it relates to
26 the service provided, which shall include the authority of
27 approving business plans submitted by the department for
28 performance of the service.
29 3. Departmental processes required to be established
30 pursuant to this section shall provide, at a minimum, for
31 input from affected governmental entities as well as for a
32 periodic review of the decision made by the department.
33 Sec. 12. NEW SECTION. 8A.122 SERVICES TO GOVERNMENTAL
34 ENTITIES.
35 1. The director may enter into agreements with any

1 governmental entity of this state to furnish services and
2 facilities of the department to the governmental entity. The
3 agreement shall provide for the reimbursement to the
4 department of the reasonable cost of the services and
5 facilities furnished. All governmental entities of this state
6 may enter into such agreements.
7 2. This chapter does not affect any city civil service
8 programs established under chapter 400.
9 Sec. 13. NEW SECTION. 8A.123 DEPARTMENT REVOLVING FUNDS.
10 1. The director may establish and maintain revolving funds
11 to support and account for the services provided by the
12 department. These funds shall be administered by the
13 department and shall consist of moneys collected by the
14 department, moneys appropriated by the general assembly, and
15 any other moneys obtained or accepted by the department,
16 including but not limited to gifts, loans, donations, grants,
17 and contributions. The director may obtain loans from the
18 innovation fund created in section 8.63 for deposit in a
19 revolving fund established pursuant to this section to provide
20 seed and investment capital to enhance the delivery of
21 services provided by the department.
22 2. The proceeds of a revolving fund established pursuant
23 to this section are appropriated to and shall be used by the
24 department for the operations of the department consistent
25 with this chapter. The director may appoint the personnel
26 necessary to ensure the efficient provision of services funded
27 pursuant to a revolving fund established under this section.
28 However, this usage requirement shall not limit or restrict
29 the department from using proceeds from gifts, loans,
30 donations, grants, and contributions in conformance with any
31 conditions, directions, limitations, or instructions attached
32 or related thereto.
33 3. Section 8.33 does not apply to any moneys in revolving
34 funds established pursuant to this section. Notwithstanding
35 section 12C.7, subsection 2, interest or earnings on moneys

1 deposited in these funds shall be credited to these funds.
2 4. a. The director shall annually provide revolving fund
3 service business plans and financial reports to the department
4 of management and the general assembly. The business plans
5 may include the recommendation that a portion of unexpended
6 net income be periodically returned to the appropriate funding
7 source.
8 b. The department shall submit an annual report not later
9 than January 31 to the members of the general assembly and the
10 legislative fiscal bureau of the activities funded by and
11 expenditures made from a revolving fund established pursuant
12 to this section during the preceding fiscal year.
13 Sec. 14. NEW SECTION. 8A.124 ADDITIONAL PERSONNEL.
14 The department may employ, upon the approval of the
15 department of management, such additional personnel in excess
16 of the number of full-time equivalent positions authorized by
17 the general assembly if such additional personnel are
18 reasonable and necessary to perform such duties as required to
19 meet the needs of the department to provide services to other
20 governmental entities and as authorized by this chapter. The
21 director shall notify in writing the department of management,
22 the legislative fiscal committee, and the legislative fiscal
23 bureau of any additional personnel employed pursuant to this
24 section.
25 Sec. 15. NEW SECTION. 8A.125 BILLING -- CREDIT CARD
26 PAYMENTS.
27 1. The director may bill a governmental entity for
28 services rendered by the department in accordance with the
29 duties of the department as provided in this chapter. Bills
30 may include direct, indirect, and developmental costs. The
31 department shall periodically render a billing statement to a
32 governmental entity outlining the cost of services provided to
33 the governmental entity. The amount indicated on the
34 statement shall be paid by the governmental entity and amounts
35 received by the department shall be considered repayment

1 receipts as defined in section 8.2, and deposited into the
2 accounts of the department.
3 2. In addition to other forms of payment, a person may pay
4 by credit card for services provided by the department,
5 according to rules adopted by the treasurer of state. The
6 credit card fees to be charged shall not exceed those
7 permitted by statute. A governmental entity may adjust its
8 payment to reflect the costs of processing as determined by
9 the treasurer of state. The discount charged by the credit
10 card issuer may be included in determining the fees to be paid
11 for completing a financial transaction under this section by
12 using a credit card. All credit card payments shall be
13 credited to the fund used to account for the services
14 provided.
15 Sec. 16. NEW SECTION. 8A.126 DEPARTMENT DEBTS AND
16 LIABILITIES -- APPROPRIATION REQUEST.
17 If a service provided by the department and funded from a
18 revolving fund established under section 8A.123 ceases to be
19 provided and insufficient funds remain in the revolving fund
20 to pay any outstanding debts and liabilities relating to that
21 service, the director shall notify the general assembly and
22 request that moneys be appropriated from the general fund of
23 the state to pay such debts and liabilities.
24 ARTICLE 2
25 INFORMATION TECHNOLOGY
26 GENERAL PROVISIONS
27 Sec. 17. NEW SECTION. 8A.201 DEFINITIONS.
28 As used in this article, unless the context otherwise
29 requires:
30 1. "Information technology" means computing and
31 electronics applications used to process and distribute
32 information in digital and other forms and includes
33 information technology devices, information technology
34 services, and value-added services.
35 2. "Information technology council" means the information

1 technology council established in section 8A.204.
2 3. "Information technology device" means equipment or
3 associated software, including programs, languages,
4 procedures, or associated documentation, used in operating the
5 equipment which is designed for utilizing information stored
6 in an electronic format. "Information technology device"
7 includes but is not limited to computer systems, computer
8 networks, and equipment used for input, output, processing,
9 storage, display, scanning, and printing.
10 4. "Information technology services" means services
11 designed to do any of the following:
12 a. Provide functions, maintenance, and support of
13 information technology devices.
14 b. Provide services including, but not limited to, any of
15 the following:
16 (1) Computer systems application development and
17 maintenance.
18 (2) Systems integration and interoperability.
19 (3) Operating systems maintenance and design.
20 (4) Computer systems programming.
21 (5) Computer systems software support.
22 (6) Planning and security relating to information
23 technology devices.
24 (7) Data management consultation.
25 (8) Information technology education and consulting.
26 (9) Information technology planning and standards.
27 (10) Establishment of local area network and workstation
28 management standards.
29 5. "Participating agency" means any agency other than any
30 of the following:
31 a. The state board of regents and institutions operated
32 under the authority of the state board of regents.
33 b. The public broadcasting division of the department of
34 education.
35 c. The state department of transportation mobile radio

1 network.
2 d. The department of public safety law enforcement
3 communications systems.
4 e. The telecommunications and technology commission
5 established in section 8D.3, with respect to information
6 technology that is unique to the Iowa communications network.
7 6. "Value-added services" means services that offer or
8 provide unique, special, or enhanced value, benefits, or
9 features to the customer or user, including, but not limited
10 to, services in which information technology is specially
11 designed, modified, or adapted to meet the special or
12 requested needs of the user or customer, services involving
13 the delivery, provision, or transmission of information or
14 data that require or involve additional processing,
15 formatting, enhancement, compilation or security, services
16 that provide the customer or user with enhanced accessibility,
17 security or convenience, research and development services,
18 and services that are provided to support technological or
19 statutory requirements imposed on participating agencies and
20 other governmental entities, businesses, and the public.
21 Sec. 18. NEW SECTION. 8A.202 INFORMATION TECHNOLOGY
22 SERVICES -- MISSION -- POWERS AND DUTIES -- RESPONSIBILITIES.
23 1. MISSION. The mission of the department as it relates
24 to information technology services is to provide high-quality,
25 customer-focused information technology services and business
26 solutions to government and to citizens.
27 2. POWERS AND DUTIES OF DEPARTMENT. The powers and duties
28 of the department as it relates to information technology
29 services shall include, but are not limited to, all of the
30 following:
31 a. Providing information technology to agencies and other
32 governmental entities.
33 b. Implementing the strategic information technology plan.
34 c. Developing and implementing a business continuity plan,
35 as the director determines is appropriate, to be used if a

1 disruption occurs in the provision of information technology
2 to participating agencies and other governmental entities.
3 d. Prescribing standards and adopting rules relating to
4 information technology and procurement, including but not
5 limited to system design and systems integration and
6 interoperability, which shall apply to all participating
7 agencies except as otherwise provided in this chapter. The
8 department shall implement information technology standards as
9 established pursuant to this chapter which are applicable to
10 information technology procurements for participating
11 agencies.
12 e. Prescribing standards and adopting rules relating to
13 standards for an electronic repository for maintaining
14 mandated agency reports as provided in section 304.13A. Such
15 repository shall be developed and maintained for the purpose
16 of providing public access to such mandated reports. The
17 department shall prescribe such standards and adopt rules
18 relating to such standards in consultation with the state
19 librarian.
20 f. Developing and maintaining security policies and
21 systems to ensure the integrity of the state's information
22 resources and to prevent the disclosure of confidential
23 records.
24 g. Developing and implementing effective and efficient
25 strategies for the use and provision of information technology
26 for participating agencies and other governmental entities.
27 h. Coordinating the acquisition of information technology
28 by participating agencies in furtherance of the purposes of
29 this chapter. The department shall institute procedures to
30 ensure effective and efficient compliance with the applicable
31 standards established pursuant to this article. This article
32 shall not be construed to prohibit or limit a participating
33 agency from entering into an agreement or contract for
34 information technology with a qualified private entity.
35 i. Entering into contracts, leases, licensing agreements,

1 royalty agreements, marketing agreements, memorandums of
2 understanding, or other agreements as necessary and
3 appropriate to administer this article.
4 j. Requesting that a participating agency provide such
5 information as is necessary to establish and maintain an
6 inventory of information technology used by participating
7 agencies, and such participating agency shall provide such
8 information to the department in a timely manner. The form
9 and content of the information to be provided shall be
10 determined by the department.
11 k. Charging reasonable fees, costs, expenses, charges, or
12 other amounts to an agency, governmental entity, public
13 official, or person or entity related to the provision, sale,
14 use, or utilization of, or cost sharing with respect to,
15 information technology and any intellectual property interests
16 related thereto, research and development, proprietary
17 hardware, software, and applications, and information
18 technology architecture and design. The department may enter
19 into nondisclosure agreements and take any other legal action
20 reasonably necessary to secure a right to an interest in
21 information technology development by or on behalf of the
22 state of Iowa and to protect the state of Iowa's proprietary
23 information technology and intellectual property interests.
24 The provisions of chapter 23A relating to noncompetition by
25 state agencies and political subdivisions with private
26 enterprise shall not apply to department activities authorized
27 under this paragraph.
28 l. Charging reasonable fees, costs, expenses, charges, or
29 other amounts to an agency, governmental entity, public
30 official, or other person or entity to or for whom information
31 technology or other services have been provided by or on
32 behalf of, or otherwise made available through, the
33 department.
34 m. Providing, selling, leasing, licensing, transferring,
35 or otherwise conveying or disposing of information technology,

1 or any intellectual property or other rights with respect
2 thereto, to agencies, governmental entities, public officials,
3 or other persons or entities.
4 n. Entering into partnerships, contracts, leases, or other
5 agreements with public and private entities for the evaluation
6 and development of information technology pilot projects.
7 o. Initiating and supporting the development of electronic
8 commerce, electronic government, and internet applications
9 across participating agencies and in cooperation with other
10 governmental entities. The department shall foster joint
11 development of electronic commerce and electronic government
12 involving the public and private sectors, develop customer
13 surveys and citizen outreach and education programs and
14 material, and provide for citizen input regarding the state's
15 electronic commerce and electronic government applications.
16 3. RESPONSIBILITIES. The responsibilities of the
17 department as it relates to information technology services
18 include the following:
19 a. Coordinate the activities of the department in
20 promoting, integrating, and supporting information technology
21 in all business aspects of state government.
22 b. Provide for server systems, including mainframe and
23 other server operations, desktop support, and applications
24 integration.
25 c. Provide applications development, support, and
26 training, and advice and assistance in developing and
27 supporting business applications throughout state government.
28 4. INFORMATION TECHNOLOGY CHARGES. The department shall
29 render a statement to an agency, governmental entity, public
30 official, or other person or entity to or for whom information
31 technology, value-added services, or other items or services
32 have been provided by or on behalf of, or otherwise made
33 available through, the department. Such an agency,
34 governmental entity, public official, or other person or
35 entity shall pay an amount indicated on such statement in a

1 manner determined by the department.
2 5. DISPUTE RESOLUTION. If a dispute arises between the
3 department and an agency for which the department provides or
4 refuses to provide information technology, the dispute shall
5 be resolved as provided in section 679A.19.
6 Sec. 19. NEW SECTION. 8A.203 DIRECTOR -- INFORMATION
7 TECHNOLOGY SERVICES POWERS AND DUTIES.
8 The director shall do all of the following as it relates to
9 information technology services:
10 1. Prescribe and adopt information technology standards
11 and rules.
12 2. Develop and recommend legislative proposals deemed
13 necessary for the continued efficiency of the department in
14 performing information technology functions, and review
15 legislative proposals generated outside of the department
16 which are related to matters within the department's purview.
17 3. Provide advice to the governor on issues related to
18 information technology.
19 4. Consult with agencies and other governmental entities
20 on issues relating to information technology.
21 5. Work with all governmental entities in an effort to
22 achieve the information technology goals established by the
23 department.
24 Sec. 20. NEW SECTION. 8A.204 INFORMATION TECHNOLOGY
25 COUNCIL -- MEMBERS -- POWERS AND DUTIES.
26 1. MEMBERSHIP.
27 a. The information technology council is composed of
28 fourteen members including the following:
29 (1) The chairperson of the IowAccess advisory council
30 established in section 8A.221, or the chairperson's designee.
31 (2) Two executive branch department heads appointed by the
32 governor.
33 (3) Six persons appointed by the governor who are
34 knowledgeable in information technology matters.
35 (4) One person representing the judicial branch appointed

1 by the chief justice of the supreme court who shall serve in
2 an ex officio, nonvoting capacity.
3 (5) Four members of the general assembly with not more
4 than one member from each house being from the same political
5 party. The two senators shall be designated by the president
6 of the senate after consultation with the majority and
7 minority leaders of the senate. The two representatives shall
8 be designated by the speaker of the house of representatives
9 after consultation with the majority and minority leaders of
10 the house of representatives. Legislative members shall serve
11 in an ex officio, nonvoting capacity. A legislative member is
12 eligible for per diem and expenses as provided in section
13 2.10.
14 b. The members appointed pursuant to paragraph "a" shall
15 serve four-year staggered terms and such appointments to the
16 information technology council are subject to the requirements
17 of sections 69.16, 69.16A, and 69.19. The four-year terms of
18 members appointed by the governor shall be staggered as
19 designated by the governor. Members appointed by the governor
20 are subject to senate confirmation and may also be eligible to
21 receive compensation as provided in section 7E.6. Members
22 shall be reimbursed for actual and necessary expenses incurred
23 in performance of the members' duties.
24 c. The information technology council shall annually elect
25 its own chairperson from among the voting members of the
26 council. A majority of the voting members of the council
27 constitutes a quorum.
28 2. DUTIES. The information technology council shall do
29 all of the following:
30 a. Advise the department in the development of recommended
31 standards for consideration with respect to the procurement of
32 information technology by all participating agencies.
33 b. Appoint advisory committees as appropriate to assist
34 the department in developing strategies for the use and
35 provision of information technology and establishing other

1 advisory committees as necessary to assist the information
2 technology council in carrying out its duties under this
3 article. The number of advisory committees and their
4 membership shall be determined by the information technology
5 council to assure that the public and agencies and other
6 governmental entities have an opportunity to comment on the
7 services provided and the service goals and objectives of the
8 department.
9 c. Advise the department in the preparation and annual
10 update of the strategic information technology plan for the
11 use of information technology throughout state government.
12 The plan shall promote participation in cooperative projects
13 with other governmental entities. The plan shall establish a
14 mission, goals, and objectives for the use of information
15 technology, including goals for electronic access to public
16 records, information, and services. The plan shall be
17 submitted annually to the governor and the general assembly.
18 d. Review, as deemed appropriate by the information
19 technology council, legislative proposals recommended by the
20 director, or other legislative proposals as developed and
21 deemed necessary by the information technology council.
22 e. Review the recommendations of the IowAccess advisory
23 council regarding rates to be charged for access to and for
24 value-added services performed through IowAccess. The
25 information technology council shall report the establishment
26 of a new rate or change in the level of an existing rate to
27 the department who will then notify the department of
28 management, and the department of management shall notify the
29 legislative fiscal bureau regarding the rate establishment or
30 change.
31 Sec. 21. NEW SECTION. 8A.205 DIGITAL GOVERNMENT.
32 1. The department is responsible for initiating and
33 supporting the development of electronic commerce, electronic
34 government, and internet applications across participating
35 agencies and in cooperation with other governmental entities.

1 2. In developing the concept of digital government, the
2 department shall do all of the following:
3 a. Establish standards, consistent with other state law,
4 for the implementation of electronic commerce, including
5 standards for digital signatures, electronic currency, and
6 other items associated with electronic commerce.
7 b. Establish guidelines for the appearance and functioning
8 of applications.
9 c. Establish standards for the integration of electronic
10 data across state agencies.
11 d. Foster joint development of electronic commerce and
12 electronic government involving the public and private
13 sectors.
14 e. Develop customer surveys and citizen outreach and
15 education programs and material, and provide for citizen input
16 regarding the state's electronic commerce and electronic
17 government applications.
18 f. Provide staff support for the IowAccess advisory
19 council.
20 Sec. 22. NEW SECTION. 8A.206 INFORMATION TECHNOLOGY
21 STANDARDS.
22 1. The department shall develop, in consultation with the
23 information technology council, recommended standards for
24 consideration with respect to the procurement of information
25 technology by all participating agencies. It is the intent of
26 the general assembly that information technology standards be
27 established for the purpose of guiding such procurements.
28 Such standards, unless waived by the department, shall apply
29 to all information technology procurements for participating
30 agencies.
31 2. The office of the governor or the office of an elective
32 constitutional or statutory officer shall consult with the
33 department prior to procuring information technology and
34 consider the standards recommended by the department, and
35 provide a written report to the department relating to the

1 office's decision regarding such acquisitions.
2 Sec. 23. NEW SECTION. 8A.207 PROCUREMENT OF INFORMATION
3 TECHNOLOGY.
4 1. Standards established by the department, unless waived
5 by the department, shall apply to all information technology
6 procurements for participating agencies.
7 2. The department shall institute procedures to ensure
8 effective and efficient compliance with standards established
9 by the department.
10 3. The department, by rule, may implement a
11 prequalification procedure for contractors with which the
12 department has entered or intends to enter into agreements
13 regarding the procurement of information technology.
14 4. Notwithstanding the provisions governing purchasing as
15 provided in article III, the department may procure
16 information technology as provided in this section. The
17 department may cooperate with other governmental entities in
18 the procurement of information technology in an effort to make
19 such procurements in a cost-effective, efficient manner as
20 provided in this section. The department, as deemed
21 appropriate and cost-effective, may procure information
22 technology using any of the following methods:
23 a. Cooperative procurement agreement. The department may
24 enter into a cooperative procurement agreement with another
25 governmental entity relating to the procurement of information
26 technology, whether such information technology is for the use
27 of the department or other governmental entities. The
28 cooperative procurement agreement shall clearly specify the
29 purpose of the agreement and the method by which such purpose
30 will be accomplished. Any power exercised under such
31 agreement shall not exceed the power granted to any party to
32 the agreement.
33 b. Negotiated contract. The department may enter into an
34 agreement for the purchase of information technology if any of
35 the following applies:

1 (1) The contract price, terms, and conditions are pursuant
2 to the current federal supply contract, and the purchase order
3 adequately identifies the federal supply contract under which
4 the procurement is to be made.
5 (2) The contract price, terms, and conditions are no less
6 favorable than the contractor's current federal supply
7 contract price, terms, and conditions; the contractor has
8 indicated in writing a willingness to extend such price,
9 terms, and conditions to the department; and the purchase
10 order adequately identifies the contract relied upon.
11 (3) The contract is with a vendor which has a current
12 exclusive or nonexclusive price agreement with the state for
13 the information technology to be procured, and such
14 information technology meets the same standards and
15 specifications as the items to be procured and both of the
16 following apply:
17 (a) The quantity purchased does not exceed the quantity
18 which may be purchased under the applicable price agreement.
19 (b) The purchase order adequately identifies the price
20 agreement relied upon.
21 c. Contracts let by another governmental entity. The
22 department, on its own behalf or on the behalf of another
23 participating agency or governmental entity, may procure
24 information technology under a contract let by another agency
25 or other governmental entity, or approve such procurement in
26 the same manner by a participating agency or governmental
27 entity.
28 d. Reverse auction.
29 (1) The department may enter into an agreement for the
30 purchase of information technology utilizing a reverse auction
31 process. Such process shall result in the purchase of
32 information technology from the vendor submitting the lowest
33 responsible bid amount for the information technology to be
34 acquired. The department, in establishing a reverse auction
35 process, shall do all of the following:

1 (a) Determine the specifications and requirements of the
2 information technology to be acquired.
3 (b) Identify and provide notice to potential vendors
4 concerning the proposed acquisition.
5 (c) Establish prequalification requirements to be met by a
6 vendor to be eligible to participate in the reverse auction.
7 (d) Conduct the reverse auction in a manner as deemed
8 appropriate by the department, and consistent with rules
9 adopted by the department.
10 (2) Prior to conducting a reverse auction, the department
11 shall establish a threshold amount which shall be the maximum
12 amount which the department is willing to pay for the
13 information technology to be acquired.
14 (3) The department shall enter into an agreement with a
15 vendor who is the lowest responsible bidder which meets the
16 specifications or description of the information technology to
17 be procured, or the department may reject all bids and begin
18 the process again. In determining the lowest responsible
19 bidder, the department may consider various factors,
20 including, but not limited to, the past performance of the
21 vendor relative to quality of product or service, the past
22 experience of the department in relation to the product or
23 service, the relative quality of products or services, the
24 proposed terms of delivery, and the best interest of the
25 state.
26 e. Competitive bidding. The department may enter into an
27 agreement for the procurement or acquisition of information
28 technology in the same manner as provided under article III
29 for the purchasing of service.
30 f. Other agreements. In addition to the competitive
31 bidding procedure provided for under paragraph "e", the
32 department may enter into an agreement for the purchase,
33 disposal, or other disposition of information technology in
34 the same manner and subject to the same limitations as
35 otherwise provided in this chapter. The department, by rule,

1 shall provide for such procedures.
2 5. The department shall adopt rules pursuant to chapter
3 17A to implement the procurement methods and procedures
4 provided for in subsections 2 through 4.
5 IOWACCESS
6 Sec. 24. NEW SECTION. 8A.221 IOWACCESS ADVISORY COUNCIL
7 ESTABLISHED -- DUTIES -- MEMBERSHIP.
8 1. ADVISORY COUNCIL ESTABLISHED. An IowAccess advisory
9 council is established within the department for the purpose
10 of creating and providing a service to the citizens of this
11 state that is the gateway for one-stop electronic access to
12 government information and transactions, whether federal,
13 state, or local. Except as provided in this section,
14 IowAccess shall be a state-funded service providing access to
15 government information and transactions. The department, in
16 establishing the fees for value-added services, shall consider
17 the reasonable cost of creating and organizing such government
18 information through IowAccess.
19 2. DUTIES.
20 a. The advisory council shall do all of the following:
21 (1) Recommend to the information technology council rates
22 to be charged for access to and for value-added services
23 performed through IowAccess.
24 (2) Recommend to the director the priority of projects
25 associated with IowAccess.
26 (3) Recommend to the director expected outcomes and
27 effects of the use of IowAccess and determine the manner in
28 which such outcomes are to be measured and evaluated.
29 (4) Review and recommend to the director the IowAccess
30 total budget request and ensure that such request reflects the
31 priorities and goals of IowAccess as established by the
32 advisory council.
33 (5) Review and recommend to the director all rules to be
34 adopted by the department that are related to IowAccess.
35 (6) Advocate for access to government information and

1 services through IowAccess and for data privacy protection,
2 information ethics, accuracy, and security in IowAccess
3 programs and services.
4 (7) Receive status and operations reports associated with
5 IowAccess.
6 (8) Other duties as assigned by the director.
7 b. The advisory council shall also advise the director
8 with respect to the operation of IowAccess and encourage and
9 implement access to government and its public records by the
10 citizens of this state.
11 c. The advisory council shall serve as a link between the
12 users of public records, the lawful custodians of such public
13 records, and the citizens of this state who are the owners of
14 such public records.
15 d. The advisory council shall ensure that IowAccess gives
16 priority to serving the needs of the citizens of this state.
17 3. MEMBERSHIP.
18 a. The advisory council shall be composed of nineteen
19 members including the following:
20 (1) Five persons appointed by the governor representing
21 the primary customers of IowAccess.
22 (2) Six persons representing lawful custodians as follows:
23 (a) One person representing the legislative branch, who
24 shall not be a member of the general assembly, to be appointed
25 jointly by the president of the senate, after consultation
26 with the majority and minority leaders of the senate, and by
27 the speaker of the house of representatives, after
28 consultation with the majority and minority leaders of the
29 house of representatives.
30 (b) One person representing the judicial branch as
31 designated by the chief justice of the supreme court.
32 (c) One person representing the executive branch as
33 designated by the governor.
34 (d) One person to be appointed by the governor
35 representing cities who shall be actively engaged in the

1 administration of a city.
2 (e) One person to be appointed by the governor
3 representing counties who shall be actively engaged in the
4 administration of a county.
5 (f) One person to be appointed by the governor
6 representing the federal government.
7 (3) Four members to be appointed by the governor
8 representing a cross section of the citizens of the state.
9 (4) Four members of the general assembly, two from the
10 senate and two from the house of representatives, with not
11 more than one member from each chamber being from the same
12 political party. The two senators shall be designated by the
13 president of the senate after consultation with the majority
14 and minority leaders of the senate. The two representatives
15 shall be designated by the speaker of the house of
16 representatives after consultation with the majority and
17 minority leaders of the house of representatives. Legislative
18 members shall serve in an ex officio, nonvoting capacity. A
19 legislative member is eligible for per diem and expenses as
20 provided in section 2.10.
21 b. Members appointed by the governor are subject to
22 confirmation by the senate and shall serve four-year staggered
23 terms as designated by the governor. The advisory council
24 shall annually elect its own chairperson from among the voting
25 members of the board. Members appointed by the governor are
26 subject to the requirements of sections 69.16, 69.16A, and
27 69.19. Members appointed by the governor shall be reimbursed
28 for actual and necessary expenses incurred in performance of
29 their duties. Such members may also be eligible to receive
30 compensation as provided in section 7E.6.
31 4. This section shall not be construed to impair the right
32 of a person to contract to purchase information or data from
33 the Iowa court information system or any other governmental
34 entity. This section shall not be construed to affect a data
35 purchase agreement or contract in existence on April 25, 2000.

1 Sec. 25. NEW SECTION. 8A.222 FINANCIAL TRANSACTIONS.
2 1. Moneys paid to a participating agency from persons who
3 complete an electronic financial transaction with the agency
4 by accessing IowAccess shall be transferred to the treasurer
5 of state for deposit in the general fund of the state, unless
6 the disposition of the moneys is specifically provided for
7 under other law. The moneys may include all of the following:
8 a. Fees required to obtain an electronic public record as
9 provided in section 22.3A.
10 b. Fees required to process an application or file a
11 document, including but not limited to fees required to obtain
12 a license issued by a licensing authority.
13 c. Moneys owed to a governmental entity by a person
14 accessing IowAccess in order to satisfy a liability arising
15 from the operation of law, including the payment of
16 assessments, taxes, fines, and civil penalties.
17 2. Moneys transferred using IowAccess may include amounts
18 owed by a governmental entity to a person accessing IowAccess
19 in order to satisfy a liability of the governmental entity.
20 The moneys may include the payment of tax refunds, and the
21 disbursement of support payments as defined in section 252D.16
22 or 598.1 as required for orders issued pursuant to section
23 252B.14.
24 3. In addition to other forms of payment, credit cards
25 shall be accepted in payment for moneys owed to or fees
26 imposed by a governmental entity in the same manner as
27 provided in section 8A.125.
28 4. Notwithstanding any other provision of this section,
29 the department may establish for the fiscal years beginning
30 July 1, 2003, and ending June 30, 2005, a pilot project for
31 fee collection. Fees shall be collected based on the ability
32 to access court information from remote locations.
33 Sec. 26. NEW SECTION. 8A.223 AUDITS REQUIRED.
34 A technology audit of the electronic transmission system by
35 which government records are transmitted electronically to the

1 public shall be conducted not less than once annually for the
2 purpose of determining that government records and other
3 electronic data are not misappropriated or misused by the
4 department or a contractor of the department.
5 Sec. 27. NEW SECTION. 8A.224 IOWACCESS REVOLVING FUND.
6 An IowAccess revolving fund is created in the state
7 treasury. The revolving fund shall be administered by the
8 department and shall consist of moneys collected by the
9 department as fees, moneys appropriated by the general
10 assembly, and any other moneys obtained or accepted by the
11 department for deposit in the revolving fund. The proceeds of
12 the revolving fund are appropriated to and shall be used by
13 the department to maintain, develop, operate, and expand
14 IowAccess consistent with this article. The department shall
15 submit an annual report not later than January 31 to the
16 members of the general assembly and the legislative fiscal
17 bureau, of the activities funded by and expenditures made from
18 the revolving fund during the preceding fiscal year. Section
19 8.33 does not apply to any moneys in the revolving fund and,
20 notwithstanding section 12C.7, subsection 2, earnings or
21 interest on moneys deposited in the revolving fund shall be
22 credited to the revolving fund.
23 ARTICLE 3
24 PHYSICAL RESOURCES
25 GENERAL PROVISIONS
26 Sec. 28. NEW SECTION. 8A.301 DEFINITIONS.
27 When used in this article, unless the context otherwise
28 requires:
29 1. "Bid specification" means the standards or qualities
30 which must be met before a contract to purchase will be
31 awarded and any terms which the director has set as a
32 condition precedent to the awarding of a contract.
33 2. "Competitive bidding procedure" means the advertisement
34 for, solicitation of, or the procurement of bids; the manner
35 and condition in which bids are received; and the procedure by

1 which bids are opened, accessed, accepted, rejected, or
2 awarded. A "competitive bidding procedure" may include a
3 transaction accomplished in an electronic format.
4 3. "Life cycle cost" means the expected total cost of
5 ownership during the life of a product.
6 4. "Printing" means, as used in chapter 7A and this
7 article, the reproduction of an image from a printing surface
8 made generally by a contact impression that causes a transfer
9 of ink, the reproduction of an impression by a photographic
10 process, or the reproduction of an image by electronic means
11 and shall include binding and may include material, processes,
12 or operations necessary to produce a finished printed product,
13 but shall not include binding, rebinding or repairs of books,
14 journals, pamphlets, magazines and literary articles by any
15 library of the state or any of its offices, departments,
16 boards, and commissions held as a part of their library
17 collection.
18 5. "State buildings and grounds" excludes any building
19 under the custody and control of the Iowa public employees'
20 retirement system.
21 Sec. 29. NEW SECTION. 8A.302 DEPARTMENTAL DUTIES --
22 PHYSICAL RESOURCES.
23 The duties of the department as it relates to the physical
24 resources of state government shall include but not
25 necessarily be limited to the following:
26 1. Providing a system of uniform standards and
27 specifications for purchasing. When the system is developed,
28 all items of general use shall be purchased through the
29 department, except items used by the state department of
30 transportation, institutions under the control of the state
31 board of regents, the department for the blind, and any other
32 agencies exempted by law.
33 2. Providing for the proper maintenance of the state
34 capitol, grounds, and equipment, and all other state buildings
35 and grounds, and equipment at the seat of government, and of

1 the state laboratories facility in Ankeny, except those
2 referred to in section 216B.3, subsection 6.
3 3. Providing for mail services for all state officials,
4 agencies, and departments located at the seat of government.
5 However, postage shall not be furnished to the general
6 assembly, its members, officers, employees, or committees.
7 4. Providing architectural services, contracting for
8 construction and construction oversight for state agencies
9 except for the state board of regents, department of
10 transportation, national guard, natural resource commission,
11 and the Iowa public employees' retirement system. Capital
12 funding appropriated to state agencies, except to the state
13 board of regents, department of transportation, national
14 guard, natural resource commission, and the Iowa public
15 employees' retirement system, for property management shall be
16 transferred for administration to the director of the
17 department of administrative services.
18 5. Developing and implementing procedures to conduct
19 transactions, including purchasing, authorized by this article
20 in an electronic format to the extent determined appropriate
21 by the department. The director shall adopt rules
22 establishing criteria for competitive bidding procedures
23 involving transactions in an electronic format, including
24 criteria for accepting or rejecting bids which are
25 electronically transmitted to the department, and for
26 establishing with reasonable assurance the authenticity of the
27 bid and the bidder's identity.
28 6. Providing insurance for motor vehicles owned by the
29 state.
30 PURCHASING
31 Sec. 30. NEW SECTION. 8A.311 COMPETITIVE BIDDING --
32 PREFERENCES -- RECIPROCAL APPLICATION -- DIRECT PURCHASING.
33 The director shall adopt rules establishing competitive
34 bidding procedures.
35 1. All equipment, supplies, or services procured by the

1 department shall be purchased by a competitive bidding
2 procedure. However, the director may exempt by rule purchases
3 of noncompetitive items and purchases in lots or quantities
4 too small to be effectively purchased by competitive bidding.
5 Preference shall be given to purchasing Iowa products and
6 purchases from Iowa-based businesses if the Iowa-based
7 business bids submitted are comparable in price to bids
8 submitted by out-of-state businesses and otherwise meet the
9 required specifications. If the laws of another state mandate
10 a percentage preference for businesses or products from that
11 state and the effect of the preference is that bids of Iowa
12 businesses or products that are otherwise low and responsive
13 are not selected in the other state, the same percentage
14 preference shall be applied to Iowa businesses and products
15 when businesses or products from that other state are bid to
16 supply Iowa requirements.
17 2. The director may also exempt the purchase of an item or
18 service from a competitive bidding procedure when the director
19 determines that the best interests of the state will be served
20 by the exemption which shall be based on one of the following:
21 a. An immediate or emergency need existing for the item or
22 service.
23 b. A need to protect the health, safety, or welfare of
24 persons occupying or visiting a public improvement or property
25 located adjacent to the public improvement.
26 3. The director may contract for the purchase of items or
27 services by the department. Contracts for the purchase of
28 items or services shall be awarded on the basis of the lowest
29 competent bid.
30 4. The director may refuse all bids on any item or service
31 and request new bids.
32 5. The director shall establish by rule the amount of
33 security, if any, to accompany a bid or as a condition
34 precedent to the awarding of any contract and the
35 circumstances under which a security will be returned to the

1 bidder or forfeited to the state.
2 6. The director shall adopt rules providing a method for
3 the various state agencies to file with the department a list
4 of those supplies, equipment, machines, and all items needed
5 to properly perform their governmental duties and functions.
6 7. The director shall furnish a list of specifications,
7 prices, and discounts of contract items to any governmental
8 subdivision which shall be responsible for payment to the
9 vendor under the terms and conditions outlined in the state
10 contract.
11 8. The director shall adopt rules providing that any state
12 agency may, upon request, purchase directly from a vendor if
13 the direct purchasing is as economical or more economical than
14 purchasing through the department, or upon a showing that
15 direct purchasing by the state agency would be in the best
16 interests of the state due to an immediate or emergency need.
17 The rules shall include a provision permitting a state agency
18 to purchase directly from a vendor, on the agency's own
19 authority, if the purchase will not exceed five thousand
20 dollars and the purchase will contribute to the agency
21 complying with or exceeding the targeted small business
22 procurement goals under sections 73.15 through 73.21.
23 Any member of the executive council may bring before the
24 executive council for review a decision of the director
25 granting a state agency request for direct purchasing. The
26 executive council shall hear and review the director's
27 decision in the same manner as an appeal filed by an aggrieved
28 bidder, except that the three-day period for filing for review
29 shall not apply.
30 9. a. When the estimated total cost of construction,
31 erection, demolition, alteration, or repair of a public
32 improvement exceeds twenty-five thousand dollars, the
33 department shall solicit bids on the proposed improvement by
34 publishing an advertisement in a print format. The
35 advertisement shall appear in two publications in a newspaper

1 published in the county in which the work is to be done. The
2 first advertisement for bids appearing in a newspaper shall be
3 not less than fifteen days prior to the date set for receiving
4 bids. The department may publish an advertisement in an
5 electronic format as an additional method of soliciting bids
6 under this paragraph.
7 b. In awarding a contract under this subsection, the
8 department shall let the work to the lowest responsible bidder
9 submitting a sealed proposal. However, if the department
10 considers the bids received not to be acceptable, all bids may
11 be rejected and new bids requested. A bid shall be
12 accompanied by a certified or cashier's check or bid bond in
13 an amount designated in the advertisement for bids as security
14 that the bidder will enter into a contract for the work
15 requested. The department shall establish the bid security in
16 an amount equal to at least five percent, but not more than
17 ten percent of the estimated total cost of the work. The
18 certified or cashier's checks or bid bonds of unsuccessful
19 bidders shall be returned as soon as the successful bidder is
20 determined. The certified or cashier's check or bid bond of
21 the successful bidder shall be returned upon execution of the
22 contract. This subsection does not apply to the construction,
23 erection, demolition, alteration, or repair of a public
24 improvement when the contracting procedure for the work
25 requested is otherwise provided for in law.
26 10. The state and its political subdivisions shall give
27 preference to purchasing Iowa products and purchasing from
28 Iowa-based businesses if the bids submitted are comparable in
29 price to those submitted by other bidders and meet the
30 required specifications.
31 11. The director shall adopt rules which require that each
32 bid received for the purchase of items purchased by the
33 department includes a product content statement which provides
34 the percentage of the content of the item which is reclaimed
35 material.

1 12. The director shall review and, where necessary, revise
2 specifications used by state agencies to procure products in
3 order to ensure all of the following:
4 a. The procurement of products containing recovered
5 materials, including but not limited to lubricating oils,
6 retread tires, building insulation materials, and recovered
7 materials from waste tires. The specifications shall be
8 revised if they restrict the use of alternative materials,
9 exclude recovered materials, or require performance standards
10 which exclude products containing recovered materials unless
11 the agency seeking the product can document that the use of
12 recovered materials will hamper the intended use of the
13 product.
14 b. The procurement by state agencies of bio-based
15 hydraulic fluids, greases, and other industrial lubricants
16 manufactured from soybeans in accordance with the requirements
17 of section 8A.316.
18 13. A bidder awarded a state construction contract shall
19 disclose the names of all subcontractors, who will work on the
20 project being bid, within forty-eight hours after the award of
21 the contract.
22 If a subcontractor named by a bidder awarded a state
23 construction contract is replaced, or if the cost of work to
24 be done by a subcontractor is reduced, the bidder shall
25 disclose the name of the new subcontractor or the amount of
26 the reduced cost.
27 14. A state agency shall make every effort to purchase
28 those products produced for sale by sheltered workshops, work
29 activity centers, and other special programs funded in whole
30 or in part by public moneys that employ persons with mental
31 retardation or other developmental disabilities or mental
32 illness if the products meet the required specifications.
33 15. A state agency shall make every effort to purchase
34 products produced for sale by employers of persons in
35 supported employment.

1 16. The department shall not award a contract to a bidder
2 for a construction, reconstruction, demolition, or repair
3 project or improvement with an estimated cost that exceeds
4 twenty-five thousand dollars in which the bid requires the use
5 of inmate labor supplied by the department of corrections, but
6 not employed by private industry pursuant to section 904.809,
7 to perform the project or improvement.
8 17. This section does not apply to Iowa technology center
9 contracts in support of activities performed for another
10 governmental entity, either state or federal. The Iowa
11 technology center is an entity created by a chapter 28E
12 agreement entered into by the department of public defense.
13 18. Life cycle cost and energy efficiency shall be
14 included in the criteria used by the department, institutions
15 under the control of the state board of regents, the
16 department of transportation, the department for the blind,
17 and other state agencies in developing standards and
18 specifications for purchasing energy-consuming products. For
19 purposes of this subsection, the life cycle costs of American
20 motor vehicles shall be reduced by five percent in order to
21 determine if the motor vehicle is comparable to foreign-made
22 motor vehicles. "American motor vehicles" includes those
23 vehicles manufactured in this state and those vehicles in
24 which at least seventy percent of the value of the motor
25 vehicle was manufactured in the United States or Canada and at
26 least fifty percent of the motor vehicle sales of the
27 manufacturer are in the United States or Canada. In
28 determining the life cycle costs of a motor vehicle, the costs
29 shall be determined on the basis of the bid price, the resale
30 value, and the operating costs based upon a useable life of
31 five years or seventy-five thousand miles, whichever occurs
32 first.
33 19. Preference shall be given to purchasing American-made
34 products and purchases from American-based businesses if the
35 life cycle costs are comparable to those products of foreign

1 businesses and which most adequately fulfill the department's
2 need.
3 Sec. 31. NEW SECTION. 8A.312 COOPERATIVE PURCHASING.
4 The director may purchase items through the department of
5 transportation, institutions under the control of the state
6 board of regents, and any other agency exempted by law from
7 centralized purchasing. These state agencies shall upon
8 request furnish the director with a list of and specifications
9 for all items of office equipment, furniture, fixtures, motor
10 vehicles, heavy equipment, and other related items to be
11 purchased during the next quarter and the date by which the
12 director must file with the agency the quantity of items to be
13 purchased by the state agency for the department. The
14 department shall be liable to the state agency for the
15 proportionate costs the items purchased for the department
16 bear to the total purchase price. When items purchased have
17 been delivered, the state agency shall notify the director and
18 after receipt of the purchase price shall release the items to
19 the director or upon the director's order.
20 Sec. 32. NEW SECTION. 8A.313 DISPUTES INVOLVING
21 PURCHASING FROM IOWA STATE INDUSTRIES.
22 Disputes arising between the department of corrections and
23 a purchasing department or agency over the procurement of
24 products from Iowa state industries as described in section
25 904.808 shall be referred to the director. The decision of
26 the director is final unless a written appeal is filed with
27 the executive council within five days of receipt of the
28 decision of the director, excluding Saturdays, Sundays, and
29 legal holidays. If an appeal is filed, the executive council
30 shall hear and determine the appeal within thirty days. The
31 decision of the executive council is final.
32 Sec. 33. NEW SECTION. 8A.314 PURCHASING REVOLVING FUND.
33 1. A purchasing revolving fund is established within the
34 department. The director shall keep an accurate itemized
35 account for each state agency purchasing through the

1 department, using services provided for by the department, and
2 using postage supplied by the department.
3 2. At the end of each month the director shall render a
4 statement to each state agency for the actual cost of items
5 purchased through the department, and the actual cost of
6 services and postage used by the agency. The monthly
7 statement shall also include a fair proportion of the
8 administrative costs of the department during the month. The
9 portion of administrative costs shall be determined by the
10 director subject to review by the executive council upon
11 complaint from any state agency adversely affected.
12 3. Statements rendered to the various state agencies shall
13 be paid by the state agencies in the manner determined by the
14 department. When the statements are paid the sums shall be
15 credited to the purchasing revolving fund. If any funds
16 accrue to the revolving fund in excess of two hundred twenty-
17 five thousand dollars and there is no anticipated need or use
18 for such funds, the governor shall order the excess funds
19 credited to the general fund of the state.
20 Sec. 34. NEW SECTION. 8A.315 STATE PURCHASES -- RECYCLED
21 PRODUCTS -- SOYBEAN-BASED INKS.
22 1. When purchasing paper products other than printing and
23 writing paper, the department shall, when the price is
24 reasonably competitive and the quality as intended, purchase
25 the recycled product. The department shall also purchase,
26 when the price is reasonably competitive and the quality as
27 intended, and in keeping with the schedule established in this
28 subsection, soybean-based inks and plastic products with
29 recycled content including but not limited to plastic garbage
30 can liners.
31 a. One hundred percent of the purchases of inks which are
32 used for newsprint printing services performed internally or
33 contracted for by the department shall be soybean-based.
34 b. One hundred percent of the purchases of inks, other
35 than inks which are used for newsprint printing services, and

1 which are used internally or contracted for by the department,
2 shall be soybean-based to the extent formulations for such
3 inks are available.
4 c. A minimum of ten percent of the purchases of garbage
5 can liners made by the department shall be plastic garbage can
6 liners with recycled content. The percentage shall increase
7 by ten percent annually until fifty percent of the purchases
8 of garbage can liners are plastic garbage can liners with
9 recycled content.
10 d. The department shall report to the general assembly on
11 February 1 of each year the following:
12 (1) A listing of plastic products which are regularly
13 purchased by the department and other state agencies for which
14 recycled content product alternatives are available, including
15 the cost of the plastic products purchased and the cost of the
16 recycled content product alternatives.
17 (2) Information relating to soybean-based inks and plastic
18 garbage can liners with recycled content regularly purchased
19 by the department and other state agencies, including the cost
20 of purchasing soybean-based inks and plastic garbage can
21 liners with recycled content and the percentages of soybean-
22 based inks and plastic garbage can liners with recycled
23 content that have been purchased.
24 e. For purposes of this subsection, "recycled content"
25 means that the content of the product contains a minimum of
26 thirty percent postconsumer material.
27 2. a. Except as otherwise provided in this section, the
28 department shall purchase and use recycled printing and
29 writing paper so that ninety percent of the volume of printing
30 and writing paper purchased is recycled paper. The recycled
31 printing and writing paper shall meet the requirements for
32 procuring recycled printing and writing paper set forth in 40
33 C.F.R. pt. 247, and in related recovered materials advisory
34 notices issued by the United States environmental protection
35 agency.

1 b. The department shall establish a prioritization
2 procedure for the purchase of recycled paper which provides
3 for a five percent differential in the cost of the purchase of
4 paper which has been recycled through the use of a
5 nonchlorinated process.
6 c. If a provision under this subsection results in the
7 limitation of sources for the purchase of printing and writing
8 paper to three or fewer sources, the department may waive the
9 requirement in order to purchase necessary amounts of printing
10 and writing paper.
11 d. Notwithstanding the requirements of this subsection
12 regarding the purchase of recycled printing and writing paper,
13 the department shall purchase acid-free permanent paper in the
14 amount necessary for the production or reproduction of
15 documents, papers, or similar materials produced or reproduced
16 for permanent preservation pursuant to law.
17 3. The department, in conjunction with the department of
18 natural resources, shall review the procurement specifications
19 currently used by the state to eliminate, wherever possible,
20 discrimination against the procurement of products
21 manufactured with recovered materials and soybean-based inks.
22 4. The department of natural resources shall assist the
23 department in locating suppliers of recycled products and
24 soybean-based inks and collecting data on recycled content and
25 soybean-based ink purchases.
26 5. Information on recycled content shall be requested on
27 all bids for paper products other than printing and writing
28 paper issued by the state and on other bids for products which
29 could have recycled content such as oil, plastic products,
30 including but not limited to compost materials, aggregate,
31 solvents, soybean-based inks, and rubber products. Except for
32 purchases of printing and writing paper made pursuant to
33 subsection 2, paragraphs "c" and "d", the department shall
34 require persons submitting bids for printing and writing paper
35 to certify that the printing and writing paper proposed

1 complies with the requirements referred to in subsection 2,
2 paragraph "a".
3 6. The department, in conjunction with the department of
4 natural resources, shall adopt rules to administer this
5 section.
6 7. All state agencies shall fully cooperate with the
7 department and with the department of natural resources in all
8 phases of implementing this section.
9 8. The department, whenever technically feasible, shall
10 purchase and use degradable loose foam packing material
11 manufactured from grain starches or other renewable resources,
12 unless the cost of the packing material is more than ten
13 percent greater than the cost of packing material made from
14 nonrenewable resources. For the purposes of this subsection,
15 "packing material" means material, other than an exterior
16 packing shell, that is used to stabilize, protect, cushion, or
17 brace the contents of a package.
18 Sec. 35. NEW SECTION. 8A.316 LUBRICANTS AND OILS --
19 PREFERENCES.
20 The department shall do all of the following:
21 1. Revise its procedures and specifications for the
22 purchase of lubricating oil and industrial oil to eliminate
23 exclusion of recycled oils and any requirement that oils be
24 manufactured from virgin materials.
25 2. Require that purchases of lubricating oil and
26 industrial oil be made from the seller whose oil product
27 contains the greatest percentage of recycled oil, unless one
28 of the following circumstances regarding a specific oil
29 product containing recycled oil exists:
30 a. The product is not available within a reasonable period
31 of time or in quantities necessary or in container sizes
32 appropriate to meet a state agency's needs.
33 b. The product does not meet the performance requirements
34 or standards recommended by the equipment or vehicle
35 manufacturer, including any warranty requirements.

1 c. The product is available only at a cost greater than
2 one hundred five percent of the cost of comparable virgin oil
3 products.
4 3. Establish and maintain a preference program for
5 procuring oils containing the maximum content of recycled oil.
6 The preference program shall include but is not limited to all
7 of the following:
8 a. The inclusion of the preferences for recycled oil
9 products in publications used to solicit bids from suppliers.
10 b. The provision of a description of the recycled oil
11 procurement program at bidders' conferences.
12 c. Discussion of the preference program in lubricating oil
13 and industrial oil procurement solicitations or invitations to
14 bid.
15 d. Efforts to inform industry trade associations about the
16 preference program.
17 4. a. Provide that when purchasing hydraulic fluids,
18 greases, and other industrial lubricants, the department or a
19 state agency authorized by the department to directly purchase
20 hydraulic fluids, greases, and other industrial lubricants
21 shall give preference to purchasing bio-based hydraulic
22 fluids, greases, and other industrial lubricants manufactured
23 from soybeans.
24 b. Provide for the implementation of requirements
25 necessary in order to carry out this subsection by the
26 department or state agency making the purchase, which shall
27 include all of the following:
28 (1) Including the preference requirements in publications
29 used to solicit bids for hydraulic fluids, greases, and other
30 industrial lubricants.
31 (2) Describing the preference requirements at bidders'
32 conferences in which bids for the sale of hydraulic fluids,
33 greases, and other industrial lubricants are sought by the
34 department or authorized state agency.
35 (3) Discussing the preference requirements in procurement

1 solicitations or invitations to bid for hydraulic fluids,
2 greases, and other industrial lubricants.
3 (4) Informing industry trade associations about the
4 preference requirements.
5 c. As used in this subsection, unless the context
6 otherwise requires:
7 (1) "Bio-based hydraulic fluids, greases, and other
8 industrial lubricants" means the same as defined by the United
9 States department of agriculture, if the department has
10 adopted such a definition. If the United States department of
11 agriculture has not adopted a definition, "bio-based hydraulic
12 fluids, greases, and other industrial lubricants" means
13 hydraulic fluids, greases, and other lubricants containing a
14 minimum of fifty-one percent soybean oil.
15 (2) "Other industrial lubricants" means lubricants used or
16 applied to machinery.
17 PHYSICAL RESOURCES AND FACILITY MANAGEMENT
18 Sec. 36. NEW SECTION. 8A.321 PHYSICAL RESOURCES AND
19 FACILITY MANAGEMENT -- DIRECTOR DUTIES -- APPROPRIATION.
20 In managing the physical resources of government, the
21 director shall perform all of the following duties:
22 1. Provide for supervision over the custodians, and other
23 employees of the department in and about the capitol and other
24 state buildings, and the state laboratories facility in
25 Ankeny, except the buildings and grounds referred to in
26 section 216B.3, subsection 6, at the seat of government.
27 2. Institute, in the name of the state, and with the
28 advice and consent of the attorney general, civil and criminal
29 proceedings against any person for injury or threatened injury
30 to any public property, including but not limited to
31 intangible and intellectual property, under the person's
32 control.
33 3. Under the direction of the governor, provide, furnish,
34 and pay for public utilities service, heat, maintenance, minor
35 repairs, and equipment in operating and maintaining the

1 official residence of the governor of Iowa.
2 4. Contract, with the approval of the executive council,
3 for the repair, remodeling, or, if the condition warrants,
4 demolition of all buildings and grounds of the state at the
5 seat of government, at the state laboratories facility in
6 Ankeny, and the institutions of the department of human
7 services and the department of corrections for which no
8 specific appropriation has been made, if the cost of repair,
9 remodeling, or demolition will not exceed one hundred thousand
10 dollars when completed. The cost of repair projects for which
11 no specific appropriation has been made shall be paid from the
12 fund provided in section 7D.29.
13 5. Dispose of all personal property of the state under the
14 director's control as provided by section 8A.324 when it
15 becomes unnecessary or unfit for further use by the state. If
16 the director concludes that the personal property is
17 contaminated, contains hazardous waste, or is hazardous waste,
18 the director may charge the state agency responsible for the
19 property for removal and disposal of the personal property.
20 The director shall adopt rules establishing the procedures for
21 inspecting, selecting, and removing personal property from
22 state agencies or from state storage.
23 6. a. Lease all buildings and office space necessary to
24 carry out the provisions of this article or necessary for the
25 proper functioning of any state agency at the seat of
26 government. For state agencies at the seat of government, the
27 director may lease buildings and office space in Polk county
28 or in a county contiguous to Polk county. If no specific
29 appropriation has been made, the proposed lease shall be
30 submitted to the executive council for approval. The cost of
31 any lease for which no specific appropriation has been made
32 shall be paid from the fund provided in section 7D.29.
33 b. When the general assembly is not in session, the
34 director may request moneys from the executive council for
35 moving state agencies located at the seat of government from

1 one location to another. The request may include moving
2 costs, telecommunications costs, repair costs, or any other
3 costs relating to the move. The executive council may approve
4 and shall pay the costs from funds provided in section 7D.29
5 if it determines the agency or department has no available
6 funds for these expenses.
7 c. Coordinate the leasing of buildings and office space by
8 state agencies throughout the state and develop cooperative
9 relationships with the state board of regents in order to
10 promote the colocation of state agencies.
11 7. Unless otherwise provided by law, coordinate the
12 location, design, plans and specifications, construction, and
13 ultimate use of the real or personal property to be purchased
14 by a state agency for whose benefit and use the property is
15 being obtained. If the purchase of real or personal property
16 is to be financed pursuant to section 12.28, the department
17 shall cooperate with the treasurer of state in providing the
18 information necessary to complete the financing of the
19 property.
20 A contract for acquisition, construction, erection,
21 demolition, alteration, or repair by a private person of real
22 or personal property to be lease-purchased by the treasurer of
23 state pursuant to section 12.28 is exempt from section 8A.311,
24 subsections 1 and 9, unless the lease-purchase contract is
25 funded in advance by a deposit of the lessor's moneys to be
26 administered by the treasurer of state under a lease-purchase
27 contract which requires rent payments to commence upon
28 delivery of the lessor's moneys to the lessee.
29 8. With the authorization of a constitutional majority of
30 each house of the general assembly and approval by the
31 governor, dispose of real property belonging to the state and
32 its state agencies upon terms, conditions, and consideration
33 as the director may recommend. If real property subject to
34 sale under this subsection has been purchased or acquired from
35 appropriated funds, the proceeds of the sale shall be

1 deposited with the treasurer of state and credited to the
2 general fund of the state or other fund from which
3 appropriated. There is appropriated from that same fund, with
4 the prior approval of the executive council and in cooperation
5 with the director, a sum equal to the proceeds so deposited
6 and credited to the state agency to which the disposed real
7 property belonged or by which it was used, for purposes of the
8 state agency.
9 9. Subject to the selection procedures of section 12.30,
10 employ financial consultants, banks, insurers, underwriters,
11 accountants, attorneys, and other advisors or consultants
12 necessary to implement the provisions of subsection 7.
13 10. Prepare annual status reports for all ongoing capital
14 projects of all state agencies, as defined in section 8.3A,
15 and submit the status reports to the legislative capital
16 projects committee.
17 11. Call upon any state agency, as defined in section
18 8.3A, for assistance the director may require in performing
19 the director's duties under subsection 10 regarding capital
20 project status reports. All state agencies, upon the request
21 of the director and with the approval of the director of the
22 department of management, shall assist the director and are
23 authorized to make available to the director any existing
24 studies, surveys, plans, data, and other materials in the
25 possession of the state agencies which are relevant to the
26 director's duties.
27 12. In carrying out the requirements of section 64.6,
28 purchase an individual or a blanket surety bond insuring the
29 fidelity of state officers. The department may self-assume or
30 self-insure fidelity exposures for state officials and
31 employees. A state official is deemed to have furnished
32 surety if the official has been covered by a program of
33 insurance or self-insurance established by the department. To
34 the extent possible, all bonded state employees shall be
35 covered under one or more blanket bonds or position schedule

1 bonds.
2 13. Review the management of state property loss exposures
3 and state liability risk exposures for the capitol complex.
4 Insurance coverage may include self-insurance or any type of
5 insurance protection sold by insurers, including, but not
6 limited to, full coverage, partial coverage, coinsurance,
7 reinsurance, and deductible insurance coverage.
8 14. Establish a monument maintenance account in the state
9 treasury under the control of the department. Funds for the
10 maintenance of a state monument, whether received by gift,
11 devise, bequest, or otherwise, shall be deposited in the
12 account. Funds in the account shall be deposited in an
13 interest-bearing account. Notwithstanding section 12C.7,
14 interest earned on the account shall be deposited in the
15 account and shall be used to maintain the designated monument.
16 Any maintenance funds for a state monument held by the state
17 and interest earned on the funds shall be used to maintain the
18 designated monument. Notwithstanding section 8.33, funds in
19 the monument maintenance account at the end of a fiscal year
20 shall not revert to the general fund of the state.
21 Sec. 37. NEW SECTION. 8A.322 BUILDINGS AND GROUNDS --
22 SERVICES -- PUBLIC USE.
23 1. The director shall provide necessary lighting, fuel,
24 and water services for the state buildings and grounds located
25 at the seat of government, and for the state laboratories
26 facility in Ankeny, except the buildings and grounds referred
27 to in section 216B.3, subsection 6.
28 2. Except for buildings and grounds described in section
29 216B.3, subsection 6; section 2.43, unnumbered paragraph 1;
30 and any buildings under the custody and control of the Iowa
31 public employees' retirement system, the director shall assign
32 office space at the capitol, other state buildings, and
33 elsewhere in the city of Des Moines, and the state
34 laboratories facility in Ankeny, for all executive and
35 judicial state agencies. Assignments may be changed at any

1 time. The various officers to whom rooms have been so
2 assigned may control the same while the assignment to them is
3 in force. Official apartments shall be used only for the
4 purpose of conducting the business of the state. The term
5 "capitol" or "capitol building" as used in the Code shall be
6 descriptive of all buildings upon the capitol grounds. The
7 capitol building itself is reserved for the operations of the
8 general assembly, the governor, and the courts and the
9 assignment and use of physical facilities for the general
10 assembly shall be pursuant to section 2.43.
11 3. The director shall establish, publish, and enforce
12 rules regulating and restricting the use by the public of the
13 capitol buildings and grounds and of the state laboratories
14 facility in Ankeny. The rules when established shall be
15 posted in conspicuous places about the capitol buildings and
16 grounds and the state laboratories facility, as applicable.
17 Any person violating any rule, except a parking regulation,
18 shall be guilty of a simple misdemeanor.
19 Sec. 38. NEW SECTION. 8A.323 PARKING REGULATIONS.
20 1. The director shall establish, publish, and enforce
21 rules regulating, restricting, or prohibiting the use by state
22 officials, state employees, and the public, of motor vehicle
23 parking facilities at the state capitol complex and at the
24 state laboratories facility in Ankeny. The assignment of
25 legislative parking spaces shall be under the control of the
26 legislative council. The rules established by the director
27 may establish fines for violations and a procedure for payment
28 of the fines. The director may order payment of a fine and
29 enforce the order in the district court.
30 2. Motor vehicles parked in violation of the rules may be
31 removed without the owner's or operator's consent and at the
32 owner's or operator's expense. Motor vehicles removed and not
33 claimed within thirty days of their removal or vehicles
34 abandoned within the capitol grounds may be disposed of in
35 accordance with the provisions of sections 321.85 through

1 321.91.
2 3. The parking rules established shall be posted in
3 conspicuous places at the capitol complex and at the state
4 laboratories facility in Ankeny, as applicable. Copies of the
5 rules shall be made available to all state officials and
6 employees and any other person who requests a copy of the
7 rules.
8 4. All fines collected by the department shall be
9 forwarded to the treasurer of state and deposited in the
10 general fund of the state.
11 Sec. 39. NEW SECTION. 8A.324 DISPOSAL OF PERSONAL
12 PROPERTY.
13 The director may dispose of personal property of the state
14 under the director's control by any of the following means:
15 1. The director may dispose of unfit or unnecessary
16 personal property by sale. Proceeds from the sale of personal
17 property shall be deposited in the general fund of the state.
18 2. If the director concludes that the personal property
19 has little or no value, the director may enter into an
20 agreement with a not-for-profit organization or governmental
21 agency to dispose of the personal property. The not-for-
22 profit organization or governmental agency may charge the
23 state agency in control of the property with the cost of
24 removing and transporting the property. Title to the personal
25 property shall transfer when the personal property is in the
26 possession of the not-for-profit organization or governmental
27 agency. If a governmental agency adds value to the property
28 transferred to it and sells it, the proceeds from the sale
29 shall be deposited with the governmental agency and not in the
30 general fund of the state.
31 3. The director may dispose of presses, printing
32 equipment, printing supplies, and other machinery or equipment
33 used in the printing operation.
34 Sec. 40. NEW SECTION. 8A.325 SERVICES AND COMMODITIES
35 ACCEPTED.

1 The director may accept services, commodities, and surplus
2 property and make provision for warehousing and distribution
3 to various departments and governmental subdivisions of the
4 state, and such other agencies, institutions, and authorized
5 recipients within the state as may be from time to time
6 designated in federal statutes and rules.
7 Sec. 41. NEW SECTION. 8A.326 TERRACE HILL COMMISSION.
8 1. The Terrace Hill commission is created consisting of
9 nine persons, appointed by the governor, who are knowledgeable
10 in business management and historic preservation and
11 renovation. The governor shall appoint the chairperson. The
12 terms of the commission members are for three years beginning
13 on July 1 and ending on June 30.
14 2. The Terrace Hill commission may consult with the
15 Terrace Hill society, Terrace Hill foundation, the executive
16 and legislative branches of this state, and other persons
17 interested in the property.
18 3. The Terrace Hill commission may enter into contracts,
19 subject to this chapter, to execute its purposes.
20 4. The commission may adopt rules to administer the
21 programs of the commission. The decision of the commission is
22 final agency action under chapter 17A.
23 Sec. 42. NEW SECTION. 8A.327 RENT REVOLVING FUND CREATED
24 -- PURPOSE.
25 1. A rent revolving fund is created in the state treasury
26 under the control of the department to be used by the
27 department to pay the lease or rental costs of all buildings
28 and office space necessary for the proper functioning of any
29 state agency at the seat of state government as provided in
30 section 8A.321, subsection 6, except that this fund shall not
31 be used to pay the rental or lease costs of a state agency
32 which has not received funds budgeted for rental or lease
33 purposes.
34 2. The director shall pay the lease or rental fees to the
35 renter or lessor and submit a monthly statement to each state

1 agency for which building and office space is rented or
2 leased. If the director pays the lease or rental fees on
3 behalf of a state agency, the state agency's payment to the
4 department shall be credited to the rent revolving fund
5 established by this section. With the approval of the
6 director, a state agency may pay the lease or rental cost
7 directly to the person who is due the payment under the lease
8 or rental agreement.
9 Sec. 43. NEW SECTION. 8A.328 RECYCLING REVOLVING FUND.
10 A recycling revolving fund is created within the state
11 treasury under the control of the department. The fund shall
12 consist of any moneys appropriated by the general assembly and
13 any other moneys available to and obtained or accepted by the
14 department from the federal government or private sources for
15 placement in the fund. The assets of the fund shall be used
16 by the department only for supporting recycling operations.
17 Moneys in the fund shall be drawn upon the written requisition
18 of the director or an authorized representative of the
19 director. The fund is subject to an annual audit by the
20 auditor of state. Section 8.33 does not apply to any moneys
21 in the fund. Notwithstanding section 12C.7, subsection 2,
22 interest or earnings on moneys deposited in the fund shall be
23 credited to the fund.
24 Sec. 44. NEW SECTION. 8A.329 WASTEPAPER RECYCLING
25 PROGRAM.
26 1. The department in accordance with recommendations made
27 by the department of natural resources shall require all state
28 agencies to establish an agency wastepaper recycling program.
29 The director shall adopt rules which require a state agency to
30 develop a program to ensure the recycling of the wastepaper
31 generated by the agency. All state employees shall practice
32 conservation of paper materials.
33 2. For the purposes of this section, "agency wastepaper"
34 means wastepaper or wastepaper products generated by the
35 agency.

1 3. The rules adopted by the director shall provide for the
2 continuation of existing state agency contracts which provide
3 for alternative waste management not including incineration or
4 land burial of agency wastepaper.
5 PRINTING
6 Sec. 45. NEW SECTION. 8A.341 STATE PRINTING -- DUTIES.
7 The director shall do all of the following as it relates to
8 printing:
9 1. Provide general supervision of all matters pertaining
10 to public printing, including the enforcement of contracts for
11 printing, except as otherwise provided by law. The
12 supervision shall include providing guidelines for the letting
13 of contracts for printing, the manner, form, style, and
14 quantity of public printing, and the specifications and
15 advertisements for public printing. In addition, the director
16 shall have charge of office equipment and supplies and of the
17 stock, if any, required in connection with printing contracts.
18 2. If money is appropriated for this purpose, by November
19 1 of each year supply a report which contains the name,
20 gender, county, or city of residence when possible, official
21 title, salary received during the previous fiscal year, base
22 salary as computed on July 1 of the current fiscal year, and
23 traveling and subsistence expense of the personnel of each of
24 the departments, boards, and commissions of the state
25 government except personnel who receive an annual salary of
26 less than one thousand dollars. The number of the personnel
27 and the total amount received by them shall be shown for each
28 department in the report. All employees who have drawn
29 salaries, fees, or expense allowances from more than one
30 department or subdivision shall be listed separately under the
31 proper departmental heading. On the request of the director,
32 the head of each department, board, or commission shall
33 furnish the data covering that agency. The report shall be
34 distributed upon request without charge to each caucus of the
35 general assembly, the legislative service bureau, the

1 legislative fiscal bureau, the chief clerk of the house of
2 representatives, and the secretary of the senate. Copies of
3 the report shall be made available to other persons in both
4 print or electronic medium upon payment of a fee, which shall
5 not exceed the cost of providing the copy of the report.
6 Sections 22.2 through 22.6 apply to the report. All funds
7 from the sale of the report shall be deposited in the printing
8 revolving fund established in section 8A.345. Requests for
9 print publications shall be handled only upon receipt of
10 postage by the director.
11 3. Deposit receipts from the sale of presses, printing
12 equipment, printing supplies, and other machinery or equipment
13 used in the printing operation in the printing revolving fund
14 established in section 8A.345.
15 Sec. 46. NEW SECTION. 8A.342 CONTRACTS WITH STATE
16 INSTITUTIONS.
17 The director may, without advertising for bids, enter into
18 contracts or make provision for doing any of the work coming
19 under the provisions of chapter 7A and this article at any
20 school or institution under the ownership or control of the
21 state. The work shall be done under conditions substantially
22 the same as those provided for in the case of contracts with
23 individuals and the same standard of quality or product shall
24 be required.
25 Sec. 47. NEW SECTION. 8A.343 SPECIFICATIONS AND
26 REQUIREMENTS.
27 The director shall, from time to time, adopt and print
28 specifications and requirements covering all matters relating
29 to printing that are the subject of contracts.
30 Sec. 48. NEW SECTION. 8A.344 PUBLIC PRINTING -- BIDDING
31 PROCEDURES.
32 1. The director shall advertise for bids for public
33 printing. Advertisements shall state where and how
34 specifications and other necessary information may be
35 obtained, the time during which the director will receive

1 bids, and the day, hour, and place when bids will be publicly
2 opened or accessed, and the manner by which the contracts will
3 be awarded.
4 2. The director shall supply prospective bidders and
5 others on request with the specifications and requirements,
6 blank forms for bids, samples of printing so far as possible,
7 and all other information pertaining to the subject.
8 3. The specifications shall be kept on file in the office
9 of the director, open to public inspection, together with
10 samples so far as possible, of the work to be done or the
11 material to be furnished.
12 4. Bids submitted must be:
13 a. Secured in writing, by telephone, by facsimile, or in a
14 format prescribed by the director as indicated in the bid
15 specifications.
16 b. Signed by the bidder, or if a telephone or electronic
17 bid, confirmed by the bidder in a manner prescribed by the
18 director.
19 c. Submitted in a format prescribed by the director which
20 reasonably assures the authenticity of the bid and the
21 bidder's identity.
22 d. Submitted to the department as specified by the date
23 and time established in the advertisements for bids.
24 5. When a bidder submits a bid to the department, the
25 director may require the bidder to file a bid bond or a
26 certified or cashier's check payable to the treasurer of state
27 in an amount to be fixed in the bid specifications, either
28 covering all classes or items or services, or separate
29 certified or cashier's checks for each bid in case the bidder
30 makes more than one bid. In lieu of a certified or cashier's
31 check, the bidder may furnish a yearly bond in an amount to be
32 established by the director. Certified or cashier's checks
33 deposited by unsuccessful bidders, and by successful bidders
34 when they have entered into the contract, shall be returned to
35 them.

1 6. All bids shall be publicly opened or accessed and read
2 and the contracts awarded in the manner designated in the bid
3 specifications. In the award of a contract, due consideration
4 shall be given to the price bid, mechanical and other
5 equipment proposed to be used by the bidder, the financial
6 responsibility of the bidder, the bidder's ability and
7 experience in the performance of similar contracts, and any
8 other factors that the department determines are relevant and
9 that are included in the bid specifications.
10 7. The director shall have the right to reject any or all
11 bids, and in case of rejection or because of failure of a
12 bidder to enter into a contract, the director may advertise
13 for and secure new bids.
14 8. When the director is satisfied that bidders have
15 presented bids pursuant to an agreement, understanding, or
16 combination to prevent free competition, the director shall
17 reject all of them and readvertise for bids as in the first
18 instance.
19 Sec. 49. NEW SECTION. 8A.345 PRINTING REVOLVING FUND.
20 A revolving fund is created in the state treasury under the
21 control of the department and may be used in making payments
22 for supplying paper stock, offset printing, copy preparation,
23 binding, distribution costs, and original payment of printing
24 and binding claims for any of the state departments, bureaus,
25 commissions, or institutions. All salaries and expenses
26 properly chargeable to the fund shall be paid from the fund.
27 The director may also use the fund for the purchase of
28 replacement or additional equipment, if a sufficient balance
29 will remain in the fund to enable the continued operation of
30 the printing operations of the department.
31 DOCUMENT MANAGEMENT
32 Sec. 50. NEW SECTION. 8A.351 DISTRIBUTION OF DOCUMENTS
33 -- GENERAL PROVISIONS.
34 If money is appropriated for this purpose, the director
35 shall do all of the following:

1 1. The director shall require from officials or heads of
2 departments mailing lists, or addressed labels or envelopes,
3 for use in distribution of reports and documents. The
4 director shall revise such lists, eliminating duplications and
5 adding to the lists libraries, institutions, public officials,
6 and persons having actual use for the material. The director
7 shall arrange the lists so as to reduce to the minimum the
8 postage or other cost for delivery. Requests for publications
9 shall be handled only upon receipt of postage by the director
10 from the requesting agency or department.
11 2. The director shall furnish the various officials and
12 departments with copies of their reports needed for office use
13 or to be distributed to persons requesting the reports.
14 Requests for publications shall be handled only upon receipt
15 of postage by the director.
16 3. The official register shall be distributed to the
17 public in a manner determined by the director.
18 4. The director may send additional copies of publications
19 to other state officials, individuals, institutions,
20 libraries, or societies that may request them. Requests for
21 publications shall be handled only upon receipt of postage by
22 the director.
23 FLEET MANAGEMENT
24 Sec. 51. NEW SECTION. 8A.361 VEHICLE ASSIGNMENT --
25 AUTHORITY IN DEPARTMENT.
26 The department shall provide for the assignment of all
27 state-owned motor vehicles to all state officers and
28 employees, and to all state offices, departments, bureaus, and
29 commissions, except the department of transportation,
30 institutions under the control of the state board of regents,
31 the department for the blind, and any other agencies exempted
32 by law.
33 Sec. 52. NEW SECTION. 8A.362 FLEET MANAGEMENT -- POWERS
34 AND DUTIES -- FUEL ECONOMY REQUIREMENTS.
35 1. The director may provide for the assignment to a state

1 officer or employee or to a state agency, of one or more motor
2 vehicles which may be required by the state officer or
3 employee or state agency, after the state officer or employee
4 or state agency has shown the necessity for such
5 transportation. The director may assign a motor vehicle
6 either for part-time or full-time use. The director may
7 revoke the assignment at any time.
8 2. The director may cause all state-owned motor vehicles
9 to be inspected periodically. Whenever the inspection reveals
10 that repairs have been improperly made on the motor vehicle or
11 that the operator is not giving the motor vehicle the proper
12 care, the director shall report this fact to the head of the
13 state agency to which the motor vehicle has been assigned,
14 together with recommendation for improvement.
15 3. The director shall provide for a record system for the
16 keeping of records of the total number of miles state-owned
17 motor vehicles are driven and the per-mile cost of operation
18 of each motor vehicle. Every state officer or employee shall
19 keep a record book to be furnished by the director in which
20 the officer or employee shall enter all purchases of gasoline,
21 lubricating oil, grease, and other incidental expense in the
22 operation of the motor vehicle assigned to the officer or
23 employee, giving the quantity and price of each purchase,
24 including the cost and nature of all repairs on the motor
25 vehicle. Each operator of a state-owned motor vehicle shall
26 promptly prepare a report at the end of each month on forms
27 furnished by the director and forwarded to the director,
28 giving the information the director may request in the report.
29 Each month the director shall compile the costs and mileage of
30 state-owned motor vehicles from the reports and keep a cost
31 history for each motor vehicle and the costs shall be reduced
32 to a cost-per-mile basis for each motor vehicle. The director
33 shall call to the attention of an elected official or the head
34 of any state agency to which a motor vehicle has been assigned
35 any evidence of the mishandling or misuse of a state-owned

1 motor vehicle which is called to the director's attention.
2 A motor vehicle operated under this subsection shall not
3 operate on gasoline other than gasoline blended with at least
4 ten percent ethanol, unless under emergency circumstances. A
5 state-issued credit card used to purchase gasoline shall not
6 be valid to purchase gasoline other than gasoline blended with
7 at least ten percent ethanol, if commercially available. The
8 motor vehicle shall also be affixed with a brightly visible
9 sticker which notifies the traveling public that the motor
10 vehicle is being operated on gasoline blended with ethanol.
11 However, the sticker is not required to be affixed to an
12 unmarked vehicle used for purposes of providing law
13 enforcement or security.
14 4. a. The director shall provide for the purchase of all
15 motor vehicles for all branches of the state government,
16 except the department of transportation, institutions under
17 the control of the state board of regents, the department for
18 the blind, and any other state agency exempted by law. The
19 director shall purchase new vehicles in accordance with
20 competitive bidding procedures for items or services as
21 provided in this article. The director may purchase used or
22 preowned vehicles at governmental or dealer auctions if the
23 purchase is determined to be in the best interests of the
24 state.
25 b. The director, and any other state agency, which for
26 purposes of this subsection includes but is not limited to
27 community colleges and institutions under the control of the
28 state board of regents, or local governmental subdivisions
29 purchasing new motor vehicles, shall purchase new passenger
30 vehicles and light trucks so that the average fuel efficiency
31 for the fleet of new passenger vehicles and light trucks
32 purchased in that year equals or exceeds the average fuel
33 economy standard for the vehicles' model year as established
34 by the United States secretary of transportation under 15
35 U.S.C. § 2002. This paragraph does not apply to vehicles

1 purchased for law enforcement purposes or used for off-road
2 maintenance work, or work vehicles used to pull loaded
3 trailers.
4 c. Not later than February 15 of each year, the director
5 shall report compliance with the corporate average fuel
6 economy standards published by the United States secretary of
7 transportation for new motor vehicles, other than motor
8 vehicles purchased by the department of transportation,
9 institutions under the control of the state board of regents,
10 the department for the blind, and any other state agency
11 exempted from the requirements of this subsection. The report
12 of compliance shall classify the vehicles purchased for the
13 current vehicle model year using the following categories:
14 passenger automobiles, enforcement automobiles, vans, and
15 light trucks. The director shall deliver a copy of the report
16 to the department of natural resources. As used in this
17 paragraph, "corporate average fuel economy" means the
18 corporate average fuel economy as defined in 49 C.F.R. §
19 533.5.
20 d. The director shall assign motor vehicles available for
21 use to maximize the average passenger miles per gallon of
22 motor vehicle fuel consumed. In assigning motor vehicles, the
23 director shall consider standards established by the director,
24 which may include but are not limited to the number of
25 passengers traveling to a destination, the fuel economy of and
26 passenger capacity of vehicles available for assignment, and
27 any other relevant information, to assure assignment of the
28 most energy-efficient vehicle or combination of vehicles for a
29 trip from those vehicles available for assignment. The
30 standards shall not apply to special work vehicles and law
31 enforcement vehicles. The standards shall apply to the
32 following agencies:
33 (1) Department of transportation.
34 (2) Institutions under the control of the state board of
35 regents.

1 (3) Department for the blind.
2 (4) Any other state agency exempted from obtaining
3 vehicles for use through the department.
4 e. As used in paragraph "d", "fuel economy" means the
5 average number of miles traveled by an automobile per gallon
6 of gasoline consumed as determined by the United States
7 environmental protection agency administrator in accordance
8 with 26 U.S.C. § 4064(c).
9 5. Of all new passenger vehicles and light pickup trucks
10 purchased by the director, a minimum of ten percent of all
11 such vehicles and trucks purchased shall be equipped with
12 engines which utilize alternative methods of propulsion
13 including but not limited to any of the following:
14 a. A flexible fuel, which is any of the following:
15 (1) A fuel blended with not more than fifteen percent
16 gasoline and at least eighty-five percent ethanol.
17 (2) A fuel which is a mixture of diesel fuel and processed
18 soybean oil. At least twenty percent of the mixed fuel by
19 volume must be processed soybean oil.
20 (3) A renewable fuel approved by the office of renewable
21 fuels and coproducts pursuant to section 159A.3.
22 b. Compressed or liquefied natural gas.
23 c. Propane gas.
24 d. Solar energy.
25 e. Electricity.
26 This subsection does not apply to vehicles and trucks
27 purchased and directly used for law enforcement or purchased
28 and used for off-road maintenance work or to pull loaded
29 trailers.
30 6. All used motor vehicles turned in to the director shall
31 be disposed of by public auction, and the sales shall be
32 advertised in a newspaper of general circulation one week in
33 advance of sale, and the receipts from the sale shall be
34 deposited in the depreciation fund to the credit of the state
35 agency turning in the vehicle; except that, in the case of a

1 used motor vehicle of special design, the director may,
2 instead of selling it at public auction, authorize the motor
3 vehicle to be traded for another vehicle of similar design.
4 If a vehicle sustains damage and the cost to repair exceeds
5 the wholesale value of the vehicle, the director may dispose
6 of the motor vehicle by obtaining two or more written salvage
7 bids and the vehicle shall be sold to the highest responsible
8 bidder.
9 7. The director may authorize the establishment of motor
10 pools consisting of a number of state-owned motor vehicles
11 under the director's supervision. The director may store the
12 motor vehicles in a public or private garage. If the director
13 establishes a motor pool, any state officer or employee
14 desiring the use of a state-owned motor vehicle on state
15 business shall notify the director of the need for a vehicle
16 within a reasonable time prior to actual use of the motor
17 vehicle. The director may assign a motor vehicle from the
18 motor pool to the state officer or employee. If two or more
19 state officers or employees desire the use of a state-owned
20 motor vehicle for a trip to the same destination for the same
21 length of time, the director may assign one vehicle to make
22 the trip.
23 8. The director shall require that a sign be placed on
24 each state-owned motor vehicle in a conspicuous place which
25 indicates its ownership by the state. This requirement shall
26 not apply to motor vehicles requested to be exempt by the
27 director or by the commissioner of public safety. All state-
28 owned motor vehicles shall display registration plates bearing
29 the word "official" except motor vehicles requested to be
30 furnished with ordinary plates by the director or by the
31 commissioner of public safety pursuant to section 321.19. The
32 director shall keep an accurate record of the registration
33 plates used on all state-owned motor vehicles.
34 9. All fuel used in state-owned automobiles shall be
35 purchased at cost from the various installations or garages of

1 the department of transportation, state board of regents,
2 department of human services, or state motor pools throughout
3 the state, unless the state-owned sources for the purchase of
4 fuel are not reasonably accessible. If the director
5 determines that state-owned sources for the purchase of fuel
6 are not reasonably accessible, the director shall authorize
7 the purchase of fuel from other sources. The director may
8 prescribe a manner, other than the use of the revolving fund,
9 in which the purchase of fuel from state-owned sources is
10 charged to the state agency responsible for the use of the
11 motor vehicle. The director shall prescribe the manner in
12 which oil and other normal motor vehicle maintenance for
13 state-owned motor vehicles may be purchased from private
14 sources, if they cannot be reasonably obtained from a state
15 motor pool. The director may advertise for bids and award
16 contracts in accordance with competitive bidding procedures
17 for items and services as provided in this article for
18 furnishing fuel, oil, grease, and vehicle replacement parts
19 for all state-owned motor vehicles. The director and other
20 state agencies, when advertising for bids for gasoline, shall
21 also seek bids for ethanol blended gasoline.
22 Sec. 53. NEW SECTION. 8A.363 PRIVATE USE PROHIBITED --
23 RATE FOR STATE BUSINESS.
24 1. A state officer or employee shall not use a state-owned
25 motor vehicle for personal private use. A state officer or
26 employee shall not be compensated for driving a privately
27 owned motor vehicle unless it is done on state business with
28 the approval of the director. In that case the state officer
29 or employee shall receive an amount to be determined by the
30 director. The amount shall not exceed the maximum allowable
31 under the federal internal revenue service rules per mile,
32 notwithstanding established mileage requirements or
33 depreciation allowances. However, the director may authorize
34 private motor vehicle rates in excess of the rate allowed
35 under the federal internal revenue service rules for state

1 business use of substantially modified or specially equipped
2 privately owned vehicles required by persons with
3 disabilities. A statutory provision establishing
4 reimbursement for necessary mileage, travel, or actual
5 expenses to a state officer falls under the private motor
6 vehicle mileage rate limitation provided in this section
7 unless specifically provided otherwise. Any peace officer
8 employed by the state as defined in section 801.4 who is
9 required to use a private motor vehicle in the performance of
10 official duties shall receive the private vehicle mileage rate
11 at the rate provided in this section. However, the director
12 may delegate authority to officials of the state, and
13 department heads, for the use of private vehicles on state
14 business up to a yearly mileage figure established by the
15 director. If a state motor vehicle has been assigned to a
16 state officer or employee, the officer or employee shall not
17 collect mileage for the use of a privately owned motor vehicle
18 unless the state motor vehicle assigned is not useable.
19 2. This section does not apply to any of the following:
20 a. Officials and employees of the state whose mileage is
21 paid other than by a state agency.
22 b. Elected officers of the state.
23 c. Judicial officers or court employees.
24 d. Members and employees of the general assembly who shall
25 be governed by policies relating to motor vehicle travel,
26 including but not limited to reimbursement for expenses, as
27 established by the general assembly.
28 Sec. 54. NEW SECTION. 8A.364 FLEET MANAGEMENT REVOLVING
29 FUND -- REPLENISHMENT.
30 1. A fleet management revolving fund is created in the
31 state treasury under the control of the department. There is
32 appropriated from moneys in the state treasury not otherwise
33 appropriated the sum of twenty-five thousand dollars to the
34 revolving fund. All purchases of gasoline, oil, tires,
35 repairs, and all other general expenses incurred in the

1 operation of state-owned motor vehicles, and all salaries and
2 expenses of employees providing fleet management services
3 shall be paid from this fund.
4 2. At the end of each month the director shall render a
5 statement to each state department or agency for the actual
6 cost of operation of all motor vehicles assigned to such
7 department or agency, together with a fair proportion of the
8 administrative costs for providing fleet management services
9 during such month, as determined by the director, all subject
10 to review by the executive council upon complaint of any state
11 department or agency adversely affected. Such expenses shall
12 be paid by the state departments or agencies in the same
13 manner as other expenses of such department are paid, and when
14 such expenses are paid, such sums shall be credited to the
15 fleet management revolving fund. If any surplus accrues to
16 the revolving fund in excess of twenty-five thousand dollars
17 for which there is no anticipated need or use, the governor
18 may order such surplus transferred to the general fund of the
19 state.
20 Sec. 55. NEW SECTION. 8A.365 VEHICLE REPLACEMENT --
21 DEPRECIATION FUND.
22 1. The director shall maintain a depreciation fund for the
23 purchase of replacement motor vehicles and additions to the
24 fleet. The director's records shall show the total funds
25 deposited by and credited to each department or agency. At
26 the end of each month, the director shall render a statement
27 to each state department or agency for additions to the fleet
28 and total depreciation credited to that department or agency.
29 Such depreciation expense shall be paid by the state
30 departments or agencies in the same manner as other expenses
31 are paid, and shall be deposited in the depreciation fund to
32 the credit of the department or agency. The funds credited to
33 each department or agency shall remain the property of the
34 department or agency. However, at the end of each biennium,
35 the director shall cause to revert to the fund from which it

1 accumulated any unassigned depreciation.
2 2. The department of corrections is not obligated to pay
3 the depreciation expense otherwise required by this section.
4 Sec. 56. NEW SECTION. 8A.366 VIOLATIONS -- WITHDRAWING
5 USE OF VEHICLE.
6 If any state officer or employee violates any of the
7 provisions of sections 8A.361 through 8A.365, the director may
8 withdraw the assignment of any state-owned motor vehicle to
9 any such state officer or employee.
10 ARTICLE 4
11 HUMAN RESOURCES
12 STATE HUMAN RESOURCE MANAGEMENT -- OPERATIONS
13 Sec. 57. NEW SECTION. 8A.401 DEFINITIONS.
14 As used in this article, unless the context otherwise
15 requires:
16 1. "Appointing authority" means the chairperson or person
17 in charge of any state agency including, but not limited to,
18 boards, bureaus, commissions, and departments, or an employee
19 designated to act for an appointing authority.
20 2. "Merit system" means the merit system established under
21 this article.
22 Sec. 58. NEW SECTION. 8A.402 STATE HUMAN RESOURCE
23 MANAGEMENT -- RESPONSIBILITIES.
24 1. The department is the central agency responsible for
25 state human resource management, including the following:
26 a. Policy and program development, workforce planning, and
27 research.
28 b. Employment activities and transactions, including
29 recruitment, examination, and certification of personnel
30 seeking employment or promotion.
31 c. Compensation and benefits, including position
32 classification, wages and salaries, and employee benefits.
33 Employee benefits include, but are not limited to, group
34 medical, dental, life, and long-term disability insurance,
35 workers' compensation, unemployment benefits, sick leave,

1 deferred compensation, holidays and vacations, tuition
2 reimbursement, and educational leaves.
3 d. Equal employment opportunity, affirmative action, and
4 workforce diversity programs.
5 e. Education, training, and workforce development
6 programs.
7 f. Personnel records and administration, including the
8 audit of all personnel-related documents.
9 g. Employment relations, including the negotiation and
10 administration of collective bargaining agreements on behalf
11 of the executive branch of the state and its departments and
12 agencies as provided in chapter 20. However, the state board
13 of regents, for the purposes of implementing and administering
14 collective bargaining pursuant to chapter 20, shall act as the
15 exclusive representative of the state with respect to its
16 faculty, scientific, and other professional staff.
17 h. The coordination and management of the state's human
18 resource information system, except as otherwise required for
19 those employees governed by chapter 262.
20 2. The department, as it relates to the human resources of
21 state government, shall do the following:
22 a. Establish and maintain a list of all employees in the
23 executive branch of state government and set forth, as to each
24 employee, the class title, pay, status, and other pertinent
25 data. For employees governed by chapter 262, the director
26 shall work collaboratively with the state board of regents to
27 collect such information.
28 b. Foster and develop, in cooperation with appointing
29 authorities and others, programs for the improvement of
30 employee effectiveness, including training, safety, health,
31 counseling, and welfare.
32 c. Encourage and exercise leadership in the development of
33 effective personnel administration within the several state
34 agencies, and to make available the facilities of the
35 department to this end.

1 d. The director may delegate any or all aspects of the
2 recruitment, examination, and selection processes to an agency
3 in the executive branch upon request by that agency. The
4 director shall oversee all activities delegated to that
5 agency.
6 e. Utilize appropriate persons, including officers and
7 employees in the executive branch, to assist in the
8 recruitment and examination of applicants for employment.
9 These officers and employees are not entitled to extra pay for
10 their services, but shall be paid their necessary traveling
11 and other expenses.
12 3. The human resource management powers and duties of the
13 department do not extend to the legislative branch or the
14 judicial branch of state government, except for functions
15 related to administering compensation and benefit programs.
16 MERIT SYSTEM
17 Sec. 59. NEW SECTION. 8A.411 MERIT SYSTEM ESTABLISHED --
18 COLLECTIVE BARGAINING -- APPLICABILITY.
19 1. The general purpose of this article is to establish for
20 the state of Iowa a system of human resource administration
21 based on merit principles and scientific methods to govern the
22 appointment, compensation, promotion, welfare, development,
23 transfer, layoff, removal, and discipline of its civil
24 employees, and other incidents of state employment.
25 2. It is also the purpose of this article to promote the
26 coordination of personnel rules and policies with collective
27 bargaining agreements negotiated under chapter 20.
28 3. All appointments and promotions to positions covered by
29 the state merit system shall be made solely on the basis of
30 merit and fitness, to be ascertained by examinations or other
31 appropriate screening methods, except as otherwise specified
32 in this article.
33 4. Provisions of this article pertaining to
34 qualifications, examination, certification, probation, and
35 just cause apply only to employees covered by the merit

1 system.
2 Sec. 60. NEW SECTION. 8A.412 MERIT SYSTEM --
3 APPLICABILITY -- EXCEPTIONS.
4 The merit system shall apply to all employees of the state
5 and to all positions in state government now existing or
6 hereafter established. In addition, the director shall
7 negotiate an agreement with the director of the department for
8 the blind concerning the applicability of the merit system to
9 the professional employees of the department for the blind.
10 However, the merit system shall not apply to the following:
11 1. The general assembly, employees of the general
12 assembly, other officers elected by popular vote, and persons
13 appointed to fill vacancies in elective offices.
14 2. All judicial officers and court employees.
15 3. The staff of the governor.
16 4. All board members and commissioners whose appointments
17 are provided for by the Code.
18 5. All presidents, deans, directors, teachers,
19 professional and scientific personnel, and student employees
20 under the jurisdiction of the state board of regents. The
21 state board of regents shall adopt rules not inconsistent with
22 the objectives of this chapter for all of its employees not
23 cited specifically in this subsection. The rules are subject
24 to approval by the director. If at any time the director
25 determines that the state board of regents merit system rules
26 do not comply with the intent of this chapter, the director
27 may direct the board to correct the rules. The rules of the
28 board are not in compliance until the corrections are made.
29 6. All appointments which are by law made by the governor.
30 7. All personnel of the armed services under state
31 jurisdiction.
32 8. Persons who are paid a fee on a contract-for-services
33 basis.
34 9. Seasonal employees appointed during a state agency's
35 designated six-month seasonal employment period during the

1 same annual twelve-month period, as approved by the director.
2 10. Residents, patients, or inmates working in state
3 institutions, or persons on parole working in work experience
4 programs.
5 11. Professional employees under the supervision of the
6 attorney general, the state public defender, the auditor of
7 state, the treasurer of state, and the public employment
8 relations board. However, employees of the consumer advocate
9 division of the department of justice, other than the consumer
10 advocate, are subject to the merit system.
11 12. Production and engineering personnel under the
12 jurisdiction of the Iowa public broadcasting board.
13 13. Members of the Iowa state patrol and other peace
14 officers employed by the department of public safety. The
15 commissioner of public safety shall adopt rules not
16 inconsistent with the objectives of this article for the
17 persons described in this subsection.
18 14. Professional employees of the arts division of the
19 department of cultural affairs.
20 15. The chief deputy administrative officer and each
21 division administrator of each state agency not otherwise
22 specifically provided for in this section, and physicians not
23 otherwise specifically provided for in this section. As used
24 in this subsection, "division administrator" means a principal
25 administrative or policymaking position designated by a chief
26 administrative officer and approved by the director or as
27 specified by law.
28 16. All confidential employees.
29 17. Other employees specifically exempted by law.
30 18. The administrator and the deputy administrator of the
31 credit union division of the department of commerce, all
32 members of the credit union review board, and all employees of
33 the credit union division.
34 19. The superintendent and the deputy superintendent of
35 the banking division of the department of commerce, all

1 members of the state banking board, and all employees of the
2 banking division.
3 20. Chief deputy industrial commissioners.
4 21. The appointee serving as the coordinator of the office
5 of renewable fuels and coproducts, as provided in section
6 159A.3.
7 22. All employees of the Iowa state fair authority.
8 23. Up to six nonprofessional employees designated at the
9 discretion of each statewide elected official.
10 24. The position classifications of employees of statewide
11 elected officials that were exempt from the merit system as of
12 June 30, 1994, shall remain exempt and any employees
13 subsequently hired to fill any exempt position vacancies shall
14 be classified as exempt employees.
15 Sec. 61. NEW SECTION. 8A.413 STATE HUMAN RESOURCE
16 MANAGEMENT -- RULES.
17 The department shall adopt rules for the administration of
18 this article pursuant to chapter 17A. Rulemaking shall be
19 carried out with due regard to the terms of collective
20 bargaining agreements. A rule shall not supersede a provision
21 of a collective bargaining agreement negotiated under chapter
22 20. The rules shall provide:
23 1. For the preparation, maintenance, and revision of a job
24 classification plan that encompasses each job in the executive
25 branch, excluding job classifications under the state board of
26 regents, based upon assigned duties and responsibilities, so
27 that the same general qualifications may reasonably be
28 required for and the same pay plan may be equitably applied to
29 all jobs in the same job classification. The director shall
30 classify the position of every employee in the executive
31 branch, excluding employees of the state board of regents,
32 into one of the classes in the plan. An appointing authority
33 or employee adversely affected by a classification or
34 reclassification decision may file an appeal with the
35 director. Appeals of a classification or reclassification

1 decision shall be exempt from the provisions of section 17A.11
2 and shall be heard by a committee appointed by the director.
3 The classification or reclassification of a position that
4 would cause the expenditure of additional salary funds shall
5 not become effective if the expenditure of funds would be in
6 excess of the total amount budgeted for the department of the
7 appointing authority until budgetary approval has been
8 obtained from the director of the department of management.
9 When the public interest requires a decrease or increase of
10 employees in any position or type of employment not otherwise
11 provided by law, or the creation or abolishment of any
12 position or type of employment, the director, acting in good
13 faith, shall so notify the governor. Thereafter, the position
14 or type of employment shall stand abolished or created and the
15 number of employees therein reduced or increased.
16 2. For pay plans covering all employees in the executive
17 branch, excluding employees of the state board of regents,
18 after consultation with the governor and appointing
19 authorities, and consistent with the terms of collective
20 bargaining agreements negotiated under chapter 20.
21 3. For examinations to determine the relative fitness of
22 applicants for employment. Such examinations shall be
23 practical in character and shall relate to such matters as
24 will fairly assess the ability of the applicant to discharge
25 the duties of the position to which appointment is sought.
26 Where the Code of Iowa establishes certification,
27 registration, or licensing provisions, such documents shall be
28 considered prima facie evidence of basic skills accomplishment
29 and such persons shall be exempt from further basic skills
30 examination.
31 Vacancies shall be announced publicly at least ten days in
32 advance of the date fixed for the filing of applications for
33 the vacancies, and shall be advertised through the
34 communications media. The director may, however, in the
35 director's discretion, continue to receive applications and

1 examine candidates for a period adequate to assure a
2 sufficient number of eligibles to meet the needs of the
3 system, and may add the names of successful candidates to
4 existing eligible lists.
5 4. For promotions which shall give appropriate
6 consideration to the applicant's qualifications, record of
7 performance, and conduct. A promotion means a change in the
8 status of an employee from a position in one class to a
9 position in another class having a higher pay grade.
10 5. For the establishment of lists for appointment and
11 promotion, upon which lists shall be placed the names of
12 successful candidates.
13 6. For the rejection of applicants who fail to meet
14 reasonable requirements.
15 7. For the appointment by the appointing authority of a
16 person on the appropriate list to fill a vacancy.
17 8. For a probation period of six months, excluding
18 educational or training leave, before appointment may be made
19 complete, and during which period a probationer may be
20 discharged or reduced in class or pay. If the employee's
21 services are unsatisfactory, the employee shall be dropped
22 from the payroll on or before the expiration of the probation
23 period. If satisfactory, the appointment shall be deemed
24 permanent. The determination of the appointing authority
25 shall be final and conclusive.
26 9. For temporary employment for not more than seven
27 hundred eighty hours in a fiscal year.
28 10. For provisional employment when there is no
29 appropriate list available. Such provisional employment shall
30 not continue longer than one hundred eighty calendar days.
31 11. For transfer from a position in one state agency to a
32 similar position in the same state agency or another state
33 agency involving similar qualifications, duties,
34 responsibilities, and salary ranges. Whenever an employee
35 transfers or is transferred from one state agency to another

1 state agency, the employee's seniority rights, any accumulated
2 sick leave, and accumulated vacation time, as provided in the
3 law, shall be transferred to the new place of employment and
4 credited to the employee. Employees who are subject to
5 contracts negotiated under chapter 20 which include transfer
6 provisions shall be governed by the contract provisions.
7 12. For reinstatement of persons who have attained
8 permanent status and who resign in good standing or who are
9 laid off from their positions without fault or delinquency on
10 their part.
11 13. For establishing in cooperation with the appointing
12 authorities a performance management system for all employees
13 in the executive branch, excluding employees of the state
14 board of regents, which shall be considered in determining
15 salary increases; as a factor in promotions; as a factor in
16 determining the order of layoffs and in reinstatement; as a
17 factor in demotions, discharges, and transfers; and for the
18 regular evaluation, at least annually, of the qualifications
19 and performance of those employees.
20 14. For layoffs by reason of lack of funds or work, or
21 reorganization, and for the recall of employees so laid off,
22 giving consideration in layoffs to the employee's performance
23 record and length of service. An employee who has been laid
24 off may be on a recall list for one year, which list shall be
25 exhausted by the organizational unit enforcing the layoff
26 before selection of an employee may be made from the
27 promotional or nonpromotional list in the employee's
28 classification. Employees who are subject to contracts
29 negotiated under chapter 20 which include layoff and recall
30 provisions shall be governed by the contract provisions.
31 15. For imposition, as a disciplinary measure, of a
32 suspension from service without pay.
33 16. For discharge, suspension, or reduction in job
34 classification or pay grade for any of the following causes:
35 failure to perform assigned duties; inadequacy in performing

1 assigned duties; negligence; inefficiency; incompetence;
2 insubordination; unrehabilitated alcoholism or narcotics
3 addiction; dishonesty; unlawful discrimination; failure to
4 maintain a license, certificate, or qualification necessary
5 for a job classification or position; any act or conduct which
6 adversely affects the employee's performance or the employing
7 agency; or any other good cause for discharge, suspension, or
8 reduction. The person discharged, suspended, or reduced shall
9 be given a written statement of the reasons for the discharge,
10 suspension, or reduction within twenty-four hours after the
11 discharge, suspension, or reduction. All persons concerned
12 with the administration of this article shall use their best
13 efforts to ensure that this article and the rules adopted
14 pursuant to this article shall not be a means of protecting or
15 retaining unqualified or unsatisfactory employees, and shall
16 discharge, suspend, or reduce in job classification or pay
17 grade all employees who should be discharged, suspended, or
18 reduced for any of the causes stated in this subsection.
19 17. For establishment of a uniform plan for resolving
20 employee grievances and complaints. Employees who are subject
21 to contracts negotiated under chapter 20 which include
22 grievance and complaint provisions shall be governed by the
23 contract provisions.
24 18. For attendance regulations, and special leaves of
25 absence, with or without pay, or reduced pay, in the various
26 classes of positions in the executive branch, excluding
27 positions under the state board of regents. Employees who are
28 subject to contracts negotiated under chapter 20 which include
29 leave of absence provisions shall be governed by the contract
30 provisions. Annual sick leave and vacation time shall be
31 granted in accordance with section 70A.1.
32 19. For the development and operation of programs to
33 improve the work effectiveness and morale of employees in the
34 executive branch, excluding employees of the state board of
35 regents, including training, safety, health, welfare,

1 counseling, recreation, and employee relations.
2 20. Notwithstanding any provisions to the contrary, a rule
3 or regulation shall not be adopted by the department which
4 would deprive the state of Iowa, or any of its agencies or
5 institutions, of federal grants or other forms of financial
6 assistance.
7 21. For veterans preference through a provision that
8 veterans, as defined in section 35.1, shall have five points
9 added to the grade or score attained in qualifying
10 examinations for appointment to jobs.
11 Veterans who have a service-connected disability or are
12 receiving compensation, disability benefits, or pension under
13 laws administered by the veterans administration shall have
14 ten points added to the grades attained in qualifying
15 examinations. A veteran who has been awarded the purple heart
16 for disabilities incurred in action shall be considered to
17 have a service-connected disability.
18 22. For acceptance of the qualifications, requirements,
19 regulations, and general provisions established under other
20 sections of the Code pertaining to professional registration,
21 certification, and licensing.
22 Sec. 62. NEW SECTION. 8A.414 EXPERIMENTAL RESEARCH
23 PROJECTS.
24 The director may conduct experimental or research
25 personnel-related projects of limited duration designed to
26 improve the quality of the employment system. The provisions
27 of section 8A.413 or administrative rules adopted pursuant to
28 that section are waived for the purposes of such projects.
29 Projects adopted under this authority shall not violate
30 existing collective bargaining agreements. Any projects that
31 relate to issues covered by such agreements or issues that are
32 mandatory subjects of collective bargaining are subject to
33 negotiations as applicable. The director shall notify the
34 chairpersons of the standing committees on appropriations of
35 the senate and the house of representatives and the

1 chairpersons of the appropriate subcommittees of those
2 committees of the proposed projects. The notice from the
3 director shall include the purpose of the project, a
4 description of the project, and how the project will be
5 evaluated. Chairpersons notified shall be given at least two
6 weeks to review and comment on the proposal before the project
7 is implemented. The director shall report the results of the
8 experimental research projects conducted in the preceding
9 fiscal year to the legislative council by September 30 of each
10 year.
11 Sec. 63. NEW SECTION. 8A.415 GRIEVANCES AND DISCIPLINE
12 RESOLUTION.
13 1. GRIEVANCES. An employee, except an employee covered by
14 a collective bargaining agreement which provides otherwise,
15 who has exhausted the available agency steps in the uniform
16 grievance procedure provided for in the department rules may,
17 within seven calendar days following the date a decision was
18 received or should have been received at the second step of
19 the grievance procedure, file the grievance at the third step
20 with the director. The director shall respond within thirty
21 calendar days following receipt of the third step grievance.
22 If not satisfied, the employee may, within thirty calendar
23 days following the director's response, file an appeal with
24 the public employment relations board. The hearing shall be
25 conducted in accordance with the rules of the public
26 employment relations board and the Iowa administrative
27 procedure Act, chapter 17A. Decisions rendered shall be based
28 upon a standard of substantial compliance with this article
29 and the rules of the department. Decisions by the public
30 employment relations board constitute final agency action.
31 For purposes of this subsection, "uniform grievance
32 procedure" does not include procedures for discipline and
33 discharge.
34 2. DISCIPLINE RESOLUTION. A merit system employee, except
35 an employee covered by a collective bargaining agreement, who

1 is discharged, suspended, demoted, or otherwise reduced in
2 pay, except during the employee's probationary period, may
3 bypass steps one and two of the grievance procedure and appeal
4 the disciplinary action to the director within seven calendar
5 days following the effective date of the action. The director
6 shall respond within thirty calendar days following receipt of
7 the appeal.
8 If not satisfied, the employee may, within thirty calendar
9 days following the director's response, file an appeal with
10 the public employment relations board. The employee has the
11 right to a hearing closed to the public, unless a public
12 hearing is requested by the employee. The hearing shall
13 otherwise be conducted in accordance with the rules of the
14 public employment relations board and the Iowa administrative
15 procedure Act, chapter 17A. If the public employment
16 relations board finds that the action taken by the appointing
17 authority was for political, religious, racial, national
18 origin, sex, age, or other reasons not constituting just
19 cause, the employee may be reinstated without loss of pay or
20 benefits for the elapsed period, or the public employment
21 relations board may provide other appropriate remedies.
22 Decisions by the public employment relations board constitute
23 final agency action.
24 Sec. 64. NEW SECTION. 8A.416 DISCRIMINATION, POLITICAL
25 ACTIVITY, USE OF OFFICIAL INFLUENCE PROHIBITED.
26 1. A person shall not be appointed or promoted to, or
27 demoted or discharged from, any position in the merit system,
28 or in any way favored or discriminated against with respect to
29 employment in the merit system because of the person's
30 political or religious opinions or affiliations or race or
31 national origin or sex, or age.
32 2. A person holding a position in the classified service
33 shall not, during the person's working hours or when
34 performing the person's duties or when using state equipment
35 or at any time on state property, take part in any way in

1 soliciting any contribution for any political party or any
2 person seeking political office, and such employee shall not
3 engage in any political activity that will impair the
4 employee's efficiency during working hours or cause the
5 employee to be tardy or absent from work. This section does
6 not preclude any employee from holding any office for which no
7 pay is received or any office for which only token pay is
8 received.
9 3. A person shall not seek or attempt to use any political
10 endorsement in connection with any appointment to a position
11 in the merit system.
12 4. A person shall not use or promise to use, directly or
13 indirectly, any official authority or influence, whether
14 possessed or anticipated, to secure or attempt to secure for
15 any person an appointment or advantage in appointment to a
16 position in the merit system, or an increase in pay or other
17 advantage in employment in any such position, for the purpose
18 of influencing the vote or political action of any person or
19 for any consideration.
20 5. An employee shall not use the employee's official
21 authority or influence for the purpose of interfering with an
22 election or affecting the results thereof.
23 6. Any officer or employee who violates this section shall
24 be subject to suspension, dismissal, or demotion subject to
25 the right of appeal provided in this article.
26 7. The director shall adopt any rules necessary for
27 further restricting political activities of employees in the
28 executive branch, but only to the extent necessary to comply
29 with federal standards. Employees retain the right to vote as
30 they please and to express their opinions on all subjects.
31 Sec. 65. NEW SECTION. 8A.417 PROHIBITED ACTIONS.
32 1. A person shall not make any false statement,
33 certificate, mark, rating, or report with regard to any
34 examination or appointment made under this article or in any
35 manner commit or attempt to commit any fraud preventing the

1 impartial execution of this article and the rules adopted
2 pursuant to this article.
3 2. A person shall not, directly or indirectly, give,
4 render, pay, offer, solicit, or accept any money, service, or
5 other valuable consideration for or on account of any
6 appointment, proposed appointment, promotion, or proposed
7 promotion to, or any advantage in, a position in the merit
8 system.
9 3. An employee of the department or any other person shall
10 not defeat, deceive, or obstruct any person in the person's
11 right to examination or appointment under this article, or
12 furnish to any person any special or secret information for
13 the purpose of affecting the rights or prospects of any person
14 with respect to employment in the merit system.
15 4. A person shall not discharge an employee from or take
16 or fail to take action regarding an employee's appointment or
17 proposed appointment to, promotion or proposed promotion to,
18 or any advantage in, a position in a merit system administered
19 by, or subject to approval of, the director as a reprisal for
20 a failure by that employee to inform the person that the
21 employee made a disclosure of information permitted by this
22 section, or for a disclosure of any information by that
23 employee to a member or employee of the general assembly, or
24 for a disclosure of information to any other public official
25 or law enforcement agency if the employee reasonably believes
26 the information evidences a violation of law or rule,
27 mismanagement, a gross abuse of funds, an abuse of authority,
28 or a substantial and specific danger to public health or
29 safety. However, an employee may be required to inform the
30 person that the employee made a disclosure of information
31 permitted by this section if the employee represented that the
32 disclosure was the official position of the employee's
33 immediate supervisor or employer. This subsection does not
34 apply if the disclosure of the information is prohibited by
35 statute.

1 Sec. 66. NEW SECTION. 8A.418 FEDERAL PROGRAMS EXEMPTION
2 EXCEPTIONS -- PENALTY.
3 1. Notwithstanding the provisions of this article to the
4 contrary, a person employed under a temporary, emergency
5 employment utilization program funded by the federal
6 government which program does not exceed one year and which
7 program is not subject to merit system standards by federal
8 law, shall be exempt from this article except as provided in
9 this section.
10 2. A person employed as provided in this section shall be
11 subject to the provisions of section 8A.416 relating to
12 political activity and the civil penalties contained in such
13 section and, consistent with subsection 1, the provisions of
14 section 8A.417 relating to prohibited actions.
15 3. A person violating this section shall be subject to the
16 penalty provided for in section 8A.458.
17 EMPLOYEE BENEFITS
18 Sec. 67. NEW SECTION. 8A.431 IOWA MANAGEMENT TRAINING
19 SYSTEM -- TRAINING REVOLVING FUND.
20 1. The department shall establish and administer an Iowa
21 management training system for the state.
22 2. A training revolving fund is created in the state
23 treasury under the control of the department. The moneys
24 credited to the fund shall be used for the purpose of paying
25 actual and necessary expenses incurred by the department in
26 administering the training system. All fees, grants, or
27 specific appropriations for this purpose shall be credited to
28 the fund. The fees for the training system courses shall be
29 set by the director to cover the costs of course development,
30 training materials, facilities and equipment, professional
31 instructors, and administration. The fees shall be paid to
32 the department by the state agency sending the employees for
33 training and the payment shall be credited to the training
34 revolving fund. Notwithstanding section 8.33, moneys in the
35 revolving fund shall not revert. Notwithstanding section

1 12C.7, subsection 2, interest or earnings on moneys deposited
2 in the fund shall be credited to the fund.
3 Sec. 68. NEW SECTION. 8A.432 COMBINED CHARITABLE
4 CAMPAIGN PROGRAM, FEES, REVOLVING FUND.
5 1. The department shall establish and administer a
6 combined charitable campaign program for state employees.
7 2. A combined charitable campaign revolving fund is
8 created in the state treasury under the control of the
9 department. The moneys credited to the fund shall be used for
10 the purpose of paying actual and necessary expenses incurred
11 by the department in administering the program.
12 Administrative expenses shall not exceed five percent of the
13 contributions pledged the previous year. All fees, grants, or
14 specific appropriations for this purpose shall be credited to
15 the fund. The fees for the program shall be set by the
16 director to cover only the cost of administration and
17 materials and shall not cover salaries of state employees
18 involved in the administration of the program. The fees shall
19 be paid to the department from the voluntary employee
20 contributions and the payment shall be credited to the
21 revolving fund. Notwithstanding section 8.33, any moneys in
22 the fund shall not revert. Notwithstanding section 12C.7,
23 subsection 2, interest or earnings on moneys deposited in the
24 fund shall be credited to the fund.
25 Sec. 69. NEW SECTION. 8A.433 DEFERRED COMPENSATION PLAN.
26 The department shall make available to eligible state
27 employees the option of utilizing mutual funds as an
28 investment alternative to the state's deferred compensation
29 plan established under section 509A.12. Participating
30 employees shall, to the extent permitted by law, be allowed to
31 transfer moneys deferred under the plan to a mutual fund
32 offered pursuant to section 509A.12. The department may make
33 the deferred compensation plan established pursuant to this
34 section available to governmental employees of a public entity
35 authorized to establish a deferred compensation program

1 pursuant to section 509A.12.
2 Sec. 70. NEW SECTION. 8A.434 IOWA STATE EMPLOYEE
3 DEFERRED COMPENSATION TRUST FUND.
4 1. A separate, special Iowa state employee deferred
5 compensation trust fund is created in the state treasury under
6 the control of the department. The fund shall consist of all
7 moneys deposited in the fund pursuant to this section, any
8 other assets that must be held in trust for the exclusive
9 benefit of participants in the state's deferred compensation
10 program as required by section 457 of the federal Internal
11 Revenue Code, and interest and earnings thereon, and shall be
12 used for the exclusive benefit of participants in a deferred
13 compensation program established by the state under section
14 509A.12.
15 2. The director is the trustee of the fund and shall
16 administer the fund. Any loss to the fund shall be charged
17 against the fund and the director shall not be personally
18 liable for such loss. In addition, the director is the
19 trustee of any trusts referenced in section 457(g) of the
20 federal Internal Revenue Code. Any loss to the trusts shall
21 be charged against the trusts and the director shall not be
22 personally liable for such loss.
23 3. Any compensation or portion of compensation reduced by
24 a participant in conjunction with a deferred compensation
25 program established by the state under section 509A.12 and any
26 earnings or income thereon shall be held in trust and used for
27 the exclusive benefit of the participant or the participant's
28 beneficiary as provided by section 457 of the federal Internal
29 Revenue Code.
30 4. For purposes of this section, custodial accounts,
31 annuity contracts, and any other contracts referenced in
32 section 457(g) of the federal Internal Revenue Code shall be
33 treated as trusts for purposes of section 457 of the federal
34 Internal Revenue Code.
35 5. Moneys in the fund are not subject to section 8.33.

1 Notwithstanding section 12C.7, subsection 2, interest or
2 earnings on moneys in the fund shall be credited to the fund.
3 Sec. 71. NEW SECTION. 8A.435 STATE EMPLOYEE DEFERRED
4 COMPENSATION MATCH TRUST FUND.
5 1. A separate, special Iowa state employee deferred
6 compensation match trust fund is created in the state treasury
7 under the control of the department. The trust fund shall
8 consist of all moneys deposited in the fund, and other assets
9 that must be held in trust for the exclusive benefit of
10 participants in the state's deferred compensation match
11 program as required by section 401(a) of the federal Internal
12 Revenue Code, and interest and earnings thereon, and shall be
13 used for the exclusive benefit of participants and their
14 beneficiaries in a deferred compensation match program
15 established by the state under section 509A.12.
16 2. The director is the trustee of the fund and shall
17 administer the fund. Any loss to the fund shall be charged
18 against the trust and the director shall not be personally
19 liable for such loss.
20 3. Moneys in the fund are not subject to section 8.33.
21 Notwithstanding section 12C.7, subsection 2, interest or
22 earnings on moneys in the fund shall be credited to the fund.
23 Sec. 72. NEW SECTION. 8A.436 STATE EMPLOYEE DEPENDENT
24 CARE SPENDING ACCOUNT TRUST FUND.
25 1. A separate, special Iowa state employee dependent care
26 spending account trust fund is created in the state treasury
27 under the control of the department. The trust fund consists
28 of all moneys, including monthly administrative charges paid
29 by a state department or agency as authorized by section
30 8A.451, held in trust for the exclusive benefit of
31 participants in the state's dependent care spending account
32 plan. Moneys in the fund are not subject to section 8.33.
33 Notwithstanding section 12C.7, interest and earnings from
34 moneys in the trust fund shall be credited to the trust fund
35 and shall be used exclusively for the benefit of plan

1 participants.
2 2. The director shall serve as trustee of the trust fund
3 and shall administer the fund as required by sections 125 and
4 129 of the federal Internal Revenue Code. Any loss to the
5 fund shall be charged against the fund and the director shall
6 not be personally liable for such loss. The director has the
7 authority to direct expenditures as deemed appropriate to the
8 exclusive benefit of the plan participants.
9 Sec. 73. NEW SECTION. 8A.437 STATE EMPLOYEE HEALTH
10 FLEXIBLE SPENDING ACCOUNT TRUST FUND.
11 1. The director shall establish for state employees a
12 health flexible spending account plan which offers multiple
13 benefits to state employees. The state's health flexible
14 spending account plan shall be established to meet the
15 conditions of section 125 of the Internal Revenue Code of
16 1986.
17 2. A separate, special Iowa state employee health flexible
18 spending account trust fund is created in the state treasury
19 under the control of the department. The trust fund consists
20 of all moneys appropriated to the fund, all monthly
21 administrative charges paid by a state department or agency as
22 authorized by section 8A.451, and any other assets directed to
23 be held in trust for the exclusive benefit of participants in
24 the state's health flexible spending account plan. Moneys in
25 the fund are not subject to section 8.33. Notwithstanding
26 section 12C.7, interest and earnings from moneys in the trust
27 fund shall be credited to the trust fund and shall be used
28 exclusively for the benefit of plan participants.
29 3. The director shall serve as trustee of the trust fund
30 and has the authority to direct expenditures as deemed
31 appropriate to the exclusive benefit of the plan participants.
32 Sec. 74. NEW SECTION. 8A.438 ANNUITY CONTRACTS.
33 1. At the request of an employee of a state agency through
34 contractual agreement, the director may arrange for the
35 purchase of group or individual annuity contracts for any of

1 the employees of that agency, which annuity contracts are
2 issued by a nonprofit corporation issuing retirement annuities
3 exclusively for educational institutions and their employees
4 or are purchased from any company the employee chooses that is
5 authorized to do business in this state or through an Iowa-
6 licensed salesperson that the employee selects, on a group or
7 individual basis, for retirement or other purposes, and may
8 make payroll deductions in accordance with the arrangements
9 for the purpose of paying the entire premium due and to become
10 due under the contract. The deductions shall be made in the
11 manner which will qualify the annuity premiums for the
12 benefits afforded under section 403(b) of the Internal Revenue
13 Code, as defined in section 422.3. The employee's rights
14 under the annuity contract are nonforfeitable except for the
15 failure to pay premiums. As used in this section, unless the
16 context otherwise requires, "annuity contract" includes any
17 custodial account which meets the requirements of section
18 403(b)(7) of the Internal Revenue Code, as defined in section
19 422.3.
20 2. Whenever an existing tax-sheltered annuity contract is
21 to be replaced by a new contract, the agent or representative
22 of the company shall send a letter of intent by registered
23 mail at least thirty days prior to any action to the company
24 being replaced, to the commissioner of insurance of this
25 state, to the agent's own company, and to the director. The
26 letter of intent shall contain the policy number and
27 description of the contract being replaced and a description
28 of the replacement contract.
29 Sec. 75. NEW SECTION. 8A.439 LONGEVITY PAY PROHIBITED --
30 EXCEPTION.
31 A state employee subject to the provisions of this article
32 shall not be entitled to longevity pay except for those
33 employees granted longevity pay pursuant to section 307.48.
34 STATE HUMAN RESOURCE MANAGEMENT OPERATIONS
35 MISCELLANEOUS PROVISIONS

1 Sec. 76. NEW SECTION. 8A.451 HUMAN RESOURCES
2 ADMINISTRATIVE COSTS.
3 1. The department may quarterly render a statement to each
4 department or agency which operates in whole or in part from
5 other than general fund appropriations for a pro rata share of
6 the cost of administration of the department, or a portion
7 thereof, as it relates to the state human resources management
8 duties of the department pursuant to this article. The
9 expense shall be paid by the state department or agency in the
10 same manner as other expenses of that department or agency are
11 paid and all moneys received shall be deposited in the general
12 fund of the state.
13 2. The department shall render monthly a statement to each
14 state department or agency for a pro rata share of the cost of
15 administration of the state employee flexible spending
16 accounts. The expense shall be paid by the state department
17 or agency in the same manner as other expenses of that state
18 department or agency are paid and all moneys received for
19 administration costs shall be deposited in the appropriate
20 fund.
21 Sec. 77. NEW SECTION. 8A.452 USE OF PUBLIC BUILDINGS.
22 All officers and employees of the state and of political
23 subdivisions of the state shall allow the department the
24 reasonable use of public buildings under their control, and
25 furnish heat, light, and furniture for any examination,
26 hearing, or investigation authorized by this article. The
27 department shall pay to a political subdivision the reasonable
28 cost of any such facilities furnished.
29 Sec. 78. NEW SECTION. 8A.453 AID BY STATE EMPLOYEES --
30 RECORDS AND INFORMATION.
31 1. All officers and employees of the state shall comply
32 with and aid in all proper ways in carrying out the provisions
33 of this article and the rules and orders under this article.
34 All officers and employees shall furnish any records or
35 information which the director requires for any purpose of

1 this article. The director may institute and maintain any
2 action or proceeding at law or in equity that the director
3 considers necessary or appropriate to secure compliance with
4 this article and the rules and orders under this article.
5 2. The director may delegate to a person in any
6 department, agency, board, commission, or office, located away
7 from the seat of government, any of the duties imposed by this
8 article upon the director.
9 Sec. 79. NEW SECTION. 8A.454 HEALTH INSURANCE
10 ADMINISTRATION FUND.
11 1. A separate, special Iowa state health insurance
12 administration fund is created in the state treasury under the
13 control of the department. The fund shall consist of all
14 moneys deposited in the fund from proceeds of a monthly per
15 contract administrative charge assessed and collected by the
16 department. Moneys deposited in the fund shall be expended by
17 the department for health insurance program administration
18 costs. Notwithstanding section 12C.7, subsection 2, interest
19 or earnings on moneys deposited in the fund shall be credited
20 to the fund.
21 2. A monthly per contract administrative charge shall be
22 assessed by the department on all health insurance plans
23 administered by the department in which the contract holder
24 has a state employer to pay the charge. The amount of the
25 administrative charge shall be established by the general
26 assembly. The department shall collect the administrative
27 charge from each department utilizing the centralized payroll
28 system and shall deposit the proceeds in the fund. In
29 addition, the state board of regents, all library service
30 areas, the state fair board, the state department of
31 transportation, and each judicial district department of
32 correctional services shall remit the administrative charge on
33 a monthly basis to the department and shall submit a report to
34 the department containing the number and type of health
35 insurance contracts held by each of its employees whose health

1 insurance is administered by the department.
2 3. The expenditure of moneys from the fund in any fiscal
3 year shall not exceed the amount of the monthly charge
4 established by the general assembly multiplied by the number
5 of health insurance contracts in effect at the beginning of
6 the same fiscal year in which the expenditures shall be made.
7 Any unencumbered or unobligated moneys in the fund at the end
8 of the fiscal year shall not revert but shall be transferred
9 to the health insurance premium reserve fund established
10 pursuant to section 509A.5.
11 4. This section is repealed July 1, 2007.
12 Sec. 80. NEW SECTION. 8A.455 CERTIFICATION OF PAYROLLS
13 -- ACTIONS.
14 1. A state disbursing or auditing officer shall not make
15 or approve or take part in making or approving a payment for
16 personnel services to any person unless the payroll voucher or
17 account of the pay bears the certification of the director, or
18 of the director's authorized agent, that the persons named
19 have been appointed and employed in accordance with this
20 article and the rules and orders under this article, and that
21 funds are available for the payment of the persons.
22 2. The director may, for proper cause, withhold
23 certification from an entire payroll or from any specific item
24 or items on a payroll. The director may, however, provide
25 that certification of payrolls may be made once every year,
26 and such certification shall remain in effect except in the
27 case of any officer or employee whose status has changed after
28 the last certification of the officer's or employee's payroll.
29 In the latter case a voucher for payment of salary to such
30 employee shall not be issued or payment of salary shall not be
31 made without further certification by the director.
32 3. Any citizen may maintain an action in accordance with
33 chapter 17A to restrain a disbursing officer from making any
34 payment in contravention of this article, or rule or order
35 under this article. Any sum paid contrary to this article or

1 any rule or order under this article may be recovered in an
2 action in accordance with chapter 17A maintained by any
3 citizen, from any officer who made, approved, or authorized
4 such payment or who signed or countersigned a voucher,
5 payroll, check, or warrant for such payment, or from the
6 sureties on the official bond of any such officer. All moneys
7 recovered in any such action shall be paid into the state
8 treasury.
9 4. Any person appointed or employed in contravention of
10 this article or of any rule or order under this article who
11 performs service for which the person is not paid may maintain
12 an action in accordance with chapter 17A against the officer
13 or officers who purported so to appoint or employ the person
14 to recover the agreed pay for such services or the reasonable
15 value of the services if no pay was agreed upon. An officer
16 shall not be reimbursed by the state at any time for any sum
17 paid to such person on account of such services.
18 5. If the director wrongfully withholds certification of
19 the payroll voucher or account of any employee, such employee
20 may maintain a proceeding in accordance with chapter 17A in
21 the courts to compel the director to certify such a payroll
22 voucher or account.
23 Sec. 81. NEW SECTION. 8A.456 ACCESS TO RECORDS.
24 1. An employee subject to the provisions of this article
25 shall have access to the employee's personal file.
26 2. An applicant for a position subject to the provisions
27 of this article shall be permitted to review, in accordance
28 with such rules as the director may prescribe, any evaluation
29 resulting from the application for employment.
30 Sec. 82. NEW SECTION. 8A.457 WORKERS' COMPENSATION
31 CLAIMS.
32 The director shall employ appropriate staff to handle and
33 adjust claims of state employees for workers' compensation
34 benefits pursuant to chapters 85, 85A, 85B, and 86, or with
35 the approval of the executive council contract for the

1 services or purchase workers' compensation insurance coverage
2 for state employees or selected groups of state employees. A
3 state employee workers' compensation fund is created in the
4 state treasury under the control of the department to pay
5 state employee workers' compensation claims and administrative
6 costs. The department shall establish a rating formula and
7 assess premiums to all agencies, departments, and divisions of
8 the state including those which have not received an
9 appropriation for the payment of workers' compensation
10 insurance and which operate from moneys other than from the
11 general fund of the state. The department shall collect the
12 premiums and deposit them into the state employee workers'
13 compensation fund. Notwithstanding section 8.33, moneys
14 deposited in the state employee workers' compensation fund
15 shall not revert to the general fund of the state at the end
16 of any fiscal year, but shall remain in the state employee
17 workers' compensation fund and be continuously available to
18 pay state employee workers' compensation claims. The director
19 may, to the extent practicable, contract with a private
20 organization to handle the processing and payment of claims
21 and services rendered under the provisions of this section.
22 Sec. 83. NEW SECTION. 8A.458 PENALTY.
23 A person who willfully violates this article or any rules
24 adopted pursuant to this article, where no other penalty is
25 prescribed, is guilty of a simple misdemeanor.
26 ARTICLE 5
27 FINANCIAL ADMINISTRATION
28 Sec. 84. NEW SECTION. 8A.502 FINANCIAL ADMINISTRATION
29 DUTIES.
30 The department shall provide for the efficient management
31 and administration of the financial resources of state
32 government and shall have and assume the following powers and
33 duties:
34 1. CENTRALIZED ACCOUNTING SYSTEM. To assume the
35 responsibilities related to a centralized accounting system

1 for state government.
2 2. SETOFF PROCEDURES. To establish and maintain a setoff
3 procedure as provided in section 8A.504.
4 3. COST ALLOCATION SYSTEM. To establish a cost allocation
5 system as provided in section 8A.505.
6 4. COLLECTION AND PAYMENT OF FUNDS -- MONTHLY PAYMENTS.
7 To control the payment of all moneys into the state treasury,
8 and all payments from the state treasury by the preparation of
9 appropriate warrants, or warrant checks, directing such
10 collections and payment, and to advise the treasurer of state
11 monthly in writing of the amount of public funds not currently
12 needed for operating expenses. Whenever the state treasury
13 includes state funds that require distribution to counties,
14 cities, or other political subdivisions of this state, and the
15 counties, cities, and other political subdivisions certify to
16 the director that warrants will be stamped for lack of funds
17 within the thirty-day period following certification, the
18 director may partially distribute the funds on a monthly
19 basis. Whenever the law requires that any funds be paid by a
20 specific date, the director shall prepare a final accounting
21 and shall make a final distribution of any remaining funds
22 prior to that date.
23 5. PREAUDIT SYSTEM. To establish and fix a reasonable
24 imprest cash fund for each state department and institution
25 for disbursement purposes where needed. These revolving funds
26 shall be reimbursed only upon vouchers approved by the
27 director. It is the purpose of this subsection to establish a
28 preaudit system of settling all claims against the state, but
29 the preaudit system is not applicable to any of the following:
30 a. Institutions under the control of the state board of
31 regents.
32 b. The state fair board as established in chapter 173.
33 c. The Iowa dairy industry commission as established in
34 chapter 179, the Iowa beef cattle producers association as
35 established in chapter 181, the Iowa pork producers council as

1 established in chapter 183A, the Iowa egg council as
2 established in chapter 184, the Iowa turkey marketing council
3 as established in chapter 184A, the Iowa soybean promotion
4 board as established in chapter 185, and the Iowa corn
5 promotion board as established in chapter 185C.
6 6. AUDIT OF CLAIMS. To set rules and procedures for the
7 preaudit of claims by individual agencies or organizations.
8 The director reserves the right to refuse to accept incomplete
9 or incorrect claims and to review, preaudit, or audit claims
10 as determined by the director.
11 7. CONTRACTS. To certify, record, and encumber all formal
12 contracts to prevent overcommitment of appropriations and
13 allotments.
14 8. ACCOUNTS. To keep the central budget and proprietary
15 control accounts of the general fund of the state and special
16 funds, as defined in section 8.2, of the state government.
17 Upon elimination of the state deficit under generally accepted
18 accounting principles, including the payment of items budgeted
19 in a subsequent fiscal year which under generally accepted
20 accounting principles should be budgeted in the current fiscal
21 year, the recognition of revenues received and expenditures
22 paid and transfers received and paid within the time period
23 required pursuant to section 8.33 shall be in accordance with
24 generally accepted accounting principles. Budget accounts are
25 those accounts maintained to control the receipt and
26 disposition of all funds, appropriations, and allotments.
27 Proprietary accounts are those accounts relating to assets,
28 liabilities, income, and expense. For each fiscal year, the
29 financial position and results of operations of the state
30 shall be reported in a comprehensive annual financial report
31 prepared in accordance with generally accepted accounting
32 principles, as established by the governmental accounting
33 standards board.
34 9. FAIR BOARD AND BOARD OF REGENTS. To control the
35 financial operations of the state fair board and the

1 institutions under the state board of regents:
2 a. By charging all warrants issued to the respective
3 educational institutions and the state fair board to an
4 advance account to be further accounted for and not as an
5 expense which requires no further accounting.
6 b. By charging all collections made by the educational
7 institutions and state fair board to the respective advance
8 accounts of the institutions and state fair board, and by
9 crediting all such repayment collections to the respective
10 appropriations and special funds.
11 c. By charging all disbursements made to the respective
12 allotment accounts of each educational institution or state
13 fair board and by crediting all such disbursements to the
14 respective advance and inventory accounts.
15 d. By requiring a monthly abstract of all receipts and of
16 all disbursements, both money and stores, and a complete
17 account current each month from each educational institution
18 and the state fair board.
19 10. ENTITIES REPRESENTING AGRICULTURAL PRODUCERS. To
20 control the financial operations of the Iowa dairy industry
21 commission as provided in chapter 179, the Iowa beef cattle
22 producers association as provided in chapter 181, the Iowa
23 pork producers council as provided in chapter 183A, the Iowa
24 egg council as provided in chapter 184, the Iowa turkey
25 marketing council as provided in chapter 184A, the Iowa
26 soybean promotion board as provided in chapter 185, and the
27 Iowa corn promotion board as provided in chapter 185C.
28 11. CUSTODY OF RECORDS. To have the custody of all books,
29 papers, records, documents, vouchers, conveyances, leases,
30 mortgages, bonds, and other securities appertaining to the
31 fiscal affairs and property of the state, which are not
32 required to be kept in some other office.
33 12. INTEREST OF THE PERMANENT SCHOOL FUND. To transfer
34 the interest of the permanent school fund to the credit of the
35 interest for Iowa schools fund.

1 13. FORMS. To prescribe all accounting and business forms
2 and the system of accounts and reports of financial
3 transactions by all departments and agencies of the state
4 government other than those of the legislative branch.
5 14. FEDERAL CASH MANAGEMENT AND IMPROVEMENT ACT
6 ADMINISTRATOR. To serve as administrator for state actions
7 relating to the federal Cash Management and Improvement Act of
8 1990, Pub. L. No. 101-453, as codified in 31 U.S.C. § 6503.
9 The director shall perform the following duties relating to
10 the federal law:
11 a. Act as the designated representative of the state in
12 the negotiation and administration of contracts between the
13 state and federal government relating to the federal law.
14 b. Modify the centralized statewide accounting system and
15 develop, or require to be developed by the appropriate
16 departments of state government, the necessary reports and
17 procedures necessary to complete the managerial and financial
18 reports required to comply with the federal law.
19 There is annually appropriated from the general fund of the
20 state to the department an amount sufficient to pay interest
21 costs that may be due the federal government as a result of
22 implementation of the federal law. This paragraph does not
23 authorize the payment of interest from the general fund of the
24 state for any departmental revolving, trust, or special fund
25 where monthly interest earnings accrue to the credit of the
26 departmental revolving, trust, or special fund. For any
27 departmental revolving, trust, or special fund where monthly
28 interest is accrued to the credit of the fund, the director
29 may authorize a supplemental expenditure to pay interest costs
30 from the individual fund which are due the federal government
31 as a result of implementation of the federal law.
32 Sec. 85. NEW SECTION. 8A.503 RULES -- DEPOSIT OF
33 DEPARTMENTAL MONEYS.
34 The director shall prescribe by rule the manner and methods
35 by which all departments and agencies of the state who collect

1 money for and on behalf of the state shall cause the money to
2 be deposited with the treasurer of state or in a depository
3 designated by the treasurer of state. All such moneys
4 collected shall be deposited at such times and in such
5 depositories to permit the state of Iowa to deposit the funds
6 in a manner consistent with the state's investment policies.
7 All such moneys shall be promptly deposited, as directed, even
8 though the individual amount remitted may not be correct. If
9 any individual amount remitted is in excess of the amount
10 required, the department or agency receiving the same shall
11 refund the excess amount. If the individual amount remitted
12 is insufficient, the person, firm, or corporation concerned
13 shall be immediately billed for the amount of the deficiency.
14 Sec. 86. NEW SECTION. 8A.504 SETOFF PROCEDURES.
15 1. DEFINITIONS. As used in this section, unless the
16 context otherwise requires:
17 a. "Collection entity" means the department of
18 administrative services and any other state agency that
19 maintains a separate accounting system and elects to establish
20 a debt collection setoff procedure for collection of debts
21 owed to the state or its agencies.
22 b. "Person" does not include a state agency.
23 c. "Qualifying debt" includes, but is not limited to, the
24 following:
25 (1) Any debt, which is assigned to the department of human
26 services, or which the child support recovery unit is
27 otherwise attempting to collect, or which the foster care
28 recovery unit of the department of human services is
29 attempting to collect on behalf of a child receiving foster
30 care provided by the department of human services.
31 (2) An amount that is due because of a default on a
32 guaranteed student or parental loan under chapter 261.
33 (3) Any debt which is in the form of a liquidated sum due,
34 owing, and payable to the clerk of the district court.
35 d. "State agency" means a board, commission, department,

1 including the department of administrative services, or other
2 administrative office or unit of the state of Iowa or any
3 other state entity reported in the Iowa comprehensive annual
4 financial report. "State agency" does include the clerk of
5 the district court as it relates to the collection of a
6 qualifying debt. "State agency" does not include the general
7 assembly, the governor, or any political subdivision of the
8 state, or its offices and units.
9 2. SETOFF PROCEDURE. The collection entity shall
10 establish and maintain a procedure to set off against any
11 claim owed to a person by a state agency any liability of that
12 person owed to a state agency, a support debt being enforced
13 by the child support recovery unit pursuant to chapter 252B,
14 or such other qualifying debt. The procedure shall only apply
15 when at the discretion of the director it is feasible. The
16 procedure shall meet the following conditions:
17 a. Before setoff, a person's liability to a state agency
18 and the person's claim on a state agency shall be in the form
19 of a liquidated sum due, owing, and payable.
20 b. Before setoff, the state agency shall obtain and
21 forward to the collection entity the full name and social
22 security number of the person liable to it or to whom a claim
23 is owing who is a natural person. If the person is not a
24 natural person, before setoff, the state agency shall forward
25 to the collection entity the information concerning the person
26 as the collection entity shall, by rule, require. The
27 collection entity shall cooperate with other state agencies in
28 the exchange of information relevant to the identification of
29 persons liable to or claimants of state agencies. However,
30 the collection entity shall provide only relevant information
31 required by a state agency. The information shall be held in
32 confidence and used for the purpose of setoff only. Section
33 422.72, subsection 1, does not apply to this paragraph.
34 c. Before setoff, a state agency shall, at least annually,
35 submit to the collection entity the information required by

1 paragraph "b" along with the amount of each person's liability
2 to and the amount of each claim on the state agency. The
3 collection entity may, by rule, require more frequent
4 submissions.
5 d. Before setoff, the amount of a person's claim on a
6 state agency and the amount of a person's liability to a state
7 agency shall constitute a minimum amount set by rule of the
8 collection entity.
9 e. Upon submission of an allegation of liability by a
10 state agency, the collection entity shall notify the state
11 agency whether the person allegedly liable is entitled to
12 payment from a state agency, and, if so entitled, shall notify
13 the state agency of the amount of the person's entitlement and
14 of the person's last address known to the collection entity.
15 Section 422.72, subsection 1, does not apply to this
16 paragraph.
17 f. Upon notice of entitlement to a payment, the state
18 agency shall send written notification to that person of the
19 state agency's assertion of its rights to all or a portion of
20 the payment and of the state agency's entitlement to recover
21 the liability through the setoff procedure, the basis of the
22 assertion, the opportunity to request that a jointly or
23 commonly owned right to payment be divided among owners, and
24 the person's opportunity to give written notice of intent to
25 contest the amount of the allegation. The state agency shall
26 send a copy of the notice to the collection entity. A state
27 agency subject to chapter 17A shall give notice, conduct
28 hearings, and allow appeals in conformity with chapter 17A.
29 However, upon submission of an allegation of the liability
30 of a person which is owing and payable to the clerk of the
31 district court and upon the determination by the collection
32 entity that the person allegedly liable is entitled to payment
33 from a state agency, the collection entity shall send written
34 notification to the person which states the assertion by the
35 clerk of the district court of rights to all or a portion of

1 the payment, the clerk's entitlement to recover the liability
2 through the setoff procedure, the basis of the assertions, the
3 person's opportunity to request within fifteen days of the
4 mailing of the notice that the collection entity divide a
5 jointly or commonly owned right to payment between owners, the
6 opportunity to contest the liability to the clerk by written
7 application to the clerk within fifteen days of the mailing of
8 the notice, and the person's opportunity to contest the
9 collection entity's setoff procedure.
10 g. Upon the timely request of a person liable to a state
11 agency or of the spouse of that person and upon receipt of the
12 full name and social security number of the person's spouse, a
13 state agency shall notify the collection entity of the request
14 to divide a jointly or commonly owned right to payment. Any
15 jointly or commonly owned right to payment is rebuttably
16 presumed to be owned in equal portions by its joint or common
17 owners.
18 h. The collection entity shall, after the state agency has
19 sent notice to the person liable or, if the liability is owing
20 and payable to the clerk of the district court, the collection
21 entity has sent notice to the person liable, set off the
22 amount owed to the agency against any amount which a state
23 agency owes that person. The collection entity shall refund
24 any balance of the amount to the person. The collection
25 entity shall periodically transfer amounts set off to the
26 state agencies entitled to them. If a person liable to a
27 state agency gives written notice of intent to contest an
28 allegation, a state agency shall hold a refund or rebate until
29 final disposition of the allegation. Upon completion of the
30 setoff, a state agency shall notify in writing the person who
31 was liable or, if the liability is owing and payable to the
32 clerk of the district court, shall comply with the procedures
33 as provided in paragraph "j".
34 i. The department of revenue and finance's existing right
35 to credit against tax due or to become due under section

1 422.73 is not to be impaired by a right granted to or a duty
2 imposed upon the collection entity or other state agency by
3 this section. This section is not intended to impose upon the
4 collection entity or the department of revenue and finance any
5 additional requirement of notice, hearing, or appeal
6 concerning the right to credit against tax due under section
7 422.73.
8 j. If the alleged liability is owing and payable to the
9 clerk of the district court and setoff as provided in this
10 section is sought, all of the following shall apply:
11 (1) The judicial branch shall prescribe procedures to
12 permit a person to contest the amount of the person's
13 liability to the clerk of the district court.
14 (2) The collection entity shall, except for the procedures
15 described in subparagraph (1), prescribe any other applicable
16 procedures concerning setoff as provided in this subsection.
17 (3) Upon completion of the setoff, the collection entity
18 shall file, at least monthly, with the clerk of the district
19 court a notice of satisfaction of each obligation to the full
20 extent of all moneys collected in satisfaction of the
21 obligation. The clerk shall record the notice and enter a
22 satisfaction for the amounts collected and a separate written
23 notice is not required.
24 3. In the case of multiple claims to payments filed under
25 this section, priority shall be given to claims filed by the
26 child support recovery unit or the foster care recovery unit,
27 next priority shall be given to claims filed by the college
28 student aid commission, next priority shall be given to claims
29 filed by the investigations division of the department of
30 inspections and appeals, next priority shall be given to
31 claims filed by a clerk of the district court, and last
32 priority shall be given to claims filed by other state
33 agencies. In the case of multiple claims in which the
34 priority is not otherwise provided by this subsection,
35 priority shall be determined in accordance with rules to be

1 established by the director.
2 4. The director shall have the authority to enter into
3 reciprocal agreements with the departments of revenue of other
4 states that have enacted legislation that is substantially
5 equivalent to the setoff procedure provided in this section
6 for the recovery of an amount due because of a default on a
7 guaranteed student or parental loan under chapter 261. A
8 reciprocal agreement shall also be approved by the college
9 student aid commission. The agreement shall authorize the
10 department to provide by rule for the setoff of state income
11 tax refunds or rebates of defaulters from states with which
12 Iowa has a reciprocal agreement and to provide for sending
13 lists of names of Iowa defaulters to the states with which
14 Iowa has a reciprocal agreement for setoff of that state's
15 income tax refunds.
16 5. Under substantive rules established by the director,
17 the department shall seek reimbursement from other state
18 agencies to recover its costs for setting off liabilities.
19 Sec. 87. NEW SECTION. 8A.505 COST ALLOCATION SYSTEM.
20 The department shall develop and administer an indirect
21 cost allocation system for state agencies. The system shall
22 be based upon standard cost accounting methodologies and shall
23 be used to allocate both direct and indirect costs of state
24 agencies or state agency functions in providing centralized
25 services to other state agencies. A cost that is allocated to
26 a state agency pursuant to this system shall be billed to the
27 state agency and the cost is payable to the general fund of
28 the state. The source of payment for the billed cost shall be
29 any revenue source except for the general fund of the state.
30 If a state agency is authorized by law to bill and recover
31 direct expenses, the state agency shall recover indirect costs
32 in the same manner.
33 Sec. 88. NEW SECTION. 8A.506 ACCOUNTING.
34 The director may at any time require any person receiving
35 money, securities, or property belonging to the state, or

1 having the management, disbursement, or other disposition of
2 them, an account of which is kept in the department, to render
3 statements of them and information in reference to them.
4 Sec. 89. NEW SECTION. 8A.507 STATING ACCOUNT.
5 If an officer who is accountable to the state treasury for
6 any money or property neglects to render an account to the
7 director within the time prescribed by law, or, if no time is
8 so prescribed, within twenty days after being required to do
9 so by the director, the director shall state an account
10 against the officer from the books of the officer's office,
11 charging ten percent damages on the whole sum appearing due,
12 and interest at the rate of six percent per annum on the
13 aggregate from the time when the account should have been
14 rendered; all of which may be recovered by action brought on
15 the account, or on the official bond of the officer.
16 Sec. 90. NEW SECTION. 8A.508 COMPELLING PAYMENT.
17 If an officer fails to pay into the state treasury the
18 amount received by the officer within the time prescribed by
19 law, or, having settled with the director, fails to pay the
20 amount found due, the director shall charge the officer with
21 twenty percent damages on the amount due, with interest on the
22 aggregate from the time the amount became due at the rate of
23 six percent per annum, and the whole may be recovered by an
24 action brought on the account, or on the official bond of the
25 officer, and the officer shall forfeit the officer's
26 commission.
27 Sec. 91. NEW SECTION. 8A.509 DEFENSE TO CLAIM.
28 The penal provisions in sections 8A.507 and 8A.508 are
29 subject to any legal defense which the officer may have
30 against the account as stated by the director, but judgment
31 for costs shall be rendered against the officer in the action,
32 whatever its result, unless the officer rendered an account
33 within the time named in those sections.
34 Sec. 92. NEW SECTION. 8A.510 REQUESTED CREDITS -- OATH
35 REQUIRED.

1 When a county treasurer or other receiver of public money
2 seeks to obtain credit on the books of the department for
3 payment made to the county treasurer, before giving such
4 credit the director shall require that person to take and
5 subscribe an oath that the person has not used, loaned, or
6 appropriated any of the public money for the person's private
7 benefit, nor for the benefit of any other person.
8 Sec. 93. NEW SECTION. 8A.511 REQUISITION FOR
9 INFORMATION.
10 In those cases where the director is authorized to call
11 upon persons or officers for information, or statements, or
12 accounts, the director may issue a requisition therefor in
13 writing to the person or officer called upon, allowing
14 reasonable time, which, having been served and return made to
15 the director, as a notice in a civil action, is evidence of
16 the making of the requisition.
17 Sec. 94. NEW SECTION. 8A.512 LIMITS ON CLAIMS.
18 The director is limited in authorizing the payment of
19 claims, as follows:
20 1. FUNDING LIMIT.
21 a. A claim shall not be allowed by the department if the
22 appropriation or fund of certification available for paying
23 the claim has been exhausted or proves insufficient.
24 b. The authority of the director is subject to the
25 following exceptions:
26 (1) Claims by state employees for benefits pursuant to
27 chapters 85, 85A, 85B, and 86 are subject to limitations
28 provided in those chapters.
29 (2) Claims for medical assistance payments authorized
30 under chapter 249A are subject to the time limits imposed by
31 rule adopted by the department of human services.
32 (3) Claims approved by an agency according to the
33 provisions of sections 25.1 and 25.2.
34 2. CONVENTION EXPENSES. Claims for expenses in attending
35 conventions, meetings, conferences, or gatherings of members

1 of an association or society organized and existing as a
2 quasi-public association or society outside the state of Iowa
3 shall not be allowed at public expense, unless authorized by
4 the executive council; and claims for these expenses outside
5 of the state shall not be allowed unless the voucher is
6 accompanied by the portion of the minutes of the executive
7 council, certified to by its secretary, showing that the
8 expense was authorized by the council. This section does not
9 apply to claims in favor of the governor, attorney general,
10 utilities board members, or to trips referred to in sections
11 97B.7A and 217.20.
12 3. PAYMENT FROM FEES. Claims for per diem and expenses
13 payable from fees shall not be approved for payment in excess
14 of those fees if the law provides that such expenditures are
15 limited to the special funds collected and deposited in the
16 state treasury.
17 Sec. 95. NEW SECTION. 8A.513 CLAIMS -- APPROVAL.
18 The director before approving a claim on behalf of the
19 department shall determine:
20 1. That the creation of the claim is clearly authorized by
21 law. Statutes authorizing the expenditure may be referenced
22 through account coding authorized by the director.
23 2. That the claim has been authorized by an officer or
24 official body having legal authority to so authorize and that
25 the fact of authorization has been certified to the director
26 by such officer or official body.
27 3. That all legal requirements have been observed,
28 including notice and opportunity for competition, if required
29 by law.
30 4. That the claim is in proper form as the director may
31 provide.
32 5. That the charges are reasonable, proper, and correct
33 and no part of the claim has been paid.
34 Sec. 96. NEW SECTION. 8A.514 VOUCHERS -- INTEREST --
35 PAYMENT OF CLAIMS.

1 1. Before a warrant or its equivalent is issued for a
2 claim payable from the state treasury, the department shall
3 file an itemized voucher showing in detail the items of
4 service, expense, item furnished, or contract for which
5 payment is sought. However, the director may authorize the
6 prepayment of claims when the best interests of the state are
7 served under rules adopted by the director. The claimant's
8 original invoice shall be attached to a department's approved
9 voucher. The director shall adopt rules specifying the form
10 and contents for invoices submitted by a vendor to a
11 department. The requirements apply to acceptance of an
12 invoice by a department. A department shall not impose
13 additional or different requirements on submission of invoices
14 than those contained in rules of the director unless the
15 director exempts the department from the invoice requirements
16 or a part of the requirements upon a finding that compliance
17 would result in poor accounting or management practices.
18 2. Vouchers for postage, stamped envelopes, and postal
19 cards may be audited as soon as an order for them is entered.
20 3. The departments, the general assembly, and the courts
21 shall pay their claims in a timely manner. If a claim for
22 services, supplies, materials, or a contract which is payable
23 from the state treasury remains unpaid after sixty days
24 following the receipt of the claim or the satisfactory
25 delivery, furnishing, or performance of the services,
26 supplies, materials, or contract, whichever date is later, the
27 state shall pay interest at the rate of one percent per month
28 on the unpaid amount of the claim. This subsection does not
29 apply to claims against the state under chapters 25 and 669 or
30 to claims paid by federal funds. The interest shall be
31 charged to the appropriation or fund to which the claim is
32 certified. Departments may enter into contracts for goods or
33 services on payment terms of less than sixty days if the state
34 may obtain a financial benefit or incentive which would not
35 otherwise be available from the vendor. The department, in

1 consultation with other affected departments, shall develop
2 policies to promote consistency and fiscal responsibility
3 relating to payment terms authorized under this subsection.
4 The director shall adopt rules under chapter 17A relating to
5 the administration of this subsection.
6 Sec. 97. NEW SECTION. 8A.515 WARRANTS -- FORM.
7 A warrant shall bear on its face the signature of the
8 director or its facsimile, or the signature of an assistant or
9 its facsimile in case of a vacancy in the office of the
10 director; a proper number, date, amount, and name of payee; a
11 reference to the law under which it is drawn; whether for
12 salaries or wages, services, or supplies, and what kind of
13 supplies; and from what office or department, or for what
14 other general or special purposes; or in lieu thereof, a
15 coding system may be used, which particulars shall be entered
16 in a warrant register kept for that purpose in the order of
17 issuance; and as soon as practicable after issuing a warrant
18 register, the director shall certify a duplicate of it to the
19 treasurer of state.
20 Sec. 98. NEW SECTION. 8A.516 REQUIRED PAYEE.
21 All warrants shall be drawn to the order of the person
22 entitled to payment or compensation, except that when goods or
23 materials are purchased in foreign countries, warrants may be
24 drawn upon the treasurer of state, payable to the bearer for
25 the net amount of invoice and current exchange, and the
26 treasurer of state shall furnish a foreign draft payable to
27 the order of the person from whom purchase is made.
28 Sec. 99. NEW SECTION. 8A.517 PROHIBITED PAYEE.
29 In no case shall warrants be drawn in the name of the
30 certifying office, department, board, or institution, or in
31 the name of an employee, except for personal service rendered
32 or expense incurred by the employee, unless express statutory
33 authority exists therefor.
34 Sec. 100. NEW SECTION. 8A.518 CLAIMS EXCEEDING
35 APPROPRIATIONS.

1 A claim shall not be allowed when the claim will exceed the
2 amount specifically appropriated for the claim.
3 Sec. 101. NEW SECTION. 8A.519 CANCELLATION OF STATE
4 WARRANTS.
5 On the last business day of each month, the director shall
6 cancel and request the treasurer of state to stop payment on
7 all state warrants which have been outstanding and unredeemed
8 by the treasurer of state for six months or longer.
9 DIVISION II
10 CONFORMING AND MISCELLANEOUS CHANGES
11 Sec. 102. Section 2.9, Code 2003, is amended to read as
12 follows:
13 2.9 JOURNALS -- BILLS AND AMENDMENTS.
14 1. a. The senate and house of representatives shall each
15 publish a daily journal of the transactions of their
16 respective bodies. The secretary of the senate and the chief
17 clerk of the house shall each determine the format and manner
18 of the journal's publication, the procurement procedures for
19 the journal's publication, and the journal's distribution for
20 their respective bodies.
21 b. The secretary of the senate and the clerk of the house
22 of representatives shall each preserve copies of the printed
23 daily journals of their respective bodies, as corrected,
24 certify to their correctness, and file them with the secretary
25 of state at the adjournment of each session of the general
26 assembly. The secretary of state shall ~~cause the journals to~~
27 ~~be bound and preserved as~~ preserve the original journals of
28 the senate and the house in the manner specified by the
29 majority leader of the senate and speaker of the house.
30 2. a. The senate and house of representatives shall each
31 publish bills and amendments of their respective bodies. The
32 secretary of the senate and the chief clerk of the house shall
33 each determine the procurement procedures for the publication
34 of the bills and amendments and the distribution of the bills
35 and amendments for their respective bodies.

1 b. A bill that seeks to legalize the acts of any official
2 or board or other official body, in regard to any matter of
3 public nature or for any person or persons, company, or
4 corporation, shall not be considered by the senate or house of
5 representatives until the bill is published and distributed to
6 members of the general assembly, and the publication shall be
7 without expense to the state. The senate and house shall not
8 order any such bill published until the secretary of the
9 senate or chief clerk of the house has received a deposit to
10 cover the cost of the publication. The newspaper publication
11 of such bill shall be without expense to the state, and the
12 bill shall not be published in a newspaper until the costs of
13 the newspaper publication has been paid to the secretary of
14 state.
15 Sec. 103. Section 2.10, subsection 1, Code 2003, is
16 amended to read as follows:
17 1. Every member of the general assembly except the
18 presiding officer of the senate, the speaker of the house, the
19 majority and minority floor leader of each house, and the
20 president pro tempore of the senate and speaker pro tempore of
21 the house, shall receive an annual salary of twenty thousand
22 one hundred twenty dollars for the year 1997 and subsequent
23 years while serving as a member of the general assembly. In
24 addition, each such member shall receive the sum of eighty-six
25 dollars per day for expenses of office, except travel, for
26 each day the general assembly is in session commencing with
27 the first day of a legislative session and ending with the day
28 of final adjournment of each legislative session as indicated
29 by the journals of the house and senate, except that if the
30 length of the first regular session of the general assembly
31 exceeds one hundred ten calendar days and the second regular
32 session exceeds one hundred calendar days, the payments shall
33 be made only for one hundred ten calendar days for the first
34 session and one hundred calendar days for the second session.
35 Members from Polk county shall receive sixty-five dollars per

1 day. Each member shall receive a two hundred dollar per month
2 allowance for legislative district constituency postage,
3 travel, telephone costs, and other expenses. Travel expenses
4 shall be paid ~~at the rate established by section 18.117~~ for
5 actual travel in going to and returning from the seat of
6 government by the nearest traveled route for not more than one
7 time per week during a legislative session.
8 Sec. 104. Section 2.42, subsection 12, Code 2003, is
9 amended to read as follows:
10 12. To establish policies for the distribution of
11 information which is stored by the general assembly in an
12 electronic format, including the contents of statutes or
13 rules, other than value-added electronic publications as
14 provided in section ~~7A.22~~ 7A.15A. The legislative council
15 shall establish payment rates that encourage the distribution
16 of such information to the public, including private vendors
17 reselling that information. The legislative council shall not
18 establish a price that attempts to recover more than is
19 attributable to costs related to reproducing and delivering
20 the information.
21 Sec. 105. Section 2.47A, subsection 1, paragraph c, Code
22 2003, is amended to read as follows:
23 c. Receive annual status reports for all ongoing capital
24 projects of state agencies, pursuant to section ~~18.12~~ 8A.321,
25 subsection ~~14~~ 10.
26 Sec. 106. Section 2B.5, subsection 2, Code 2003, is
27 amended to read as follows:
28 2. Cause the Iowa court rules to be published, as directed
29 by the supreme court after consultation with the legislative
30 council. The Iowa court rules shall consist of all rules
31 prescribed by the supreme court. The court rules shall be
32 published in loose-leaf form and supplements shall be prepared
33 and distributed as directed by the supreme court. The Iowa
34 court rules and supplements to the court rules shall be priced
35 as provided in section ~~7A.22~~ 7A.15A.

1 Sec. 107. Section 7A.1, unnumbered paragraph 4, Code 2003,
2 is amended to read as follows:
3 This section shall not be construed as depriving the ~~state~~
4 ~~printing-administrator~~ director of the department of
5 administrative services of the right to edit and revise said
6 report.
7 Sec. 108. Section 7A.2, unnumbered paragraph 2, Code 2003,
8 is amended to read as follows:
9 Reports after being filed with the governor and considered
10 by the governor shall be delivered to the ~~state-printing~~
11 ~~administrator~~ director of the department of administrative
12 services.
13 Sec. 109. Section 7A.3, subsection 1, Code 2003, is
14 amended to read as follows:
15 1. Director of ~~revenue-and-finance~~ the department of
16 administrative services on the fiscal condition of the state.
17 Sec. 110. Section 7A.3, subsection 6, Code 2003, is
18 amended by striking the subsection.
19 Sec. 111. Section 7A.3, subsection 10, Code 2003, is
20 amended to read as follows:
21 10. Department of ~~general~~ administrative services.
22 Sec. 112. Section 7A.14, unnumbered paragraph 1, Code
23 2003, is amended to read as follows:
24 The annual and biennial reports shall be published,
25 printed, and bound in such number as the ~~state-printing~~
26 ~~administrator~~ director of the department of administrative
27 services may order. The officials and heads of departments
28 shall furnish the ~~administrator~~ director with information
29 necessary to determine the number of copies to be printed.
30 Sec. 113. NEW SECTION. 7A.15A OFFICIAL LEGAL AND OTHER
31 PUBLICATIONS -- PROCUREMENTS.
32 1. The legislative service bureau shall publish the
33 official legal publications of the state as provided in
34 chapter 2B. The legislative service bureau shall have legal
35 custody of the publications and shall provide for the

1 warehousing, sale, and distribution of the publications. The
2 legislative service bureau shall retain or cause to be
3 retained a number of old editions of the publications but may
4 otherwise distribute or cause to be distributed old editions
5 of the publications to any person upon payment by the person
6 of any distribution costs.
7 2. The printed versions of the publications listed in this
8 subsection shall be sold at a price to be established by the
9 legislative service bureau. In determining the prices, the
10 legislative service bureau shall consider the costs of
11 printing, binding, distribution, and paper stock, compilation
12 and editing labor costs, and any other associated costs. The
13 legislative service bureau shall also consider the number of
14 volumes or units to be printed, sold, and distributed in the
15 determination of the prices.
16 a. The Iowa Code.
17 b. The Iowa Code Supplement.
18 c. The Iowa Acts.
19 d. The Iowa court rules.
20 e. The Iowa administrative code.
21 f. The Iowa administrative bulletin.
22 3. The legislative service bureau may establish policies
23 for the production, editing, distribution, and pricing of
24 electronic publications containing information stored by the
25 legislative branch in an electronic format, including
26 information contained in the printed publications listed in
27 this section. Such electronic publications may include
28 programming not originally part of the stored information,
29 including but not limited to search and retrieval functions.
30 The policies shall provide for the widest possible
31 distribution of these value-added electronic publications at
32 the lowest price practicable, which shall not be more than the
33 costs attributable to producing, editing, and distributing the
34 electronic publications.
35 4. Subject to section 2.42, the legislative service bureau

1 shall determine its procurement procedures, which may include
2 procurement determinations based on service provider
3 competence, meeting of service or product specifications, and
4 reasonableness of price; the posting of security to accompany
5 a service provider proposal; the preference of Iowa-based
6 businesses if comparable in price; the disclosure of service
7 provider assignments; the inclusion of renewal options; the
8 imposition of liquidated damages and other penalties for
9 breach of any service provider requirement; and the rejection
10 of all service provider proposals and institution of a new
11 procurement process.
12 Sec. 114. NEW SECTION. 7A.16A SPECIAL DISTRIBUTION OF
13 LEGAL PUBLICATIONS -- RESTRICTIONS ON FREE DISTRIBUTIONS.
14 1. The legislative service bureau shall make free
15 distribution of the printed versions of the official legal
16 publications listed in section 7A.15A, subsection 2, subject
17 to payment of any routine distribution costs such as but not
18 limited to mailing and handling costs, to the three branches
19 of state government, to elected county officers, to county and
20 city assessors, to Iowa's congressional delegation, to federal
21 courts in Iowa and federal judges and magistrates for Iowa,
22 and to state and university depository libraries, the library
23 of congress, and the library of the United States supreme
24 court. Only such officers, offices, and agencies entitled to
25 or receiving free copies during the fiscal year beginning July
26 1, 2002, and ending June 30, 2003, shall be entitled to
27 continue to receive free copies in subsequent years, except
28 that successor and new officers, offices, and agencies shall
29 receive a reasonable number of free copies as determined by
30 the legislative service bureau. Such officers, offices, and
31 agencies shall annually review the number received in the
32 prior year to determine if the number of copies received can
33 be reduced and shall submit the information in a report to the
34 legislative service bureau. The number of copies received,
35 once reduced, shall not be increased to the previous level

1 without the express consent of the legislative service bureau.
2 2. Each officer, office, or agency receiving one or more
3 free copies of a publication under this section shall only
4 receive up to the number of copies indicated free at the time
5 of initial distribution. If an officer, office, or agency
6 receiving one or more free copies of a publication under this
7 section desires additional copies beyond the number initially
8 received, the officer, office, or agency must request the
9 additional copies and pay the normal charge for such
10 publication.
11 3. If a version of a publication provided under this
12 section is available in an electronic format, the legislative
13 service bureau may establish policies providing for the
14 substitution of an electronic version for the printed version
15 of the publication, and for the amount of payment, if any,
16 required for the electronic publication. The payment amount
17 shall not be more than established pursuant to section 7A.15A
18 for the same publication. For the Iowa administrative code
19 and its supplements, the legislative service bureau may
20 provide that the distribution requirement of this section is
21 met by distributing relevant portions of the Iowa
22 administrative code or its supplements in either a printed or
23 electronic format.
24 4. Notwithstanding any provision of this section to the
25 contrary, the legislative service bureau may review the
26 publication costs and offsetting sales revenues relating to
27 legal publications in printed formats, and may establish
28 policies requiring payment from persons otherwise entitled to
29 receive them at no cost or at a price covering distribution
30 costs pursuant to subsection 1. The payment amount shall not
31 be more than established pursuant to section 7A.15A for the
32 same publication.
33 Sec. 115. Section 7A.23, Code 2003, is amended to read as
34 follows:
35 7A.23 PRICE OF DEPARTMENTAL REPORTS.

1 The ~~state-printing-administrator~~ director of the department
2 of administrative services shall establish and fix a selling
3 price for all state departmental reports and any other state
4 publications the ~~administrator~~ director may designate, which
5 price per volume shall be the amount charged any person, other
6 than public officials, who purchases the publication. The
7 price shall cover the cost of printing and distribution. The
8 ~~administrator~~ director may distribute gratis to state or local
9 public officials or offices, as the ~~administrator~~ director
10 deems necessary, copies of departmental annual reports.
11 Sec. 116. Section 7A.27, Code 2003, is amended to read as
12 follows:
13 7A.27 OTHER NECESSARY PUBLICATIONS -- WHEN NECESSARY TO
14 SELL.
15 ~~There may be published other~~ Other miscellaneous documents,
16 reports, bulletins, books, and booklets may be published that
17 are needed for the use of the various officials and
18 departments of state, or are of value for the information of
19 the general assembly or the public, in form and number most
20 useful and convenient, to be determined by the ~~state-printing~~
21 ~~administrator~~ director of the department of administrative
22 services.
23 When such publications, except supplements to the Iowa
24 administrative code, paid for by public funds furnished by the
25 state, contain reprints of statutes or rules, or both, they
26 shall be sold and distributed at cost by the department
27 ordering ~~same~~ the publication if the cost per publication is
28 one dollar or more, unless a central library or depository is
29 established. Such publications shall be obtained from the
30 ~~state-printing-administrator~~ director of the department of
31 administrative services on requisition by the department
32 ordering the publication and the selling price, if any, shall
33 be determined by the ~~administrator~~ director of the department
34 of administrative services by dividing the total cost of
35 printing, paper, distribution, and binding by the number

1 printed. ~~Said~~ The price shall be set at the nearest multiple
2 of ten to the quotient thus obtained. Distribution of such
3 publications shall be made by the ~~administrator~~ director
4 gratis to public officers, purchasers of licenses from state
5 departments required by statute and departments. Funds from
6 the sale of such publications shall be deposited monthly in
7 the general fund of the state except the cost of distribution
8 shall be deposited in the ~~permanent~~ printing revolving fund
9 established in section ~~18.57~~ 8A.345.
10 Sec. 117. Section 7A.28, Code 2003, is amended to read as
11 follows:
12 7A.28 GOVERNOR MAY FIX FILING DATE.
13 The governor shall have the right to fix a date for the
14 completion of or filing of any copy or manuscript for any
15 miscellaneous document or other publication, or for any
16 portion of the manuscript, and to compel compliance with such
17 orders the same as in the case of the official reports. The
18 ~~state printing administrator~~ director of the department of
19 administrative services shall report to the governor any
20 failure to furnish manuscript or other delay affecting any
21 publication.
22 Sec. 118. Section 7A.29, Code 2003, is amended to read as
23 follows:
24 7A.29 TITLE PAGES -- COMPLIMENTARY INSERTIONS.
25 The ~~state printing administrator~~ director of the department
26 of administrative services shall provide the necessary
27 printer's copy for a suitable title page for each publication
28 requiring such title which shall contain the name of the
29 author, but ~~no~~ such title shall not have written or printed
30 thereon or attached thereto the words "Compliments of"
31 followed by the name of the author, nor any other words of
32 similar import.
33 Sec. 119. Section 7E.5, subsection 1, paragraph b, Code
34 2003, is amended to read as follows:
35 b. The department of ~~personnel~~ administrative services,

1 created in section ~~19A.1~~ 8A.102, which has primary
2 responsibility for ~~personnel~~ the management and coordination
3 of the major resources of state government.
4 Sec. 120. Section 7E.5, subsection 1, paragraph c, Code
5 2003, is amended by striking the paragraph.
6 Sec. 121. Section 7E.5, subsection 1, paragraph d, Code
7 2003, is amended to read as follows:
8 d. The department of revenue ~~and finance~~, created in
9 section 421.2, which has primary responsibility for revenue
10 collection and revenue law compliance, ~~financial management~~
11 ~~and assistance,~~ and the Iowa lottery.
12 Sec. 122. Section 7E.5, subsection 1, paragraph x, Code
13 2003, is amended by striking the paragraph.
14 Sec. 123. Section 7F.1, subsection 3, Code 2003, is
15 amended to read as follows:
16 3. OFFICE ESTABLISHED. A state-federal relations office
17 is established as an independent agency. The office shall be
18 located in Washington D.C. and shall be administered by the
19 director of the office who is appointed by the governor,
20 subject to confirmation by the senate, and who serves at the
21 pleasure of the governor. The office and its personnel are
22 exempt from the merit system provisions of chapter ~~19A~~ 8A,
23 article 4.
24 Sec. 124. Section 8.31, unnumbered paragraph 6, Code 2003,
25 is amended to read as follows:
26 The procedure to be employed in controlling the
27 expenditures and receipts of the state fair board and the
28 institutions under the state board of regents, whose
29 collections are not deposited in the state treasury, is that
30 outlined in section ~~421.31~~ 8A.502, subsection ~~6~~ 9.
31 Sec. 125. Section 8.36A, Code 2003, is amended to read as
32 follows:
33 8.36A FULL-TIME EQUIVALENT ~~POSITION~~ POSITIONS.
34 1. For purposes of making appropriations and financial
35 reports and as used in appropriations statutes, "full-time

1 equivalent position" means a budgeting and monitoring unit
2 that equates the aggregate of full-time positions, part-time
3 positions, a vacancy and turnover factor, and other
4 adjustments. One full-time equivalent position represents two
5 thousand eighty working hours, which is the regular number of
6 hours one full-time person works in one fiscal year. The
7 number of full-time equivalent positions shall be calculated
8 by totaling the regular number of hours that could be annually
9 worked by persons in all authorized positions, reducing those
10 hours by a vacancy and turnover factor and dividing that
11 amount by two thousand eighty hours. In order to achieve the
12 full-time equivalent position level, the number of filled
13 positions may exceed the number of full-time equivalent
14 positions during parts of the fiscal year to compensate for
15 time periods when the number of filled positions is below the
16 authorized number of full-time equivalent positions.
17 2. If a department or establishment has reached or
18 anticipates reaching the full-time equivalent position level
19 authorized for the department but determines that conversion
20 of a contract position to a full-time equivalent position
21 would result in cost savings while providing comparable or
22 better services, the department or establishment may request
23 the director of the department of management to approve the
24 conversion and addition of the full-time equivalent position.
25 The request shall be accompanied by evidence demonstrating how
26 the cost savings and service quality will be achieved through
27 the conversion. If approved by the director of the department
28 of management, the department's or establishment's authorized
29 full-time equivalent position level shall be increased
30 accordingly and the revised level shall be reported to the
31 fiscal committee of the legislative council and the
32 legislative fiscal bureau.
33 Sec. 126. Section 8.47, subsection 1, unnumbered paragraph
34 1, Code 2003, is amended to read as follows:
35 The department of ~~general~~ administrative services, in

1 cooperation with the office of attorney general~~,~~ and the
2 department of management, ~~the-department-of-personnel,-and-the~~
3 ~~department-of-revenue-and-finance,~~ shall adopt uniform terms
4 and conditions for service contracts executed by a department
5 or establishment benefiting from service contracts. The terms
6 and conditions shall include but are not limited to all of the
7 following:
8 Sec. 127. Section 8.47, subsection 2, Code 2003, is
9 amended to read as follows:
10 2. Departments or establishments, with the approval of the
11 department of management acting in cooperation with the office
12 of attorney general~~,-the-department-of-general-services,-the~~
13 ~~department-of-personnel,~~ and the department of ~~revenue-and~~
14 ~~finance~~ administrative services, may adopt special terms and
15 conditions for use by the departments or establishments in
16 their service contracts.
17 Sec. 128. Section 8.63, Code 2003, is amended to read as
18 follows:
19 8.63 INNOVATIONS FUND.
20 1. An innovations fund is created in the state treasury
21 under the control of the department of management for the
22 purpose of stimulating and encouraging innovation and
23 entrepreneurship in state government by the awarding of
24 repayable loans to state agencies.
25 2. The director of the department of management shall
26 establish an eight-member committee to be called the state
27 innovations fund committee. The committee shall review all
28 requests for funds and approve loans of funds if the committee
29 determines that the loan meets the requirements for a project
30 loan or an enterprise loan as provided in this section.
31 3. A project loan can be funded if the committee
32 determines that an agency request would result in cost savings
33 or added revenue to the general fund of the state. Eligible
34 projects are projects which cannot be funded from an agency's
35 operating budget without adversely affecting the agency's

normal service levels. Projects may include, but are not limited to, purchase of advanced technology, contracting for expert services, and acquisition of equipment or supplies.

4. An enterprise loan can be funded if the committee determines that the agency or business unit has a viable business plan and the capability to use the loan to provide internal services to government. The enterprise is expected to receive payment for services from its customers and use those payments to cover its expenses, including repayment of the loan.

~~3.~~ 5. A state agency seeking a loan from the innovations fund shall complete an application form designed by the state innovations fund committee which employs, for projects, a return on investment concept and demonstrates how state general fund expenditures will be reduced or how state general fund revenues will increase, or, for enterprises, a business plan that shows how the enterprise will meet customer needs, provide value to customers, and demonstrate financial viability. Minimum loan requirements for state agency requests shall be determined by the committee. As an incentive to increase state general fund revenues, an agency may retain up to fifty percent of savings realized in connection with a project loan from the innovations fund. The amount retained shall be determined by the innovations fund committee.

~~4.~~ 6. a. In order for the innovations fund to be self-supporting, the innovations fund committee shall establish repayment schedules for each ~~innovation~~ innovations fund loan awarded. Agencies shall repay the funds over a period not to exceed five years with interest, at a rate to be determined by the innovations fund committee.

b. If the department of management and the department of ~~revenue and finance~~ administrative services certify that the savings from a proposed innovations fund project will result in a net increase in the balance of the general fund of the

1 state without a corresponding cost savings to the requesting
2 agency, and if the requesting agency meets all other
3 eligibility requirements, the innovations fund committee may
4 approve the loan for the project and not require repayment by
5 the requesting agency. There is appropriated from the general
6 fund of the state to the department of ~~revenue and finance~~
7 administrative services an amount sufficient to repay the loan
8 amount.
9 ~~5.~~ 7. Notwithstanding section 12C.7, subsection 2,
10 interest or earnings on moneys deposited in the innovations
11 fund shall be credited to the innovations fund.
12 Notwithstanding section 8.33, moneys remaining in the
13 innovations fund at the end of a fiscal year shall not revert
14 to the general fund of the state.
15 Sec. 129. Section 8D.4, Code 2003, is amended to read as
16 follows:
17 8D.4 EXECUTIVE DIRECTOR APPOINTED.
18 The commission, in consultation with the director of the
19 department of administrative services shall appoint an
20 executive director of the commission, subject to confirmation
21 by the senate. Such individual shall not serve as a member of
22 the commission. The executive director shall serve at the
23 pleasure of the commission. The executive director shall be
24 selected primarily for administrative ability and knowledge in
25 the field, without regard to political affiliation. The
26 governor shall establish the salary of the executive director
27 within range nine as established by the general assembly. The
28 salary and support of the executive director shall be paid
29 from funds deposited in the Iowa communications network fund.
30 Sec. 130. Section 9.3, Code 2003, is amended to read as
31 follows:
32 9.3 COMMISSIONS.
33 All commissions issued by the governor shall be
34 countersigned by the secretary, who shall register each
35 commission in a book to be kept for that purpose, specifying

the office, name of officer, date of commission, and tenure of office, and forthwith forward to the directors of the departments of management and of ~~revenue and finance~~ administrative services copies of the registration.

Sec. 131. Section 9F.4, Code 2003, is amended to read as follows:

9F.4 PUBLICATION IN OFFICIAL REGISTER.

The ~~state printing administrator~~ director of the department of administrative services shall publish said federal census report and certificate aforesaid in full in each copy of the Iowa official register.

Sec. 132. Section 10A.104, subsection 2, Code 2003, is amended to read as follows:

2. Appoint the administrators of the divisions within the department and all other personnel deemed necessary for the administration of this chapter, except the state public defender, assistant state public defenders, administrator of the racing and gaming commission, members of the employment appeal board, and administrator of the child advocacy board created in section 237.16. All persons appointed and employed in the department are covered by the provisions of chapter ~~19A~~ 8A, article 4, but persons not appointed by the director are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 133. Section 10A.601, subsections 1 and 7, Code 2003, are amended to read as follows:

1. A full-time employment appeal board is created within the department of inspections and appeals to hear and decide contested cases under chapter 8A, article 4, and chapters ~~19A,~~ 80, 88, 89A, 91C, 96, and 97B.

7. An application for rehearing before the appeal board shall be filed pursuant to section 17A.16, unless otherwise provided in chapter ~~19A,~~ 8A, article 4, or chapter 80, 88, 89A, 91C, 96, or 97B. A petition for judicial review of a decision of the appeal board shall be filed pursuant to

1 section 17A.19. The appeal board may be represented in any
2 such judicial review by an attorney who is a regular salaried
3 employee of the appeal board or who has been designated by the
4 appeal board for that purpose, or at the appeal board's
5 request, by the attorney general. Notwithstanding the
6 petitioner's residency requirement in section 17A.19,
7 subsection 2, a petition for judicial review may be filed in
8 the district court of the county in which the petitioner was
9 last employed or resides, provided that if the petitioner does
10 not reside in this state, the action shall be brought in the
11 district court of Polk county, Iowa, and any other party to
12 the proceeding before the appeal board shall be named in the
13 petition. Notwithstanding the thirty-day requirement in
14 section 17A.19, subsection 6, the appeal board shall, within
15 sixty days after filing of the petition for judicial review or
16 within a longer period of time allowed by the court, transmit
17 to the reviewing court the original or a certified copy of the
18 entire records of a contested case. The appeal board may also
19 certify to the court, questions of law involved in any
20 decision by the appeal board. Petitions for judicial review
21 and the questions so certified shall be given precedence over
22 all other civil cases except cases arising under the workers'
23 compensation law of this state. No bond shall be required for
24 entering an appeal from any final order, judgment, or decree
25 of the district court to the supreme court.
26 Sec. 134. Section 10A.801, subsection 3, paragraph a, Code
27 2003, is amended to read as follows:
28 a. The department shall employ a sufficient number of
29 administrative law judges to conduct proceedings for which
30 agencies are required, by section 17A.11 or any other
31 provision of law, to use an administrative law judge employed
32 by the division. An administrative law judge employed by the
33 division shall not perform duties inconsistent with the
34 judge's duties and responsibilities as an administrative law
35 judge and shall be located in an office that is separated from

1 the offices of the agencies for which that person acts as a
2 presiding officer. Administrative law judges shall be covered
3 by the merit system provisions of chapter ~~19A~~ 8A, article 4.
4 Sec. 135. Section 11.2, subsection 1, unnumbered paragraph
5 3, Code 2003, is amended to read as follows:
6 Provided further, that a preliminary audit of the
7 educational institutions and the state fair board shall be
8 made periodically, at least quarterly, to check the monthly
9 reports submitted to the director of ~~revenue and finance~~ the
10 department of administrative services as required by section
11 ~~421.31~~ 8A.502, subsection ~~4~~ 9, and that a final audit of such
12 state agencies shall be made at the close of each fiscal year.
13 Sec. 136. Section 12E.8, subsection 2, Code 2003, is
14 amended to read as follows:
15 2. The authority is exempt from the requirements of
16 chapter ~~18~~ 8A, article 3.
17 Sec. 137. Section 13.13, subsection 2, Code 2003, is
18 amended to read as follows:
19 2. The farm assistance program coordinator shall contract
20 with a nonprofit organization chartered in this state to
21 provide mediation services as provided in chapters 654A, 654B,
22 and 654C. The contract may be terminated by the coordinator
23 upon written notice and for good cause. The organization
24 awarded the contract is designated as the farm mediation
25 service for the duration of the contract. The organization
26 may, upon approval by the coordinator, provide mediation
27 services other than as provided by law. The farm mediation
28 service is not a state agency for the purposes of chapter 8A,
29 article 4, and chapters ~~19A,~~ 20, and 669.
30 Sec. 138. Section 13.22, subsection 6, Code 2003, is
31 amended to read as follows:
32 6. Cooperate to the fullest extent feasible with the
33 existing informational and referral networks among farmers,
34 farmer advocates, and others concerned with the economic
35 crisis in agricultural areas. The legal services provider is

not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20~~,~~ and 669.

Sec. 139. Section 13.34, subsection 4, Code 2003, is amended to read as follows:

4. The contracting nonprofit organization is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20~~,~~ and 669.

Sec. 140. Section 13B.5, Code 2003, is amended to read as follows:

13B.5 STAFF.

The state public defender may appoint assistant state public defenders who, subject to the direction of the state public defender, shall have the same duties as the state public defender and shall not engage in the private practice of law. The salaries of the staff shall be fixed by the state public defender. The state public defender and the state public defender's staff shall receive actual and necessary expenses, including travel at the state rate set forth in section ~~18.117~~ 8A.363.

Sec. 141. Section 15.106, subsection 2, Code 2003, is amended to read as follows:

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with the merit system provisions of chapter ~~19A~~ 8A, article 4, for nonprofessional employees. Professional staff of the department are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 142. Section 15.108, subsection 9, paragraph c, Code 2003, is amended to read as follows:

c. Except as otherwise provided in sections ~~7B.33~~ 8A.110, 260C.14, and 262.9, provide that an inventor whose research is funded in whole or in part by the state shall assign to the state a proportionate part of the inventor's rights to a letter patent resulting from that research. Royalties or earnings derived from a letter patent shall be paid to the

1 treasurer of state and credited by the treasurer to the
2 general fund of the state. However, the department in
3 conjunction with other state agencies, including the board of
4 regents, shall provide incentives to inventors whose research
5 is funded in whole or in part by the state for having their
6 products produced in the state. These incentives may include
7 taking a smaller portion of the inventor's royalties or
8 earnings than would otherwise occur under this paragraph or
9 other provisions of the law.
10 Sec. 143. Section 16.2, subsection 1, unnumbered paragraph
11 2, Code 2003, is amended to read as follows:
12 A title guaranty division is created within the authority.
13 The powers of the division relating to the issuance of title
14 guaranties are vested in and shall be exercised by a division
15 board of five members appointed by the governor subject to
16 confirmation by the senate. The membership of the board shall
17 include an attorney, an abstractor, a real estate broker, a
18 representative of a mortgage-lender, and a representative of
19 the housing development industry. The executive director of
20 the authority shall appoint an attorney as director of the
21 title guaranty division who shall serve as an ex officio
22 member of the board. The appointment of and compensation for
23 the division director are exempt from the merit system
24 provisions of chapter ~~19A~~ 8A, article 4.
25 Sec. 144. Section 16A.5, subsection 2, Code 2003, is
26 amended to read as follows:
27 2. The executive director is a nonvoting ex officio member
28 of the board, and shall advise the authority on matters
29 relating to finance, carry out all directives from the
30 authority, and hire and supervise the authority's staff
31 pursuant to its directions and under the merit system
32 provisions of chapter ~~19A~~ 8A, article 4, except that principal
33 administrative assistants with responsibilities in operating
34 loan programs, accounting, and processing of applications for
35 interest reduction are exempt from the merit system.

1 Sec. 145. Section 17A.6, subsection 5, Code 2003, is
2 amended to read as follows:
3 5. The Iowa administrative code, its supplements, and the
4 Iowa administrative bulletin shall be made available upon
5 request to all persons who subscribe to any of them ~~through~~
6 ~~the state printing division. Copies of this code so made~~
7 ~~available shall be kept current by the division.~~
8 Sec. 146. Section 19B.5, subsection 2, Code 2003, is
9 amended to read as follows:
10 2. The department of ~~personnel~~ administrative services
11 shall submit a report on the condition of affirmative action,
12 diversity, and multicultural programs in state agencies
13 covered by subsection 1 by September 30 of each year to the
14 governor and the general assembly. ~~The report shall include~~
15 ~~information identifying funding sources and itemized costs,~~
16 ~~including administrative costs, for these programs.~~
17 Sec. 147. Section 19B.12, subsection 4, Code 2003, is
18 amended to read as follows:
19 4. The department of ~~personnel~~ administrative services for
20 all state agencies, and the state board of regents for its
21 institutions, shall adopt rules and appropriate internal,
22 confidential grievance procedures to implement this section,
23 and shall adopt procedures for determining violations of this
24 section and for ordering appropriate dispositions that may
25 include, but are not limited to, discharge, suspension, or
26 reduction in rank or grade as defined in section ~~19A.9~~ 8A.413,
27 subsection 16.
28 Sec. 148. Section 20.5, subsection 4, Code 2003, is
29 amended to read as follows:
30 4. The board may employ such persons as are necessary for
31 the performance of its functions. Personnel of the board
32 shall be employed pursuant to the provisions of chapter ~~19A~~
33 8A, article 4.
34 Sec. 149. Section 20.18, unnumbered paragraph 2, Code
35 2003, is amended to read as follows:

1 Public employees of the state or public employees covered
2 by civil service shall follow either the grievance procedures
3 provided in a collective bargaining agreement, or in the event
4 that grievance procedures are not provided, shall follow
5 grievance procedures established pursuant to chapter ~~19A~~ 8A,
6 article 4, or chapter 400, as applicable.
7 Sec. 150. Section 22.3A, subsection 2, paragraph a, Code
8 2003, is amended to read as follows:
9 a. The amount charged for access to a public record shall
10 be not more than that required to recover direct publication
11 costs, including but not limited to editing, compilation, and
12 media production costs, incurred by the government body in
13 developing the data processing software, and preparing the
14 data processing software for transfer to the person. The
15 amount shall be in addition to any other fee required to be
16 paid under this chapter for the examination and copying of a
17 public record. If a person accesses a public record stored in
18 an electronic format that does not require formatting,
19 editing, or compiling to access the public record, the charge
20 for providing the accessed public record shall not exceed the
21 reasonable cost of accessing that public record. The
22 government body shall, if requested, provide documentation
23 which explains and justifies the amount charged. This
24 paragraph shall not apply to any publication for which a price
25 has been established pursuant to another section, including
26 section ~~7A.22~~ 7A.15A.
27 Sec. 151. Section 22.7, subsection 11, Code 2003, is
28 amended to read as follows:
29 11. Personal information in confidential personnel records
30 of public bodies including but not limited to cities, boards
31 of supervisors and school districts. For purposes of this
32 subsection, "personal information" includes, but is not
33 limited to, information in the personnel files of an employee
34 concerning investigations incident to the employee's
35 employment, information relating to disciplinary actions, and

complaints, grievances, and appeals.

Sec. 152. Section 23A.2, subsection 10, paragraph o, Code 2003, is amended to read as follows:

o. The performance of an activity authorized pursuant to section ~~14B.102~~ 8A.202, subsection 2, paragraph ~~"1"~~ "k".

Sec. 153. Section 29A.13, Code 2003, is amended to read as follows:

29A.13 APPROPRIATED FUNDS.

Operating expenses for the national guard including the purchase of land, maintenance of facilities, improvement of state military reservations, installations, and weapons firing ranges owned or leased by the state of Iowa or the United States shall be paid from funds appropriated for the support and maintenance of the national guard. Claims for payment of such expenses shall be subject to the approval of the adjutant general. Upon approval of the adjutant general the claim shall be submitted to the director of ~~revenue and finance in accordance with the procedures established by the director of revenue and finance under chapter 421~~ the department of administrative services.

Payment for personnel compensation and authorized benefits shall be approved by the adjutant general prior to submission to the director of ~~revenue and finance~~ the department of administrative services for payment.

Sec. 154. Section 35A.8, subsection 3, Code 2003, is amended to read as follows:

3. Except for the employment duties and responsibilities assigned to the commandant for the Iowa veterans home, the executive director shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commission. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 155. Section 35A.10, Code 2003, is amended to read as

1 follows:
2 35A.10 MULTIYEAR CONSTRUCTION PROGRAM -- CONSTRUCTION,
3 REPAIR, AND IMPROVEMENT PROJECTS.
4 1. The commission shall work with the department of
5 ~~general~~ administrative services to prepare and submit to the
6 director of the department of management, as provided in
7 section 8.23, a multiyear construction program including
8 estimates of the expenditure requirements for the
9 construction, repair, or improvement of buildings, grounds, or
10 equipment at the commission of veterans affairs building at
11 Camp Dodge and the Iowa veterans home in Marshalltown.
12 2. The commandant and the commission shall have plans and
13 specifications prepared by the department of ~~general~~
14 administrative services for authorized construction, repair,
15 or improvement projects in excess of twenty-five thousand
16 dollars. An appropriation for a project shall not be expended
17 until the department of ~~general~~ administrative services has
18 adopted plans and specifications and has completed a detailed
19 estimate of the cost of the project, prepared under the
20 supervision of a registered architect or registered
21 professional engineer.
22 3. The director of the department of ~~general~~
23 administrative services shall, in writing, let all contracts
24 for authorized improvements in excess of twenty-five thousand
25 dollars in accordance with chapter ~~18~~ 8A, article 3. The
26 director of the department of ~~general~~ administrative services
27 shall not authorize payment for construction purposes until
28 satisfactory proof has been furnished by the proper officer or
29 supervising architect that the parties have complied with the
30 contract.
31 Sec. 156. Section 35D.14, unnumbered paragraph 1, Code
32 2003, is amended to read as follows:
33 The commandant or the commandant's designee shall employ
34 such personnel as are necessary for the performance of the
35 duties and responsibilities assigned to the commandant. All

1 employees shall be selected on a basis of fitness for the work
2 to be performed with due regard to training and experience and
3 shall be subject to the provisions of chapter ~~19A~~ 8A, article
4 4.
5 Sec. 157. Section 42.1, subsection 5, paragraph b, Code
6 2003, is amended to read as follows:
7 b. An elective office in the executive or legislative
8 branch of the government of this state, or an office which is
9 filled by appointment and is exempt from the merit system
10 under section ~~19A.3~~ 8A.412.
11 Sec. 158. Section 47.8, subsection 3, unnumbered paragraph
12 2, Code 2003, is amended to read as follows:
13 The commission may authorize the registrar to employ such
14 additional staff personnel as it deems necessary to permit the
15 duties of the registrar's office to be adequately and promptly
16 discharged. Such personnel shall be employed pursuant to
17 chapter ~~19A~~ 8A, article 4.
18 Sec. 159. Section 55.1, unnumbered paragraph 2, Code 2003,
19 is amended to read as follows:
20 A leave of absence for a person regularly employed pursuant
21 to chapter ~~19A~~ 8A, article 4, is subject to section ~~19A.18~~
22 8A.416.
23 Sec. 160. Section 55.4, unnumbered paragraph 1, Code 2003,
24 is amended to read as follows:
25 Any public employee who becomes a candidate for any
26 elective public office shall, upon request of the employee and
27 commencing any time within thirty days prior to a contested
28 primary, special, or general election and continuing until
29 after the day following that election, automatically be given
30 a period of leave. If the employee is under chapter ~~19A~~ 8A,
31 article 4, the employee may choose to use accrued vacation
32 leave, accrued compensatory leave or leave without pay to
33 cover these periods. The appointing authority may authorize
34 other employees to use accrued vacation leave or accrued
35 compensatory leave instead of leave without pay to cover these

1 periods. An employee who is a candidate for any elective
2 public office shall not campaign while on duty as an employee.
3 Sec. 161. Section 68B.32, subsection 5, Code 2003, is
4 amended to read as follows:
5 5. The board shall employ a full-time executive director
6 who shall be the board's chief administrative officer. The
7 board shall employ or contract for the employment of legal
8 counsel notwithstanding section 13.7, and any other personnel
9 as may be necessary to carry out the duties of the board. The
10 board's legal counsel shall be the chief legal officer of the
11 board, and shall advise the board on all legal matters
12 relating to the administration of this chapter and chapter 56.
13 The state may be represented by the board's legal counsel in
14 any civil action regarding the enforcement of this chapter or
15 chapter 56, or, at the board's request, the state may be
16 represented by the office of the attorney general.
17 Notwithstanding section ~~19A.3~~ 8A.412, all of the board's
18 employees, except for the executive director and legal
19 counsel, shall be employed subject to the merit system
20 provisions of chapter ~~19A~~ 8A, article 4. The salary of the
21 executive director shall be fixed by the board, within the
22 range established by the general assembly. The salary of the
23 legal counsel shall be fixed by the board, within a salary
24 range established by the department of personnel for a
25 position requiring similar qualifications and experience.
26 Sec. 162. Section 70A.38, subsection 8, Code 2003, is
27 amended by striking the subsection.
28 Sec. 163. Section 84A.7, subsection 5, Code 2003, is
29 amended to read as follows:
30 5. PARTICIPANT ELIGIBILITY. Notwithstanding any contrary
31 provision of ~~chapters 19A~~ chapter 8A, article 4, and chapter
32 96, a person employed through an Iowa conservation corps
33 program shall be exempt from merit system requirements and
34 shall not be eligible to receive unemployment compensation
35 benefits.

1 Sec. 164. Section 86.2, subsection 1, Code 2003, is
2 amended to read as follows:
3 1. Chief deputy workers' compensation commissioners for
4 whose acts the commissioner is responsible, who are exempt
5 from the merit system provisions of chapter ~~19A~~ 8A, article 4,
6 and who shall serve at the pleasure of the commissioner.
7 Sec. 165. Section 88.2, subsection 3, Code 2003, is
8 amended to read as follows:
9 3. Personnel administering the chapter shall be employed
10 pursuant to chapter ~~19A~~ 8A, article 4.
11 Sec. 166. Section 88A.6, Code 2003, is amended to read as
12 follows:
13 88A.6 PERSONNEL.
14 The commissioner may employ inspectors and any other
15 personnel deemed necessary to carry out the provisions of this
16 chapter, subject to the provisions of chapter ~~19A~~ 8A, article
17 4.
18 Sec. 167. Section 89.1, unnumbered paragraph 1, Code 2003,
19 is amended to read as follows:
20 The labor commissioner shall enforce the provisions of this
21 chapter and may employ qualified personnel under the
22 provisions of chapter ~~19A~~ 8A, article 4, to administer the
23 provisions of this chapter.
24 Sec. 168. Section 89A.4, Code 2003, is amended to read as
25 follows:
26 89A.4 COMMISSIONER'S DUTIES AND PERSONNEL.
27 The commissioner shall enforce the provisions of this
28 chapter. The commissioner shall employ personnel for the
29 administration of this chapter pursuant to chapter ~~19A~~ 8A,
30 article 4.
31 Sec. 169. Section 91A.9, subsection 3, Code 2003, is
32 amended to read as follows:
33 3. The commissioner may employ such qualified personnel as
34 are necessary for the enforcement of this chapter. Such
35 personnel shall be employed pursuant to chapter ~~19A~~ 8A,

1 article 4.
2 Sec. 170. Section 96.11, subsection 16, Code 2003, is
3 amended to read as follows:
4 16. Reimbursement of setoff costs. The department shall
5 include in the amount set off in accordance with section
6 ~~421.17, subsection 29~~ 8A.504, for the collection of an
7 overpayment created pursuant to section 96.3, subsection 7, or
8 section 96.16, subsection 4, an additional amount for the
9 reimbursement of setoff costs incurred by the department of
10 ~~revenue and finance~~ administrative services.
11 Sec. 171. Section 97A.5, subsections 5 and 6, Code 2003,
12 are amended to read as follows:
13 5. STAFF. The department of ~~personnel~~ public safety shall
14 provide administrative services to the board of trustees.
15 Investments shall be administered through the office of the
16 treasurer of state.
17 6. DATA -- RECORDS -- REPORTS.
18 a. The department of ~~personnel~~ public safety shall keep in
19 convenient form the data necessary for actuarial valuation of
20 the various funds of the system and for checking the expense
21 of the system. The ~~director of the department~~ commissioner of
22 ~~personnel~~ public safety shall keep a record of all the acts
23 and proceedings of the board, which records shall be open to
24 public inspection. The board of trustees shall biennially
25 make a report to the general assembly showing the fiscal
26 transactions of the system for the preceding biennium, the
27 amount of the accumulated cash and securities of the system,
28 and the last balance sheet showing the financial condition of
29 the system by means of an actuarial valuation of the assets
30 and liabilities of the system.
31 b. The ~~director of the department~~ commissioner of
32 ~~personnel~~ public safety shall maintain records, including but
33 not limited to names, addresses, ages, and lengths of service,
34 salaries and wages, contributions, designated beneficiaries,
35 benefit amounts, if applicable, and other information

1 pertaining to members as necessary in the administration of
2 this chapter, as well as the names, addresses, and benefit
3 amounts of beneficiaries. For the purpose of obtaining these
4 facts, the ~~director~~ commissioner of ~~personnel~~ public safety
5 shall have access to the records of the various departments of
6 the state and the departments shall provide such information
7 upon request. Member and beneficiary records containing
8 personal information are not public records for the purposes
9 of chapter 22. However, summary information concerning the
10 demographics of the members and general statistical
11 information concerning the system is subject to chapter 22, as
12 well as aggregate information by category.
13 Sec. 172. Section 97A.7, subsection 4, Code 2003, is
14 amended to read as follows:
15 4. A member of the board of trustees or an employee of the
16 department of ~~personnel~~ public safety shall not have a direct
17 interest in the gains or profits of any investment made by the
18 board of trustees. A trustee shall not receive any pay or
19 emolument for the trustee's services. A trustee or employee
20 of the department of ~~personnel~~ public safety shall not
21 directly or indirectly use the assets of the system except to
22 make current and necessary payments as authorized by the board
23 of trustees, nor shall a trustee or employee of the department
24 of ~~personnel~~ public safety become an endorser or surety or
25 become in any manner an obligor for moneys loaned by or
26 borrowed from the board of trustees.
27 Sec. 173. Section 97B.1, Code 2003, is amended to read as
28 follows:
29 97B.1 SYSTEM CREATED -- ORGANIZATIONAL DEFINITIONS.
30 1. The "Iowa Public Employees' Retirement System" is
31 ~~created~~ established as an independent agency within the
32 executive branch of state government. The Iowa public
33 employees' retirement system ~~division, a separate and distinct~~
34 ~~division within the department of personnel,~~ shall administer
35 the retirement system established under this chapter.

2. As used in this chapter, unless the context requires otherwise:

a. "Board" means the investment board created by section 97B.8A.

b. "Chief executive officer" means the chief executive officer of the Iowa public employees' retirement system ~~division, notwithstanding section 7E.2, subsection 3, paragraph "c", subparagraph (1)~~.

c. "Committee" means the benefits advisory committee created by section 97B.8B.

~~d. "Division" means the Iowa public employees' retirement system division.~~

~~e.~~ d. "System" means the Iowa public employees' retirement system.

Sec. 174. Section 97B.1A, subsection 23, Code 2003, is amended to read as follows:

~~23.~~ 19A. ~~"System"~~ "Retirement system" means the retirement plan as contained ~~herein~~ in this chapter or as duly amended.

Sec. 175. Section 97B.4, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. In administering this chapter, the ~~division shall~~ system may enter into a biennial agreement with the department of ~~personnel~~ administrative services concerning the sharing of resources between the ~~division~~ system and department which are of benefit to each and which are consistent with the mission of the ~~division~~ system and the department. The budget program for the ~~division~~ system shall be established by the chief executive officer in consultation with the board and other staff of the ~~division~~ system and shall be compiled ~~by the department of personnel in collaboration with the division~~ and submitted ~~on behalf of the division~~ by the ~~department~~ system pursuant to section 8.23.

Sec. 176. Section 97B.4, subsection 3, paragraphs a, b, c, and d, Code 2003, are amended to read as follows:

a. CHIEF INVESTMENT OFFICER. The chief executive officer,

1 following consultation with the board, shall employ a chief
2 investment officer who shall be appointed pursuant to chapter
3 ~~19A~~ 8A, article 4, and shall be responsible for administering
4 the investment program for the retirement fund pursuant to the
5 investment policies of the board.
6 b. CHIEF BENEFITS OFFICER. The chief executive officer,
7 following consultation with the benefits advisory committee,
8 shall employ a chief benefits officer who shall be appointed
9 pursuant to chapter ~~19A~~ 8A, article 4, and shall be
10 responsible for administering the benefits and other services
11 provided under the retirement system.
12 c. ACTUARY. The ~~division~~ system shall employ an actuary
13 who shall be selected by the board and shall serve at the
14 pleasure of the board. The actuary shall be the technical
15 advisor for the system on matters regarding the operation of
16 the retirement fund.
17 d. ~~DIVISION~~ SYSTEM EMPLOYEES. Subject to other provisions
18 of this chapter, the ~~division~~ system may employ all other
19 personnel as necessary for the administration of the
20 retirement system. The maximum number of full-time equivalent
21 employees specified by the general assembly for the ~~division~~
22 system for administration of the retirement system for a
23 fiscal year shall not be reduced by any authority other than
24 the general assembly. The personnel of the ~~division~~ system
25 shall be appointed pursuant to chapter ~~19A~~ 8A, article 4. The
26 ~~division~~ system shall not appoint or employ a person who is an
27 officer or committee member of a political party organization
28 or who holds or is a candidate for a partisan elective public
29 office.
30 Sec. 177. Section 97B.7A, subsection 5, Code 2003, is
31 amended to read as follows:
32 5. TRAVEL. In the administration of the investment of
33 moneys in the retirement fund, employees of the ~~division~~
34 system and members of the board may travel outside the state
35 for the purpose of meeting with investment firms and

1 consultants and attending conferences and meetings to fulfill
2 their fiduciary responsibilities. This travel is not subject
3 to section ~~421.38~~ 8A.512, subsection 2.
4 Sec. 178. Section 97B.43, unnumbered paragraph 1, Code
5 2003, is amended to read as follows:
6 Each member in service on July 4, 1953, who made
7 contributions under the abolished system, and who has not
8 applied for and qualified for benefit payments under the
9 abolished system, shall receive credit for years of prior
10 service in the determination of retirement allowance payments
11 under this chapter, if the member elects to become a member on
12 or before October 1, 1953, the member has not made application
13 for a refund of the part of the member's contributions under
14 the abolished system which are payable under sections 97.50 to
15 97.53, and the member gives written authorization prior to
16 October 1, 1953, to the commission to credit to the retirement
17 fund the amount of the member's contribution which would be
18 subject to a claim for refund. The amount so credited shall,
19 after transfer, be considered as a contribution to the
20 retirement system made as of July 4, 1953, by the member and
21 shall be included in the determination of the amount of moneys
22 payable under this chapter. However, an employee who was
23 under a contract of employment as a teacher in the public
24 schools of the state of Iowa at the end of the school year
25 1952-1953, or any person covered by section 97B.1A, subsection
26 20, paragraph "c" or "d", shall be considered as in service as
27 of July 4, 1953, if they were members of the abolished system.
28 Sec. 179. Section 97B.49B, subsection 1, paragraph e,
29 subparagraph (3), Code 2003, is amended to read as follows:
30 (3) A correctional officer or correctional supervisor
31 employed by the Iowa department of corrections, and any other
32 employee of that department whose primary purpose is, through
33 ongoing direct inmate contact, to enforce and maintain
34 discipline, safety, and security within a correctional
35 facility. The Iowa department of corrections and the

1 ~~personnel division of the~~ department of ~~personnel~~
2 administrative services shall jointly determine which job
3 classifications are covered under this subparagraph.
4 Sec. 180. Section 97B.49B, subsection 1, paragraph e,
5 subparagraph (7), Code 2003, is amended to read as follows:
6 (7) An employee covered by the merit system as provided in
7 chapter ~~19A~~ 8A, article 4, whose primary duty is providing
8 airport security and who carries or is licensed to carry a
9 firearm while performing those duties.
10 Sec. 181. Section 97B.49F, subsection 2, paragraph c,
11 subparagraph (5), Code 2003, is amended to read as follows:
12 (5) As used in this paragraph, "favorable actuarial
13 experience" means the difference, if positive, between the
14 anticipated and actual experience of the retirement system's
15 actuarial assets and liabilities as measured by the system's
16 actuary in the most recent annual actuarial valuation of the
17 retirement system pursuant to rules adopted by the ~~division~~
18 system.
19 Sec. 182. Section 97B.50, subsection 2, paragraph c, Code
20 2003, is amended to read as follows:
21 c. A vested member who terminated service due to a
22 disability, who has been issued payment for a refund pursuant
23 to section 97B.53, and who subsequently commences receiving
24 disability benefits as a result of that disability pursuant to
25 the federal Social Security Act, 42 U.S.C. § 423 et seq. or
26 the federal Railroad Retirement Act, 45 U.S.C. § 231 et seq.,
27 may receive credit for membership service for the period
28 covered by the refund payment, upon repayment to the ~~division~~
29 system of the actuarial cost of receiving service credit for
30 the period covered by the refund payment, as determined by the
31 ~~division~~ system. For purposes of this paragraph, the
32 actuarial cost of the service purchase shall be determined as
33 provided in section 97B.74. The payment to the ~~division~~
34 system as provided in this paragraph shall be made within
35 ninety days after July 1, 2000, or the date federal disability

1 payments commenced, whichever occurs later. For purposes of
2 this paragraph, the date federal disability payments commence
3 shall be the date that the member actually receives the first
4 such payment, regardless of any retroactive payments included
5 in that payment. A member who repurchases service credit
6 under this paragraph and applies for retirement benefits shall
7 have the member's monthly allowance, including retroactive
8 adjustment payments, determined in the same manner as provided
9 in paragraph "a" or "b", as applicable. This paragraph shall
10 not be implemented until the system has received a
11 determination letter from the federal internal revenue service
12 approving the system's plan's qualified status under Internal
13 Revenue Code section 401(a).
14 Sec. 183. Section 97B.64, Code 2003, is amended to read as
15 follows:
16 97B.64 INSURANCE LAWS NOT APPLICABLE.
17 None of the laws of this state regulating insurance or
18 insurance companies shall apply to the ~~division~~ system or to
19 the ~~Iowa public employees'~~ retirement system or any of its
20 funds.
21 Sec. 184. Section 99E.3, subsection 3, Code 2003, is
22 amended to read as follows:
23 3. The commissioner may employ, with the approval of the
24 director, clerks, stenographers, inspectors, agents, and other
25 employees pursuant to chapter ~~19A~~ 8A, article 4, as necessary
26 to carry out this chapter, except as provided in section
27 99E.14. The commissioner may require a background
28 investigation to be conducted in connection with the
29 employment of lottery employees. The board shall define, by
30 rule, the employment categories subject to investigation. The
31 background investigation by the division of criminal
32 investigation of the department of public safety may include a
33 national criminal history record check through the federal
34 bureau of investigation. The screening of lottery employees
35 through the federal bureau of investigation shall be conducted

1 by submission of fingerprints through the state criminal
2 history record repository to the federal bureau of
3 investigation.
4 Sec. 185. Section 99E.14, unnumbered paragraph 1, Code
5 2003, is amended to read as follows:
6 The commissioner shall designate three administrative
7 positions within the division which require specific areas of
8 expertise relating to the operation of the lottery. These
9 three administrative positions are exempt from the merit
10 system provisions of chapter ~~19A~~ 8A, article 4. The
11 commissioner shall designate one of these three administrators
12 to serve as acting commissioner in the commissioner's absence.
13 Sec. 186. Section 103A.6, Code 2003, is amended to read as
14 follows:
15 103A.6 MERIT SYSTEM.
16 Employees of the commissioner, if required by federal
17 statutes, are covered by the merit system provisions of
18 chapter ~~19A~~ 8A, article 4.
19 Sec. 187. Section 123.20, subsection 4, Code 2003, is
20 amended to read as follows:
21 4. To appoint clerks, agents, or other employees required
22 for carrying out the provisions of this chapter; to dismiss
23 employees for cause; to assign employees to bureaus as created
24 by the administrator within the division; and to designate
25 their title, duties, and powers. All employees of the
26 division are subject to chapter ~~19A~~ 8A, article 4, unless
27 exempt under section ~~19A.3~~ 8A.412.
28 Sec. 188. Section 135.2, unnumbered paragraph 1, Code
29 2003, is amended to read as follows:
30 The governor shall appoint the director of the department,
31 subject to confirmation by the senate. The director shall
32 serve at the pleasure of the governor. The director is exempt
33 from the merit system provisions of chapter ~~19A~~ 8A, article 4.
34 The governor shall set the salary of the director within the
35 range established by the general assembly.

1 Sec. 189. Section 135C.16, subsection 1, Code 2003, is
2 amended to read as follows:
3 1. In addition to the inspections required by sections
4 135C.9 and 135C.38, the department shall make or cause to be
5 made such further unannounced inspections as it deems
6 necessary to adequately enforce this chapter. At least one
7 general unannounced inspection shall be conducted for each
8 health care facility within a thirty-month period. The
9 inspector shall show identification to the person in charge of
10 the facility and state that an inspection is to be made before
11 beginning the inspection. An employee of the department who
12 gives unauthorized advance notice of an inspection made or
13 planned to be made under this subsection or section 135C.38
14 shall be disciplined as determined by the director, except
15 that if the employee is employed pursuant to the merit system
16 provisions of chapter ~~19A~~ 8A, article 4, the discipline shall
17 not exceed the discipline authorized pursuant to that ~~chapter~~
18 article.
19 Sec. 190. Section 135C.18, Code 2003, is amended to read
20 as follows:
21 135C.18 EMPLOYEES.
22 The department may employ, pursuant to chapter ~~19A~~ 8A,
23 article 4, such assistants and inspectors as may be necessary
24 to administer and enforce the provisions of this chapter.
25 Sec. 191. Section 137.6, subsection 4, Code 2003, is
26 amended to read as follows:
27 4. Employ persons as necessary for the efficient discharge
28 of its duties. Employment practices shall meet the
29 requirements of chapter ~~19A~~ 8A, article 4, or any civil
30 service provision adopted under chapter 400.
31 Sec. 192. Section 142A.5, subsection 1, paragraph b, Code
32 2003, is amended to read as follows:
33 b. Employ a division administrator who shall be
34 responsible for the administration and oversight of the
35 division. The division administrator shall report to and

1 shall serve at the pleasure of the director. The
2 administrator shall be exempt from the merit system provisions
3 of chapter ~~19A~~ 8A, article 4.
4 Sec. 193. Section 142A.6, subsection 5, Code 2003, is
5 amended to read as follows:
6 5. Procurement of goods and services necessary to
7 implement the initiative is subject to approval of the
8 commission. Notwithstanding chapter ~~18~~ 8A, article 3, or any
9 other provision of law to the contrary, such procurement may
10 be accomplished by the commission under its own competitive
11 bidding process which shall provide for consideration of such
12 factors as price, bidder competence, and expediency in
13 procurement.
14 Sec. 194. Section 147.98, Code 2003, is amended to read as
15 follows:
16 147.98 SECRETARY OF PHARMACY EXAMINERS.
17 The pharmacy examiners shall have the right to employ a
18 full-time secretary, who shall not be a member of the
19 examining board, at such compensation as may be fixed pursuant
20 to chapter ~~19A~~ 8A, article 4, but the provisions of section
21 147.22 providing for a secretary for each examining board
22 shall not apply to the pharmacy examiners.
23 Sec. 195. Section 147.102, Code 2003, is amended to read
24 as follows:
25 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.
26 Notwithstanding the provisions of this subtitle, every
27 application for a license to practice psychology,
28 chiropractic, or dentistry shall be made directly to the
29 chairperson, executive director, or secretary of the examining
30 board of such profession, and every reciprocal agreement for
31 the recognition of any such license issued in another state
32 shall be negotiated by the examining board for such
33 profession. All examination, license, and renewal fees
34 received from persons licensed to practice any of such
35 professions shall be paid to and collected by the chairperson,

1 executive director, or secretary of the examining board of
2 such profession, who shall transmit the fees to the treasurer
3 of state for deposit into the general fund of the state. The
4 salary of the secretary shall be established by the governor
5 with the approval of the executive council pursuant to section
6 ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt
7 positions in the executive branch of government.
8 Sec. 196. Section 147.103, unnumbered paragraph 1, Code
9 2003, is amended to read as follows:
10 The board of physician assistant examiners may appoint
11 investigators, who shall not be members of the examining
12 board, to administer and aid in the enforcement of the
13 provisions of law relating to physician assistants. The
14 amount of compensation for the investigators shall be
15 determined pursuant to chapter ~~19A~~ 8A, article 4.
16 Sec. 197. Section 147.103A, subsections 3 and 4, Code
17 2003, are amended to read as follows:
18 3. The board may appoint investigators, who shall not be
19 members of the examining board, and whose compensation shall
20 be determined pursuant to chapter ~~19A~~ 8A, article 4.
21 Investigators appointed by the board have the powers and
22 status of peace officers when enforcing this chapter and
23 chapters 148, 150, 150A, and 272C.
24 4. Applications for a license shall be made to the chair-
25 person, executive director, or secretary of the board. All
26 examination, license, and renewal fees shall be paid to and
27 collected by the chairperson, executive director, or secretary
28 of the board, who shall transmit the fees to the treasurer of
29 state for deposit in the general fund of the state. The
30 salary of the executive director of the board shall be
31 established by the governor with approval of the executive
32 council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under
33 the pay plan for exempt positions in the executive branch of
34 government.
35 Sec. 198. Section 147.114, Code 2003, is amended to read

1 as follows:
2 147.114 INSPECTOR.
3 An inspector may be appointed by the board of dental
4 examiners pursuant to the provisions of chapter ~~19A~~ 8A,
5 article 4.
6 Sec. 199. Section 152.2, Code 2003, is amended to read as
7 follows:
8 152.2 EXECUTIVE DIRECTOR -- ASSISTANTS.
9 The board shall appoint a full-time executive director.
10 The executive director shall be a registered nurse and shall
11 not be a member of the board. The governor, with the approval
12 of the executive council pursuant to section ~~19A.9~~ 8A.413,
13 subsection 2, under the pay plan for exempt positions in the
14 executive branch of government, shall set the salary of the
15 executive director.
16 Sec. 200. Section 152.3, subsection 6, Code 2003, is
17 amended to read as follows:
18 6. To appoint assistants to the director and persons
19 necessary to administer this ~~Act~~ chapter. Any appointments
20 shall be merit appointments made pursuant to chapter ~~19A~~ 8A,
21 article 4.
22 Sec. 201. Section 152.11, Code 2003, is amended to read as
23 follows:
24 152.11 INVESTIGATORS FOR NURSES.
25 The board of nursing may appoint investigators, who shall
26 not be members of the board, to administer and aid in the
27 enforcement of the provisions of law related to those licensed
28 to practice nursing. The amount of compensation for the
29 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
30 article 4. Investigators authorized by the board of nursing
31 have the powers and status of peace officers when enforcing
32 this chapter and chapters 147 and 272C.
33 Sec. 202. Section 153.33, subsection 2, Code 2003, is
34 amended to read as follows:
35 2. To appoint investigators, who shall not be members of

1 the examining board, to administer and aid in the enforcement
2 of the provisions of law relating to those persons licensed to
3 practice dentistry and dental hygiene, and persons registered
4 as dental assistants. The amount of compensation for the
5 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
6 article 4. Investigators authorized by the board of dental
7 examiners have the powers and status of peace officers when
8 enforcing this chapter and chapters 147 and 272C.
9 Sec. 203. Section 157.7, Code 2003, is amended to read as
10 follows:
11 157.7 INSPECTORS AND CLERICAL ASSISTANTS.
12 The department of inspections and appeals shall employ
13 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
14 perform duties related to inspection functions under this
15 chapter. The department of inspections and appeals shall,
16 when possible, integrate inspection efforts under this chapter
17 with inspections conducted under chapter 158.
18 The Iowa department of public health may employ clerical
19 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
20 administer and enforce this chapter. The costs and expenses
21 of the clerical assistants shall be paid from funds
22 appropriated to the department of public health.
23 Sec. 204. Section 158.6, Code 2003, is amended to read as
24 follows:
25 158.6 INSPECTORS AND CLERICAL ASSISTANTS.
26 The department of inspections and appeals shall employ
27 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
28 perform duties related to inspection functions under this
29 chapter. The department of inspections and appeals shall,
30 when possible, integrate inspection efforts under this chapter
31 with inspections conducted under chapter 157.
32 The Iowa department of public health may employ clerical
33 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
34 administer and enforce this chapter. The costs and expenses
35 of the clerical assistants shall be paid from funds

1 appropriated to the department of public health.
2 Sec. 205. Section 175.7, subsection 3, Code 2003, is
3 amended to read as follows:
4 3. The executive director shall advise the authority on
5 matters relating to agricultural land and property and
6 agricultural finance, and carry out all directives from the
7 authority, and shall hire and supervise the authority's staff
8 pursuant to its directions and under the merit system
9 provisions of chapter ~~19A~~ 8A, article 4, except that principal
10 administrative assistants with responsibilities in beginning
11 farm loan programs, accounting, mortgage loan processing, and
12 investment portfolio management are exempt from the merit
13 system.
14 Sec. 206. Section 189.2, subsection 4, Code 2003, is
15 amended to read as follows:
16 4. Issue from time to time, bulletins showing the results
17 of inspections, analyses, and prosecutions under this
18 subtitle, excluding chapters 203, 203A, 203C, 203D, 207, and
19 208. These bulletins shall be printed in such numbers as may
20 be approved by the ~~state printing administrator~~ director of
21 the department of administrative services and shall be
22 distributed to the newspapers of the state and to all
23 interested persons.
24 Sec. 207. Section 216A.2, unnumbered paragraph 2, Code
25 2003, is amended to read as follows:
26 The governor shall appoint the administrators of each of
27 the divisions subject to confirmation by the senate. Each
28 administrator shall serve at the pleasure of the governor and
29 is exempt from the merit system provisions of chapter ~~19A~~ 8A,
30 article 4. The governor shall set the salary of the division
31 administrators within the ranges set by the general assembly.
32 Sec. 208. Section 216A.145, Code 2003, is amended to read
33 as follows:
34 216A.145 EMPLOYEES AND RESPONSIBILITY.
35 The administrator shall be the administrative officer of

the division and shall be responsible for implementing policies and programs. The administrator may employ, in accordance with chapter ~~19A~~ 8A, article 4, other persons necessary to carry out the programs of the division.

Sec. 209. Section 216B.3, subsections 14 and 17, Code 2003, are amended to read as follows:

14. Purchase and use recycled printing and writing paper in accordance with the schedule established in section ~~18.18~~ 8A.315; 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~~ 8A.329; and, in accordance with section ~~18.6~~ 8A.311, require product content statements and compliance with requirements regarding contract bidding.

17. Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section ~~18.22~~ 8A.316.

Sec. 210. Section 217.23, subsection 1, Code 2003, is amended to read as follows:

1. The director of human services or the director's designee, shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the department. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 211. Section 217.34, Code 2003, is amended to read as follows:

217.34 DEBT SETOFF.

The investigations division of the department of inspections and appeals and the department of human services shall provide assistance to set off against a person's or provider's income tax refund or rebate any debt which has accrued through written contract, subrogation, departmental recoupment procedures, or court judgment and which is in the

form of a liquidated sum due and owing the department of human services. The department of inspections and appeals, with approval of the department of human services, shall adopt rules under chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the setoff under section ~~421.17,-subsection 2~~ 8A.504 in regard to money owed to the state for public assistance overpayments. The department of human services shall adopt rules under chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the setoff under section ~~421.17, subsection-2~~ 8A.504, in regard to collections by the child support recovery unit and the foster care recovery unit.

Sec. 212. Section 218.10, Code 2003, is amended to read as follows:

218.10 SUBORDINATE OFFICERS AND EMPLOYEES.

The administrator in charge of a particular institution, with the consent and approval of the director of human services, shall determine the number of subordinate officers and employees for the institution. Subject to this chapter, the officers and employees shall be appointed and discharged by the superintendent or business manager pursuant to chapter ~~19A~~ 8A, article 4. The superintendent shall keep, in the record of each subordinate officer and employee, the date of employment, the compensation, and the date of each discharge, and the reasons for discharge.

Sec. 213. Section 218.58, subsections 3 and 5, Code 2003, are amended to read as follows:

3. The department of ~~general~~ administrative services shall let all contracts under chapter ~~18~~ 8A, article 3, for authorized construction, repair, or improvement of departmental buildings, grounds, or equipment.

5. A claim for payment relating to a project shall be itemized on a voucher form pursuant to section ~~421.40~~ 8A.514, certified by the claimant and the architect or engineer in

1 charge, and audited and approved by the department of ~~general~~
2 administrative services. Upon approval by the department of
3 ~~general~~ administrative services, the ~~voucher shall be~~
4 ~~forwarded to the~~ director of ~~revenue and finance, who~~ the
5 department of administrative services shall draw a warrant to
6 be paid by the treasurer of state from funds appropriated for
7 the project. A partial payment made before completion of the
8 project does not constitute final acceptance of the work or a
9 waiver of any defect in the work.
10 Sec. 214. Section 218.85, Code 2003, is amended to read as
11 follows:
12 218.85 UNIFORM SYSTEM OF ACCOUNTS.
13 The director of human services through the administrators
14 in control of the institutions shall install in all the
15 institutions the most modern, complete, and uniform system of
16 accounts, records, and reports possible. The system shall be
17 prescribed by the director of ~~revenue and finance~~ the
18 department of administrative services as authorized in section
19 ~~421.31~~ 8A.502, subsection ~~10~~ 13, and, among other matters,
20 shall clearly show the detailed facts relative to the handling
21 and uses of all purchases.
22 Sec. 215. Section 218.100, Code 2003, is amended to read
23 as follows:
24 218.100 CENTRAL WAREHOUSE AND SUPPLY DEPOT.
25 The department of human services shall establish a fund for
26 maintaining and operating a central warehouse as a supply
27 depot and distribution facility for surplus government
28 products, carload canned goods, paper products, other staples
29 and such other items as determined by the department. The
30 fund shall be permanent and shall be composed of the receipts
31 from the sales of merchandise, recovery of handling, operating
32 and delivery charges of such merchandise and from the funds
33 contributed by the institutions now in a contingent fund being
34 used for this purpose. All claims for purchases of
35 merchandise, operating and salary expenses shall be subject to

1 the provisions of sections 218.86 to ~~218.89~~ 218.88.
2 Sec. 216. Section 231.22, unnumbered paragraph 1, Code
3 2003, is amended to read as follows:
4 The governor, subject to confirmation by the senate, shall
5 appoint a director of the department of elder affairs who
6 shall, subject to chapter ~~19A~~ 8A, article 4, employ and direct
7 staff as necessary to carry out the powers and duties created
8 by this chapter. The director shall serve at the pleasure of
9 the governor. However, the director is subject to
10 reconfirmation by the senate as provided in section 2.32,
11 subsection 8. The governor shall set the salary for the
12 director within the range set by the general assembly.
13 Sec. 217. Section 231.58, subsection 4, paragraph d, Code
14 2003, is amended to read as follows:
15 d. Develop procedures for coordination at the local and
16 state level among the providers of long-term care, including
17 when possible co-campusing of services. The director of the
18 department of ~~general~~ administrative services shall give
19 particular attention to this section when arranging for office
20 space pursuant to section ~~18.12~~ 8A.321 for these three
21 departments.
22 Sec. 218. Section 234.8, Code 2003, is amended to read as
23 follows:
24 234.8 FEES FOR CHILD WELFARE SERVICES.
25 The department of human services may charge a fee for child
26 welfare services to a person liable for the cost of the
27 services. The fee shall not exceed the reasonable cost of the
28 services. The fee shall be based upon the person's ability to
29 pay and consideration of the fee's impact upon the liable
30 person's family and the goals identified in the case
31 permanency plan. The department may assess the liable person
32 for the fee and the means of recovery shall include a setoff
33 against an amount owed by a state agency to the person
34 assessed pursuant to section ~~421.17, subsection 29~~ 8A.504. In
35 addition the department may establish an administrative

1 process to recover the assessment through automatic income
2 withholding. The department shall adopt rules pursuant to
3 chapter 17A to implement the provisions of this section. This
4 section does not apply to court-ordered services provided to
5 juveniles which are a charge upon the state pursuant to
6 section 232.141 and services for which the department has
7 established a support obligation pursuant to section 234.39.
8 Sec. 219. Section 235A.15, subsection 5, Code 2003, is
9 amended to read as follows:
10 5. Access to disposition data subject to placement in the
11 central registry pursuant to section 232.71D is authorized to
12 the department of personnel or to the personnel office of a
13 public employer, as defined in section 20.3, as necessary for
14 presentation in grievance or arbitration procedures provided
15 for in sections ~~19A.14~~ 8A.415 and 20.18. Disposition data
16 introduced into a grievance or arbitration proceeding shall
17 not be considered a part of the public record of a case.
18 Sec. 220. Section 236.15B, unnumbered paragraph 5, Code
19 2003, is amended to read as follows:
20 The department of ~~revenue-and-finance~~ administrative
21 services shall consult the crime victim assistance board
22 concerning the adoption of rules to implement this section.
23 However, before a checkoff pursuant to this section shall be
24 permitted, all liabilities on the books of the department of
25 ~~revenue-and-finance~~ administrative services and accounts
26 identified as owing under section ~~421.17~~ 8A.504 and the
27 political contribution allowed under section 56.18 shall be
28 satisfied.
29 Sec. 221. Section 252B.5, subsection 4, Code 2003, is
30 amended to read as follows:
31 4. Assistance to set off against a debtor's income tax
32 refund or rebate any support debt, which is assigned to the
33 department of human services or which the child support
34 recovery unit is attempting to collect on behalf of any
35 individual not eligible as a public assistance recipient,

1 which has accrued through written contract, subrogation, or
2 court judgment, and which is in the form of a liquidated sum
3 due and owing for the care, support, or maintenance of a
4 child. Unless the periodic payment plan provisions for a
5 retroactive modification pursuant to section 598.21,
6 subsection 8, apply, the entire amount of a judgment for
7 accrued support, notwithstanding compliance with a periodic
8 payment plan or regardless of the date of entry of the
9 judgment, is due and owing as of the date of entry of the
10 judgment and is delinquent for the purposes of setoff,
11 including for setoff against a debtor's federal income tax
12 refund or other federal nontax payment. The department of
13 human services shall adopt rules pursuant to chapter 17A
14 necessary to assist the department of ~~revenue-and-finance~~
15 administrative services in the implementation of the child
16 support setoff as established under section ~~421.17,-subsection~~
17 ~~21~~ 8A.504.
18 Sec. 222. Section 252B.5, subsection 8, Code 2003, is
19 amended to read as follows:
20 8. a. Assistance, in consultation with the department of
21 ~~revenue-and-finance~~ administrative services, in identifying
22 and taking action against self-employed individuals as
23 identified by the following conditions:
24 (1) The individual owes support pursuant to a court or
25 administrative order being enforced by the unit and is
26 delinquent in an amount equal to or greater than the support
27 obligation amount assessed for one month.
28 (2) The individual has filed a state income tax return in
29 the preceding twelve months.
30 (3) The individual has no reported tax withholding amount
31 on the most recent state income tax return.
32 (4) The individual has failed to enter into or comply with
33 a formalized repayment plan with the unit.
34 (5) The individual has failed to make either all current
35 support payments in accordance with the court or

1 administrative order or to make payments against any
2 delinquency in each of the preceding twelve months.
3 b. Notwithstanding section 252B.9, the unit may forward
4 information to the department of ~~revenue-and-finance~~
5 administrative services as necessary to implement this
6 subsection, including but not limited to both of the
7 following:
8 (1) The name and social security number of the individual.
9 (2) Support obligation information in the specific case,
10 including the amount of the delinquency.
11 Sec. 223. Section 255.27, Code 2003, is amended to read as
12 follows:
13 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.
14 The medical faculty of the state university hospital shall
15 from time to time prepare blanks containing questions and
16 requiring information that it finds necessary and proper to be
17 obtained by the physician who examines a patient under order
18 of court. The blanks shall be printed by the state, and a
19 sufficient supply shall be furnished by the ~~state-printing~~
20 ~~administrator~~ director of the department of administrative
21 services to the clerk of each juvenile court in the state.
22 The cost of printing the blanks shall be audited, allowed, and
23 paid in the same manner as other bills for public printing.
24 Sec. 224. Section 256.9, subsection 4, Code 2003, is
25 amended to read as follows:
26 4. Employ personnel and assign duties and responsibilities
27 of the department. The director shall appoint a deputy
28 director and division administrators deemed necessary. They
29 shall be appointed on the basis of their professional
30 qualifications, experience in administration, and background.
31 Members of the professional staff are not subject to the merit
32 system provisions of chapter ~~19A~~ 8A, article 4, and are
33 subject to section 256.10.
34 Sec. 225. Section 256.52, subsection 3, paragraph d, Code
35 2003, is amended to read as follows:

1 d. Appoint and approve the technical, professional,
2 excepting the medical librarian and the law librarian,
3 secretarial, and clerical staff necessary to accomplish the
4 purposes of the division subject to chapter ~~19A~~ 8A, article 4.
5 Sec. 226. Section 256.54, subsection 1, unnumbered
6 paragraph 1, Code 2003, is amended to read as follows:
7 The medical library shall be administered by a medical
8 librarian, appointed by the director subject to chapter ~~19A~~
9 8A, article 4, who shall do all of the following:
10 Sec. 227. Section 256.54, subsection 2, unnumbered
11 paragraph 1, Code 2003, is amended to read as follows:
12 The law library shall be administered by a law librarian
13 appointed by the director subject to chapter ~~19A~~ 8A, article
14 4, who shall do all of the following:
15 Sec. 228. Section 257C.6, subsection 11, Code 2003, is
16 amended to read as follows:
17 11. The authority is exempt from chapter ~~18~~ 8A, article 3.
18 Sec. 229. Section 260C.19B, Code 2003, is amended to read
19 as follows:
20 260C.19B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
21 AND OTHER INDUSTRIAL LUBRICANTS.
22 Hydraulic fluids, greases, and other industrial lubricants
23 purchased by or used under the direction of the board of
24 directors to provide services to a merged area shall be
25 purchased in compliance with the preference requirements for
26 purchasing bio-based hydraulic fluids, greases, and other
27 industrial lubricants as provided pursuant to section ~~18.22~~
28 8A.316.
29 Sec. 230. Section 261.37, subsection 7, Code 2003, is
30 amended to read as follows:
31 7. To establish an effective system for the collection of
32 delinquent loans, including the adoption of an agreement with
33 the ~~Iowa~~ department of ~~revenue and finance~~ administrative
34 services to set off against a defaulter's income tax refund or
35 rebate the amount that is due because of a default on a

1 guaranteed or parental loan made under this division. The
2 commission shall adopt rules under chapter 17A necessary to
3 assist the department of ~~revenue-and-finance~~ administrative
4 services in the implementation of the student loan setoff
5 program as established under section ~~421.17,-subsection-23~~
6 8A.504.
7 Sec. 231. Section 261A.6, subsection 10, Code 2003, is
8 amended to read as follows:
9 10. All employees of the authority are exempt from
10 ~~chapters-19A~~ chapter 8A, article 4, and chapter 97B.
11 Sec. 232. Section 262.9, subsection 6, Code 2003, is
12 amended to read as follows:
13 6. Purchase and use recycled printing and writing paper,
14 with the exception of specialized paper when no recyclable
15 product is available, in accordance with the schedule
16 established in section ~~18.18~~ 8A.315; establish a wastepaper
17 recycling program for all institutions governed by the board
18 in accordance with recommendations made by the department of
19 natural resources and the requirements of section ~~18.20~~
20 8A.329; shall, in accordance with the requirements of section
21 ~~18.6~~ 8A.311, require product content statements and compliance
22 with requirements regarding procurement specifications; and
23 shall comply with the requirements for the purchase of
24 lubricating oils and industrial oils as established pursuant
25 to section ~~18.22~~ 8A.316.
26 Sec. 233. Section 262.25A, subsection 1, Code 2003, is
27 amended to read as follows:
28 1. Institutions under the control of the state board of
29 regents shall purchase only new automobiles which have at
30 least the fuel economy required for purchase of new
31 automobiles by the ~~state-fleet-administrator~~ director of the
32 department of administrative services under section ~~18.115~~
33 8A.362, subsection 4. This subsection does not apply to
34 automobiles purchased for law enforcement purposes.
35 Sec. 234. Section 262.25B, Code 2003, is amended to read

1 as follows:
2 262.25B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
3 AND OTHER INDUSTRIAL LUBRICANTS.
4 The state board of regents and institutions under the
5 control of the board purchasing hydraulic fluids, greases, and
6 other industrial lubricants shall give preference to
7 purchasing bio-based hydraulic fluids, greases, and other
8 industrial lubricants as provided in section ~~18.22~~ 8A.316.
9 Sec. 235. Section 272C.7, subsection 1, Code 2003, is
10 amended to read as follows:
11 1. As an alternative to authority contained elsewhere in
12 this chapter, a licensing board may employ within the limits
13 of available funds an executive secretary, one or more
14 inspectors, and such clerical personnel as may be necessary
15 for the administration of the duties of the board. Employees
16 of the board shall be employed subject to chapter ~~19A~~ 8A,
17 article 4. The qualifications of the executive secretary
18 shall be determined by the board.
19 Sec. 236. Section 298.14, Code 2003, is amended to read as
20 follows:
21 298.14 SCHOOL DISTRICT INCOME SURTAXES.
22 For each fiscal year, the cumulative total of the percents
23 of surtax approved by the board of directors of a school
24 district and collected by the department of revenue ~~and~~
25 ~~finance~~ under sections 257.21, 257.29, and 298.2, and the
26 enrichment surtax under section 442.15, Code 1989, and an
27 income surtax collected by a political subdivision under
28 chapter 422D, shall not exceed twenty percent.
29 A school district income surtax fund is created in the
30 office of treasurer of state. Income surtaxes collected by
31 the department of revenue ~~and finance~~ under sections 257.21,
32 257.29, and 298.2 and section 442.15, Code 1989, shall be
33 deposited in the school district income surtax fund to the
34 credit of each school district. A separate accounting of each
35 surtax, by school district, shall be maintained.

1 The director of ~~revenue-and-finance~~ the department of
2 administrative services shall draw warrants in payment of the
3 surtaxes collected in each school district. Warrants shall be
4 payable in two installments to be paid on approximately the
5 first day of December and the first day of February following
6 collection of the taxes and shall be delivered to the
7 respective school districts.
8 Sec. 237. Section 303.1A, subsection 5, Code 2003, is
9 amended to read as follows:
10 5. Appoint and approve the technical, professional,
11 secretarial, and clerical staff necessary to accomplish the
12 purposes of the department subject to chapter ~~19A~~ 8A, article
13 4.
14 Sec. 238. Section 303.2, subsection 2, paragraph i, Code
15 2003, is amended to read as follows:
16 i. Buy or receive by other means historical materials
17 including, but not limited to, artifacts, art, books,
18 manuscripts, and images. Such materials are not personal
19 property under ~~section 18.12~~ sections 8A.321 and 8A.324 and
20 shall be received and cared for under the rules of the
21 department. The historical division may sell or otherwise
22 dispose of those materials according to the rules of the
23 department and be credited for any revenues credited by the
24 disposal less the costs incurred.
25 Sec. 239. Section 303.9, subsection 2, Code 2003, is
26 amended to read as follows:
27 2. The department may sell mementos and other items
28 relating to Iowa history and historic sites on the premises of
29 property under control of the department and at the state
30 capitol. Notwithstanding sections ~~18.12~~ 8A.321 and ~~18.16~~
31 8A.327, the department may directly and independently enter
32 into rental and lease agreements with private vendors for the
33 purpose of selling mementos. All fees and income produced by
34 the sales and rental or lease agreements shall be credited to
35 the account of the department. The mementos and other items

sold by the department or vendors under this subsection are exempt from section ~~18.6~~ 8A.311. The department is not a retailer under chapter 422 and the sale of such mementos and other items by the department is not a retail sale under chapter 422 and is exempt from the sales tax.

Sec. 240. Section 304.3, subsections 8 and 9, Code 2003, are amended to read as follows:

8. The director of the department of ~~general~~ administrative services.

~~9.--The director of the information technology department.~~

Sec. 241. Section 307.12, subsection 2, Code 2003, is amended to read as follows:

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with chapter ~~19A~~ 8A, article 4.

Sec. 242. Section 307.12, unnumbered paragraph 2, Code 2003, is amended to read as follows:

If in the interest of the state, the director may allow a subsistence expense to an employee under the supervision of the department's administrator for highways for continuous stay in one location while on duty away from established headquarters and place of domicile for a period not to exceed forty-five days; and allow automobile expenses in accordance with section ~~18.117~~ 8A.363, for moving an employee and the employee's family from place of present domicile to new domicile, and actual transportation expense for moving of household goods. The household goods for which transportation expense is allowed shall not include pets or animals.

Sec. 243. Section 307.21, subsection 4, paragraphs a and b, Code 2003, are amended to read as follows:

a. Provide centralized purchasing services for the department, in cooperation with the department of ~~general~~ administrative services. The administrator shall, when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and plastic products with recycled

1 content, including but not limited to plastic garbage can
2 liners, and shall purchase these items in accordance with the
3 schedule established in section ~~18.18~~ 8A.315. However, the
4 administrator need not purchase garbage can liners in
5 accordance with the schedule if the liners are utilized by a
6 facility approved by the environmental protection commission
7 created under section 455A.6, for purposes of recycling. For
8 purposes of this subsection, "recycled content" means that the
9 content of the product contains a minimum of thirty percent
10 postconsumer material.
11 b. The administrator shall do all of the following:
12 (1) Purchase and use recycled printing and writing paper
13 in accordance with the schedule established in section ~~18.18~~
14 8A.315.
15 (2) Establish a wastepaper recycling program ~~by January 1,~~
16 ~~1990,~~ in accordance with recommendations made by the
17 department of natural resources and the requirements of
18 section ~~18.20~~ 8A.329.
19 (3) Require in accordance with section ~~18.6~~ 8A.311 product
20 content statements and compliance with requirements regarding
21 procurement specifications.
22 (4) Comply with the requirements for the purchase of
23 lubricating oils, industrial oils, greases, and hydraulic
24 fluids as established pursuant to section ~~18.22~~ 8A.316.
25 Sec. 244. Section 307.21, unnumbered paragraph 2, Code
26 2003, is amended to read as follows:
27 The administrator of administrative services may purchase
28 items from the department of ~~general~~ administrative services
29 and may cooperate with the director of ~~general~~ the department
30 of administrative services by providing ~~centralized~~ purchasing
31 services for the department of ~~general~~ administrative
32 services.
33 Sec. 245. Section 313.4, subsection 3, Code 2003, is
34 amended to read as follows:
35 3. There is appropriated from funds appropriated to the

department which would otherwise revert to the primary road fund pursuant to the provisions of the Act appropriating the funds or chapter 8, an amount sufficient to pay the increase in salaries, which increase is not otherwise provided for by the general assembly in an appropriation bill, resulting from the annual review of the merit pay plan as provided in ~~subsection 2 of~~ section ~~19A.9~~ 8A.413, subsection 2. The appropriation herein provided shall be in effect from the effective date of the revised pay plan to the end of the fiscal biennium in which it becomes effective.

Sec. 246. Section 321.19, subsection 1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The department shall furnish, on application, free of charge, distinguishing plates for vehicles thus exempted, which plates except plates on Iowa state patrol vehicles shall bear the word "official" and the department shall keep a separate record. Registration plates issued for Iowa state patrol vehicles, except unmarked patrol vehicles, shall bear two red stars on a yellow background, one before and one following the registration number on the plate, which registration number shall be the officer's badge number. Registration plates issued for county sheriff's patrol vehicles shall display one seven-pointed gold star followed by the letter "S" and the call number of the vehicle. However, the director of ~~general~~ the department of administrative services or the director of transportation may order the issuance of regular registration plates for any exempted vehicle used by peace officers in the enforcement of the law, persons enforcing chapter 124 and other laws relating to controlled substances, persons in the department of justice, the alcoholic beverages division of the department of commerce, disease investigators of the Iowa department of public health, the department of inspections and appeals, and the department of revenue ~~and finance~~, who are regularly assigned to conduct investigations which cannot reasonably be

1 conducted with a vehicle displaying "official" state
2 registration plates, persons in the lottery division of the
3 department of revenue and finance whose regularly assigned
4 duties relating to security or the carrying of lottery tickets
5 cannot reasonably be conducted with a vehicle displaying
6 "official" registration plates, and persons in the department
7 of economic development who are regularly assigned duties
8 relating to existing industry expansion or business
9 attraction. For purposes of sale of exempted vehicles, the
10 exempted governmental body, upon the sale of the exempted
11 vehicle, may issue for in-transit purposes a pasteboard card
12 bearing the words "Vehicle in Transit", the name of the
13 official body from which the vehicle was purchased, together
14 with the date of the purchase plainly marked in at least one-
15 inch letters, and other information required by the
16 department. The in-transit card is valid for use only within
17 forty-eight hours after the purchase date as indicated on the
18 bill of sale which shall be carried by the driver.
19 Sec. 247. Section 321.30, subsection 13, Code 2003, is
20 amended to read as follows:
21 13. The department or the county treasurer knows that an
22 applicant for renewal of a registration has a delinquent
23 account, charge, fee, loan, taxes, or other indebtedness owed
24 to or being collected by the state, from information received
25 pursuant to ~~section~~ sections 421.17 and 8A.504. An applicant
26 may contest this action by requesting a contested case
27 proceeding from the agency that referred the debt for
28 collection pursuant to section ~~421.17~~ 8A.504. This subsection
29 shall apply only to a renewal of registration and shall not
30 apply to the issuance of an original registration or to the
31 issuance of a certificate of title.
32 Sec. 248. Section 321.31, subsection 1, unnumbered
33 paragraph 3, Code 2003, is amended to read as follows:
34 The director shall maintain a records system of delinquent
35 accounts owed to the state using information provided through

1 the computerized data bank established in section 421.17. The
2 department and county treasurers shall use the information
3 maintained in the records system to determine if applicants
4 for renewal of registration have delinquent accounts, charges,
5 fees, loans, taxes, or other indebtedness owed to or being
6 collected by the state as provided pursuant to section ~~421.17~~
7 8A.504. The director, the director of the department of
8 administrative services, and the director of revenue ~~and~~
9 ~~finance~~ shall establish procedures for updating the delinquent
10 accounts records to add and remove accounts, as applicable.
11 Sec. 249. Section 321.35, unnumbered paragraph 2, Code
12 2003, is amended to read as follows:
13 The department shall not enter into any contract requiring
14 an expenditure of at least five hundred thousand dollars for
15 the manufacture of motor vehicle registration plates to be
16 reissued to owners under this chapter unless competitive
17 bidding procedures as provided in chapter ~~18~~ 8A, article 3,
18 are followed.
19 Sec. 250. Section 321.40, unnumbered paragraph 6, Code
20 2003, is amended to read as follows:
21 The county treasurer shall refuse to renew the registration
22 of a vehicle registered to the applicant if the county
23 treasurer knows that the applicant has a delinquent account,
24 charge, fee, loan, taxes, or other indebtedness owed to or
25 being collected by the state, from information provided
26 pursuant to ~~section~~ sections 8A.504 and 421.17. An applicant
27 may contest this action by requesting a contested case
28 proceeding from the agency that referred the debt for
29 collection pursuant to section ~~421.17~~ 8A.504.
30 Sec. 251. Section 321.149, Code 2003, is amended to read
31 as follows:
32 321.149 BLANKS.
33 The department shall not later than November 15 of each
34 year prepare and furnish the treasurer of each county all
35 blank books, blank forms, and all supplies required for the

1 administration of this chapter, including applications for
2 registration and transfer of vehicles, quintuple receipts, and
3 original remittance sheets to be used in remitting fees to the
4 department, in such form as the department may prescribe.
5 Contracts for the blank books, blank forms, and supplies shall
6 be awarded by the ~~state printing administrator~~ director of the
7 department of administrative services to persons, firms,
8 partnerships, or corporations engaged in the business of
9 printing in Iowa unless, or through them, the persons, firms,
10 partnerships or corporations cannot provide the required
11 printing set forth in this section. In lieu of purchasing
12 under competitive bids the ~~state printing administrator~~
13 director of the department of administrative services shall
14 have authority to arrange with the director of the department
15 of corrections to furnish the supplies as can be made in the
16 state institutions.
17 Sec. 252. Section 321.210B, Code 2003, is amended to read
18 as follows:
19 321.210B NONRENEWAL OR SUSPENSION FOR FAILURE TO PAY
20 INDEBTEDNESS OWED TO THE STATE.
21 The department shall suspend or refuse to renew the
22 driver's license of a person who has a delinquent account owed
23 to the state according to records provided by the department
24 of revenue ~~and finance~~ pursuant to section 421.17. A license
25 shall be suspended or shall not be renewed until such time as
26 the department of ~~revenue and finance~~ administrative services
27 notifies the state department of transportation that the
28 licensee has made arrangements for payment of the debt with
29 the agency which is owed or is collecting the debt. This
30 section is only applicable to those persons residing in a
31 county which is participating in the driver's license
32 indebtedness clearance pilot project.
33 Sec. 253. Section 331.502, subsection 3, Code 2003, is
34 amended by striking the subsection.
35 Sec. 254. Section 331.552, subsection 5, Code 2003, is

1 amended to read as follows:
2 5. Account for, report, and pay into the state treasury
3 any money, property, or securities received on behalf of the
4 state as provided in sections ~~421.32~~ 8A.506 to ~~421.34~~ 8A.508.
5 Sec. 255. Section 405A.10, Code 2003, is amended to read
6 as follows:
7 405A.10 FRANCHISE TAX REVENUE ALLOCATION.
8 For the fiscal year beginning July 1, 1997, and each
9 subsequent fiscal year, there is appropriated from the general
10 fund of the state to the department of revenue and finance the
11 sum of eight million eight hundred thousand dollars which
12 shall be paid quarterly on warrants by the director of the
13 department of administrative services as allocated pursuant to
14 section 422.65.
15 Sec. 256. Section 421.17, subsections 21, 23, 24, 25, 26,
16 28, 29, 30, and 33, Code 2003, are amended by striking the
17 subsections.
18 Sec. 257. Section 422.12A, subsection 2, Code 2003, is
19 amended to read as follows:
20 2. The director of revenue ~~and finance~~ shall draft the
21 income tax form to allow the designation of contributions to
22 the keep Iowa beautiful fund on the tax return. The
23 department of revenue ~~and finance~~, on or before January 31,
24 shall certify the total amount designated on the tax return
25 forms due in the preceding calendar year and shall report the
26 amount to the treasurer of state. The treasurer of state
27 shall credit the amount to the keep Iowa beautiful fund.
28 However, before a checkoff pursuant to this section shall be
29 permitted, all liabilities on the books of the department of
30 revenue ~~and finance~~ and accounts identified as owing under
31 section 421.17 and the political contribution allowed under
32 section 56.18 shall be satisfied.
33 Sec. 258. Section 422.20, subsection 3, unnumbered
34 paragraph 1, Code 2003, is amended to read as follows:
35 Unless otherwise expressly permitted by section 8A.504,

1 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,-25,-29,~~ and 32,
2 sections 252B.9, 421.19, 421.28, 422.72, and 452A.63, and this
3 section, a tax return, return information, or investigative or
4 audit information shall not be divulged to any person or
5 entity, other than the taxpayer, the department, or internal
6 revenue service for use in a matter unrelated to tax
7 administration.
8 Sec. 259. Section 422.72, subsection 3, unnumbered
9 paragraph 1, Code 2003, is amended to read as follows:
10 Unless otherwise expressly permitted by section 8A.504,
11 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,-25,-29,~~ and 32,
12 sections 252B.9, 421.19, 421.28, 422.20, and 452A.63, and this
13 section, a tax return, return information, or investigative or
14 audit information shall not be divulged to any person or
15 entity, other than the taxpayer, the department, or internal
16 revenue service for use in a matter unrelated to tax
17 administration.
18 Sec. 260. Section 425.1, subsection 1, Code 2003, is
19 amended to read as follows:
20 1. A homestead credit fund is created. There is
21 appropriated annually from the general fund of the state to
22 the department of revenue ~~and finance~~ to be credited to the
23 homestead credit fund, an amount sufficient to implement this
24 chapter.
25 The director of ~~revenue and finance~~ the department of
26 administrative services shall issue warrants on the homestead
27 credit fund payable to the county treasurers of the several
28 counties of the state under this chapter.
29 Sec. 261. Section 432.13, unnumbered paragraph 2, Code
30 2003, is amended to read as follows:
31 Premiums received for benefits acquired by the department
32 of ~~personnel~~ administrative services on behalf of state
33 employees pursuant to section ~~19A.1~~ 8A.402, subsection ~~2~~ 1,
34 are exempt from premium tax.
35 Sec. 262. Section 450.84, Code 2003, is amended to read as

1 follows:
2 450.84 COSTS CHARGED AGAINST ESTATE -- EXCEPTIONS.
3 If an estate or interest in an estate passes so as to be
4 liable to taxation under this chapter, all costs of the
5 proceedings for the assessment of the tax are chargeable to
6 the estate as other costs in probate proceedings and, to
7 discharge the lien, all costs as well as the taxes must be
8 paid. In all other cases the costs are to be paid as ordered
9 by the court. When a decision adverse to the state has been
10 rendered, with an order that the state pay the costs, the
11 clerk of the court in which the action was pending shall
12 certify the amount of the costs to the director of revenue ~~and~~
13 ~~finance~~, who shall, if the costs are correctly certified and
14 the case has been finally terminated and the tax, if any is
15 due, has been paid, audit the claim and direct the department
16 of administrative services to issue a warrant on the treasurer
17 of state in payment of the costs.
18 Sec. 263. Section 452A.77, unnumbered paragraph 1, Code
19 2003, is amended to read as follows:
20 All fees, taxes, interest and penalties imposed under this
21 chapter must be paid to the department of revenue ~~and finance~~
22 or the state department of transportation, whichever is
23 responsible for the collection. The appropriate state agency
24 shall transmit each payment daily to the treasurer of state.
25 Such payments shall be deposited by the treasurer of state in
26 a fund, hereby created, within the state treasury which shall
27 be known as the "motor fuel tax fund," the net proceeds of
28 which fund, after deductions by lawful transfers and refunds,
29 shall be known as the "motor vehicle fuel tax fund". The
30 department of revenue ~~and finance~~ and the state department of
31 transportation shall certify monthly to the director of
32 ~~revenue and finance~~ the department of administrative services
33 amounts of refunds of tax approved during each month, and the
34 director of ~~revenue and finance~~ the department of
35 administrative services shall draw warrants in such amounts on

the motor fuel tax fund and transmit them. There is hereby appropriated out of the money received under the provisions of this chapter and deposited in the motor fuel tax fund sufficient funds to pay such refunds as may be authorized in this chapter.

Sec. 264. Section 455A.4, subsection 1, paragraph e, Code 2003, is amended to read as follows:

e. Employ personnel as necessary to carry out the functions vested in the department consistent with chapter ~~19A~~ 8A, article 4, unless the positions are exempt from that ~~chapter~~ article.

Sec. 265. Section 455G.3, subsection 5, Code 2003, is amended to read as follows:

5. For purposes of payment of refunds of the environmental protection charge under section 424.15 by the department of revenue ~~and finance~~, the treasurer of state shall allocate to the department of ~~revenue and finance~~ administrative services the total amount budgeted by the fund's board for environmental protection charge refunds. Any unused funds shall be remitted to the treasurer of state.

Sec. 266. Section 459.505, subsection 2, paragraph b, Code 2003, is amended to read as follows:

b. Obtain a lower fixed amount bid for the work from another qualified person, other than a governmental entity, and pay the amount of the claim required in this section, based on the fixed amount in this bid upon completion of the work. The department is not required to comply with section ~~18.6~~ 8A.311 in implementing this section.

Sec. 267. Section 474.1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The utilities board shall organize by appointing an executive secretary, who shall take the same oath as the members. The board shall set the salary of the executive secretary within the limits of the pay plan for exempt positions provided for in section ~~19A.9~~ 8A.413, subsection 2,

1 unless otherwise provided by the general assembly. The board
2 may employ additional personnel as it finds necessary.
3 Subject to confirmation by the senate, the governor shall
4 appoint a member as the chairperson of the board. The
5 chairperson shall be the administrator of the utilities
6 division. The appointment as chairperson shall be for a two-
7 year term which begins and ends as provided in section 69.19.
8 Sec. 268. Section 474.10, Code 2003, is amended to read as
9 follows:
10 474.10 GENERAL COUNSEL.
11 The board shall employ a competent attorney to serve as its
12 general counsel, and assistants to the general counsel as it
13 finds necessary for the full and efficient discharge of its
14 duties. The general counsel is the attorney for, and legal
15 advisor of, the board and is exempt from the merit system
16 provisions of chapter ~~19A~~ 8A, article 4. Assistants to the
17 general counsel are subject to the merit system provisions of
18 chapter ~~19A~~ 8A, article 4. The general counsel or an
19 assistant to the general counsel shall provide the necessary
20 legal advice to the board in all matters and represent the
21 board in all actions instituted in a state or federal court
22 challenging the validity of a rule or order of the board. The
23 existence of a fact which disqualifies a person from election
24 or from acting as a utilities board member disqualifies the
25 person from employment as general counsel or assistant general
26 counsel. The general counsel shall devote full time to the
27 duties of the office. During employment the counsel shall not
28 be a member of a political committee, contribute to a
29 political campaign fund other than through the income tax
30 checkoff for contributions to the Iowa election campaign fund
31 and the presidential election campaign fund, participate in a
32 political campaign, or be a candidate for a political office.
33 Sec. 269. Section 475A.3, subsection 2, Code 2003, is
34 amended to read as follows:
35 2. EMPLOYEES. The consumer advocate may employ attorneys,

1 legal assistants, secretaries, clerks, and other employees the
2 consumer advocate finds necessary for the full and efficient
3 discharge of the duties and responsibilities of the office.
4 The consumer advocate may employ consultants as expert
5 witnesses or technical advisors pursuant to contract as the
6 consumer advocate finds necessary for the full and efficient
7 discharge of the duties of the office. Employees of the
8 consumer advocate division, other than the consumer advocate,
9 are subject to merit employment, except as provided in section
10 ~~19A.3~~ 8A.412.
11 Sec. 270. Section 502.601, subsection 1, Code 2003, is
12 amended to read as follows:
13 1. This chapter shall be administered by the commissioner
14 of insurance of the state of Iowa. The administrator shall
15 appoint a deputy administrator who shall be exempt from the
16 merit system provided for in chapter ~~19A~~ 8A, article 4. The
17 deputy administrator is the principal operations officer of
18 the securities bureau and is responsible to the administrator
19 for the routine administration of the chapter and the
20 management of the securities bureau. In the absence of the
21 administrator, whether because of vacancy in the office, by
22 reason of absence, physical disability, or other cause, the
23 deputy administrator shall be the acting administrator and
24 shall, for the time being, have and exercise the authority
25 conferred upon the administrator. The administrator may by
26 order from time to time delegate to the deputy administrator
27 any or all of the functions assigned to the administrator in
28 this chapter. The administrator shall employ officers,
29 attorneys, accountants, and other employees as needed for the
30 administration of the chapter.
31 Sec. 271. Section 505.4, unnumbered paragraph 2, Code
32 2003, is amended to read as follows:
33 The commissioner may appoint a deputy commissioner for
34 supervision whom the commissioner may appoint as supervisory
35 or special deputy pursuant to chapter 507C and who shall

1 perform such other duties as may be assigned by the
2 commissioner. The deputy commissioner for supervision shall
3 receive a salary to be fixed by the commissioner. The deputy
4 commissioner for supervision shall be ~~an~~ exempt ~~employee~~ from
5 the merit system provisions of chapter 8A, article 4, under
6 section ~~19A.3~~ 8A.412, subsection 17.
7 Sec. 272. Section 507.5, Code 2003, is amended to read as
8 follows:
9 507.5 CHIEF EXAMINER.
10 The commissioner may appoint a chief examiner who shall
11 supervise insurance company examinations and perform such
12 other duties as may be assigned by the commissioner. The
13 chief examiner shall receive a salary to be fixed by the
14 commissioner. The chief examiner shall be ~~an~~ exempt ~~employee~~
15 from the merit system provisions of chapter 8A, article 4,
16 under section ~~19A.3~~ 8A.412, subsection 17.
17 Sec. 273. Section 602.1204, subsection 3, Code 2003, is
18 amended to read as follows:
19 3. The supreme court shall compile and publish all
20 procedures and directives relating to the supervision and
21 administration of the internal affairs of the judicial branch,
22 and shall distribute a copy of the compilation and all
23 amendments to each operating component of the judicial branch.
24 ~~Copies-also-shall-be-distributed-to-agencies-referred-to-in~~
25 ~~section-18.97-upon-request.~~
26 Sec. 274. Section 602.8102, subsection 58A, Code 2003, is
27 amended to read as follows:
28 58A. Assist the department of ~~revenue-and-finance~~
29 administrative services in setting off against debtors' income
30 tax refunds or rebates under section ~~421.17,-subsection-25~~
31 8A.504, debts which are due, owing, and payable to the clerk
32 of the district court as criminal fines, civil penalties,
33 surcharges, or court costs.
34 Sec. 275. Section 602.8107, subsection 4, unnumbered
35 paragraph 2, Code 2003, is amended to read as follows:

1 This subsection does not apply to amounts collected for
2 victim restitution, the victim compensation fund, criminal
3 penalty surcharge, law enforcement initiative surcharge,
4 amounts collected as a result of procedures initiated under
5 subsection 5 or under section ~~421.17, subsection 25~~ 8A.504, or
6 sheriff's room and board fees.
7 Sec. 276. Section 618.11, Code 2003, is amended to read as
8 follows:
9 618.11 FEES FOR PUBLICATION.
10 The compensation, when not otherwise fixed, for the
11 publication in a newspaper of any notice, order, citation, or
12 other publication required or allowed by law shall be at a
13 rate of thirty-four cents for one insertion and twenty-three
14 cents for each subsequent insertion for each line of eight
15 point type two inches in length, or its equivalent. Beginning
16 June 1, 2001, and each June 1 thereafter, the ~~state printing~~
17 ~~administrator~~ director of the department of administrative
18 services shall calculate a new rate for the following fiscal
19 year as prescribed in this section, and shall publish this
20 rate as a notice in the Iowa administrative bulletin prior to
21 the first day of the following calendar month. The new rate
22 shall be effective on the first day of the calendar month
23 following its publication. The rate shall be calculated by
24 applying the percentage change in the consumer price index for
25 all urban consumers for the last available twelve-month period
26 published in the federal register by the federal department of
27 labor, bureau of labor statistics, to the existing rate as an
28 increase or decrease in the rate rounded to the nearest one-
29 tenth of a cent. The calculation and publication of the rate
30 by the ~~state printing administrator~~ director of the department
31 of administrative services shall be exempt from the provisions
32 of chapters 17A and 25B.
33 Sec. 277. Section 625.29, subsection 1, paragraph g, Code
34 2003, is amended to read as follows:
35 g. The proceeding involved the department of ~~personnel~~

1 ~~under~~ administrative services under chapter ~~19A~~ 8A, article 4.
2 Sec. 278. Section 691.1, Code 2003, is amended to read as
3 follows:
4 691.1 LABORATORY CREATED.
5 There is hereby created under the control, direction and
6 supervision of the commissioner of public safety a state
7 criminalistics laboratory. The commissioner of public safety
8 may assign the criminalistics laboratory to a division or
9 bureau within the public safety department. The laboratory
10 shall, within its capabilities, conduct analyses, comparative
11 studies, fingerprint identification, firearms identification,
12 questioned documents studies, and other studies normally
13 performed by a criminalistics laboratory when requested by a
14 county attorney, medical examiner, or law enforcement agency
15 of this state to aid in any criminal investigation. Agents of
16 the division of criminal investigation and bureau of
17 identification may be assigned to the criminalistics
18 laboratory by the commissioner. New employees shall be
19 appointed pursuant to chapter ~~19A~~ 8A, article 4, and need not
20 qualify as agents for the division of criminal investigation
21 and bureau of identification, and shall not participate in the
22 peace officers' retirement plan established pursuant to
23 chapter 97A.
24 Sec. 279. Section 809A.17, subsection 4, Code 2003, is
25 amended to read as follows:
26 4. Forfeited property which is not used by the department
27 of justice in the enforcement of the law may be requisitioned
28 by the department of public safety or any law enforcement
29 agency within the state for use in enforcing the criminal laws
30 of this state. Forfeited property not requisitioned may be
31 delivered to the director of the department of general
32 services to be disposed of in the same manner as property
33 received pursuant to section ~~18.15~~ 8A.325.
34 Sec. 280. Section 904.108, subsection 1, paragraph e, Code
35 2003, is amended to read as follows:

1 e. Employ, assign, and reassign personnel as necessary for
2 the performance of duties and responsibilities assigned to the
3 department. Employees shall be selected on the basis of
4 fitness for work to be performed with due regard to training
5 and experience and are subject to chapter ~~19A~~ 8A, article 4.
6 Sec. 281. Section 904.108, subsection 3, Code 2003, is
7 amended to read as follows:
8 3. The director may establish a sales bonus system for the
9 sales representatives for prison industry products. If a
10 sales bonus system is established, the system shall not affect
11 the status of the sales representatives under chapter ~~19A~~ 8A,
12 article 4.
13 Sec. 282. Section 904.303, unnumbered paragraph 1, Code
14 2003, is amended to read as follows:
15 The director shall determine the number and compensation of
16 subordinate officers and employees for each institution
17 subject to chapter ~~19A~~ 8A, article 4. Subject to this
18 chapter, the officers and employees shall be appointed and
19 discharged by the superintendent who shall keep in the record
20 of each subordinate officer and employee, the date of
21 employment, the compensation, and the date of and the reasons
22 for each discharge.
23 Sec. 283. Section 904.312B, Code 2003, is amended to read
24 as follows:
25 904.312B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
26 AND OTHER INDUSTRIAL LUBRICANTS.
27 The department when purchasing hydraulic fluids, greases,
28 and other industrial lubricants shall give preference to
29 purchasing bio-based hydraulic fluids, greases, and other
30 industrial lubricants as provided in section ~~18.22~~ 8A.316.
31 Sec. 284. Section 904.315, unnumbered paragraph 1, Code
32 2003, is amended to read as follows:
33 The director of the department of ~~general~~ administrative
34 services shall, in writing, let all contracts for authorized
35 improvements costing in excess of twenty-five thousand dollars

1 under chapter ~~18~~ 8A, article 3. Upon prior authorization by
2 the director, improvements costing five thousand dollars or
3 less may be made by the superintendent of any institution.
4 Sec. 285. Section 904.706, unnumbered paragraph 1, Code
5 2003, is amended to read as follows:
6 A revolving farm fund is created in the state treasury in
7 which the department shall deposit receipts from agricultural
8 products, nursery stock, agricultural land rentals, and the
9 sale of livestock. However, before any agricultural operation
10 is phased out, the department which proposes to discontinue
11 this operation shall notify the governor, chairpersons and
12 ranking members of the house and senate appropriations
13 committees, and cochairpersons and ranking members of the
14 subcommittee in the senate and house of representatives which
15 has handled the appropriation for this department in the past
16 session of the general assembly. Before the department sells
17 farmland under the control of the department, the director
18 shall notify the governor, chairpersons and ranking members of
19 the house and senate appropriations committees, and
20 cochairpersons and ranking members of the joint appropriations
21 subcommittee that handled the appropriation for the department
22 during the past session of the general assembly. The
23 department may pay from the fund for the operation,
24 maintenance, and improvement of farms and agricultural or
25 nursery property under the control of the department. A
26 purchase order for five thousand dollars or less payable from
27 the fund is exempt from the general purchasing requirements of
28 chapter ~~18~~ 8A, article 3. Notwithstanding section 8.33,
29 unencumbered or unobligated receipts in the revolving farm
30 fund at the end of a fiscal year shall not revert to the
31 general fund of the state.
32 Sec. 286. Section 904.808, subsection 1, paragraph b, Code
33 2003, is amended to read as follows:
34 b. When the state director releases, in writing, the
35 obligation of the department or agency to purchase the product

1 from Iowa state industries, after determining that Iowa state
2 industries is unable to meet the performance characteristics
3 of the purchase request for the product, and a copy of the
4 release is attached to the request to the director of ~~revenue~~
5 ~~and finance~~ the department of administrative services for
6 payment for a similar product, or when Iowa state industries
7 is unable to furnish needed products, comparable in both
8 quality and price to those available from alternative sources,
9 within a reasonable length of time. Any disputes arising
10 between a purchasing department or agency and Iowa state
11 industries regarding similarity of products, or comparability
12 of quality or price, or the availability of the product, shall
13 be referred to the director of the department of ~~general~~
14 administrative services, whose decision shall be subject to
15 appeal as provided in section ~~18.7~~ 8A.313. However, if the
16 purchasing department is the department of ~~general~~
17 administrative services, any matter which would be referred to
18 the director under this paragraph shall be referred to the
19 executive council in the same manner as if the matter were to
20 be heard by the director of the department of ~~general~~
21 administrative services. The decision of the executive
22 council is final.
23 Sec. 287. Section 904A.4B, subsection 3, Code 2003, is
24 amended to read as follows:
25 3. Hire and supervise all of the board's staff pursuant to
26 the provisions of chapter ~~19A~~ 8A, article 4.
27 Sec. 288. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO
28 CODE EDITOR. Except as otherwise provided in this Act:
29 1. a. The Iowa Code editor is directed to strike the
30 words "information technology department" and insert the words
31 "department of administrative services" wherever the words
32 "information technology department" appear in the Iowa Code
33 unless a contrary intent is clearly evident.
34 b. The Iowa Code editor is directed to strike the words
35 "director of the information technology department" or

1 "information technology department director" and insert the
2 words "director of the department of administrative services"
3 wherever the words "director of the information technology
4 department" or "information technology department director"
5 appear in the Iowa Code unless a contrary intent is clearly
6 evident.
7 2. a. The Iowa Code editor is directed to strike the
8 words "department of general services" and insert the words
9 "department of administrative services" wherever the words
10 "department of general services" appear in the Iowa Code
11 unless a contrary intent is clearly evident.
12 b. The Iowa Code editor is directed to strike the words
13 "director of the department of general services" or "general
14 services department director" and insert the words "director
15 of the department of administrative services" wherever the
16 words "director of the department of general services" or
17 "general services department director" appear in the Iowa Code
18 unless a contrary intent is clearly evident.
19 3. a. The Iowa Code editor is directed to strike the
20 words "department of personnel" and insert the words
21 "department of administrative services" wherever the words
22 "department of personnel" appear in the Iowa Code unless a
23 contrary intent is clearly evident.
24 b. The Iowa Code editor is directed to strike the words
25 "director of the department of personnel" or "personnel
26 department director" and insert the words "director of the
27 department of administrative services" wherever the words
28 "director of the department of personnel" or "personnel
29 department director" appear in the Iowa Code unless a contrary
30 intent is clearly evident.
31 4. a. Sections 1.15, 2.10, subsection 4, 2.12, 2.13,
32 2B.10, subsection 4, 7.13, 7D.13, 7D.14, 8.35A, 11.20, 12.3,
33 12.4, 12.5, 12.6, 12.8, 12.15, 12.26, 12B.16, 12B.17, 12B.18,
34 15.354, 15E.112, 15E.117, 16.31, 17A.4, 25.2, 29C.14, 35.10,
35 49A.9, 53.50, 56.3A, 56.22, 56.23, 74.9, 96.7, subsection 7,

1 96.9, 96.14, 97.51, 97A.8, 97A.11, 97B.7, 97B.33, 100B.11,
2 123.53, 152.3, 159.21, 159.23, 159A.7, 161.7, 161C.5,
3 169A.13A, 175.22, subsection 3, 179.5, 186.5, 218.50, 218.57,
4 218.86, 218.87, 225.22, 225.23, 225.28, 225.30, 225C.12,
5 227.7, 229.35, 233B.14, 234.6, 249.8, 251.5, 255.24, 255.26,
6 257B.11, 257B.18, 257B.35, 257B.37, 257B.39, 257B.40, 257B.42,
7 257C.9, subsection 3, 261.4, 262.22, 262.29, 270.5, 270.6,
8 270.7, 272.11, 272C.7, 298.11, 304A.29, 310.7, 313.18, 313.19,
9 313.20, 313.28, 314.3, 315.7, 324A.5, 331.555, 452A.72,
10 455B.107, 455B.183A, 455B.246, 456A.19, 456A.21, 459.401,
11 459.501, 460.303, 473.11, 504A.63, 515.129, 518B.2, 518B.5,
12 524.209, 533.62, 534.403, 546.10, 568.16, 568.20, 568.24,
13 569.4, 602.1304, 602.9109, 641.5, 663.44, 679B.7, 820.24, and
14 904.311, Code 2003, are amended by striking from the
15 applicable section or subsection the words "director of
16 revenue and finance" and inserting in lieu thereof the
17 following: "director of the department of administrative
18 services".
19 b. Sections 2.49, subsection 5, 8.34, 8.61, 8D.13,
20 subsection 11, 11.28, 12.6, 12.14, 12.28, 12B.2, 12B.17,
21 16.31, 16A.13, 22.7, subsection 32, 25.6, 74.9, 100B.11,
22 175.22, 179.5, 181.13, 183A.7, 184.13, 184A.4, 185.26,
23 185C.26, 252B.22, 255.24A, 256.12, 256.19, 256.20, 256D.4,
24 257.32, 257B.1B, 257C.9, subsection 4, 260C.18B, subsection 4,
25 260C.24, 282.28, 282.31, 283.1, 285.2, 294A.6, 294A.9,
26 294A.22, 303.14, 313.7, 405A.9, 455G.5, 541A.3, 541A.5,
27 602.8102, subsection 4, 602.9104, 633.545, 804.28, and
28 904.507A, Code 2003, are amended by striking from the sections
29 the words "department of revenue and finance" and inserting in
30 lieu thereof the following: "department of administrative
31 services".
32 c. Except as otherwise provided in this Act, the Iowa Code
33 editor is directed to strike the words "revenue and finance"
34 and insert the word "revenue" wherever the words "revenue and
35 finance" appear in the Iowa Code and the reference to "revenue

1 and finance" means the department of revenue and finance or
2 the director of revenue and finance unless a contrary intent
3 is clearly evident.
4 5. a. Except as otherwise provided in this Act, the Iowa
5 Code editor is directed to strike the words "division" and
6 "division's" and insert the words "system" and "system's"
7 wherever the words "division" and "division's" appear in
8 chapter 97B of the Iowa Code and the reference means the Iowa
9 public employee's retirement system division of the department
10 of personnel unless a contrary intent is clearly evident.
11 b. Except as otherwise provided in this Act, the Iowa Code
12 editor is directed to strike the word "system" and insert the
13 words "retirement system" in the following sections wherever
14 "system" but not "retirement system" appears in chapter 97B of
15 the Iowa Code and the reference means the retirement plan
16 established under chapter 97B:
17 Sections 97B.1A, subsections 3, 7, 9, 11, 14, 26; 97B.4;
18 97B.7A, subsection 1; 97B.8A, subsection 3, paragraph "b",
19 97B.8A, subsections 4 and 5; 97B.8B; 97B.11; 97B.17; 97B.42A,
20 subsections 3, 4, and 5; 97B.49F; 97B.49G; 97B.49H; 97B.50;
21 97B.50A, subsections 2 and 3; 97B.52A, subsection 3; 97B.53,
22 unnumbered paragraph 1; 97B.65; 97B.66; 97B.72; 97B.72A;
23 97B.73; 97B.73A; 97B.74; 97B.80; 97B.80A; 97B.80B; 97B.80C;
24 97B.81; 97B.82.
25 Sec. 289. ADMINISTRATIVE RULES -- TRANSITION PROVISIONS.
26 1. Any rule, regulation, form, order, or directive
27 promulgated by any state agency mentioned in this Act,
28 including any agency abolished, merged, or altered in this
29 Act, and in effect on the effective date of this Act shall
30 continue in full force and effect until amended, repealed, or
31 supplemented by affirmative action of the appropriate state
32 agency under the duties and powers of state agencies as
33 established in this Act and under the procedure established in
34 subsection 2.
35 Any license or permit issued by any state agency mentioned

1 in this Act, including any agency abolished, merged, or
2 altered in this Act, and in effect on the effective date of
3 this Act shall continue in full force and effect until
4 expiration or renewal.
5 2. In regard to updating references and format in the Iowa
6 administrative code in order to correspond to the
7 restructuring of state government as established in this Act,
8 the administrative rules coordinator and the administrative
9 rules review committee, in consultation with the
10 administrative code editor, shall jointly develop a schedule
11 for the necessary updating of the Iowa administrative code.
12 Sec. 290. MISCELLANEOUS TRANSITION PROVISIONS.
13 1. Any personnel in the state merit system of employment
14 who are mandatorily transferred due to the effect of this Act
15 shall be so transferred without any loss in salary, benefits,
16 or accrued years of service.
17 2. Any funds in any account or fund of a department
18 eliminated due to the effect of this Act shall be transferred
19 to the comparable fund or account as provided by this Act.
20 3. Any cause of action or statute of limitation relating
21 to a department or division transferred to another department
22 or division as provided by this Act shall not be affected as a
23 result of the transfer and such cause or statute of limitation
24 shall apply to the successor department or division.
25 4. Any replacement of signs, logos, stationery, insignia,
26 uniforms, and related items that is made due to the effect of
27 this Act should be done as part of the normal replacement
28 cycle for such items.
29 Sec. 291.
30 1. Sections 7A.15, 7A.16, 7A.17, 7A.18, 7A.19, 7A.21,
31 7A.22, 7A.25, 7A.26, 7D.33, 218.89, 421.6, 421.31, 421.32,
32 421.33, 421.34, 421.35, 421.36, 421.37, 421.38, 421.39,
33 421.40, 421.41, 421.42, 421.43, 421.44, 421.45, Code 2003, are
34 repealed.
35 2. Chapters 14B, 18, and 19A, Code 2003, are repealed.

1 Sec. 292. EFFECTIVE DATE. The sections of this Act
2 amending sections 8.63 and 70A.38, and enacting section
3 8A.204, being deemed of immediate importance, take effect upon
4 enactment.

5 EXPLANATION

6 This bill provides for the reorganization of certain
7 departments of state government by establishing a new
8 department of administrative services. The bill eliminates
9 the departments of personnel, general services, and
10 information technology, and the directors of those
11 departments, and transfers most of the functions and duties of
12 those departments and directors to the new department and its
13 director. The finance functions of the department of revenue
14 and finance are also transferred to the new department and the
15 current department of revenue and finance is renamed the
16 department of revenue. The bill also establishes the Iowa
17 public employees' retirement system as an independent agency
18 of the executive branch of state government and transfers
19 responsibility related to the peace officers' retirement,
20 accident, and disability retirement system (PORS) from the
21 department of personnel to the department of public safety.

22 DIVISION I -- DEPARTMENT OF ADMINISTRATIVE SERVICES

23 OVERVIEW

24 New Code chapter 8A is established by the bill and provides
25 for the duties and responsibilities of the new department.
26 The Code chapter is divided into four articles. Article 1 of
27 the new Code chapter provides for the establishment of the
28 department, the appointment and duties of the director as it
29 relates to the entire department, and other provisions
30 governing the entire department. Article 2 of the new Code
31 chapter establishes the information technology duties of the
32 department which are currently the primary responsibility of
33 the information technology department under Code chapter 14B.
34 Article 3 of the new Code chapter establishes the duties of
35 the new department as it relates to the physical resources of

1 state government. This article encompasses much of the
2 current functions performed by the department of general
3 services as provided in Code chapter 18. Article 4 of the new
4 Code chapter establishes the duties of the new department as
5 it relates to the human resources of state government. This
6 article includes most of the functions performed by the
7 department of personnel as provided in Code chapter 19A.
8 Finally, article 5 of the new Code chapter establishes the
9 duties of the new department as it relates to the financial
10 administration of state government and encompasses most of the
11 finance duties performed by the department of revenue and
12 finance under Code chapter 421.
13 ARTICLE 1 -- CREATION OF NEW DEPARTMENT
14 Article 1 of the bill establishes the new department of
15 administrative services (DAS) and provides for the
16 appointment, qualifications, and pay of the director of the
17 department. Definitions applicable to the new chapter are
18 provided and the current definition of government entity in
19 Code section 14B.101 is expanded to include associations and
20 organizations whose membership consists primarily of units of
21 government. The bill provides that the director shall be
22 appointed by the governor, subject to senate confirmation, and
23 shall serve at the pleasure of the governor. The article
24 provides for the duties and powers of the director as it
25 relates to the operation of the new department. The current
26 requirement that the director of the department of general
27 services shall not have any pecuniary interest in contracts
28 for supplies furnished to the state is made applicable to the
29 director of DAS. Current public records provisions applicable
30 to the department of personnel and information technology are
31 merged and included in this article. However, the public
32 records section does provide that financial and other business
33 plans relating to commercial operations conducted by the
34 department are not required to be released by the department.
35 The responsibility for the state employee suggestion program

1 is transferred from the executive council and the department
2 of management to the new department as provided in new Code
3 section 8A.110 and the maximum possible award for a suggestion
4 is raised from $2,500 to $10,000.
5 New Code section 8A.121 provides for the method of
6 financing services provided by the new department by requiring
7 the department to establish a process to determine whether a
8 service will be funded by a direct appropriation or by the
9 governmental entity receiving the service. For services that
10 are to be funded by governmental entities and in which the
11 department is the sole provider of that service, the new
12 section requires the department to establish, by rule,
13 customer councils to provide guidance to the department in
14 regard to the service provided.
15 New Code section 8A.123 allows the new department to
16 establish revolving funds to provide for services as permitted
17 by the new Code chapter. The director is required to submit
18 annual business and financial plans to the governor and
19 general assembly concerning the use of the revolving funds to
20 provide for services and to also provide an annual report
21 indicating what activities of the department are funded from
22 revolving funds. New Code section 8A.124 grants the director
23 the authority to employ, with the approval of the department
24 of management, such additional personnel as necessary to
25 perform duties as required for the department to provide
26 services to other governmental entities and as authorized by
27 the new Code chapter and the director is required to submit a
28 report to the general assembly concerning additional personnel
29 employed pursuant to this authority. New Code section 8A.125
30 grants the new department the authority to bill for services
31 provided to governmental entities and includes a provision
32 permitting payments by credit card that is currently
33 applicable to the information technology department (Code
34 section 14B.205).
35 New Code section 8A.126 provides that the department shall

1 notify the general assembly and request an appropriation to
2 pay for any outstanding debts or liabilities of the department
3 that may result if a service provided by the department and
4 funded from a revolving fund ceases to be provided.
5 ARTICLE 2 -- INFORMATION TECHNOLOGY
6 Article 2 of the new Code chapter includes most of the
7 provisions currently applicable to the information technology
8 department as provided in current Code chapter 14B which is
9 repealed by this bill. The director of the department of
10 information technology is eliminated by the bill and many of
11 the duties and responsibilities of that director are
12 transferred to the DAS director.
13 However, the bill does eliminate or modify several current
14 Code provisions as it relates to information technology.
15 The bill eliminates provisions relating to the
16 establishment of departmental divisions and a digital
17 government bureau within the current information technology
18 department. The specific requirement to do an annual
19 financial audit of the information technology department is
20 eliminated and not made a requirement of the new department.
21 The bill provides several modifications regarding the
22 powers and duties of the department, including prescribing
23 standards and adopting rules relating to standards for
24 information technology and procurement. The bill provides
25 that the department shall implement the information technology
26 standards which are applicable to information technology
27 procurements for participating agencies, and that
28 participating agencies shall comply with the prescribed
29 standards and adopted rules relating to standards unless
30 compliance is waived by the department.
31 The bill provides an expanded list of authorized
32 departmental agreements, including entering into contracts,
33 leases, licensing agreements, royalty agreements, marketing
34 agreements, memorandums of understanding, or other agreements.
35 The bill provides for several additional or expanded powers

1 and duties. The department may charge reasonable fees, costs,
2 expenses, charges, or other amounts to an agency, governmental
3 entity, public official, or other person or entity to or for
4 whom information technology, intellectual property and
5 proprietary interests related to information technology, or
6 other services have been provided. The department may also
7 provide, sell, lease, license, transfer, or otherwise convey
8 or dispose of information technology, intellectual property,
9 or other rights with respect thereto to agencies, governmental
10 entities, public officials, or other persons or entities. The
11 department may additionally establish rates to be charged for
12 access to and services provided through IowAccess, enter into
13 partnerships, contracts, leases, or other agreements with
14 public and private entities for the evaluation and development
15 of information technology, including the creation and
16 implementation of pilot projects, and initiate and support the
17 development of electronic commerce, electronic government, and
18 internet applications across participating agencies and other
19 governmental entities.
20 The bill modifies the membership of the information
21 technology council, and provides that the council serves
22 primarily in an advisory capacity and shall submit
23 recommendations to the department for review and establishment
24 of rates. New Code section 8A.204, providing for the council,
25 takes effect upon enactment.
26 ARTICLE 3 -- PHYSICAL RESOURCES
27 Article 3 of the new Code chapter includes some of the
28 provisions currently applicable to the department of general
29 services as provided in current Code chapter 18 which is
30 repealed in this bill. Those provisions currently provided
31 for in Code chapter 18 concern purchasing and competitive
32 bidding requirements, the management of the physical resources
33 and facilities of state government, state printing and
34 document management, and state fleet administration. While
35 the purchasing and competitive bidding procedures, facility

1 management, and state fleet management functions of current
2 Code chapter 18 are not substantially altered by the bill,
3 several changes are made to the other functions of the
4 department of general services that are transferred to the new
5 department.
6 The bill eliminates the director of the department of
7 general services, the state printing administrator, and the
8 state fleet administrator as well as the delineation of
9 divisions within the department relating to these positions.
10 Two funds are eliminated by the bill, the
11 telecommunications and electric cabling fund and the art
12 restoration and preservation revolving fund. Code section
13 18.138, concerning the establishment of a governmental
14 services card, is also eliminated and not transferred to the
15 new department.
16 The bill amends the provisions governing the management of
17 the state capitol buildings and grounds to include the state
18 laboratories facility in Ankeny.
19 The bill makes significant changes to the current printing
20 and document management functions of the department of general
21 services. Current Code provisions making the department of
22 general services largely solely responsible for the printing
23 needs of state government and the maintenance and control of
24 printing machinery are eliminated. While the new Code article
25 does provide that the new department has the authority to
26 adopt print specifications and rules covering printing
27 contracts, as well as providing bidding requirements for
28 printing services, the specificity of the requirements as
29 currently provided in Code section 18.31 and Code sections
30 18.42 through 18.54 are eliminated. Specific provisions
31 concerning the providing or maintaining of paper stock (Code
32 section 18.62), departmental pamphlets (Code section 18.61),
33 reserve supplies of governmental reports (Code section 18.80),
34 and unused documents (Code section 18.81) are also eliminated.
35 The bill repeals several provisions relating to the state

1 printing administrator's responsibility relating to the
2 printing and special distribution requirements of the Iowa
3 Code and Acts, Iowa court rules, Iowa administrative code,
4 senate and house journals and bills, with respect to members
5 of the general assembly, libraries, newspapers, county
6 auditors, and the public. Instead, the bill provides that the
7 legislative branch shall assume these responsibilities.
8 ARTICLE 4 -- HUMAN RESOURCES
9 Article 4 of the new Code chapter includes most of the
10 provisions currently applicable to the department of personnel
11 as provided in current Code chapter 19A which is repealed in
12 this bill. Those provisions currently provided for in Code
13 chapter 19A include responsibility over the merit system and
14 employee benefits. The bill does, however, modify some of
15 these provisions by eliminating, unless otherwise provided by
16 a collective bargaining agreement, the 30-day limit on a
17 disciplinary suspension without pay. The bill also modifies
18 current law by providing that the new department can make the
19 state's deferred compensation program available to other
20 nonstate governmental employees. The bill eliminates the
21 department of personnel's current responsibility over the
22 peace officers' retirement system established in Code chapter
23 97A and the Iowa public employees' retirement system
24 established in Code chapter 97B.
25 ARTICLE 5 -- FINANCIAL ADMINISTRATION
26 Article 5 of the new Code chapter transfers the financial
27 management duties of the current department of revenue and
28 finance to the new department.
29 The new department is given many of the duties previously
30 transferred to the department of revenue and finance when the
31 state comptroller position was eliminated. Other duties
32 currently performed by the department of revenue and finance
33 are also transferred to the new department. The bill provides
34 that the new department assumes the accounting functions
35 transferred to the department of revenue and finance from the

1 state comptroller's office in legislation enacted in 1986 and
2 provides that the department is responsible for establishing
3 setoff procedures concerning certain liabilities owed the
4 state. Specific setoff procedures for child support under
5 Code section 421.17, subsection 21; guaranteed student or
6 parental loans under Code chapter 261 pursuant to Code section
7 421.17, subsection 23; and liquidated debts owing the district
8 court pursuant to Code section 421.17, subsection 25, are
9 eliminated in new Code section 8A.504 but the setoff procedure
10 as provided in that new Code section, which is transferred
11 from Code section 421.17, subsection 29, is modified to
12 provide that these debts are eligible for setoff. The bill
13 also provides that the current duties of the department of
14 revenue and finance under current Code sections 421.31 through
15 421.45 are transferred to the new department. Of the duties
16 transferred, many include the responsibility for the
17 collection and payment of moneys into and from the state
18 treasury such as the payment of warrants. In addition,
19 current Code references to the responsibility of the director
20 of revenue and finance to provide for warrants is changed to
21 the director of the new department in this bill.
22 DIVISION II -- CONFORMING AND MISCELLANEOUS CHANGES
23 The bill makes several changes to the Code to conform to
24 the establishment of a new department and the elimination of
25 three departments and the renaming of the department of
26 revenue and finance to the department of revenue. In
27 addition, the bill provides that the new director of the
28 department of administrative services is responsible for
29 serving on those boards and commissions where the current
30 directors of personnel, general services, and information
31 technology are required to serve. The bill also makes the
32 following changes:
33 New Code sections 7A.15A and 7A.16A authorize the
34 legislative service bureau to set prices for publication of
35 the official versions of the Iowa Code, Iowa Code Supplement,

1 Iowa Acts, Iowa court rules, Iowa administrative bulletin, and
2 Iowa administrative code. The statutory provisions governing
3 the distribution of these official printed legal publications
4 at no cost or at a price covering distribution costs to state
5 and local public officials and offices are amended to continue
6 providing the distribution of these publications while
7 attempting to substitute more electronic publications for the
8 printed publications. The authorization to require some
9 payment for otherwise no-cost or distribution-cost copies is
10 retained for the legislative service bureau. Procurement
11 authority is provided for the legislative service bureau. The
12 bill also amends Code section 2.9 to provide that the senate
13 and house of representatives shall publish and determine
14 procurement procedures for the publication of their journals,
15 bills, and amendments, and determine their distribution.
16 Code section 8.36A, relating to the level of full-time
17 equivalent (FTE) positions authorized for executive branch
18 agencies, is amended by allowing an agency to request
19 permission from the director of the department of management
20 to exceed the authorized level in order to convert a contract
21 position to an FTE position. Evidence is required to show
22 that the conversion will result in cost savings and comparable
23 or better services. If the director approves, the agency's
24 authorized level of FTE positions is increased and the
25 increase is reported to the fiscal committee of the
26 legislative council and the legislative fiscal bureau.
27 Code section 8.63, concerning the innovations fund, is
28 amended to permit the state innovations fund committee to
29 approve an "enterprise loan" to a state agency if the agency
30 has a plan and the capability to use the loan to provide
31 internal services to government that meet customer needs and
32 provide value to customers and the agency expects to receive
33 payment for those services from customers to cover expenses
34 and repayment of the loan. This section of the bill takes
35 effect upon enactment.

1 Code section 8D.4, concerning the executive director of the
2 Iowa telecommunications and technology commission, is amended
3 to provide that the commission shall consult with the DAS
4 director prior to appointing the executive director.
5 Code section 19B.5 is amended to eliminate the requirement
6 that the new department shall include specific cost
7 information in the annual report the department submits on the
8 condition of affirmative action, diversity, and multicultural
9 programs in state agencies.
10 Code section 22.7 is amended to provide that information in
11 an employee's personnel records concerning investigations,
12 disciplinary actions, complaints, grievances, and appeals is
13 considered personal information and a confidential record
14 pursuant to the state's public records law.
15 The bill also strikes the June 30, 2003, repeal of the
16 years of service incentive program created in Code section
17 70A.38. The years of service incentive program permits state
18 executive branch employers the option to offer a financial
19 incentive to an employee for terminating state employment.
20 This section of the bill takes effect upon enactment.
21 Code chapter 97A, establishing the peace officers'
22 retirement, accident, and disability retirement system, is
23 amended to provide that the department of public safety, and
24 not the department of administrative services as the successor
25 to the department of personnel, is responsible for providing
26 administrative services to the retirement system's board of
27 trustees.
28 Code chapter 97B, establishing IPERS, is amended to provide
29 that the system is an independent agency within the executive
30 branch of state government and not a division of the
31 department of administrative services as the successor to the
32 department of personnel. Code section 97B.4 is amended to
33 provide that the budget program of the system shall be
34 compiled and submitted to the department of management by the
35 system and not through the new department as the successor to

1 the department of personnel.
2 The bill also includes several transition provisions
3 governing the establishment of the new department and the
4 elimination of the departments of general services, personnel,
5 and information technology. The bill provides that rules
6 adopted, or licenses or permits issued, by state agencies that
7 are altered, merged, or dissolved by this bill remain in
8 effect until the successor state agency amends, repeals, or
9 supplements them. The bill also provides for the updating of
10 the Iowa administrative code based upon the restructuring
11 provided in the bill. The bill also provides that any
12 personnel in the state merit system will not lose any salary
13 or benefits as a result of being transferred to a new
14 department under this bill. In addition, moneys in funds
15 under the control of a department eliminated by this bill are
16 transferred to the comparable fund in the new department. Any
17 cause of action or statute of limitation applicable to a
18 department eliminated by this bill remains and is applicable
19 to the successor department. The bill also provides that any
20 replacement of logos, stationery, or other related items as a
21 result of this bill shall be done as part of the normal
22 replacement cycle for those items.
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Amend House File 534 as follows:

1. Page 9, line 10, by inserting after the figure "1." the following: "a."

2. Page 9, line 10, by inserting after the word "funds" the following: "as specifically authorized by this section".

3. Page 9, line 11, by striking the words "the services" and inserting the following: "specified services".

4. Page 9, line 22, by striking the figure "2." and inserting the following: "b.".

5. Page 9, line 33, by striking the figure "3." and inserting the following: "c.".

6. Page 10, line 2, by striking the letter and figure "4. a.", and inserting the following: "d. (1)".

7. Page 10, line 8, by striking the letter "b." and inserting the following: "(2)".

8. Page 10, by inserting after line 12 the following:

"2. The director may establish the following revolving funds to be used for the purposes specified:

a. An operating fund to provide for and fund information technology services as permitted under article 2.

b. One revolving fund established by the director by rule to be used for a particular purpose authorized by this chapter and as specified by the director in the rule."

9. Page 13, by inserting after line 6 the following:

"f. The Iowa lottery."

10. Page 21, line 15, by striking the figure "III" and inserting the following: "3".

11. Page 31, line 29, by inserting after the word "bid." the following: "Contracts not based on competitive bidding shall be awarded on the basis of bidder competence and reasonable price."

12. Page 131, by inserting after line 10 the following:

"Sec. ___. Section 97.51, subsection 1, Code 2003, is amended to read as follows:

1. The treasurer of state is the custodian and trustee of this fund and shall administer the fund in accordance with the directions of the ~~department of personnel~~ <u>Iowa public employees' retirement system created in section 97B.1</u>. It is the duty of the trustee:

a. To hold said trust funds.

b. Under the direction of the department and as

1 designated by the department, invest such portion of
2 said trust funds as are not needed for current payment
3 of benefits, in interest-bearing securities issued by
4 the United States, or interest-bearing bonds issued by
5 the state of Iowa, or bonds issued by counties, school
6 districts or general obligations or limited levy bonds
7 issued by municipal corporations in this state as
8 authorized by law; also to sell and dispose of same
9 when needed for the payment of benefits.
10 c. To disburse the trust funds upon warrants drawn
11 by the director of revenue and finance pursuant to the
12 order of the ~~department of personnel~~ Iowa public
13 employees' retirement system created in section 97B.1.
14 Sec. ___. Section 97.51, subsection 3, Code 2003,
15 is amended to read as follows:
16 3. The ~~department of personnel~~ Iowa public
17 employees' retirement system created in section 97B.1
18 shall administer the Iowa old-age and survivors'
19 insurance liquidation fund and shall also administer
20 all other provisions of this chapter.
21 Sec. ___. Section 97.52, Code 2003, is amended to
22 read as follows:
23 97.52 ADMINISTRATION AGREEMENTS.
24 The ~~department of personnel~~ Iowa public employees'
25 retirement system created in section 97B.1 may enter
26 into agreements whereby services performed by the
27 ~~department~~ system and its employees under chapters 97,
28 97B, and 97C shall be equitably apportioned among the
29 funds provided for the administration of those
30 chapters. The money spent for personnel, rentals,
31 supplies, and equipment used by the ~~department~~ system
32 in administering the chapters shall be equitably
33 apportioned and charged against the funds."
34 13. Page 137, by inserting after line 20 the
35 following:
36 "Sec. ___. Section 97C.2, subsection 8, Code 2003,
37 is amended to read as follows:
38 8. The term "state agency" means the ~~department of~~
39 ~~personnel~~ Iowa public employees' retirement system
40 created in section 97B.1."
41 14. Page 177, by inserting after line 28 the
42 following:
43 "Sec. ___. STATE ADMINISTRATIVE SERVICES --
44 MISCELLANEOUS PROVISIONS.
45 1. As used in this section, unless the context
46 otherwise requires:
47 a. "Designated state service" means one of the
48 following services provided to state agencies:
49 printing, information technology, mail, human resource
50 benefits and payroll, financial accounting, property

1 management, fleet management, and purchasing services.
2 b. "Managed competition" means a process that
3 allows both state government entities and nonstate
4 government entities to submit competitive bids to
5 provide designated state services, which process takes
6 into account the true cost-accounting costs for state
7 government entities and may result in multiple
8 providers of the same designated state service. The
9 use of managed competition shall not preclude the use
10 of other entrepreneurial steps in any area.
11 2. a. The department of administrative services
12 may, pursuant to the requirements of this section,
13 determine how the designated state services of all
14 executive branch agencies, community-based corrections
15 districts, and other state governmental entities shall
16 be delivered. In addition, the state board of regents
17 shall participate in any determination of the
18 department of administrative services on the delivery
19 of designated state services as provided by this
20 section but only if both the department and state
21 board of regents approve such participation.
22 b. This section shall not apply to the judicial
23 branch, legislative branch, statewide elected
24 officials, area education agencies, and community
25 colleges.
26 3. The following duties relating to state
27 administrative services shall be performed as provided
28 by this subsection.
29 a. By July 1, 2004, the department of
30 administrative services shall submit a request for
31 proposals for a managed competition for printing
32 services. The request for proposals shall allow for
33 the awarding of all or parts of printing services to
34 the department or another governmental agency or
35 nongovernmental entity.
36 b. Subject to the requirements provided in chapter
37 8A, the department of administrative services shall
38 determine the means of delivery for all information
39 technology services, including determining which
40 services shall remain the responsibility of individual
41 state agencies. The department shall determine which
42 application development activities shall remain as
43 responsibilities of the individual state agencies. As
44 of July 1, 2003, all employees delivering information
45 technology services shall be transferred to the
46 department of administrative services or applicable
47 delivering agency and any funding appropriated for
48 such services shall also be transferred, as determined
49 by the department of management.
50 c. The three major data centers of state

1 government shall be physically merged into one data
2 center as expeditiously as possible, no later than
3 July 1, 2004.
4 d. The department of administrative services may
5 limit unified fleet management responsibilities to
6 cars and small trucks. By July 1, 2005, the fleet
7 management operations shall be subject to a managed
8 competition process conducted by the department of
9 administrative services. Any one-time savings shall
10 be amortized based on state government's average
11 borrowing cost for funds over the preceding five
12 years.
13 4. The auditor of state shall be consulted
14 regarding the decision to conduct a managed
15 competition process under this section for each
16 designated state service and shall also be consulted
17 regarding the issuance of a request for proposals and
18 shall also be consulted in the award process. The
19 auditor of state's role is to provide advice as to
20 whether an approach offers the best opportunity for
21 reducing state government costs.
22 5. The department of administrative services shall
23 submit a written report to the legislative government
24 oversight committee by December 31, 2003, concerning
25 the progress made by the department in complying with
26 the requirements of this section as well as any other
27 suggestions or recommendations of the department
28 concerning the requirements of this section."
29 15. Title page, lines 3 and 4, by striking the
30 words "making appropriations,".
31 16. By renumbering as necessary.

By ELGIN of Linn

H-1108 FILED MARCH 19, 2003

adopted 3/20/03

HOUSE FILE 534
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO HSB 192)

(As Amended and Passed by the House March 20, 2003)

Passed House, Date Passed 3/20/03 4/21/03 Passed Senate, Date Passed 4/14/03 4/30/03
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved 5/23/03

A BILL FOR

1 An Act providing for the reorganization of certain state
2 departments by establishing a department of administrative
3 services, making related changes, providing penalties, and
4 providing an effective date.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6
7 House Amendments _____
8 Deleted Language *
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HF 534
ec/es/25

S.F. _____ H.F. 534

1 DIVISION I
2 DEPARTMENT OF ADMINISTRATIVE SERVICES
3 ARTICLE 1
4 DEPARTMENT OF ADMINISTRATIVE SERVICES
5 Section 1. NEW SECTION. 8A.101 DEFINITIONS.
6 As used in this chapter, unless the context otherwise
7 requires:
8 1. "Agency" or "state agency" means a unit of state
9 government, which is an authority, board, commission,
10 committee, council, department, examining board, or
11 independent agency as defined in section 7E.4, including but
12 not limited to each principal central department enumerated in
13 section 7E.5. However, "agency" or "state agency" does not
14 mean any of the following:
15 a. The office of the governor or the office of an elective
16 constitutional or statutory officer.
17 b. The general assembly, or any office or unit under its
18 administrative authority.
19 c. The judicial branch, as provided in section 602.1102.
20 d. A political subdivision of the state or its offices or
21 units, including but not limited to a county, city, or
22 community college.
23 2. "Department" means the department of administrative
24 services.
25 3. "Director" means the director of the department of
26 administrative services or the director's designee.
27 4. "Governmental entity" means any unit of government in
28 the executive, legislative, or judicial branch of government;
29 an agency or political subdivision; any unit of another state
30 government, including its political subdivisions; any unit of
31 the United States government; or any association or other
32 organization whose membership consists primarily of one or
33 more of any of the foregoing.
34 5. "Governmental subdivision" means a county, city, school
35 district, or combination thereof.

1 6. "Public records" means the same as defined in section
2 22.1.
3 Sec. 2. NEW SECTION. 8A.102 DEPARTMENT CREATED --
4 DIRECTOR APPOINTED.
5 1. The department of administrative services is created.
6 The director of the department shall be appointed by the
7 governor to serve at the pleasure of the governor and is
8 subject to confirmation by the senate. If the office becomes
9 vacant, the vacancy shall be filled in the same manner as
10 provided for the original appointment.
11 2. The person appointed as director shall be
12 professionally qualified by education and have no less than
13 five years' experience in the field of management, public or
14 private sector personnel administration, including the
15 application of merit principles in public employment,
16 financial management, and policy development and
17 implementation. The appointment shall be made without regard
18 for political affiliation. The director shall not be a member
19 of any local, state, or national committee of a political
20 party, an officer or member of a committee in any partisan
21 political club or organization, or hold or be a candidate for
22 a paid elective public office. The director is subject to the
23 restrictions on political activity provided in section 8A.416.
24 The governor shall set the salary of the director within pay
25 grade nine.
26 Sec. 3. NEW SECTION. 8A.103 DEPARTMENT -- PURPOSE --
27 MISSION.
28 The department is created for the purpose of managing and
29 coordinating the major resources of state government including
30 the human, financial, physical, and information resources of
31 state government.
32 The mission of the department is to implement a world-
33 class, customer-focused organization that provides a
34 complement of valued products and services to the internal
35 customers of state government.

1 Sec. 4. NEW SECTION. 8A.104 POWERS AND DUTIES OF THE
2 DIRECTOR.
3 The director shall do all of the following:
4 1. Coordinate the internal operations of the department
5 and develop and implement policies and procedures designed to
6 ensure the efficient administration of the department.
7 2. Appoint all personnel deemed necessary for the
8 administration of the department's functions as provided in
9 this chapter.
10 3. Prepare an annual budget for the department.
11 4. Develop and recommend legislative proposals deemed
12 necessary for the continued efficiency of the department's
13 functions, and review legislative proposals generated outside
14 the department which are related to matters within the
15 department's purview.
16 5. Adopt rules deemed necessary for the administration of
17 this chapter in accordance with chapter 17A.
18 6. Develop and maintain enterprisewide support systems
19 within the department to provide appropriate administrative
20 support and sufficient data for the effective and efficient
21 operation of the enterprise.
22 7. Enter into contracts for the receipt and provision of
23 services as deemed necessary. The director and the governor
24 may obtain and accept grants and receipts to or for the state
25 to be used for the administration of the department's
26 functions as provided in this chapter.
27 8. Establish the internal organization of the department
28 and allocate and reallocate duties and functions not assigned
29 by law to an officer or any subunit of the department to
30 promote economic and efficient administration and operation of
31 the department.
32 9. Install a records system for the keeping of records
33 which are necessary for a proper audit and effective operation
34 of the department.
35 10. Determine which risk exposures shall be self-insured

1 or assumed by the state with respect to loss and loss
2 exposures of state government.
3 11. Keep in the director's office a complete record
4 containing an itemized account of all state property,
5 including furniture and equipment, under the director's care
6 and control, and plans and surveys of the public grounds,
7 buildings, and underground constructions at the seat of
8 government and of the state laboratories facility in Ankeny.
9 12. Serve as the chief information officer for the state.
10 13. Exercise and perform such other powers and duties as
11 may be prescribed by law.
12 Sec. 5. NEW SECTION. 8A.105 PROHIBITED INTERESTS --
13 PENALTY.
14 The director shall not have any pecuniary interest,
15 directly or indirectly, in any contract for supplies furnished
16 to the state, or in any business enterprise involving any
17 expenditure by the state. A violation of the provisions of
18 this section shall be a serious misdemeanor, and upon
19 conviction, the director shall be removed from office in
20 addition to any other penalty.
21 Sec. 6. NEW SECTION. 8A.106 PUBLIC RECORDS.
22 1. The records of the department, except personal
23 information in an employee's file if the publication of such
24 information would serve no proper public purpose, shall be
25 public records and shall be open to public inspection, subject
26 to reasonable rules as to the time and manner of inspection
27 which may be prescribed by the director. However, the
28 department shall not be required to release financial
29 information, business, or product plans which if released
30 would give advantage to competitors and serve no public
31 purpose, relating to commercial operations conducted or
32 intended to be conducted by the department.
33 2. The state agency that is the lawful custodian of a
34 public record shall be responsible for determining whether a
35 record is required by federal or state statute to be

1 confidential. The transmission of a record by a state agency
2 by use of electronic means established, maintained, or managed
3 by the department shall not constitute a transfer of the legal
4 custody of the record from the individual state agency to the
5 department or to any other person or entity.
6 3. The department shall not have authority to determine
7 whether an individual state agency should automate records of
8 which the individual state agency is the lawful custodian.
9 However, the department may encourage state agencies to
10 implement electronic access to public records.
11 4. A state agency shall not limit access to a record by
12 requiring a citizen to receive the record electronically as
13 the only means of providing the record. A person shall have
14 the right to examine and copy a printed form of a public
15 record as provided in section 22.2, unless the public record
16 is confidential.
17 Sec. 7. NEW SECTION. 8A.107 OATHS AND SUBPOENAS.
18 The director may administer oaths, subpoena witnesses, and
19 compel the production of books and papers pertinent to any
20 investigation or hearing authorized by this chapter. A person
21 who fails to appear in response to a subpoena or produce books
22 or papers pertinent to the investigation or hearing or who
23 knowingly gives false testimony is guilty of a simple
24 misdemeanor.
25 Sec. 8. NEW SECTION. 8A.108 ACCEPTANCE OF FUNDS.
26 The department may receive and accept donations, grants,
27 gifts, and contributions in the form of moneys, services,
28 materials, or otherwise, from the United States or any of its
29 agencies, from this state or any of its agencies, or from any
30 other person, and may use or expend such moneys, services,
31 materials, or other contributions, or issue grants, in
32 carrying out the operations of the department. All federal
33 grants to and the federal receipts of the department are
34 hereby appropriated for the purpose set forth in such federal
35 grants or receipts.

1 Sec. 9. NEW SECTION. 8A.109 FEDERAL FUNDS.
2 1. Neither the provisions of this chapter nor rules
3 adopted pursuant to this chapter shall apply in any situation
4 where such provision or rule is in conflict with a governing
5 federal regulation or where the provision or rule would
6 jeopardize the receipt of federal funds.
7 2. If it is determined by the attorney general that any
8 provision of this chapter would cause denial of funds or
9 services from the United States government which would
10 otherwise be available to an agency of this state, such
11 provision shall be suspended as to such agency, but only to
12 the extent necessary to prevent denial of such funds or
13 services.
14 Sec. 10. NEW SECTION. 8A.110 STATE EMPLOYEE SUGGESTION
15 SYSTEM.
16 1. There is created a state employee suggestion system for
17 the purpose of encouraging state employees to develop and
18 submit ideas which will reduce costs and increase efficiency
19 in state government and which will make monetary and other
20 awards to state employees whose cost reduction ideas are
21 adopted under the system.
22 2. The department shall provide necessary personnel for
23 the efficient operation of the system. The department shall
24 adopt rules as necessary for the administration of the system
25 and to establish the award policy under which the system will
26 operate. The rules shall include:
27 a. Eligibility standards and restrictions for both the
28 state employee submitting the suggestion and the suggestion
29 being submitted. The rules shall provide that suggestions
30 relating to academic affairs, including teaching, research,
31 and patient care programs at a university teaching hospital,
32 are ineligible.
33 b. Procedures for submitting and evaluating suggestions,
34 including the responsibilities of each person involved in the
35 system and providing that the final decision to implement

1 shall be made by the director of the applicable state agency.
2 c. The method of presentation of awards to employees.
3 d. The method of promoting the suggestion program in the
4 broadest possible manner to state employees.
5 e. Any other policies necessary to properly administer the
6 system.
7 3. a. When a suggestion is implemented and results in a
8 direct cost reduction within state government, the suggester
9 shall be awarded ten percent of the first year's net savings,
10 not exceeding ten thousand dollars, and a certificate. A cash
11 award shall not be awarded for a suggestion which saves less
12 than one hundred dollars during the first year of
13 implementation. The state agency head shall approve all
14 awards and determine the amount to be awarded. Appeals of
15 award amounts shall be submitted to the director whose
16 decision is final.
17 b. Certificates shall be awarded to suggesters of
18 implemented suggestions that result in a direct cost reduction
19 of less than one hundred dollars. The state agency head shall
20 make the determination as to who will receive certificates.
21 That decision is final.
22 4. An award made pursuant to this section shall be paid
23 for out of the appropriated funds of the state agency
24 realizing the cost savings, but the payment for awards shall
25 not violate any state or federal contract, law, or regulation,
26 or impair any agency contractual obligation.
27 5. a. A state agency shall keep records of each
28 suggestion implemented and the cost savings resulting from the
29 suggestion for a period of one year from the date of
30 implementation of the suggestion.
31 b. The director shall file a report with the governor and
32 the general assembly for each fiscal year, relating to the
33 administration and implementation of the suggestion system and
34 the benefits for the state, the state departments, and state
35 employees.

1 6. The ability of employees to patent ideas submitted
2 under this section is subject to all other agency rules and
3 Code requirements pertaining to patents.
4 Sec. 11. NEW SECTION. 8A.121 FINANCING DEPARTMENT
5 SERVICES -- CUSTOMER COUNCILS.
6 1. The department shall establish a process by which the
7 department shall determine which services provided by the
8 department shall be funded by an appropriation to the
9 department and which services shall be funded by the
10 governmental entity receiving the service.
11 2. a. For services which the department determines shall
12 be funded by the governmental entity receiving the service,
13 the department shall establish a process for determining
14 whether the department shall be the sole provider of the
15 service or not.
16 b. If the department determines that it shall be the sole
17 provider of a service, the department shall establish, by
18 rule, a customer council responsible for overseeing
19 departmental operations with regard to the service provided to
20 ensure that the department meets the needs of affected
21 governmental entities and the citizens those entities serve.
22 The rules adopted shall provide, at a minimum, for the method
23 of appointment of members to the council by governmental
24 entities required to receive the service from the department
25 and for the powers and duties of the council as it relates to
26 the service provided, which shall include the authority of
27 approving business plans submitted by the department for
28 performance of the service.
29 3. Departmental processes required to be established
30 pursuant to this section shall provide, at a minimum, for
31 input from affected governmental entities as well as for a
32 periodic review of the decision made by the department.
33 Sec. 12. NEW SECTION. 8A.122 SERVICES TO GOVERNMENTAL
34 ENTITIES.
35 1. The director may enter into agreements with any

1 governmental entity of this state to furnish services and
2 facilities of the department to the governmental entity. The
3 agreement shall provide for the reimbursement to the
4 department of the reasonable cost of the services and
5 facilities furnished. All governmental entities of this state
6 may enter into such agreements.
7 2. This chapter does not affect any city civil service
8 programs established under chapter 400.
9 Sec. 13. NEW SECTION. 8A.123 DEPARTMENT REVOLVING FUNDS.
10 1. a. The director may establish and maintain revolving
11 funds as specifically authorized by this section to support
12 and account for specified services provided by the department.
13 These funds shall be administered by the department and shall
14 consist of moneys collected by the department, moneys
15 appropriated by the general assembly, and any other moneys
16 obtained or accepted by the department, including but not
17 limited to gifts, loans, donations, grants, and contributions.
18 The director may obtain loans from the innovation fund created
19 in section 8.63 for deposit in a revolving fund established
20 pursuant to this section to provide seed and investment
21 capital to enhance the delivery of services provided by the
22 department.
23 b. The proceeds of a revolving fund established pursuant
24 to this section are appropriated to and shall be used by the
25 department for the operations of the department consistent
26 with this chapter. The director may appoint the personnel
27 necessary to ensure the efficient provision of services funded
28 pursuant to a revolving fund established under this section.
29 However, this usage requirement shall not limit or restrict
30 the department from using proceeds from gifts, loans,
31 donations, grants, and contributions in conformance with any
32 conditions, directions, limitations, or instructions attached
33 or related thereto.
34 c. Section 8.33 does not apply to any moneys in revolving
35 funds established pursuant to this section. Notwithstanding

1 section 12C.7, subsection 2, interest or earnings on moneys
2 deposited in these funds shall be credited to these funds.
3 d. (1) The director shall annually provide revolving fund
4 service business plans and financial reports to the department
5 of management and the general assembly. The business plans
6 may include the recommendation that a portion of unexpended
7 net income be periodically returned to the appropriate funding
8 source.
9 (2) The department shall submit an annual report not later
10 than January 31 to the members of the general assembly and the
11 legislative fiscal bureau of the activities funded by and
12 expenditures made from a revolving fund established pursuant
13 to this section during the preceding fiscal year.
14 2. The director may establish the following revolving
15 funds to be used for the purposes specified:
16 a. An operating fund to provide for and fund information
17 technology services as permitted under article 2.
18 b. One revolving fund established by the director by rule
19 to be used for a particular purpose authorized by this chapter
20 and as specified by the director in the rule.
21 Sec. 14. NEW SECTION. 8A.124 ADDITIONAL PERSONNEL.
22 The department may employ, upon the approval of the
23 department of management, such additional personnel in excess
24 of the number of full-time equivalent positions authorized by
25 the general assembly if such additional personnel are
26 reasonable and necessary to perform such duties as required to
27 meet the needs of the department to provide services to other
28 governmental entities and as authorized by this chapter. The
29 director shall notify in writing the department of management,
30 the legislative fiscal committee, and the legislative fiscal
31 bureau of any additional personnel employed pursuant to this
32 section.
33 Sec. 15. NEW SECTION. 8A.125 BILLING -- CREDIT CARD
34 PAYMENTS.
35 1. The director may bill a governmental entity for

1 services rendered by the department in accordance with the
2 duties of the department as provided in this chapter. Bills
3 may include direct, indirect, and developmental costs. The
4 department shall periodically render a billing statement to a
5 governmental entity outlining the cost of services provided to
6 the governmental entity. The amount indicated on the
7 statement shall be paid by the governmental entity and amounts
8 received by the department shall be considered repayment
9 receipts as defined in section 8.2, and deposited into the
10 accounts of the department.
11 2. In addition to other forms of payment, a person may pay
12 by credit card for services provided by the department,
13 according to rules adopted by the treasurer of state. The
14 credit card fees to be charged shall not exceed those
15 permitted by statute. A governmental entity may adjust its
16 payment to reflect the costs of processing as determined by
17 the treasurer of state. The discount charged by the credit
18 card issuer may be included in determining the fees to be paid
19 for completing a financial transaction under this section by
20 using a credit card. All credit card payments shall be
21 credited to the fund used to account for the services
22 provided.
23 Sec. 16. NEW SECTION. 8A.126 DEPARTMENT DEBTS AND
24 LIABILITIES -- APPROPRIATION REQUEST.
25 If a service provided by the department and funded from a
26 revolving fund established under section 8A.123 ceases to be
27 provided and insufficient funds remain in the revolving fund
28 to pay any outstanding debts and liabilities relating to that
29 service, the director shall notify the general assembly and
30 request that moneys be appropriated from the general fund of
31 the state to pay such debts and liabilities.
32 ARTICLE 2
33 INFORMATION TECHNOLOGY
34 GENERAL PROVISIONS
35 Sec. 17. NEW SECTION. 8A.201 DEFINITIONS.

1 As used in this article, unless the context otherwise
2 requires:
3 1. "Information technology" means computing and
4 electronics applications used to process and distribute
5 information in digital and other forms and includes
6 information technology devices, information technology
7 services, and value-added services.
8 2. "Information technology council" means the information
9 technology council established in section 8A.204.
10 3. "Information technology device" means equipment or
11 associated software, including programs, languages,
12 procedures, or associated documentation, used in operating the
13 equipment which is designed for utilizing information stored
14 in an electronic format. "Information technology device"
15 includes but is not limited to computer systems, computer
16 networks, and equipment used for input, output, processing,
17 storage, display, scanning, and printing.
18 4. "Information technology services" means services
19 designed to do any of the following:
20 a. Provide functions, maintenance, and support of
21 information technology devices.
22 b. Provide services including, but not limited to, any of
23 the following:
24 (1) Computer systems application development and
25 maintenance.
26 (2) Systems integration and interoperability.
27 (3) Operating systems maintenance and design.
28 (4) Computer systems programming.
29 (5) Computer systems software support.
30 (6) Planning and security relating to information
31 technology devices.
32 (7) Data management consultation.
33 (8) Information technology education and consulting.
34 (9) Information technology planning and standards.
35 (10) Establishment of local area network and workstation

1 management standards.
2 5. "Participating agency" means any agency other than any
3 of the following:
4 a. The state board of regents and institutions operated
5 under the authority of the state board of regents.
6 b. The public broadcasting division of the department of
7 education.
8 c. The state department of transportation mobile radio
9 network.
10 d. The department of public safety law enforcement
11 communications systems.
12 e. The telecommunications and technology commission
13 established in section 8D.3, with respect to information
14 technology that is unique to the Iowa communications network.
15 f. The Iowa lottery.
16 6. "Value-added services" means services that offer or
17 provide unique, special, or enhanced value, benefits, or
18 features to the customer or user, including, but not limited
19 to, services in which information technology is specially
20 designed, modified, or adapted to meet the special or
21 requested needs of the user or customer, services involving
22 the delivery, provision, or transmission of information or
23 data that require or involve additional processing,
24 formatting, enhancement, compilation or security, services
25 that provide the customer or user with enhanced accessibility,
26 security or convenience, research and development services,
27 and services that are provided to support technological or
28 statutory requirements imposed on participating agencies and
29 other governmental entities, businesses, and the public.
30 Sec. 18. NEW SECTION. 8A.202 INFORMATION TECHNOLOGY
31 SERVICES -- MISSION -- POWERS AND DUTIES -- RESPONSIBILITIES.
32 1. MISSION. The mission of the department as it relates
33 to information technology services is to provide high-quality,
34 customer-focused information technology services and business
35 solutions to government and to citizens.

1 2. POWERS AND DUTIES OF DEPARTMENT. The powers and duties
2 of the department as it relates to information technology
3 services shall include, but are not limited to, all of the
4 following:
5 a. Providing information technology to agencies and other
6 governmental entities.
7 b. Implementing the strategic information technology plan.
8 c. Developing and implementing a business continuity plan,
9 as the director determines is appropriate, to be used if a
10 disruption occurs in the provision of information technology
11 to participating agencies and other governmental entities.
12 d. Prescribing standards and adopting rules relating to
13 information technology and procurement, including but not
14 limited to system design and systems integration and
15 interoperability, which shall apply to all participating
16 agencies except as otherwise provided in this chapter. The
17 department shall implement information technology standards as
18 established pursuant to this chapter which are applicable to
19 information technology procurements for participating
20 agencies.
21 e. Prescribing standards and adopting rules relating to
22 standards for an electronic repository for maintaining
23 mandated agency reports as provided in section 304.13A. Such
24 repository shall be developed and maintained for the purpose
25 of providing public access to such mandated reports. The
26 department shall prescribe such standards and adopt rules
27 relating to such standards in consultation with the state
28 librarian.
29 f. Developing and maintaining security policies and
30 systems to ensure the integrity of the state's information
31 resources and to prevent the disclosure of confidential
32 records.
33 g. Developing and implementing effective and efficient
34 strategies for the use and provision of information technology
35 for participating agencies and other governmental entities.

1 h. Coordinating the acquisition of information technology
2 by participating agencies in furtherance of the purposes of
3 this chapter. The department shall institute procedures to
4 ensure effective and efficient compliance with the applicable
5 standards established pursuant to this article. This article
6 shall not be construed to prohibit or limit a participating
7 agency from entering into an agreement or contract for
8 information technology with a qualified private entity.
9 i. Entering into contracts, leases, licensing agreements,
10 royalty agreements, marketing agreements, memorandums of
11 understanding, or other agreements as necessary and
12 appropriate to administer this article.
13 j. Requesting that a participating agency provide such
14 information as is necessary to establish and maintain an
15 inventory of information technology used by participating
16 agencies, and such participating agency shall provide such
17 information to the department in a timely manner. The form
18 and content of the information to be provided shall be
19 determined by the department.
20 k. Charging reasonable fees, costs, expenses, charges, or
21 other amounts to an agency, governmental entity, public
22 official, or person or entity related to the provision, sale,
23 use, or utilization of, or cost sharing with respect to,
24 information technology and any intellectual property interests
25 related thereto, research and development, proprietary
26 hardware, software, and applications, and information
27 technology architecture and design. The department may enter
28 into nondisclosure agreements and take any other legal action
29 reasonably necessary to secure a right to an interest in
30 information technology development by or on behalf of the
31 state of Iowa and to protect the state of Iowa's proprietary
32 information technology and intellectual property interests.
33 The provisions of chapter 23A relating to noncompetition by
34 state agencies and political subdivisions with private
35 enterprise shall not apply to department activities authorized

1 under this paragraph.
2 l. Charging reasonable fees, costs, expenses, charges, or
3 other amounts to an agency, governmental entity, public
4 official, or other person or entity to or for whom information
5 technology or other services have been provided by or on
6 behalf of, or otherwise made available through, the
7 department.
8 m. Providing, selling, leasing, licensing, transferring,
9 or otherwise conveying or disposing of information technology,
10 or any intellectual property or other rights with respect
11 thereto, to agencies, governmental entities, public officials,
12 or other persons or entities.
13 n. Entering into partnerships, contracts, leases, or other
14 agreements with public and private entities for the evaluation
15 and development of information technology pilot projects.
16 o. Initiating and supporting the development of electronic
17 commerce, electronic government, and internet applications
18 across participating agencies and in cooperation with other
19 governmental entities. The department shall foster joint
20 development of electronic commerce and electronic government
21 involving the public and private sectors, develop customer
22 surveys and citizen outreach and education programs and
23 material, and provide for citizen input regarding the state's
24 electronic commerce and electronic government applications.
25 3. RESPONSIBILITIES. The responsibilities of the
26 department as it relates to information technology services
27 include the following:
28 a. Coordinate the activities of the department in
29 promoting, integrating, and supporting information technology
30 in all business aspects of state government.
31 b. Provide for server systems, including mainframe and
32 other server operations, desktop support, and applications
33 integration.
34 c. Provide applications development, support, and
35 training, and advice and assistance in developing and

1 supporting business applications throughout state government.
2 4. INFORMATION TECHNOLOGY CHARGES. The department shall
3 render a statement to an agency, governmental entity, public
4 official, or other person or entity to or for whom information
5 technology, value-added services, or other items or services
6 have been provided by or on behalf of, or otherwise made
7 available through, the department. Such an agency,
8 governmental entity, public official, or other person or
9 entity shall pay an amount indicated on such statement in a
10 manner determined by the department.
11 5. DISPUTE RESOLUTION. If a dispute arises between the
12 department and an agency for which the department provides or
13 refuses to provide information technology, the dispute shall
14 be resolved as provided in section 679A.19.
15 Sec. 19. NEW SECTION. 8A.203 DIRECTOR -- INFORMATION
16 TECHNOLOGY SERVICES POWERS AND DUTIES.
17 The director shall do all of the following as it relates to
18 information technology services:
19 1. Prescribe and adopt information technology standards
20 and rules.
21 2. Develop and recommend legislative proposals deemed
22 necessary for the continued efficiency of the department in
23 performing information technology functions, and review
24 legislative proposals generated outside of the department
25 which are related to matters within the department's purview.
26 3. Provide advice to the governor on issues related to
27 information technology.
28 4. Consult with agencies and other governmental entities
29 on issues relating to information technology.
30 5. Work with all governmental entities in an effort to
31 achieve the information technology goals established by the
32 department.
33 Sec. 20. NEW SECTION. 8A.204 INFORMATION TECHNOLOGY
34 COUNCIL -- MEMBERS -- POWERS AND DUTIES.
35 1. MEMBERSHIP.

1 a. The information technology council is composed of
2 fourteen members including the following:
3 (1) The chairperson of the IowAccess advisory council
4 established in section 8A.221, or the chairperson's designee.
5 (2) Two executive branch department heads appointed by the
6 governor.
7 (3) Six persons appointed by the governor who are
8 knowledgeable in information technology matters.
9 (4) One person representing the judicial branch appointed
10 by the chief justice of the supreme court who shall serve in
11 an ex officio, nonvoting capacity.
12 (5) Four members of the general assembly with not more
13 than one member from each house being from the same political
14 party. The two senators shall be designated by the president
15 of the senate after consultation with the majority and
16 minority leaders of the senate. The two representatives shall
17 be designated by the speaker of the house of representatives
18 after consultation with the majority and minority leaders of
19 the house of representatives. Legislative members shall serve
20 in an ex officio, nonvoting capacity. A legislative member is
21 eligible for per diem and expenses as provided in section
22 2.10.
23 b. The members appointed pursuant to paragraph "a" shall
24 serve four-year staggered terms and such appointments to the
25 information technology council are subject to the requirements
26 of sections 69.16, 69.16A, and 69.19. The four-year terms of
27 members appointed by the governor shall be staggered as
28 designated by the governor. Members appointed by the governor
29 are subject to senate confirmation and may also be eligible to
30 receive compensation as provided in section 7E.6. Members
31 shall be reimbursed for actual and necessary expenses incurred
32 in performance of the members' duties.
33 c. The information technology council shall annually elect
34 its own chairperson from among the voting members of the
35 council. A majority of the voting members of the council

1 constitutes a quorum.
2 2. DUTIES. The information technology council shall do
3 all of the following:
4 a. Advise the department in the development of recommended
5 standards for consideration with respect to the procurement of
6 information technology by all participating agencies.
7 b. Appoint advisory committees as appropriate to assist
8 the department in developing strategies for the use and
9 provision of information technology and establishing other
10 advisory committees as necessary to assist the information
11 technology council in carrying out its duties under this
12 article. The number of advisory committees and their
13 membership shall be determined by the information technology
14 council to assure that the public and agencies and other
15 governmental entities have an opportunity to comment on the
16 services provided and the service goals and objectives of the
17 department.
18 c. Advise the department in the preparation and annual
19 update of the strategic information technology plan for the
20 use of information technology throughout state government.
21 The plan shall promote participation in cooperative projects
22 with other governmental entities. The plan shall establish a
23 mission, goals, and objectives for the use of information
24 technology, including goals for electronic access to public
25 records, information, and services. The plan shall be
26 submitted annually to the governor and the general assembly.
27 d. Review, as deemed appropriate by the information
28 technology council, legislative proposals recommended by the
29 director, or other legislative proposals as developed and
30 deemed necessary by the information technology council.
31 e. Review the recommendations of the IowAccess advisory
32 council regarding rates to be charged for access to and for
33 value-added services performed through IowAccess. The
34 information technology council shall report the establishment
35 of a new rate or change in the level of an existing rate to

1 the department who will then notify the department of
2 management, and the department of management shall notify the
3 legislative fiscal bureau regarding the rate establishment or
4 change.
5 Sec. 21. NEW SECTION. 8A.205 DIGITAL GOVERNMENT.
6 1. The department is responsible for initiating and
7 supporting the development of electronic commerce, electronic
8 government, and internet applications across participating
9 agencies and in cooperation with other governmental entities.
10 2. In developing the concept of digital government, the
11 department shall do all of the following:
12 a. Establish standards, consistent with other state law,
13 for the implementation of electronic commerce, including
14 standards for digital signatures, electronic currency, and
15 other items associated with electronic commerce.
16 b. Establish guidelines for the appearance and functioning
17 of applications.
18 c. Establish standards for the integration of electronic
19 data across state agencies.
20 d. Foster joint development of electronic commerce and
21 electronic government involving the public and private
22 sectors.
23 e. Develop customer surveys and citizen outreach and
24 education programs and material, and provide for citizen input
25 regarding the state's electronic commerce and electronic
26 government applications.
27 f. Provide staff support for the IowAccess advisory
28 council.
29 Sec. 22. NEW SECTION. 8A.206 INFORMATION TECHNOLOGY
30 STANDARDS.
31 1. The department shall develop, in consultation with the
32 information technology council, recommended standards for
33 consideration with respect to the procurement of information
34 technology by all participating agencies. It is the intent of
35 the general assembly that information technology standards be

1 established for the purpose of guiding such procurements.
2 Such standards, unless waived by the department, shall apply
3 to all information technology procurements for participating
4 agencies.
5 2. The office of the governor or the office of an elective
6 constitutional or statutory officer shall consult with the
7 department prior to procuring information technology and
8 consider the standards recommended by the department, and
9 provide a written report to the department relating to the
10 office's decision regarding such acquisitions.
11 Sec. 23. NEW SECTION. 8A.207 PROCUREMENT OF INFORMATION
12 TECHNOLOGY.
13 1. Standards established by the department, unless waived
14 by the department, shall apply to all information technology
15 procurements for participating agencies.
16 2. The department shall institute procedures to ensure
17 effective and efficient compliance with standards established
18 by the department.
19 3. The department, by rule, may implement a
20 prequalification procedure for contractors with which the
21 department has entered or intends to enter into agreements
22 regarding the procurement of information technology.
23 4. Notwithstanding the provisions governing purchasing as
24 provided in article 3, the department may procure information
25 technology as provided in this section. The department may
26 cooperate with other governmental entities in the procurement
27 of information technology in an effort to make such
28 procurements in a cost-effective, efficient manner as provided
29 in this section. The department, as deemed appropriate and
30 cost-effective, may procure information technology using any
31 of the following methods:
32 a. Cooperative procurement agreement. The department may
33 enter into a cooperative procurement agreement with another
34 governmental entity relating to the procurement of information
35 technology, whether such information technology is for the use

1 of the department or other governmental entities. The
2 cooperative procurement agreement shall clearly specify the
3 purpose of the agreement and the method by which such purpose
4 will be accomplished. Any power exercised under such
5 agreement shall not exceed the power granted to any party to
6 the agreement.
7 b. Negotiated contract. The department may enter into an
8 agreement for the purchase of information technology if any of
9 the following applies:
10 (1) The contract price, terms, and conditions are pursuant
11 to the current federal supply contract, and the purchase order
12 adequately identifies the federal supply contract under which
13 the procurement is to be made.
14 (2) The contract price, terms, and conditions are no less
15 favorable than the contractor's current federal supply
16 contract price, terms, and conditions; the contractor has
17 indicated in writing a willingness to extend such price,
18 terms, and conditions to the department; and the purchase
19 order adequately identifies the contract relied upon.
20 (3) The contract is with a vendor which has a current
21 exclusive or nonexclusive price agreement with the state for
22 the information technology to be procured, and such
23 information technology meets the same standards and
24 specifications as the items to be procured and both of the
25 following apply:
26 (a) The quantity purchased does not exceed the quantity
27 which may be purchased under the applicable price agreement.
28 (b) The purchase order adequately identifies the price
29 agreement relied upon.
30 c. Contracts let by another governmental entity. The
31 department, on its own behalf or on the behalf of another
32 participating agency or governmental entity, may procure
33 information technology under a contract let by another agency
34 or other governmental entity, or approve such procurement in
35 the same manner by a participating agency or governmental

1 entity.
2 d. Reverse auction.
3 (1) The department may enter into an agreement for the
4 purchase of information technology utilizing a reverse auction
5 process. Such process shall result in the purchase of
6 information technology from the vendor submitting the lowest
7 responsible bid amount for the information technology to be
8 acquired. The department, in establishing a reverse auction
9 process, shall do all of the following:
10 (a) Determine the specifications and requirements of the
11 information technology to be acquired.
12 (b) Identify and provide notice to potential vendors
13 concerning the proposed acquisition.
14 (c) Establish prequalification requirements to be met by a
15 vendor to be eligible to participate in the reverse auction.
16 (d) Conduct the reverse auction in a manner as deemed
17 appropriate by the department, and consistent with rules
18 adopted by the department.
19 (2) Prior to conducting a reverse auction, the department
20 shall establish a threshold amount which shall be the maximum
21 amount which the department is willing to pay for the
22 information technology to be acquired.
23 (3) The department shall enter into an agreement with a
24 vendor who is the lowest responsible bidder which meets the
25 specifications or description of the information technology to
26 be procured, or the department may reject all bids and begin
27 the process again. In determining the lowest responsible
28 bidder, the department may consider various factors,
29 including, but not limited to, the past performance of the
30 vendor relative to quality of product or service, the past
31 experience of the department in relation to the product or
32 service, the relative quality of products or services, the
33 proposed terms of delivery, and the best interest of the
34 state.
35 e. Competitive bidding. The department may enter into an

1 agreement for the procurement or acquisition of information
2 technology in the same manner as provided under article III
3 for the purchasing of service.
4 f. Other agreements. In addition to the competitive
5 bidding procedure provided for under paragraph "e", the
6 department may enter into an agreement for the purchase,
7 disposal, or other disposition of information technology in
8 the same manner and subject to the same limitations as
9 otherwise provided in this chapter. The department, by rule,
10 shall provide for such procedures.
11 5. The department shall adopt rules pursuant to chapter
12 17A to implement the procurement methods and procedures
13 provided for in subsections 2 through 4.
14 IOWACCESS
15 Sec. 24. NEW SECTION. 8A.221 IOWACCESS ADVISORY COUNCIL
16 ESTABLISHED -- DUTIES -- MEMBERSHIP.
17 1. ADVISORY COUNCIL ESTABLISHED. An IowAccess advisory
18 council is established within the department for the purpose
19 of creating and providing a service to the citizens of this
20 state that is the gateway for one-stop electronic access to
21 government information and transactions, whether federal,
22 state, or local. Except as provided in this section,
23 IowAccess shall be a state-funded service providing access to
24 government information and transactions. The department, in
25 establishing the fees for value-added services, shall consider
26 the reasonable cost of creating and organizing such government
27 information through IowAccess.
28 2. DUTIES.
29 a. The advisory council shall do all of the following:
30 (1) Recommend to the information technology council rates
31 to be charged for access to and for value-added services
32 performed through IowAccess.
33 (2) Recommend to the director the priority of projects
34 associated with IowAccess.
35 (3) Recommend to the director expected outcomes and

1 effects of the use of IowAccess and determine the manner in
2 which such outcomes are to be measured and evaluated.
3 (4) Review and recommend to the director the IowAccess
4 total budget request and ensure that such request reflects the
5 priorities and goals of IowAccess as established by the
6 advisory council.
7 (5) Review and recommend to the director all rules to be
8 adopted by the department that are related to IowAccess.
9 (6) Advocate for access to government information and
10 services through IowAccess and for data privacy protection,
11 information ethics, accuracy, and security in IowAccess
12 programs and services.
13 (7) Receive status and operations reports associated with
14 IowAccess.
15 (8) Other duties as assigned by the director.
16 b. The advisory council shall also advise the director
17 with respect to the operation of IowAccess and encourage and
18 implement access to government and its public records by the
19 citizens of this state.
20 c. The advisory council shall serve as a link between the
21 users of public records, the lawful custodians of such public
22 records, and the citizens of this state who are the owners of
23 such public records.
24 d. The advisory council shall ensure that IowAccess gives
25 priority to serving the needs of the citizens of this state.
26 3. MEMBERSHIP.
27 a. The advisory council shall be composed of nineteen
28 members including the following:
29 (1) Five persons appointed by the governor representing
30 the primary customers of IowAccess.
31 (2) Six persons representing lawful custodians as follows:
32 (a) One person representing the legislative branch, who
33 shall not be a member of the general assembly, to be appointed
34 jointly by the president of the senate, after consultation
35 with the majority and minority leaders of the senate, and by

1 the speaker of the house of representatives, after
2 consultation with the majority and minority leaders of the
3 house of representatives.
4 (b) One person representing the judicial branch as
5 designated by the chief justice of the supreme court.
6 (c) One person representing the executive branch as
7 designated by the governor.
8 (d) One person to be appointed by the governor
9 representing cities who shall be actively engaged in the
10 administration of a city.
11 (e) One person to be appointed by the governor
12 representing counties who shall be actively engaged in the
13 administration of a county.
14 (f) One person to be appointed by the governor
15 representing the federal government.
16 (3) Four members to be appointed by the governor
17 representing a cross section of the citizens of the state.
18 (4) Four members of the general assembly, two from the
19 senate and two from the house of representatives, with not
20 more than one member from each chamber being from the same
21 political party. The two senators shall be designated by the
22 president of the senate after consultation with the majority
23 and minority leaders of the senate. The two representatives
24 shall be designated by the speaker of the house of
25 representatives after consultation with the majority and
26 minority leaders of the house of representatives. Legislative
27 members shall serve in an ex officio, nonvoting capacity. A
28 legislative member is eligible for per diem and expenses as
29 provided in section 2.10.
30 b. Members appointed by the governor are subject to
31 confirmation by the senate and shall serve four-year staggered
32 terms as designated by the governor. The advisory council
33 shall annually elect its own chairperson from among the voting
34 members of the board. Members appointed by the governor are
35 subject to the requirements of sections 69.16, 69.16A, and

1 69.19. Members appointed by the governor shall be reimbursed
2 for actual and necessary expenses incurred in performance of
3 their duties. Such members may also be eligible to receive
4 compensation as provided in section 7E.6.
5 4. This section shall not be construed to impair the right
6 of a person to contract to purchase information or data from
7 the Iowa court information system or any other governmental
8 entity. This section shall not be construed to affect a data
9 purchase agreement or contract in existence on April 25, 2000.
10 Sec. 25. NEW SECTION. 8A.222 FINANCIAL TRANSACTIONS.
11 1. Moneys paid to a participating agency from persons who
12 complete an electronic financial transaction with the agency
13 by accessing IowAccess shall be transferred to the treasurer
14 of state for deposit in the general fund of the state, unless
15 the disposition of the moneys is specifically provided for
16 under other law. The moneys may include all of the following:
17 a. Fees required to obtain an electronic public record as
18 provided in section 22.3A.
19 b. Fees required to process an application or file a
20 document, including but not limited to fees required to obtain
21 a license issued by a licensing authority.
22 c. Moneys owed to a governmental entity by a person
23 accessing IowAccess in order to satisfy a liability arising
24 from the operation of law, including the payment of
25 assessments, taxes, fines, and civil penalties.
26 2. Moneys transferred using IowAccess may include amounts
27 owed by a governmental entity to a person accessing IowAccess
28 in order to satisfy a liability of the governmental entity.
29 The moneys may include the payment of tax refunds, and the
30 disbursement of support payments as defined in section 252D.16
31 or 598.1 as required for orders issued pursuant to section
32 252B.14.
33 3. In addition to other forms of payment, credit cards
34 shall be accepted in payment for moneys owed to or fees
35 imposed by a governmental entity in the same manner as

1 provided in section 8A.125.
2 4. Notwithstanding any other provision of this section,
3 the department may establish for the fiscal years beginning
4 July 1, 2003, and ending June 30, 2005, a pilot project for
5 fee collection. Fees shall be collected based on the ability
6 to access court information from remote locations.
7 Sec. 26. NEW SECTION. 8A.223 AUDITS REQUIRED.
8 A technology audit of the electronic transmission system by
9 which government records are transmitted electronically to the
10 public shall be conducted not less than once annually for the
11 purpose of determining that government records and other
12 electronic data are not misappropriated or misused by the
13 department or a contractor of the department.
14 Sec. 27. NEW SECTION. 8A.224 IOWACCESS REVOLVING FUND.
15 An IowAccess revolving fund is created in the state
16 treasury. The revolving fund shall be administered by the
17 department and shall consist of moneys collected by the
18 department as fees, moneys appropriated by the general
19 assembly, and any other moneys obtained or accepted by the
20 department for deposit in the revolving fund. The proceeds of
21 the revolving fund are appropriated to and shall be used by
22 the department to maintain, develop, operate, and expand
23 IowAccess consistent with this article. The department shall
24 submit an annual report not later than January 31 to the
25 members of the general assembly and the legislative fiscal
26 bureau, of the activities funded by and expenditures made from
27 the revolving fund during the preceding fiscal year. Section
28 8.33 does not apply to any moneys in the revolving fund and,
29 notwithstanding section 12C.7, subsection 2, earnings or
30 interest on moneys deposited in the revolving fund shall be
31 credited to the revolving fund.
32 ARTICLE 3
33 PHYSICAL RESOURCES
34 GENERAL PROVISIONS
35 Sec. 28. NEW SECTION. 8A.301 DEFINITIONS.

1 When used in this article, unless the context otherwise
2 requires:
3 1. "Bid specification" means the standards or qualities
4 which must be met before a contract to purchase will be
5 awarded and any terms which the director has set as a
6 condition precedent to the awarding of a contract.
7 2. "Competitive bidding procedure" means the advertisement
8 for, solicitation of, or the procurement of bids; the manner
9 and condition in which bids are received; and the procedure by
10 which bids are opened, accessed, accepted, rejected, or
11 awarded. A "competitive bidding procedure" may include a
12 transaction accomplished in an electronic format.
13 3. "Life cycle cost" means the expected total cost of
14 ownership during the life of a product.
15 4. "Printing" means, as used in chapter 7A and this
16 article, the reproduction of an image from a printing surface
17 made generally by a contact impression that causes a transfer
18 of ink, the reproduction of an impression by a photographic
19 process, or the reproduction of an image by electronic means
20 and shall include binding and may include material, processes,
21 or operations necessary to produce a finished printed product,
22 but shall not include binding, rebinding or repairs of books,
23 journals, pamphlets, magazines and literary articles by any
24 library of the state or any of its offices, departments,
25 boards, and commissions held as a part of their library
26 collection.
27 5. "State buildings and grounds" excludes any building
28 under the custody and control of the Iowa public employees'
29 retirement system.
30 Sec. 29. NEW SECTION. 8A.302 DEPARTMENTAL DUTIES --
31 PHYSICAL RESOURCES.
32 The duties of the department as it relates to the physical
33 resources of state government shall include but not
34 necessarily be limited to the following:
35 1. Providing a system of uniform standards and

1 specifications for purchasing. When the system is developed,
2 all items of general use shall be purchased through the
3 department, except items used by the state department of
4 transportation, institutions under the control of the state
5 board of regents, the department for the blind, and any other
6 agencies exempted by law.
7 2. Providing for the proper maintenance of the state
8 capitol, grounds, and equipment, and all other state buildings
9 and grounds, and equipment at the seat of government, and of
10 the state laboratories facility in Ankeny, except those
11 referred to in section 216B.3, subsection 6.
12 3. Providing for mail services for all state officials,
13 agencies, and departments located at the seat of government.
14 However, postage shall not be furnished to the general
15 assembly, its members, officers, employees, or committees.
16 4. Providing architectural services, contracting for
17 construction and construction oversight for state agencies
18 except for the state board of regents, department of
19 transportation, national guard, natural resource commission,
20 and the Iowa public employees' retirement system. Capital
21 funding appropriated to state agencies, except to the state
22 board of regents, department of transportation, national
23 guard, natural resource commission, and the Iowa public
24 employees' retirement system, for property management shall be
25 transferred for administration to the director of the
26 department of administrative services.
27 5. Developing and implementing procedures to conduct
28 transactions, including purchasing, authorized by this article
29 in an electronic format to the extent determined appropriate
30 by the department. The director shall adopt rules
31 establishing criteria for competitive bidding procedures
32 involving transactions in an electronic format, including
33 criteria for accepting or rejecting bids which are
34 electronically transmitted to the department, and for
35 establishing with reasonable assurance the authenticity of the

1 bid and the bidder's identity.
2 6. Providing insurance for motor vehicles owned by the
3 state.
4 PURCHASING
5 Sec. 30. NEW SECTION. 8A.311 COMPETITIVE BIDDING --
6 PREFERENCES -- RECIPROCAL APPLICATION -- DIRECT PURCHASING.
7 The director shall adopt rules establishing competitive
8 bidding procedures.
9 1. All equipment, supplies, or services procured by the
10 department shall be purchased by a competitive bidding
11 procedure. However, the director may exempt by rule purchases
12 of noncompetitive items and purchases in lots or quantities
13 too small to be effectively purchased by competitive bidding.
14 Preference shall be given to purchasing Iowa products and
15 purchases from Iowa-based businesses if the Iowa-based
16 business bids submitted are comparable in price to bids
17 submitted by out-of-state businesses and otherwise meet the
18 required specifications. If the laws of another state mandate
19 a percentage preference for businesses or products from that
20 state and the effect of the preference is that bids of Iowa
21 businesses or products that are otherwise low and responsive
22 are not selected in the other state, the same percentage
23 preference shall be applied to Iowa businesses and products
24 when businesses or products from that other state are bid to
25 supply Iowa requirements.
26 2. The director may also exempt the purchase of an item or
27 service from a competitive bidding procedure when the director
28 determines that the best interests of the state will be served
29 by the exemption which shall be based on one of the following:
30 a. An immediate or emergency need existing for the item or
31 service.
32 b. A need to protect the health, safety, or welfare of
33 persons occupying or visiting a public improvement or property
34 located adjacent to the public improvement.
35 3. The director may contract for the purchase of items or

1 services by the department. Contracts for the purchase of
2 items or services shall be awarded on the basis of the lowest
3 competent bid. Contracts not based on competitive bidding
4 shall be awarded on the basis of bidder competence and
5 reasonable price.
6 4. The director may refuse all bids on any item or service
7 and request new bids.
8 5. The director shall establish by rule the amount of
9 security, if any, to accompany a bid or as a condition
10 precedent to the awarding of any contract and the
11 circumstances under which a security will be returned to the
12 bidder or forfeited to the state.
13 6. The director shall adopt rules providing a method for
14 the various state agencies to file with the department a list
15 of those supplies, equipment, machines, and all items needed
16 to properly perform their governmental duties and functions.
17 7. The director shall furnish a list of specifications,
18 prices, and discounts of contract items to any governmental
19 subdivision which shall be responsible for payment to the
20 vendor under the terms and conditions outlined in the state
21 contract.
22 8. The director shall adopt rules providing that any state
23 agency may, upon request, purchase directly from a vendor if
24 the direct purchasing is as economical or more economical than
25 purchasing through the department, or upon a showing that
26 direct purchasing by the state agency would be in the best
27 interests of the state due to an immediate or emergency need.
28 The rules shall include a provision permitting a state agency
29 to purchase directly from a vendor, on the agency's own
30 authority, if the purchase will not exceed five thousand
31 dollars and the purchase will contribute to the agency
32 complying with or exceeding the targeted small business
33 procurement goals under sections 73.15 through 73.21.
34 Any member of the executive council may bring before the
35 executive council for review a decision of the director

1 granting a state agency request for direct purchasing. The
2 executive council shall hear and review the director's
3 decision in the same manner as an appeal filed by an aggrieved
4 bidder, except that the three-day period for filing for review
5 shall not apply.
6 9. a. When the estimated total cost of construction,
7 erection, demolition, alteration, or repair of a public
8 improvement exceeds twenty-five thousand dollars, the
9 department shall solicit bids on the proposed improvement by
10 publishing an advertisement in a print format. The
11 advertisement shall appear in two publications in a newspaper
12 published in the county in which the work is to be done. The
13 first advertisement for bids appearing in a newspaper shall be
14 not less than fifteen days prior to the date set for receiving
15 bids. The department may publish an advertisement in an
16 electronic format as an additional method of soliciting bids
17 under this paragraph.
18 b. In awarding a contract under this subsection, the
19 department shall let the work to the lowest responsible bidder
20 submitting a sealed proposal. However, if the department
21 considers the bids received not to be acceptable, all bids may
22 be rejected and new bids requested. A bid shall be
23 accompanied by a certified or cashier's check or bid bond in
24 an amount designated in the advertisement for bids as security
25 that the bidder will enter into a contract for the work
26 requested. The department shall establish the bid security in
27 an amount equal to at least five percent, but not more than
28 ten percent of the estimated total cost of the work. The
29 certified or cashier's checks or bid bonds of unsuccessful
30 bidders shall be returned as soon as the successful bidder is
31 determined. The certified or cashier's check or bid bond of
32 the successful bidder shall be returned upon execution of the
33 contract. This subsection does not apply to the construction,
34 erection, demolition, alteration, or repair of a public
35 improvement when the contracting procedure for the work

1 requested is otherwise provided for in law.
2 10. The state and its political subdivisions shall give
3 preference to purchasing Iowa products and purchasing from
4 Iowa-based businesses if the bids submitted are comparable in
5 price to those submitted by other bidders and meet the
6 required specifications.
7 11. The director shall adopt rules which require that each
8 bid received for the purchase of items purchased by the
9 department includes a product content statement which provides
10 the percentage of the content of the item which is reclaimed
11 material.
12 12. The director shall review and, where necessary, revise
13 specifications used by state agencies to procure products in
14 order to ensure all of the following:
15 a. The procurement of products containing recovered
16 materials, including but not limited to lubricating oils,
17 retread tires, building insulation materials, and recovered
18 materials from waste tires. The specifications shall be
19 revised if they restrict the use of alternative materials,
20 exclude recovered materials, or require performance standards
21 which exclude products containing recovered materials unless
22 the agency seeking the product can document that the use of
23 recovered materials will hamper the intended use of the
24 product.
25 b. The procurement by state agencies of bio-based
26 hydraulic fluids, greases, and other industrial lubricants
27 manufactured from soybeans in accordance with the requirements
28 of section 8A.316.
29 13. A bidder awarded a state construction contract shall
30 disclose the names of all subcontractors, who will work on the
31 project being bid, within forty-eight hours after the award of
32 the contract.
33 If a subcontractor named by a bidder awarded a state
34 construction contract is replaced, or if the cost of work to
35 be done by a subcontractor is reduced, the bidder shall

1 disclose the name of the new subcontractor or the amount of
2 the reduced cost.
3 14. A state agency shall make every effort to purchase
4 those products produced for sale by sheltered workshops, work
5 activity centers, and other special programs funded in whole
6 or in part by public moneys that employ persons with mental
7 retardation or other developmental disabilities or mental
8 illness if the products meet the required specifications.
9 15. A state agency shall make every effort to purchase
10 products produced for sale by employers of persons in
11 supported employment.
12 16. The department shall not award a contract to a bidder
13 for a construction, reconstruction, demolition, or repair
14 project or improvement with an estimated cost that exceeds
15 twenty-five thousand dollars in which the bid requires the use
16 of inmate labor supplied by the department of corrections, but
17 not employed by private industry pursuant to section 904.809,
18 to perform the project or improvement.
19 17. This section does not apply to Iowa technology center
20 contracts in support of activities performed for another
21 governmental entity, either state or federal. The Iowa
22 technology center is an entity created by a chapter 28E
23 agreement entered into by the department of public defense.
24 18. Life cycle cost and energy efficiency shall be
25 included in the criteria used by the department, institutions
26 under the control of the state board of regents, the
27 department of transportation, the department for the blind,
28 and other state agencies in developing standards and
29 specifications for purchasing energy-consuming products. For
30 purposes of this subsection, the life cycle costs of American
31 motor vehicles shall be reduced by five percent in order to
32 determine if the motor vehicle is comparable to foreign-made
33 motor vehicles. "American motor vehicles" includes those
34 vehicles manufactured in this state and those vehicles in
35 which at least seventy percent of the value of the motor

1 vehicle was manufactured in the United States or Canada and at
2 least fifty percent of the motor vehicle sales of the
3 manufacturer are in the United States or Canada. In
4 determining the life cycle costs of a motor vehicle, the costs
5 shall be determined on the basis of the bid price, the resale
6 value, and the operating costs based upon a useable life of
7 five years or seventy-five thousand miles, whichever occurs
8 first.
9 19. Preference shall be given to purchasing American-made
10 products and purchases from American-based businesses if the
11 life cycle costs are comparable to those products of foreign
12 businesses and which most adequately fulfill the department's
13 need.
14 Sec. 31. NEW SECTION. 8A.312 COOPERATIVE PURCHASING.
15 The director may purchase items through the department of
16 transportation, institutions under the control of the state
17 board of regents, and any other agency exempted by law from
18 centralized purchasing. These state agencies shall upon
19 request furnish the director with a list of and specifications
20 for all items of office equipment, furniture, fixtures, motor
21 vehicles, heavy equipment, and other related items to be
22 purchased during the next quarter and the date by which the
23 director must file with the agency the quantity of items to be
24 purchased by the state agency for the department. The
25 department shall be liable to the state agency for the
26 proportionate costs the items purchased for the department
27 bear to the total purchase price. When items purchased have
28 been delivered, the state agency shall notify the director and
29 after receipt of the purchase price shall release the items to
30 the director or upon the director's order.
31 Sec. 32. NEW SECTION. 8A.313 DISPUTES INVOLVING
32 PURCHASING FROM IOWA STATE INDUSTRIES.
33 Disputes arising between the department of corrections and
34 a purchasing department or agency over the procurement of
35 products from Iowa state industries as described in section

1 904.808 shall be referred to the director. The decision of
2 the director is final unless a written appeal is filed with
3 the executive council within five days of receipt of the
4 decision of the director, excluding Saturdays, Sundays, and
5 legal holidays. If an appeal is filed, the executive council
6 shall hear and determine the appeal within thirty days. The
7 decision of the executive council is final.
8 Sec. 33. NEW SECTION. 8A.314 PURCHASING REVOLVING FUND.
9 1. A purchasing revolving fund is established within the
10 department. The director shall keep an accurate itemized
11 account for each state agency purchasing through the
12 department, using services provided for by the department, and
13 using postage supplied by the department.
14 2. At the end of each month the director shall render a
15 statement to each state agency for the actual cost of items
16 purchased through the department, and the actual cost of
17 services and postage used by the agency. The monthly
18 statement shall also include a fair proportion of the
19 administrative costs of the department during the month. The
20 portion of administrative costs shall be determined by the
21 director subject to review by the executive council upon
22 complaint from any state agency adversely affected.
23 3. Statements rendered to the various state agencies shall
24 be paid by the state agencies in the manner determined by the
25 department. When the statements are paid the sums shall be
26 credited to the purchasing revolving fund. If any funds
27 accrue to the revolving fund in excess of two hundred twenty-
28 five thousand dollars and there is no anticipated need or use
29 for such funds, the governor shall order the excess funds
30 credited to the general fund of the state.
31 Sec. 34. NEW SECTION. 8A.315 STATE PURCHASES -- RECYCLED
32 PRODUCTS -- SOYBEAN-BASED INKS.
33 1. When purchasing paper products other than printing and
34 writing paper, the department shall, when the price is
35 reasonably competitive and the quality as intended, purchase

1 the recycled product. The department shall also purchase,
2 when the price is reasonably competitive and the quality as
3 intended, and in keeping with the schedule established in this
4 subsection, soybean-based inks and plastic products with
5 recycled content including but not limited to plastic garbage
6 can liners.
7 a. One hundred percent of the purchases of inks which are
8 used for newsprint printing services performed internally or
9 contracted for by the department shall be soybean-based.
10 b. One hundred percent of the purchases of inks, other
11 than inks which are used for newsprint printing services, and
12 which are used internally or contracted for by the department,
13 shall be soybean-based to the extent formulations for such
14 inks are available.
15 c. A minimum of ten percent of the purchases of garbage
16 can liners made by the department shall be plastic garbage can
17 liners with recycled content. The percentage shall increase
18 by ten percent annually until fifty percent of the purchases
19 of garbage can liners are plastic garbage can liners with
20 recycled content.
21 d. The department shall report to the general assembly on
22 February 1 of each year the following:
23 (1) A listing of plastic products which are regularly
24 purchased by the department and other state agencies for which
25 recycled content product alternatives are available, including
26 the cost of the plastic products purchased and the cost of the
27 recycled content product alternatives.
28 (2) Information relating to soybean-based inks and plastic
29 garbage can liners with recycled content regularly purchased
30 by the department and other state agencies, including the cost
31 of purchasing soybean-based inks and plastic garbage can
32 liners with recycled content and the percentages of soybean-
33 based inks and plastic garbage can liners with recycled
34 content that have been purchased.
35 e. For purposes of this subsection, "recycled content"

1 means that the content of the product contains a minimum of
2 thirty percent postconsumer material.
3 2. a. Except as otherwise provided in this section, the
4 department shall purchase and use recycled printing and
5 writing paper so that ninety percent of the volume of printing
6 and writing paper purchased is recycled paper. The recycled
7 printing and writing paper shall meet the requirements for
8 procuring recycled printing and writing paper set forth in 40
9 C.F.R. pt. 247, and in related recovered materials advisory
10 notices issued by the United States environmental protection
11 agency.
12 b. The department shall establish a prioritization
13 procedure for the purchase of recycled paper which provides
14 for a five percent differential in the cost of the purchase of
15 paper which has been recycled through the use of a
16 nonchlorinated process.
17 c. If a provision under this subsection results in the
18 limitation of sources for the purchase of printing and writing
19 paper to three or fewer sources, the department may waive the
20 requirement in order to purchase necessary amounts of printing
21 and writing paper.
22 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
26 documents, papers, or similar materials produced or reproduced
27 for permanent preservation pursuant to law.
28 3. The department, in conjunction with the department of
29 natural resources, shall review the procurement specifications
30 currently used by the state to eliminate, wherever possible,
31 discrimination against the procurement of products
32 manufactured with recovered materials and soybean-based inks.
33 4. The department of natural resources shall assist the
34 department in locating suppliers of recycled products and
35 soybean-based inks and collecting data on recycled content and

1 soybean-based ink purchases.
2 5. Information on recycled content shall be requested on
3 all bids for paper products other than printing and writing
4 paper issued by the state and on other bids for products which
5 could have recycled content such as oil, plastic products,
6 including but not limited to compost materials, aggregate,
7 solvents, soybean-based inks, and rubber products. Except for
8 purchases of printing and writing paper made pursuant to
9 subsection 2, paragraphs "c" and "d", the department shall
10 require persons submitting bids for printing and writing paper
11 to certify that the printing and writing paper proposed
12 complies with the requirements referred to in subsection 2,
13 paragraph "a".
14 6. The department, in conjunction with the department of
15 natural resources, shall adopt rules to administer this
16 section.
17 7. All state agencies shall fully cooperate with the
18 department and with the department of natural resources in all
19 phases of implementing this section.
20 8. The department, whenever technically feasible, shall
21 purchase and use degradable loose foam packing material
22 manufactured from grain starches or other renewable resources,
23 unless the cost of the packing material is more than ten
24 percent greater than the cost of packing material made from
25 nonrenewable resources. For the purposes of this subsection,
26 "packing material" means material, other than an exterior
27 packing shell, that is used to stabilize, protect, cushion, or
28 brace the contents of a package.
29 Sec. 35. NEW SECTION. 8A.316 LUBRICANTS AND OILS --
30 PREFERENCES.
31 The department shall do all of the following:
32 1. Revise its procedures and specifications for the
33 purchase of lubricating oil and industrial oil to eliminate
34 exclusion of recycled oils and any requirement that oils be
35 manufactured from virgin materials.

1 2. Require that purchases of lubricating oil and
2 industrial oil be made from the seller whose oil product
3 contains the greatest percentage of recycled oil, unless one
4 of the following circumstances regarding a specific oil
5 product containing recycled oil exists:
6 a. The product is not available within a reasonable period
7 of time or in quantities necessary or in container sizes
8 appropriate to meet a state agency's needs.
9 b. The product does not meet the performance requirements
10 or standards recommended by the equipment or vehicle
11 manufacturer, including any warranty requirements.
12 c. The product is available only at a cost greater than
13 one hundred five percent of the cost of comparable virgin oil
14 products.
15 3. Establish and maintain a preference program for
16 procuring oils containing the maximum content of recycled oil.
17 The preference program shall include but is not limited to all
18 of the following:
19 a. The inclusion of the preferences for recycled oil
20 products in publications used to solicit bids from suppliers.
21 b. The provision of a description of the recycled oil
22 procurement program at bidders' conferences.
23 c. Discussion of the preference program in lubricating oil
24 and industrial oil procurement solicitations or invitations to
25 bid.
26 d. Efforts to inform industry trade associations about the
27 preference program.
28 4. a. Provide that when purchasing hydraulic fluids,
29 greases, and other industrial lubricants, the department or a
30 state agency authorized by the department to directly purchase
31 hydraulic fluids, greases, and other industrial lubricants
32 shall give preference to purchasing bio-based hydraulic
33 fluids, greases, and other industrial lubricants manufactured
34 from soybeans.
35 b. Provide for the implementation of requirements

1 necessary in order to carry out this subsection by the
2 department or state agency making the purchase, which shall
3 include all of the following:
4 (1) Including the preference requirements in publications
5 used to solicit bids for hydraulic fluids, greases, and other
6 industrial lubricants.
7 (2) Describing the preference requirements at bidders'
8 conferences in which bids for the sale of hydraulic fluids,
9 greases, and other industrial lubricants are sought by the
10 department or authorized state agency.
11 (3) Discussing the preference requirements in procurement
12 solicitations or invitations to bid for hydraulic fluids,
13 greases, and other industrial lubricants.
14 (4) Informing industry trade associations about the
15 preference requirements.
16 c. As used in this subsection, unless the context
17 otherwise requires:
18 (1) "Bio-based hydraulic fluids, greases, and other
19 industrial lubricants" means the same as defined by the United
20 States department of agriculture, if the department has
21 adopted such a definition. If the United States department of
22 agriculture has not adopted a definition, "bio-based hydraulic
23 fluids, greases, and other industrial lubricants" means
24 hydraulic fluids, greases, and other lubricants containing a
25 minimum of fifty-one percent soybean oil.
26 (2) "Other industrial lubricants" means lubricants used or
27 applied to machinery.
28 PHYSICAL RESOURCES AND FACILITY MANAGEMENT
29 Sec. 36. NEW SECTION. 8A.321 PHYSICAL RESOURCES AND
30 FACILITY MANAGEMENT -- DIRECTOR DUTIES -- APPROPRIATION.
31 In managing the physical resources of government, the
32 director shall perform all of the following duties:
33 1. Provide for supervision over the custodians, and other
34 employees of the department in and about the capitol and other
35 state buildings, and the state laboratories facility in

1 Ankeny, except the buildings and grounds referred to in
2 section 216B.3, subsection 6, at the seat of government.
3 2. Institute, in the name of the state, and with the
4 advice and consent of the attorney general, civil and criminal
5 proceedings against any person for injury or threatened injury
6 to any public property, including but not limited to
7 intangible and intellectual property, under the person's
8 control.
9 3. Under the direction of the governor, provide, furnish,
10 and pay for public utilities service, heat, maintenance, minor
11 repairs, and equipment in operating and maintaining the
12 official residence of the governor of Iowa.
13 4. Contract, with the approval of the executive council,
14 for the repair, remodeling, or, if the condition warrants,
15 demolition of all buildings and grounds of the state at the
16 seat of government, at the state laboratories facility in
17 Ankeny, and the institutions of the department of human
18 services and the department of corrections for which no
19 specific appropriation has been made, if the cost of repair,
20 remodeling, or demolition will not exceed one hundred thousand
21 dollars when completed. The cost of repair projects for which
22 no specific appropriation has been made shall be paid from the
23 fund provided in section 7D.29.
24 5. Dispose of all personal property of the state under the
25 director's control as provided by section 8A.324 when it
26 becomes unnecessary or unfit for further use by the state. If
27 the director concludes that the personal property is
28 contaminated, contains hazardous waste, or is hazardous waste,
29 the director may charge the state agency responsible for the
30 property for removal and disposal of the personal property.
31 The director shall adopt rules establishing the procedures for
32 inspecting, selecting, and removing personal property from
33 state agencies or from state storage.
34 6. a. Lease all buildings and office space necessary to
35 carry out the provisions of this article or necessary for the

1 proper functioning of any state agency at the seat of
2 government. For state agencies at the seat of government, the
3 director may lease buildings and office space in Polk county
4 or in a county contiguous to Polk county. If no specific
5 appropriation has been made, the proposed lease shall be
6 submitted to the executive council for approval. The cost of
7 any lease for which no specific appropriation has been made
8 shall be paid from the fund provided in section 7D.29.
9 b. When the general assembly is not in session, the
10 director may request moneys from the executive council for
11 moving state agencies located at the seat of government from
12 one location to another. The request may include moving
13 costs, telecommunications costs, repair costs, or any other
14 costs relating to the move. The executive council may approve
15 and shall pay the costs from funds provided in section 7D.29
16 if it determines the agency or department has no available
17 funds for these expenses.
18 c. Coordinate the leasing of buildings and office space by
19 state agencies throughout the state and develop cooperative
20 relationships with the state board of regents in order to
21 promote the colocation of state agencies.
22 7. Unless otherwise provided by law, coordinate the
23 location, design, plans and specifications, construction, and
24 ultimate use of the real or personal property to be purchased
25 by a state agency for whose benefit and use the property is
26 being obtained. If the purchase of real or personal property
27 is to be financed pursuant to section 12.28, the department
28 shall cooperate with the treasurer of state in providing the
29 information necessary to complete the financing of the
30 property.
31 A contract for acquisition, construction, erection,
32 demolition, alteration, or repair by a private person of real
33 or personal property to be lease-purchased by the treasurer of
34 state pursuant to section 12.28 is exempt from section 8A.311,
35 subsections 1 and 9, unless the lease-purchase contract is

1 funded in advance by a deposit of the lessor's moneys to be
2 administered by the treasurer of state under a lease-purchase
3 contract which requires rent payments to commence upon
4 delivery of the lessor's moneys to the lessee.
5 8. With the authorization of a constitutional majority of
6 each house of the general assembly and approval by the
7 governor, dispose of real property belonging to the state and
8 its state agencies upon terms, conditions, and consideration
9 as the director may recommend. If real property subject to
10 sale under this subsection has been purchased or acquired from
11 appropriated funds, the proceeds of the sale shall be
12 deposited with the treasurer of state and credited to the
13 general fund of the state or other fund from which
14 appropriated. There is appropriated from that same fund, with
15 the prior approval of the executive council and in cooperation
16 with the director, a sum equal to the proceeds so deposited
17 and credited to the state agency to which the disposed real
18 property belonged or by which it was used, for purposes of the
19 state agency.
20 9. Subject to the selection procedures of section 12.30,
21 employ financial consultants, banks, insurers, underwriters,
22 accountants, attorneys, and other advisors or consultants
23 necessary to implement the provisions of subsection 7.
24 10. Prepare annual status reports for all ongoing capital
25 projects of all state agencies, as defined in section 8.3A,
26 and submit the status reports to the legislative capital
27 projects committee.
28 11. Call upon any state agency, as defined in section
29 8.3A, for assistance the director may require in performing
30 the director's duties under subsection 10 regarding capital
31 project status reports. All state agencies, upon the request
32 of the director and with the approval of the director of the
33 department of management, shall assist the director and are
34 authorized to make available to the director any existing
35 studies, surveys, plans, data, and other materials in the

1 possession of the state agencies which are relevant to the
2 director's duties.
3 12. In carrying out the requirements of section 64.6,
4 purchase an individual or a blanket surety bond insuring the
5 fidelity of state officers. The department may self-assume or
6 self-insure fidelity exposures for state officials and
7 employees. A state official is deemed to have furnished
8 surety if the official has been covered by a program of
9 insurance or self-insurance established by the department. To
10 the extent possible, all bonded state employees shall be
11 covered under one or more blanket bonds or position schedule
12 bonds.
13 13. Review the management of state property loss exposures
14 and state liability risk exposures for the capitol complex.
15 Insurance coverage may include self-insurance or any type of
16 insurance protection sold by insurers, including, but not
17 limited to, full coverage, partial coverage, coinsurance,
18 reinsurance, and deductible insurance coverage.
19 14. Establish a monument maintenance account in the state
20 treasury under the control of the department. Funds for the
21 maintenance of a state monument, whether received by gift,
22 devise, bequest, or otherwise, shall be deposited in the
23 account. Funds in the account shall be deposited in an
24 interest-bearing account. Notwithstanding section 12C.7,
25 interest earned on the account shall be deposited in the
26 account and shall be used to maintain the designated monument.
27 Any maintenance funds for a state monument held by the state
28 and interest earned on the funds shall be used to maintain the
29 designated monument. Notwithstanding section 8.33, funds in
30 the monument maintenance account at the end of a fiscal year
31 shall not revert to the general fund of the state.
32 Sec. 37. NEW SECTION. 8A.322 BUILDINGS AND GROUNDS --
33 SERVICES -- PUBLIC USE.
34 1. The director shall provide necessary lighting, fuel,
35 and water services for the state buildings and grounds located

1 at the seat of government, and for the state laboratories
2 facility in Ankeny, except the buildings and grounds referred
3 to in section 216B.3, subsection 6.
4 2. Except for buildings and grounds described in section
5 216B.3, subsection 6; section 2.43, unnumbered paragraph 1;
6 and any buildings under the custody and control of the Iowa
7 public employees' retirement system, the director shall assign
8 office space at the capitol, other state buildings, and
9 elsewhere in the city of Des Moines, and the state
10 laboratories facility in Ankeny, for all executive and
11 judicial state agencies. Assignments may be changed at any
12 time. The various officers to whom rooms have been so
13 assigned may control the same while the assignment to them is
14 in force. Official apartments shall be used only for the
15 purpose of conducting the business of the state. The term
16 "capitol" or "capitol building" as used in the Code shall be
17 descriptive of all buildings upon the capitol grounds. The
18 capitol building itself is reserved for the operations of the
19 general assembly, the governor, and the courts and the
20 assignment and use of physical facilities for the general
21 assembly shall be pursuant to section 2.43.
22 3. The director shall establish, publish, and enforce
23 rules regulating and restricting the use by the public of the
24 capitol buildings and grounds and of the state laboratories
25 facility in Ankeny. The rules when established shall be
26 posted in conspicuous places about the capitol buildings and
27 grounds and the state laboratories facility, as applicable.
28 Any person violating any rule, except a parking regulation,
29 shall be guilty of a simple misdemeanor.
30 Sec. 38. NEW SECTION. 8A.323 PARKING REGULATIONS.
31 1. The director shall establish, publish, and enforce
32 rules regulating, restricting, or prohibiting the use by state
33 officials, state employees, and the public, of motor vehicle
34 parking facilities at the state capitol complex and at the
35 state laboratories facility in Ankeny. The assignment of

1 legislative parking spaces shall be under the control of the
2 legislative council. The rules established by the director
3 may establish fines for violations and a procedure for payment
4 of the fines. The director may order payment of a fine and
5 enforce the order in the district court.
6 2. Motor vehicles parked in violation of the rules may be
7 removed without the owner's or operator's consent and at the
8 owner's or operator's expense. Motor vehicles removed and not
9 claimed within thirty days of their removal or vehicles
10 abandoned within the capitol grounds may be disposed of in
11 accordance with the provisions of sections 321.85 through
12 321.91.
13 3. The parking rules established shall be posted in
14 conspicuous places at the capitol complex and at the state
15 laboratories facility in Ankeny, as applicable. Copies of the
16 rules shall be made available to all state officials and
17 employees and any other person who requests a copy of the
18 rules.
19 4. All fines collected by the department shall be
20 forwarded to the treasurer of state and deposited in the
21 general fund of the state.
22 Sec. 39. NEW SECTION. 8A.324 DISPOSAL OF PERSONAL
23 PROPERTY.
24 The director may dispose of personal property of the state
25 under the director's control by any of the following means:
26 1. The director may dispose of unfit or unnecessary
27 personal property by sale. Proceeds from the sale of personal
28 property shall be deposited in the general fund of the state.
29 2. If the director concludes that the personal property
30 has little or no value, the director may enter into an
31 agreement with a not-for-profit organization or governmental
32 agency to dispose of the personal property. The not-for-
33 profit organization or governmental agency may charge the
34 state agency in control of the property with the cost of
35 removing and transporting the property. Title to the personal

1 property shall transfer when the personal property is in the
2 possession of the not-for-profit organization or governmental
3 agency. If a governmental agency adds value to the property
4 transferred to it and sells it, the proceeds from the sale
5 shall be deposited with the governmental agency and not in the
6 general fund of the state.
7 3. The director may dispose of presses, printing
8 equipment, printing supplies, and other machinery or equipment
9 used in the printing operation.
10 Sec. 40. NEW SECTION. 8A.325 SERVICES AND COMMODITIES
11 ACCEPTED.
12 The director may accept services, commodities, and surplus
13 property and make provision for warehousing and distribution
14 to various departments and governmental subdivisions of the
15 state, and such other agencies, institutions, and authorized
16 recipients within the state as may be from time to time
17 designated in federal statutes and rules.
18 Sec. 41. NEW SECTION. 8A.326 TERRACE HILL COMMISSION.
19 1. The Terrace Hill commission is created consisting of
20 nine persons, appointed by the governor, who are knowledgeable
21 in business management and historic preservation and
22 renovation. The governor shall appoint the chairperson. The
23 terms of the commission members are for three years beginning
24 on July 1 and ending on June 30.
25 2. The Terrace Hill commission may consult with the
26 Terrace Hill society, Terrace Hill foundation, the executive
27 and legislative branches of this state, and other persons
28 interested in the property.
29 3. The Terrace Hill commission may enter into contracts,
30 subject to this chapter, to execute its purposes.
31 4. The commission may adopt rules to administer the
32 programs of the commission. The decision of the commission is
33 final agency action under chapter 17A.
34 Sec. 42. NEW SECTION. 8A.327 RENT REVOLVING FUND CREATED
35 -- PURPOSE.

1 1. A rent revolving fund is created in the state treasury
2 under the control of the department to be used by the
3 department to pay the lease or rental costs of all buildings
4 and office space necessary for the proper functioning of any
5 state agency at the seat of state government as provided in
6 section 8A.321, subsection 6, except that this fund shall not
7 be used to pay the rental or lease costs of a state agency
8 which has not received funds budgeted for rental or lease
9 purposes.
10 2. The director shall pay the lease or rental fees to the
11 renter or lessor and submit a monthly statement to each state
12 agency for which building and office space is rented or
13 leased. If the director pays the lease or rental fees on
14 behalf of a state agency, the state agency's payment to the
15 department shall be credited to the rent revolving fund
16 established by this section. With the approval of the
17 director, a state agency may pay the lease or rental cost
18 directly to the person who is due the payment under the lease
19 or rental agreement.
20 Sec. 43. NEW SECTION. 8A.328 RECYCLING REVOLVING FUND.
21 A recycling revolving fund is created within the state
22 treasury under the control of the department. The fund shall
23 consist of any moneys appropriated by the general assembly and
24 any other moneys available to and obtained or accepted by the
25 department from the federal government or private sources for
26 placement in the fund. The assets of the fund shall be used
27 by the department only for supporting recycling operations.
28 Moneys in the fund shall be drawn upon the written requisition
29 of the director or an authorized representative of the
30 director. The fund is subject to an annual audit by the
31 auditor of state. Section 8.33 does not apply to any moneys
32 in the fund. Notwithstanding section 12C.7, subsection 2,
33 interest or earnings on moneys deposited in the fund shall be
34 credited to the fund.
35 Sec. 44. NEW SECTION. 8A.329 WASTEPAPER RECYCLING

1 PROGRAM.
2 1. The department in accordance with recommendations made
3 by the department of natural resources shall require all state
4 agencies to establish an agency wastepaper recycling program.
5 The director shall adopt rules which require a state agency to
6 develop a program to ensure the recycling of the wastepaper
7 generated by the agency. All state employees shall practice
8 conservation of paper materials.
9 2. For the purposes of this section, "agency wastepaper"
10 means wastepaper or wastepaper products generated by the
11 agency.
12 3. The rules adopted by the director shall provide for the
13 continuation of existing state agency contracts which provide
14 for alternative waste management not including incineration or
15 land burial of agency wastepaper.
16 PRINTING
17 Sec. 45. NEW SECTION. 8A.341 STATE PRINTING -- DUTIES.
18 The director shall do all of the following as it relates to
19 printing:
20 1. Provide general supervision of all matters pertaining
21 to public printing, including the enforcement of contracts for
22 printing, except as otherwise provided by law. The
23 supervision shall include providing guidelines for the letting
24 of contracts for printing, the manner, form, style, and
25 quantity of public printing, and the specifications and
26 advertisements for public printing. In addition, the director
27 shall have charge of office equipment and supplies and of the
28 stock, if any, required in connection with printing contracts.
29 2. If money is appropriated for this purpose, by November
30 1 of each year supply a report which contains the name,
31 gender, county, or city of residence when possible, official
32 title, salary received during the previous fiscal year, base
33 salary as computed on July 1 of the current fiscal year, and
34 traveling and subsistence expense of the personnel of each of
35 the departments, boards, and commissions of the state

1 government except personnel who receive an annual salary of
2 less than one thousand dollars. The number of the personnel
3 and the total amount received by them shall be shown for each
4 department in the report. All employees who have drawn
5 salaries, fees, or expense allowances from more than one
6 department or subdivision shall be listed separately under the
7 proper departmental heading. On the request of the director,
8 the head of each department, board, or commission shall
9 furnish the data covering that agency. The report shall be
10 distributed upon request without charge to each caucus of the
11 general assembly, the legislative service bureau, the
12 legislative fiscal bureau, the chief clerk of the house of
13 representatives, and the secretary of the senate. Copies of
14 the report shall be made available to other persons in both
15 print or electronic medium upon payment of a fee, which shall
16 not exceed the cost of providing the copy of the report.
17 Sections 22.2 through 22.6 apply to the report. All funds
18 from the sale of the report shall be deposited in the printing
19 revolving fund established in section 8A.345. Requests for
20 print publications shall be handled only upon receipt of
21 postage by the director.
22 3. Deposit receipts from the sale of presses, printing
23 equipment, printing supplies, and other machinery or equipment
24 used in the printing operation in the printing revolving fund
25 established in section 8A.345.
26 Sec. 46. NEW SECTION. 8A.342 CONTRACTS WITH STATE
27 INSTITUTIONS.
28 The director may, without advertising for bids, enter into
29 contracts or make provision for doing any of the work coming
30 under the provisions of chapter 7A and this article at any
31 school or institution under the ownership or control of the
32 state. The work shall be done under conditions substantially
33 the same as those provided for in the case of contracts with
34 individuals and the same standard of quality or product shall
35 be required.

1 Sec. 47. NEW SECTION. 8A.343 SPECIFICATIONS AND
2 REQUIREMENTS.
3 The director shall, from time to time, adopt and print
4 specifications and requirements covering all matters relating
5 to printing that are the subject of contracts.
6 Sec. 48. NEW SECTION. 8A.344 PUBLIC PRINTING -- BIDDING
7 PROCEDURES.
8 1. The director shall advertise for bids for public
9 printing. Advertisements shall state where and how
10 specifications and other necessary information may be
11 obtained, the time during which the director will receive
12 bids, and the day, hour, and place when bids will be publicly
13 opened or accessed, and the manner by which the contracts will
14 be awarded.
15 2. The director shall supply prospective bidders and
16 others on request with the specifications and requirements,
17 blank forms for bids, samples of printing so far as possible,
18 and all other information pertaining to the subject.
19 3. The specifications shall be kept on file in the office
20 of the director, open to public inspection, together with
21 samples so far as possible, of the work to be done or the
22 material to be furnished.
23 4. Bids submitted must be:
24 a. Secured in writing, by telephone, by facsimile, or in a
25 format prescribed by the director as indicated in the bid
26 specifications.
27 b. Signed by the bidder, or if a telephone or electronic
28 bid, confirmed by the bidder in a manner prescribed by the
29 director.
30 c. Submitted in a format prescribed by the director which
31 reasonably assures the authenticity of the bid and the
32 bidder's identity.
33 d. Submitted to the department as specified by the date
34 and time established in the advertisements for bids.
35 5. When a bidder submits a bid to the department, the

1 director may require the bidder to file a bid bond or a
2 certified or cashier's check payable to the treasurer of state
3 in an amount to be fixed in the bid specifications, either
4 covering all classes or items or services, or separate
5 certified or cashier's checks for each bid in case the bidder
6 makes more than one bid. In lieu of a certified or cashier's
7 check, the bidder may furnish a yearly bond in an amount to be
8 established by the director. Certified or cashier's checks
9 deposited by unsuccessful bidders, and by successful bidders
10 when they have entered into the contract, shall be returned to
11 them.
12 6. All bids shall be publicly opened or accessed and read
13 and the contracts awarded in the manner designated in the bid
14 specifications. In the award of a contract, due consideration
15 shall be given to the price bid, mechanical and other
16 equipment proposed to be used by the bidder, the financial
17 responsibility of the bidder, the bidder's ability and
18 experience in the performance of similar contracts, and any
19 other factors that the department determines are relevant and
20 that are included in the bid specifications.
21 7. The director shall have the right to reject any or all
22 bids, and in case of rejection or because of failure of a
23 bidder to enter into a contract, the director may advertise
24 for and secure new bids.
25 8. When the director is satisfied that bidders have
26 presented bids pursuant to an agreement, understanding, or
27 combination to prevent free competition, the director shall
28 reject all of them and readvertise for bids as in the first
29 instance.
30 Sec. 49. NEW SECTION. 8A.345 PRINTING REVOLVING FUND.
31 A revolving fund is created in the state treasury under the
32 control of the department and may be used in making payments
33 for supplying paper stock, offset printing, copy preparation,
34 binding, distribution costs, and original payment of printing
35 and binding claims for any of the state departments, bureaus,

1 commissions, or institutions. All salaries and expenses
2 properly chargeable to the fund shall be paid from the fund.
3 The director may also use the fund for the purchase of
4 replacement or additional equipment, if a sufficient balance
5 will remain in the fund to enable the continued operation of
6 the printing operations of the department.
7 DOCUMENT MANAGEMENT
8 Sec. 50. NEW SECTION. 8A.351 DISTRIBUTION OF DOCUMENTS
9 -- GENERAL PROVISIONS.
10 If money is appropriated for this purpose, the director
11 shall do all of the following:
12 1. The director shall require from officials or heads of
13 departments mailing lists, or addressed labels or envelopes,
14 for use in distribution of reports and documents. The
15 director shall revise such lists, eliminating duplications and
16 adding to the lists libraries, institutions, public officials,
17 and persons having actual use for the material. The director
18 shall arrange the lists so as to reduce to the minimum the
19 postage or other cost for delivery. Requests for publications
20 shall be handled only upon receipt of postage by the director
21 from the requesting agency or department.
22 2. The director shall furnish the various officials and
23 departments with copies of their reports needed for office use
24 or to be distributed to persons requesting the reports.
25 Requests for publications shall be handled only upon receipt
26 of postage by the director.
27 3. The official register shall be distributed to the
28 public in a manner determined by the director.
29 4. The director may send additional copies of publications
30 to other state officials, individuals, institutions,
31 libraries, or societies that may request them. Requests for
32 publications shall be handled only upon receipt of postage by
33 the director.
34 FLEET MANAGEMENT
35 Sec. 51. NEW SECTION. 8A.361 VEHICLE ASSIGNMENT --

1 AUTHORITY IN DEPARTMENT.
2 The department shall provide for the assignment of all
3 state-owned motor vehicles to all state officers and
4 employees, and to all state offices, departments, bureaus, and
5 commissions, except the department of transportation,
6 institutions under the control of the state board of regents,
7 the department for the blind, and any other agencies exempted
8 by law.
9 Sec. 52. NEW SECTION. 8A.362 FLEET MANAGEMENT -- POWERS
10 AND DUTIES -- FUEL ECONOMY REQUIREMENTS.
11 1. The director may provide for the assignment to a state
12 officer or employee or to a state agency, of one or more motor
13 vehicles which may be required by the state officer or
14 employee or state agency, after the state officer or employee
15 or state agency has shown the necessity for such
16 transportation. The director may assign a motor vehicle
17 either for part-time or full-time use. The director may
18 revoke the assignment at any time.
19 2. The director may cause all state-owned motor vehicles
20 to be inspected periodically. Whenever the inspection reveals
21 that repairs have been improperly made on the motor vehicle or
22 that the operator is not giving the motor vehicle the proper
23 care, the director shall report this fact to the head of the
24 state agency to which the motor vehicle has been assigned,
25 together with recommendation for improvement.
26 3. The director shall provide for a record system for the
27 keeping of records of the total number of miles state-owned
28 motor vehicles are driven and the per-mile cost of operation
29 of each motor vehicle. Every state officer or employee shall
30 keep a record book to be furnished by the director in which
31 the officer or employee shall enter all purchases of gasoline,
32 lubricating oil, grease, and other incidental expense in the
33 operation of the motor vehicle assigned to the officer or
34 employee, giving the quantity and price of each purchase,
35 including the cost and nature of all repairs on the motor

1 vehicle. Each operator of a state-owned motor vehicle shall
2 promptly prepare a report at the end of each month on forms
3 furnished by the director and forwarded to the director,
4 giving the information the director may request in the report.
5 Each month the director shall compile the costs and mileage of
6 state-owned motor vehicles from the reports and keep a cost
7 history for each motor vehicle and the costs shall be reduced
8 to a cost-per-mile basis for each motor vehicle. The director
9 shall call to the attention of an elected official or the head
10 of any state agency to which a motor vehicle has been assigned
11 any evidence of the mishandling or misuse of a state-owned
12 motor vehicle which is called to the director's attention.
13 A motor vehicle operated under this subsection shall not
14 operate on gasoline other than gasoline blended with at least
15 ten percent ethanol, unless under emergency circumstances. A
16 state-issued credit card used to purchase gasoline shall not
17 be valid to purchase gasoline other than gasoline blended with
18 at least ten percent ethanol, if commercially available. The
19 motor vehicle shall also be affixed with a brightly visible
20 sticker which notifies the traveling public that the motor
21 vehicle is being operated on gasoline blended with ethanol.
22 However, the sticker is not required to be affixed to an
23 unmarked vehicle used for purposes of providing law
24 enforcement or security.
25 4. a. The director shall provide for the purchase of all
26 motor vehicles for all branches of the state government,
27 except the department of transportation, institutions under
28 the control of the state board of regents, the department for
29 the blind, and any other state agency exempted by law. The
30 director shall purchase new vehicles in accordance with
31 competitive bidding procedures for items or services as
32 provided in this article. The director may purchase used or
33 preowned vehicles at governmental or dealer auctions if the
34 purchase is determined to be in the best interests of the
35 state.

1 b. The director, and any other state agency, which for
2 purposes of this subsection includes but is not limited to
3 community colleges and institutions under the control of the
4 state board of regents, or local governmental subdivisions
5 purchasing new motor vehicles, shall purchase new passenger
6 vehicles and light trucks so that the average fuel efficiency
7 for the fleet of new passenger vehicles and light trucks
8 purchased in that year equals or exceeds the average fuel
9 economy standard for the vehicles' model year as established
10 by the United States secretary of transportation under 15
11 U.S.C. § 2002. This paragraph does not apply to vehicles
12 purchased for law enforcement purposes or used for off-road
13 maintenance work, or work vehicles used to pull loaded
14 trailers.
15 c. Not later than February 15 of each year, the director
16 shall report compliance with the corporate average fuel
17 economy standards published by the United States secretary of
18 transportation for new motor vehicles, other than motor
19 vehicles purchased by the department of transportation,
20 institutions under the control of the state board of regents,
21 the department for the blind, and any other state agency
22 exempted from the requirements of this subsection. The report
23 of compliance shall classify the vehicles purchased for the
24 current vehicle model year using the following categories:
25 passenger automobiles, enforcement automobiles, vans, and
26 light trucks. The director shall deliver a copy of the report
27 to the department of natural resources. As used in this
28 paragraph, "corporate average fuel economy" means the
29 corporate average fuel economy as defined in 49 C.F.R. §
30 533.5.
31 d. The director shall assign motor vehicles available for
32 use to maximize the average passenger miles per gallon of
33 motor vehicle fuel consumed. In assigning motor vehicles, the
34 director shall consider standards established by the director,
35 which may include but are not limited to the number of

1 passengers traveling to a destination, the fuel economy of and
2 passenger capacity of vehicles available for assignment, and
3 any other relevant information, to assure assignment of the
4 most energy-efficient vehicle or combination of vehicles for a
5 trip from those vehicles available for assignment. The
6 standards shall not apply to special work vehicles and law
7 enforcement vehicles. The standards shall apply to the
8 following agencies:
9 (1) Department of transportation.
10 (2) Institutions under the control of the state board of
11 regents.
12 (3) Department for the blind.
13 (4) Any other state agency exempted from obtaining
14 vehicles for use through the department.
15 e. As used in paragraph "d", "fuel economy" means the
16 average number of miles traveled by an automobile per gallon
17 of gasoline consumed as determined by the United States
18 environmental protection agency administrator in accordance
19 with 26 U.S.C. § 4064(c).
20 5. Of all new passenger vehicles and light pickup trucks
21 purchased by the director, a minimum of ten percent of all
22 such vehicles and trucks purchased shall be equipped with
23 engines which utilize alternative methods of propulsion
24 including but not limited to any of the following:
25 a. A flexible fuel, which is any of the following:
26 (1) A fuel blended with not more than fifteen percent
27 gasoline and at least eighty-five percent ethanol.
28 (2) A fuel which is a mixture of diesel fuel and processed
29 soybean oil. At least twenty percent of the mixed fuel by
30 volume must be processed soybean oil.
31 (3) A renewable fuel approved by the office of renewable
32 fuels and coproducts pursuant to section 159A.3.
33 b. Compressed or liquefied natural gas.
34 c. Propane gas.
35 d. Solar energy.

1 e. Electricity.
2 This subsection does not apply to vehicles and trucks
3 purchased and directly used for law enforcement or purchased
4 and used for off-road maintenance work or to pull loaded
5 trailers.
6 6. All used motor vehicles turned in to the director shall
7 be disposed of by public auction, and the sales shall be
8 advertised in a newspaper of general circulation one week in
9 advance of sale, and the receipts from the sale shall be
10 deposited in the depreciation fund to the credit of the state
11 agency turning in the vehicle; except that, in the case of a
12 used motor vehicle of special design, the director may,
13 instead of selling it at public auction, authorize the motor
14 vehicle to be traded for another vehicle of similar design.
15 If a vehicle sustains damage and the cost to repair exceeds
16 the wholesale value of the vehicle, the director may dispose
17 of the motor vehicle by obtaining two or more written salvage
18 bids and the vehicle shall be sold to the highest responsible
19 bidder.
20 7. The director may authorize the establishment of motor
21 pools consisting of a number of state-owned motor vehicles
22 under the director's supervision. The director may store the
23 motor vehicles in a public or private garage. If the director
24 establishes a motor pool, any state officer or employee
25 desiring the use of a state-owned motor vehicle on state
26 business shall notify the director of the need for a vehicle
27 within a reasonable time prior to actual use of the motor
28 vehicle. The director may assign a motor vehicle from the
29 motor pool to the state officer or employee. If two or more
30 state officers or employees desire the use of a state-owned
31 motor vehicle for a trip to the same destination for the same
32 length of time, the director may assign one vehicle to make
33 the trip.
34 8. The director shall require that a sign be placed on
35 each state-owned motor vehicle in a conspicuous place which

1 indicates its ownership by the state. This requirement shall
2 not apply to motor vehicles requested to be exempt by the
3 director or by the commissioner of public safety. All state-
4 owned motor vehicles shall display registration plates bearing
5 the word "official" except motor vehicles requested to be
6 furnished with ordinary plates by the director or by the
7 commissioner of public safety pursuant to section 321.19. The
8 director shall keep an accurate record of the registration
9 plates used on all state-owned motor vehicles.
10 9. All fuel used in state-owned automobiles shall be
11 purchased at cost from the various installations or garages of
12 the department of transportation, state board of regents,
13 department of human services, or state motor pools throughout
14 the state, unless the state-owned sources for the purchase of
15 fuel are not reasonably accessible. If the director
16 determines that state-owned sources for the purchase of fuel
17 are not reasonably accessible, the director shall authorize
18 the purchase of fuel from other sources. The director may
19 prescribe a manner, other than the use of the revolving fund,
20 in which the purchase of fuel from state-owned sources is
21 charged to the state agency responsible for the use of the
22 motor vehicle. The director shall prescribe the manner in
23 which oil and other normal motor vehicle maintenance for
24 state-owned motor vehicles may be purchased from private
25 sources, if they cannot be reasonably obtained from a state
26 motor pool. The director may advertise for bids and award
27 contracts in accordance with competitive bidding procedures
28 for items and services as provided in this article for
29 furnishing fuel, oil, grease, and vehicle replacement parts
30 for all state-owned motor vehicles. The director and other
31 state agencies, when advertising for bids for gasoline, shall
32 also seek bids for ethanol blended gasoline.
33 Sec. 53. NEW SECTION. 8A.363 PRIVATE USE PROHIBITED --
34 RATE FOR STATE BUSINESS.
35 1. A state officer or employee shall not use a state-owned

1 motor vehicle for personal private use. A state officer or
2 employee shall not be compensated for driving a privately
3 owned motor vehicle unless it is done on state business with
4 the approval of the director. In that case the state officer
5 or employee shall receive an amount to be determined by the
6 director. The amount shall not exceed the maximum allowable
7 under the federal internal revenue service rules per mile,
8 notwithstanding established mileage requirements or
9 depreciation allowances. However, the director may authorize
10 private motor vehicle rates in excess of the rate allowed
11 under the federal internal revenue service rules for state
12 business use of substantially modified or specially equipped
13 privately owned vehicles required by persons with
14 disabilities. A statutory provision establishing
15 reimbursement for necessary mileage, travel, or actual
16 expenses to a state officer falls under the private motor
17 vehicle mileage rate limitation provided in this section
18 unless specifically provided otherwise. Any peace officer
19 employed by the state as defined in section 801.4 who is
20 required to use a private motor vehicle in the performance of
21 official duties shall receive the private vehicle mileage rate
22 at the rate provided in this section. However, the director
23 may delegate authority to officials of the state, and
24 department heads, for the use of private vehicles on state
25 business up to a yearly mileage figure established by the
26 director. If a state motor vehicle has been assigned to a
27 state officer or employee, the officer or employee shall not
28 collect mileage for the use of a privately owned motor vehicle
29 unless the state motor vehicle assigned is not useable.
30 2. This section does not apply to any of the following:
31 a. Officials and employees of the state whose mileage is
32 paid other than by a state agency.
33 b. Elected officers of the state.
34 c. Judicial officers or court employees.
35 d. Members and employees of the general assembly who shall

1 be governed by policies relating to motor vehicle travel,
2 including but not limited to reimbursement for expenses, as
3 established by the general assembly.
4 Sec. 54. NEW SECTION. 8A.364 FLEET MANAGEMENT REVOLVING
5 FUND -- REPLENISHMENT.
6 1. A fleet management revolving fund is created in the
7 state treasury under the control of the department. There is
8 appropriated from moneys in the state treasury not otherwise
9 appropriated the sum of twenty-five thousand dollars to the
10 revolving fund. All purchases of gasoline, oil, tires,
11 repairs, and all other general expenses incurred in the
12 operation of state-owned motor vehicles, and all salaries and
13 expenses of employees providing fleet management services
14 shall be paid from this fund.
15 2. At the end of each month the director shall render a
16 statement to each state department or agency for the actual
17 cost of operation of all motor vehicles assigned to such
18 department or agency, together with a fair proportion of the
19 administrative costs for providing fleet management services
20 during such month, as determined by the director, all subject
21 to review by the executive council upon complaint of any state
22 department or agency adversely affected. Such expenses shall
23 be paid by the state departments or agencies in the same
24 manner as other expenses of such department are paid, and when
25 such expenses are paid, such sums shall be credited to the
26 fleet management revolving fund. If any surplus accrues to
27 the revolving fund in excess of twenty-five thousand dollars
28 for which there is no anticipated need or use, the governor
29 may order such surplus transferred to the general fund of the
30 state.
31 Sec. 55. NEW SECTION. 8A.365 VEHICLE REPLACEMENT --
32 DEPRECIATION FUND.
33 1. The director shall maintain a depreciation fund for the
34 purchase of replacement motor vehicles and additions to the
35 fleet. The director's records shall show the total funds

1 deposited by and credited to each department or agency. At
2 the end of each month, the director shall render a statement
3 to each state department or agency for additions to the fleet
4 and total depreciation credited to that department or agency.
5 Such depreciation expense shall be paid by the state
6 departments or agencies in the same manner as other expenses
7 are paid, and shall be deposited in the depreciation fund to
8 the credit of the department or agency. The funds credited to
9 each department or agency shall remain the property of the
10 department or agency. However, at the end of each biennium,
11 the director shall cause to revert to the fund from which it
12 accumulated any unassigned depreciation.
13 2. The department of corrections is not obligated to pay
14 the depreciation expense otherwise required by this section.
15 Sec. 56. NEW SECTION. 8A.366 VIOLATIONS -- WITHDRAWING
16 USE OF VEHICLE.
17 If any state officer or employee violates any of the
18 provisions of sections 8A.361 through 8A.365, the director may
19 withdraw the assignment of any state-owned motor vehicle to
20 any such state officer or employee.
21 ARTICLE 4
22 HUMAN RESOURCES
23 STATE HUMAN RESOURCE MANAGEMENT -- OPERATIONS
24 Sec. 57. NEW SECTION. 8A.401 DEFINITIONS.
25 As used in this article, unless the context otherwise
26 requires:
27 1. "Appointing authority" means the chairperson or person
28 in charge of any state agency including, but not limited to,
29 boards, bureaus, commissions, and departments, or an employee
30 designated to act for an appointing authority.
31 2. "Merit system" means the merit system established under
32 this article.
33 Sec. 58. NEW SECTION. 8A.402 STATE HUMAN RESOURCE
34 MANAGEMENT -- RESPONSIBILITIES.
35 1. The department is the central agency responsible for

1 state human resource management, including the following:
2 a. Policy and program development, workforce planning, and
3 research.
4 b. Employment activities and transactions, including
5 recruitment, examination, and certification of personnel
6 seeking employment or promotion.
7 c. Compensation and benefits, including position
8 classification, wages and salaries, and employee benefits.
9 Employee benefits include, but are not limited to, group
10 medical, dental, life, and long-term disability insurance,
11 workers' compensation, unemployment benefits, sick leave,
12 deferred compensation, holidays and vacations, tuition
13 reimbursement, and educational leaves.
14 d. Equal employment opportunity, affirmative action, and
15 workforce diversity programs.
16 e. Education, training, and workforce development
17 programs.
18 f. Personnel records and administration, including the
19 audit of all personnel-related documents.
20 g. Employment relations, including the negotiation and
21 administration of collective bargaining agreements on behalf
22 of the executive branch of the state and its departments and
23 agencies as provided in chapter 20. However, the state board
24 of regents, for the purposes of implementing and administering
25 collective bargaining pursuant to chapter 20, shall act as the
26 exclusive representative of the state with respect to its
27 faculty, scientific, and other professional staff.
28 h. The coordination and management of the state's human
29 resource information system, except as otherwise required for
30 those employees governed by chapter 262.
31 2. The department, as it relates to the human resources of
32 state government, shall do the following:
33 a. Establish and maintain a list of all employees in the
34 executive branch of state government and set forth, as to each
35 employee, the class title, pay, status, and other pertinent

1 data. For employees governed by chapter 262, the director
2 shall work collaboratively with the state board of regents to
3 collect such information.
4 b. Foster and develop, in cooperation with appointing
5 authorities and others, programs for the improvement of
6 employee effectiveness, including training, safety, health,
7 counseling, and welfare.
8 c. Encourage and exercise leadership in the development of
9 effective personnel administration within the several state
10 agencies, and to make available the facilities of the
11 department to this end.
12 d. The director may delegate any or all aspects of the
13 recruitment, examination, and selection processes to an agency
14 in the executive branch upon request by that agency. The
15 director shall oversee all activities delegated to that
16 agency.
17 e. Utilize appropriate persons, including officers and
18 employees in the executive branch, to assist in the
19 recruitment and examination of applicants for employment.
20 These officers and employees are not entitled to extra pay for
21 their services, but shall be paid their necessary traveling
22 and other expenses.
23 3. The human resource management powers and duties of the
24 department do not extend to the legislative branch or the
25 judicial branch of state government, except for functions
26 related to administering compensation and benefit programs.
27 MERIT SYSTEM
28 Sec. 59. NEW SECTION. 8A.411 MERIT SYSTEM ESTABLISHED --
29 COLLECTIVE BARGAINING -- APPLICABILITY.
30 1. The general purpose of this article is to establish for
31 the state of Iowa a system of human resource administration
32 based on merit principles and scientific methods to govern the
33 appointment, compensation, promotion, welfare, development,
34 transfer, layoff, removal, and discipline of its civil
35 employees, and other incidents of state employment.

1 2. It is also the purpose of this article to promote the
2 coordination of personnel rules and policies with collective
3 bargaining agreements negotiated under chapter 20.
4 3. All appointments and promotions to positions covered by
5 the state merit system shall be made solely on the basis of
6 merit and fitness, to be ascertained by examinations or other
7 appropriate screening methods, except as otherwise specified
8 in this article.
9 4. Provisions of this article pertaining to
10 qualifications, examination, certification, probation, and
11 just cause apply only to employees covered by the merit
12 system.
13 Sec. 60. NEW SECTION. 8A.412 MERIT SYSTEM --
14 APPLICABILITY -- EXCEPTIONS.
15 The merit system shall apply to all employees of the state
16 and to all positions in state government now existing or
17 hereafter established. In addition, the director shall
18 negotiate an agreement with the director of the department for
19 the blind concerning the applicability of the merit system to
20 the professional employees of the department for the blind.
21 However, the merit system shall not apply to the following:
22 1. The general assembly, employees of the general
23 assembly, other officers elected by popular vote, and persons
24 appointed to fill vacancies in elective offices.
25 2. All judicial officers and court employees.
26 3. The staff of the governor.
27 4. All board members and commissioners whose appointments
28 are provided for by the Code.
29 5. All presidents, deans, directors, teachers,
30 professional and scientific personnel, and student employees
31 under the jurisdiction of the state board of regents. The
32 state board of regents shall adopt rules not inconsistent with
33 the objectives of this chapter for all of its employees not
34 cited specifically in this subsection. The rules are subject
35 to approval by the director. If at any time the director

1 determines that the state board of regents merit system rules
2 do not comply with the intent of this chapter, the director
3 may direct the board to correct the rules. The rules of the
4 board are not in compliance until the corrections are made.
5 6. All appointments which are by law made by the governor.
6 7. All personnel of the armed services under state
7 jurisdiction.
8 8. Persons who are paid a fee on a contract-for-services
9 basis.
10 9. Seasonal employees appointed during a state agency's
11 designated six-month seasonal employment period during the
12 same annual twelve-month period, as approved by the director.
13 10. Residents, patients, or inmates working in state
14 institutions, or persons on parole working in work experience
15 programs.
16 11. Professional employees under the supervision of the
17 attorney general, the state public defender, the auditor of
18 state, the treasurer of state, and the public employment
19 relations board. However, employees of the consumer advocate
20 division of the department of justice, other than the consumer
21 advocate, are subject to the merit system.
22 12. Production and engineering personnel under the
23 jurisdiction of the Iowa public broadcasting board.
24 13. Members of the Iowa state patrol and other peace
25 officers employed by the department of public safety. The
26 commissioner of public safety shall adopt rules not
27 inconsistent with the objectives of this article for the
28 persons described in this subsection.
29 14. Professional employees of the arts division of the
30 department of cultural affairs.
31 15. The chief deputy administrative officer and each
32 division administrator of each state agency not otherwise
33 specifically provided for in this section, and physicians not
34 otherwise specifically provided for in this section. As used
35 in this subsection, "division administrator" means a principal

1 administrative or policymaking position designated by a chief
2 administrative officer and approved by the director or as
3 specified by law.
4 16. All confidential employees.
5 17. Other employees specifically exempted by law.
6 18. The administrator and the deputy administrator of the
7 credit union division of the department of commerce, all
8 members of the credit union review board, and all employees of
9 the credit union division.
10 19. The superintendent and the deputy superintendent of
11 the banking division of the department of commerce, all
12 members of the state banking board, and all employees of the
13 banking division.
14 20. Chief deputy industrial commissioners.
15 21. The appointee serving as the coordinator of the office
16 of renewable fuels and coproducts, as provided in section
17 159A.3.
18 22. All employees of the Iowa state fair authority.
19 23. Up to six nonprofessional employees designated at the
20 discretion of each statewide elected official.
21 24. The position classifications of employees of statewide
22 elected officials that were exempt from the merit system as of
23 June 30, 1994, shall remain exempt and any employees
24 subsequently hired to fill any exempt position vacancies shall
25 be classified as exempt employees.
26 Sec. 61. NEW SECTION. 8A.413 STATE HUMAN RESOURCE
27 MANAGEMENT -- RULES.
28 The department shall adopt rules for the administration of
29 this article pursuant to chapter 17A. Rulemaking shall be
30 carried out with due regard to the terms of collective
31 bargaining agreements. A rule shall not supersede a provision
32 of a collective bargaining agreement negotiated under chapter
33 20. The rules shall provide:
34 1. For the preparation, maintenance, and revision of a job
35 classification plan that encompasses each job in the executive

1 branch, excluding job classifications under the state board of
2 regents, based upon assigned duties and responsibilities, so
3 that the same general qualifications may reasonably be
4 required for and the same pay plan may be equitably applied to
5 all jobs in the same job classification. The director shall
6 classify the position of every employee in the executive
7 branch, excluding employees of the state board of regents,
8 into one of the classes in the plan. An appointing authority
9 or employee adversely affected by a classification or
10 reclassification decision may file an appeal with the
11 director. Appeals of a classification or reclassification
12 decision shall be exempt from the provisions of section 17A.11
13 and shall be heard by a committee appointed by the director.
14 The classification or reclassification of a position that
15 would cause the expenditure of additional salary funds shall
16 not become effective if the expenditure of funds would be in
17 excess of the total amount budgeted for the department of the
18 appointing authority until budgetary approval has been
19 obtained from the director of the department of management.
20 When the public interest requires a decrease or increase of
21 employees in any position or type of employment not otherwise
22 provided by law, or the creation or abolishment of any
23 position or type of employment, the director, acting in good
24 faith, shall so notify the governor. Thereafter, the position
25 or type of employment shall stand abolished or created and the
26 number of employees therein reduced or increased.
27 2. For pay plans covering all employees in the executive
28 branch, excluding employees of the state board of regents,
29 after consultation with the governor and appointing
30 authorities, and consistent with the terms of collective
31 bargaining agreements negotiated under chapter 20.
32 3. For examinations to determine the relative fitness of
33 applicants for employment. Such examinations shall be
34 practical in character and shall relate to such matters as
35 will fairly assess the ability of the applicant to discharge

1 the duties of the position to which appointment is sought.
2 Where the Code of Iowa establishes certification,
3 registration, or licensing provisions, such documents shall be
4 considered prima facie evidence of basic skills accomplishment
5 and such persons shall be exempt from further basic skills
6 examination.
7 Vacancies shall be announced publicly at least ten days in
8 advance of the date fixed for the filing of applications for
9 the vacancies, and shall be advertised through the
10 communications media. The director may, however, in the
11 director's discretion, continue to receive applications and
12 examine candidates for a period adequate to assure a
13 sufficient number of eligibles to meet the needs of the
14 system, and may add the names of successful candidates to
15 existing eligible lists.
16 4. For promotions which shall give appropriate
17 consideration to the applicant's qualifications, record of
18 performance, and conduct. A promotion means a change in the
19 status of an employee from a position in one class to a
20 position in another class having a higher pay grade.
21 5. For the establishment of lists for appointment and
22 promotion, upon which lists shall be placed the names of
23 successful candidates.
24 6. For the rejection of applicants who fail to meet
25 reasonable requirements.
26 7. For the appointment by the appointing authority of a
27 person on the appropriate list to fill a vacancy.
28 8. For a probation period of six months, excluding
29 educational or training leave, before appointment may be made
30 complete, and during which period a probationer may be
31 discharged or reduced in class or pay. If the employee's
32 services are unsatisfactory, the employee shall be dropped
33 from the payroll on or before the expiration of the probation
34 period. If satisfactory, the appointment shall be deemed
35 permanent. The determination of the appointing authority

1 shall be final and conclusive.
2 9. For temporary employment for not more than seven
3 hundred eighty hours in a fiscal year.
4 10. For provisional employment when there is no
5 appropriate list available. Such provisional employment shall
6 not continue longer than one hundred eighty calendar days.
7 11. For transfer from a position in one state agency to a
8 similar position in the same state agency or another state
9 agency involving similar qualifications, duties,
10 responsibilities, and salary ranges. Whenever an employee
11 transfers or is transferred from one state agency to another
12 state agency, the employee's seniority rights, any accumulated
13 sick leave, and accumulated vacation time, as provided in the
14 law, shall be transferred to the new place of employment and
15 credited to the employee. Employees who are subject to
16 contracts negotiated under chapter 20 which include transfer
17 provisions shall be governed by the contract provisions.
18 12. For reinstatement of persons who have attained
19 permanent status and who resign in good standing or who are
20 laid off from their positions without fault or delinquency on
21 their part.
22 13. For establishing in cooperation with the appointing
23 authorities a performance management system for all employees
24 in the executive branch, excluding employees of the state
25 board of regents, which shall be considered in determining
26 salary increases; as a factor in promotions; as a factor in
27 determining the order of layoffs and in reinstatement; as a
28 factor in demotions, discharges, and transfers; and for the
29 regular evaluation, at least annually, of the qualifications
30 and performance of those employees.
31 14. For layoffs by reason of lack of funds or work, or
32 reorganization, and for the recall of employees so laid off,
33 giving consideration in layoffs to the employee's performance
34 record and length of service. An employee who has been laid
35 off may be on a recall list for one year, which list shall be

1 exhausted by the organizational unit enforcing the layoff
2 before selection of an employee may be made from the
3 promotional or nonpromotional list in the employee's
4 classification. Employees who are subject to contracts
5 negotiated under chapter 20 which include layoff and recall
6 provisions shall be governed by the contract provisions.
7 15. For imposition, as a disciplinary measure, of a
8 suspension from service without pay.
9 16. For discharge, suspension, or reduction in job
10 classification or pay grade for any of the following causes:
11 failure to perform assigned duties; inadequacy in performing
12 assigned duties; negligence; inefficiency; incompetence;
13 insubordination; unrehabilitated alcoholism or narcotics
14 addiction; dishonesty; unlawful discrimination; failure to
15 maintain a license, certificate, or qualification necessary
16 for a job classification or position; any act or conduct which
17 adversely affects the employee's performance or the employing
18 agency; or any other good cause for discharge, suspension, or
19 reduction. The person discharged, suspended, or reduced shall
20 be given a written statement of the reasons for the discharge,
21 suspension, or reduction within twenty-four hours after the
22 discharge, suspension, or reduction. All persons concerned
23 with the administration of this article shall use their best
24 efforts to ensure that this article and the rules adopted
25 pursuant to this article shall not be a means of protecting or
26 retaining unqualified or unsatisfactory employees, and shall
27 discharge, suspend, or reduce in job classification or pay
28 grade all employees who should be discharged, suspended, or
29 reduced for any of the causes stated in this subsection.
30 17. For establishment of a uniform plan for resolving
31 employee grievances and complaints. Employees who are subject
32 to contracts negotiated under chapter 20 which include
33 grievance and complaint provisions shall be governed by the
34 contract provisions.
35 18. For attendance regulations, and special leaves of

1 absence, with or without pay, or reduced pay, in the various
2 classes of positions in the executive branch, excluding
3 positions under the state board of regents. Employees who are
4 subject to contracts negotiated under chapter 20 which include
5 leave of absence provisions shall be governed by the contract
6 provisions. Annual sick leave and vacation time shall be
7 granted in accordance with section 70A.1.
8 19. For the development and operation of programs to
9 improve the work effectiveness and morale of employees in the
10 executive branch, excluding employees of the state board of
11 regents, including training, safety, health, welfare,
12 counseling, recreation, and employee relations.
13 20. Notwithstanding any provisions to the contrary, a rule
14 or regulation shall not be adopted by the department which
15 would deprive the state of Iowa, or any of its agencies or
16 institutions, of federal grants or other forms of financial
17 assistance.
18 21. For veterans preference through a provision that
19 veterans, as defined in section 35.1, shall have five points
20 added to the grade or score attained in qualifying
21 examinations for appointment to jobs.
22 Veterans who have a service-connected disability or are
23 receiving compensation, disability benefits, or pension under
24 laws administered by the veterans administration shall have
25 ten points added to the grades attained in qualifying
26 examinations. A veteran who has been awarded the purple heart
27 for disabilities incurred in action shall be considered to
28 have a service-connected disability.
29 22. For acceptance of the qualifications, requirements,
30 regulations, and general provisions established under other
31 sections of the Code pertaining to professional registration,
32 certification, and licensing.
33 Sec. 62. NEW SECTION. 8A.414 EXPERIMENTAL RESEARCH
34 PROJECTS.
35 The director may conduct experimental or research

1 personnel-related projects of limited duration designed to
2 improve the quality of the employment system. The provisions
3 of section 8A.413 or administrative rules adopted pursuant to
4 that section are waived for the purposes of such projects.
5 Projects adopted under this authority shall not violate
6 existing collective bargaining agreements. Any projects that
7 relate to issues covered by such agreements or issues that are
8 mandatory subjects of collective bargaining are subject to
9 negotiations as applicable. The director shall notify the
10 chairpersons of the standing committees on appropriations of
11 the senate and the house of representatives and the
12 chairpersons of the appropriate subcommittees of those
13 committees of the proposed projects. The notice from the
14 director shall include the purpose of the project, a
15 description of the project, and how the project will be
16 evaluated. Chairpersons notified shall be given at least two
17 weeks to review and comment on the proposal before the project
18 is implemented. The director shall report the results of the
19 experimental research projects conducted in the preceding
20 fiscal year to the legislative council by September 30 of each
21 year.
22 Sec. 63. NEW SECTION. 8A.415 GRIEVANCES AND DISCIPLINE
23 RESOLUTION.
24 1. GRIEVANCES. An employee, except an employee covered by
25 a collective bargaining agreement which provides otherwise,
26 who has exhausted the available agency steps in the uniform
27 grievance procedure provided for in the department rules may,
28 within seven calendar days following the date a decision was
29 received or should have been received at the second step of
30 the grievance procedure, file the grievance at the third step
31 with the director. The director shall respond within thirty
32 calendar days following receipt of the third step grievance.
33 If not satisfied, the employee may, within thirty calendar
34 days following the director's response, file an appeal with
35 the public employment relations board. The hearing shall be

1 conducted in accordance with the rules of the public
2 employment relations board and the Iowa administrative
3 procedure Act, chapter 17A. Decisions rendered shall be based
4 upon a standard of substantial compliance with this article
5 and the rules of the department. Decisions by the public
6 employment relations board constitute final agency action.
7 For purposes of this subsection, "uniform grievance
8 procedure" does not include procedures for discipline and
9 discharge.
10 2. DISCIPLINE RESOLUTION. A merit system employee, except
11 an employee covered by a collective bargaining agreement, who
12 is discharged, suspended, demoted, or otherwise reduced in
13 pay, except during the employee's probationary period, may
14 bypass steps one and two of the grievance procedure and appeal
15 the disciplinary action to the director within seven calendar
16 days following the effective date of the action. The director
17 shall respond within thirty calendar days following receipt of
18 the appeal.
19 If not satisfied, the employee may, within thirty calendar
20 days following the director's response, file an appeal with
21 the public employment relations board. The employee has the
22 right to a hearing closed to the public, unless a public
23 hearing is requested by the employee. The hearing shall
24 otherwise be conducted in accordance with the rules of the
25 public employment relations board and the Iowa administrative
26 procedure Act, chapter 17A. If the public employment
27 relations board finds that the action taken by the appointing
28 authority was for political, religious, racial, national
29 origin, sex, age, or other reasons not constituting just
30 cause, the employee may be reinstated without loss of pay or
31 benefits for the elapsed period, or the public employment
32 relations board may provide other appropriate remedies.
33 Decisions by the public employment relations board constitute
34 final agency action.
35 Sec. 64. NEW SECTION. 8A.416 DISCRIMINATION, POLITICAL

1 ACTIVITY, USE OF OFFICIAL INFLUENCE PROHIBITED.
2 1. A person shall not be appointed or promoted to, or
3 demoted or discharged from, any position in the merit system,
4 or in any way favored or discriminated against with respect to
5 employment in the merit system because of the person's
6 political or religious opinions or affiliations or race or
7 national origin or sex, or age.
8 2. A person holding a position in the classified service
9 shall not, during the person's working hours or when
10 performing the person's duties or when using state equipment
11 or at any time on state property, take part in any way in
12 soliciting any contribution for any political party or any
13 person seeking political office, and such employee shall not
14 engage in any political activity that will impair the
15 employee's efficiency during working hours or cause the
16 employee to be tardy or absent from work. This section does
17 not preclude any employee from holding any office for which no
18 pay is received or any office for which only token pay is
19 received.
20 3. A person shall not seek or attempt to use any political
21 endorsement in connection with any appointment to a position
22 in the merit system.
23 4. A person shall not use or promise to use, directly or
24 indirectly, any official authority or influence, whether
25 possessed or anticipated, to secure or attempt to secure for
26 any person an appointment or advantage in appointment to a
27 position in the merit system, or an increase in pay or other
28 advantage in employment in any such position, for the purpose
29 of influencing the vote or political action of any person or
30 for any consideration.
31 5. An employee shall not use the employee's official
32 authority or influence for the purpose of interfering with an
33 election or affecting the results thereof.
34 6. Any officer or employee who violates this section shall
35 be subject to suspension, dismissal, or demotion subject to

1 the right of appeal provided in this article.
2 7. The director shall adopt any rules necessary for
3 further restricting political activities of employees in the
4 executive branch, but only to the extent necessary to comply
5 with federal standards. Employees retain the right to vote as
6 they please and to express their opinions on all subjects.
7 Sec. 65. NEW SECTION. 8A.417 PROHIBITED ACTIONS.
8 1. A person shall not make any false statement,
9 certificate, mark, rating, or report with regard to any
10 examination or appointment made under this article or in any
11 manner commit or attempt to commit any fraud preventing the
12 impartial execution of this article and the rules adopted
13 pursuant to this article.
14 2. A person shall not, directly or indirectly, give,
15 render, pay, offer, solicit, or accept any money, service, or
16 other valuable consideration for or on account of any
17 appointment, proposed appointment, promotion, or proposed
18 promotion to, or any advantage in, a position in the merit
19 system.
20 3. An employee of the department or any other person shall
21 not defeat, deceive, or obstruct any person in the person's
22 right to examination or appointment under this article, or
23 furnish to any person any special or secret information for
24 the purpose of affecting the rights or prospects of any person
25 with respect to employment in the merit system.
26 4. A person shall not discharge an employee from or take
27 or fail to take action regarding an employee's appointment or
28 proposed appointment to, promotion or proposed promotion to,
29 or any advantage in, a position in a merit system administered
30 by, or subject to approval of, the director as a reprisal for
31 a failure by that employee to inform the person that the
32 employee made a disclosure of information permitted by this
33 section, or for a disclosure of any information by that
34 employee to a member or employee of the general assembly, or
35 for a disclosure of information to any other public official

1 or law enforcement agency if the employee reasonably believes
2 the information evidences a violation of law or rule,
3 mismanagement, a gross abuse of funds, an abuse of authority,
4 or a substantial and specific danger to public health or
5 safety. However, an employee may be required to inform the
6 person that the employee made a disclosure of information
7 permitted by this section if the employee represented that the
8 disclosure was the official position of the employee's
9 immediate supervisor or employer. This subsection does not
10 apply if the disclosure of the information is prohibited by
11 statute.
12 Sec. 66. NEW SECTION. 8A.418 FEDERAL PROGRAMS EXEMPTION
13 EXCEPTIONS -- PENALTY.
14 1. Notwithstanding the provisions of this article to the
15 contrary, a person employed under a temporary, emergency
16 employment utilization program funded by the federal
17 government which program does not exceed one year and which
18 program is not subject to merit system standards by federal
19 law, shall be exempt from this article except as provided in
20 this section.
21 2. A person employed as provided in this section shall be
22 subject to the provisions of section 8A.416 relating to
23 political activity and the civil penalties contained in such
24 section and, consistent with subsection 1, the provisions of
25 section 8A.417 relating to prohibited actions.
26 3. A person violating this section shall be subject to the
27 penalty provided for in section 8A.458.
28 EMPLOYEE BENEFITS
29 Sec. 67. NEW SECTION. 8A.431 IOWA MANAGEMENT TRAINING
30 SYSTEM -- TRAINING REVOLVING FUND.
31 1. The department shall establish and administer an Iowa
32 management training system for the state.
33 2. A training revolving fund is created in the state
34 treasury under the control of the department. The moneys
35 credited to the fund shall be used for the purpose of paying

1 actual and necessary expenses incurred by the department in
2 administering the training system. All fees, grants, or
3 specific appropriations for this purpose shall be credited to
4 the fund. The fees for the training system courses shall be
5 set by the director to cover the costs of course development,
6 training materials, facilities and equipment, professional
7 instructors, and administration. The fees shall be paid to
8 the department by the state agency sending the employees for
9 training and the payment shall be credited to the training
10 revolving fund. Notwithstanding section 8.33, moneys in the
11 revolving fund shall not revert. Notwithstanding section
12 12C.7, subsection 2, interest or earnings on moneys deposited
13 in the fund shall be credited to the fund.
14 Sec. 68. NEW SECTION. 8A.432 COMBINED CHARITABLE
15 CAMPAIGN PROGRAM, FEES, REVOLVING FUND.
16 1. The department shall establish and administer a
17 combined charitable campaign program for state employees.
18 2. A combined charitable campaign revolving fund is
19 created in the state treasury under the control of the
20 department. The moneys credited to the fund shall be used for
21 the purpose of paying actual and necessary expenses incurred
22 by the department in administering the program.
23 Administrative expenses shall not exceed five percent of the
24 contributions pledged the previous year. All fees, grants, or
25 specific appropriations for this purpose shall be credited to
26 the fund. The fees for the program shall be set by the
27 director to cover only the cost of administration and
28 materials and shall not cover salaries of state employees
29 involved in the administration of the program. The fees shall
30 be paid to the department from the voluntary employee
31 contributions and the payment shall be credited to the
32 revolving fund. Notwithstanding section 8.33, any moneys in
33 the fund shall not revert. Notwithstanding section 12C.7,
34 subsection 2, interest or earnings on moneys deposited in the
35 fund shall be credited to the fund.

1 Sec. 69. NEW SECTION. 8A.433 DEFERRED COMPENSATION PLAN.
2 The department shall make available to eligible state
3 employees the option of utilizing mutual funds as an
4 investment alternative to the state's deferred compensation
5 plan established under section 509A.12. Participating
6 employees shall, to the extent permitted by law, be allowed to
7 transfer moneys deferred under the plan to a mutual fund
8 offered pursuant to section 509A.12. The department may make
9 the deferred compensation plan established pursuant to this
10 section available to governmental employees of a public entity
11 authorized to establish a deferred compensation program
12 pursuant to section 509A.12.
13 Sec. 70. NEW SECTION. 8A.434 IOWA STATE EMPLOYEE
14 DEFERRED COMPENSATION TRUST FUND.
15 1. A separate, special Iowa state employee deferred
16 compensation trust fund is created in the state treasury under
17 the control of the department. The fund shall consist of all
18 moneys deposited in the fund pursuant to this section, any
19 other assets that must be held in trust for the exclusive
20 benefit of participants in the state's deferred compensation
21 program as required by section 457 of the federal Internal
22 Revenue Code, and interest and earnings thereon, and shall be
23 used for the exclusive benefit of participants in a deferred
24 compensation program established by the state under section
25 509A.12.
26 2. The director is the trustee of the fund and shall
27 administer the fund. Any loss to the fund shall be charged
28 against the fund and the director shall not be personally
29 liable for such loss. In addition, the director is the
30 trustee of any trusts referenced in section 457(g) of the
31 federal Internal Revenue Code. Any loss to the trusts shall
32 be charged against the trusts and the director shall not be
33 personally liable for such loss.
34 3. Any compensation or portion of compensation reduced by
35 a participant in conjunction with a deferred compensation

1 program established by the state under section 509A.12 and any
2 earnings or income thereon shall be held in trust and used for
3 the exclusive benefit of the participant or the participant's
4 beneficiary as provided by section 457 of the federal Internal
5 Revenue Code.
6 4. For purposes of this section, custodial accounts,
7 annuity contracts, and any other contracts referenced in
8 section 457(g) of the federal Internal Revenue Code shall be
9 treated as trusts for purposes of section 457 of the federal
10 Internal Revenue Code.
11 5. Moneys in the fund are not subject to section 8.33.
12 Notwithstanding section 12C.7, subsection 2, interest or
13 earnings on moneys in the fund shall be credited to the fund.
14 Sec. 71. NEW SECTION. 8A.435 STATE EMPLOYEE DEFERRED
15 COMPENSATION MATCH TRUST FUND.
16 1. A separate, special Iowa state employee deferred
17 compensation match trust fund is created in the state treasury
18 under the control of the department. The trust fund shall
19 consist of all moneys deposited in the fund, and other assets
20 that must be held in trust for the exclusive benefit of
21 participants in the state's deferred compensation match
22 program as required by section 401(a) of the federal Internal
23 Revenue Code, and interest and earnings thereon, and shall be
24 used for the exclusive benefit of participants and their
25 beneficiaries in a deferred compensation match program
26 established by the state under section 509A.12.
27 2. The director is the trustee of the fund and shall
28 administer the fund. Any loss to the fund shall be charged
29 against the trust and the director shall not be personally
30 liable for such loss.
31 3. Moneys in the fund are not subject to section 8.33.
32 Notwithstanding section 12C.7, subsection 2, interest or
33 earnings on moneys in the fund shall be credited to the fund.
34 Sec. 72. NEW SECTION. 8A.436 STATE EMPLOYEE DEPENDENT
35 CARE SPENDING ACCOUNT TRUST FUND.

1 1. A separate, special Iowa state employee dependent care
2 spending account trust fund is created in the state treasury
3 under the control of the department. The trust fund consists
4 of all moneys, including monthly administrative charges paid
5 by a state department or agency as authorized by section
6 8A.451, held in trust for the exclusive benefit of
7 participants in the state's dependent care spending account
8 plan. Moneys in the fund are not subject to section 8.33.
9 Notwithstanding section 12C.7, interest and earnings from
10 moneys in the trust fund shall be credited to the trust fund
11 and shall be used exclusively for the benefit of plan
12 participants.
13 2. The director shall serve as trustee of the trust fund
14 and shall administer the fund as required by sections 125 and
15 129 of the federal Internal Revenue Code. Any loss to the
16 fund shall be charged against the fund and the director shall
17 not be personally liable for such loss. The director has the
18 authority to direct expenditures as deemed appropriate to the
19 exclusive benefit of the plan participants.
20 Sec. 73. NEW SECTION. 8A.437 STATE EMPLOYEE HEALTH
21 FLEXIBLE SPENDING ACCOUNT TRUST FUND.
22 1. The director shall establish for state employees a
23 health flexible spending account plan which offers multiple
24 benefits to state employees. The state's health flexible
25 spending account plan shall be established to meet the
26 conditions of section 125 of the Internal Revenue Code of
27 1986.
28 2. A separate, special Iowa state employee health flexible
29 spending account trust fund is created in the state treasury
30 under the control of the department. The trust fund consists
31 of all moneys appropriated to the fund, all monthly
32 administrative charges paid by a state department or agency as
33 authorized by section 8A.451, and any other assets directed to
34 be held in trust for the exclusive benefit of participants in
35 the state's health flexible spending account plan. Moneys in

1 the fund are not subject to section 8.33. Notwithstanding
2 section 12C.7, interest and earnings from moneys in the trust
3 fund shall be credited to the trust fund and shall be used
4 exclusively for the benefit of plan participants.
5 3. The director shall serve as trustee of the trust fund
6 and has the authority to direct expenditures as deemed
7 appropriate to the exclusive benefit of the plan participants.
8 Sec. 74. NEW SECTION. 8A.438 ANNUITY CONTRACTS.
9 1. At the request of an employee of a state agency through
10 contractual agreement, the director may arrange for the
11 purchase of group or individual annuity contracts for any of
12 the employees of that agency, which annuity contracts are
13 issued by a nonprofit corporation issuing retirement annuities
14 exclusively for educational institutions and their employees
15 or are purchased from any company the employee chooses that is
16 authorized to do business in this state or through an Iowa-
17 licensed salesperson that the employee selects, on a group or
18 individual basis, for retirement or other purposes, and may
19 make payroll deductions in accordance with the arrangements
20 for the purpose of paying the entire premium due and to become
21 due under the contract. The deductions shall be made in the
22 manner which will qualify the annuity premiums for the
23 benefits afforded under section 403(b) of the Internal Revenue
24 Code, as defined in section 422.3. The employee's rights
25 under the annuity contract are nonforfeitable except for the
26 failure to pay premiums. As used in this section, unless the
27 context otherwise requires, "annuity contract" includes any
28 custodial account which meets the requirements of section
29 403(b)(7) of the Internal Revenue Code, as defined in section
30 422.3.
31 2. Whenever an existing tax-sheltered annuity contract is
32 to be replaced by a new contract, the agent or representative
33 of the company shall send a letter of intent by registered
34 mail at least thirty days prior to any action to the company
35 being replaced, to the commissioner of insurance of this

1 state, to the agent's own company, and to the director. The
2 letter of intent shall contain the policy number and
3 description of the contract being replaced and a description
4 of the replacement contract.
5 Sec. 75. NEW SECTION. 8A.439 LONGEVITY PAY PROHIBITED --
6 EXCEPTION.
7 A state employee subject to the provisions of this article
8 shall not be entitled to longevity pay except for those
9 employees granted longevity pay pursuant to section 307.48.
10 STATE HUMAN RESOURCE MANAGEMENT OPERATIONS
11 MISCELLANEOUS PROVISIONS
12 Sec. 76. NEW SECTION. 8A.451 HUMAN RESOURCES
13 ADMINISTRATIVE COSTS.
14 1. The department may quarterly render a statement to each
15 department or agency which operates in whole or in part from
16 other than general fund appropriations for a pro rata share of
17 the cost of administration of the department, or a portion
18 thereof, as it relates to the state human resources management
19 duties of the department pursuant to this article. The
20 expense shall be paid by the state department or agency in the
21 same manner as other expenses of that department or agency are
22 paid and all moneys received shall be deposited in the general
23 fund of the state.
24 2. The department shall render monthly a statement to each
25 state department or agency for a pro rata share of the cost of
26 administration of the state employee flexible spending
27 accounts. The expense shall be paid by the state department
28 or agency in the same manner as other expenses of that state
29 department or agency are paid and all moneys received for
30 administration costs shall be deposited in the appropriate
31 fund.
32 Sec. 77. NEW SECTION. 8A.452 USE OF PUBLIC BUILDINGS.
33 All officers and employees of the state and of political
34 subdivisions of the state shall allow the department the
35 reasonable use of public buildings under their control, and

1 furnish heat, light, and furniture for any examination,
2 hearing, or investigation authorized by this article. The
3 department shall pay to a political subdivision the reasonable
4 cost of any such facilities furnished.
5 Sec. 78. NEW SECTION. 8A.453 AID BY STATE EMPLOYEES --
6 RECORDS AND INFORMATION.
7 1. All officers and employees of the state shall comply
8 with and aid in all proper ways in carrying out the provisions
9 of this article and the rules and orders under this article.
10 All officers and employees shall furnish any records or
11 information which the director requires for any purpose of
12 this article. The director may institute and maintain any
13 action or proceeding at law or in equity that the director
14 considers necessary or appropriate to secure compliance with
15 this article and the rules and orders under this article.
16 2. The director may delegate to a person in any
17 department, agency, board, commission, or office, located away
18 from the seat of government, any of the duties imposed by this
19 article upon the director.
20 Sec. 79. NEW SECTION. 8A.454 HEALTH INSURANCE
21 ADMINISTRATION FUND.
22 1. A separate, special Iowa state health insurance
23 administration fund is created in the state treasury under the
24 control of the department. The fund shall consist of all
25 moneys deposited in the fund from proceeds of a monthly per
26 contract administrative charge assessed and collected by the
27 department. Moneys deposited in the fund shall be expended by
28 the department for health insurance program administration
29 costs. Notwithstanding section 12C.7, subsection 2, interest
30 or earnings on moneys deposited in the fund shall be credited
31 to the fund.
32 2. A monthly per contract administrative charge shall be
33 assessed by the department on all health insurance plans
34 administered by the department in which the contract holder
35 has a state employer to pay the charge. The amount of the

1 administrative charge shall be established by the general
2 assembly. The department shall collect the administrative
3 charge from each department utilizing the centralized payroll
4 system and shall deposit the proceeds in the fund. In
5 addition, the state board of regents, all library service
6 areas, the state fair board, the state department of
7 transportation, and each judicial district department of
8 correctional services shall remit the administrative charge on
9 a monthly basis to the department and shall submit a report to
10 the department containing the number and type of health
11 insurance contracts held by each of its employees whose health
12 insurance is administered by the department.
13 3. The expenditure of moneys from the fund in any fiscal
14 year shall not exceed the amount of the monthly charge
15 established by the general assembly multiplied by the number
16 of health insurance contracts in effect at the beginning of
17 the same fiscal year in which the expenditures shall be made.
18 Any unencumbered or unobligated moneys in the fund at the end
19 of the fiscal year shall not revert but shall be transferred
20 to the health insurance premium reserve fund established
21 pursuant to section 509A.5.
22 4. This section is repealed July 1, 2007.
23 Sec. 80. NEW SECTION. 8A.455 CERTIFICATION OF PAYROLLS
24 -- ACTIONS.
25 1. A state disbursing or auditing officer shall not make
26 or approve or take part in making or approving a payment for
27 personnel services to any person unless the payroll voucher or
28 account of the pay bears the certification of the director, or
29 of the director's authorized agent, that the persons named
30 have been appointed and employed in accordance with this
31 article and the rules and orders under this article, and that
32 funds are available for the payment of the persons.
33 2. The director may, for proper cause, withhold
34 certification from an entire payroll or from any specific item
35 or items on a payroll. The director may, however, provide

1 that certification of payrolls may be made once every year,
2 and such certification shall remain in effect except in the
3 case of any officer or employee whose status has changed after
4 the last certification of the officer's or employee's payroll.
5 In the latter case a voucher for payment of salary to such
6 employee shall not be issued or payment of salary shall not be
7 made without further certification by the director.
8 3. Any citizen may maintain an action in accordance with
9 chapter 17A to restrain a disbursing officer from making any
10 payment in contravention of this article, or rule or order
11 under this article. Any sum paid contrary to this article or
12 any rule or order under this article may be recovered in an
13 action in accordance with chapter 17A maintained by any
14 citizen, from any officer who made, approved, or authorized
15 such payment or who signed or countersigned a voucher,
16 payroll, check, or warrant for such payment, or from the
17 sureties on the official bond of any such officer. All moneys
18 recovered in any such action shall be paid into the state
19 treasury.
20 4. Any person appointed or employed in contravention of
21 this article or of any rule or order under this article who
22 performs service for which the person is not paid may maintain
23 an action in accordance with chapter 17A against the officer
24 or officers who purported so to appoint or employ the person
25 to recover the agreed pay for such services or the reasonable
26 value of the services if no pay was agreed upon. An officer
27 shall not be reimbursed by the state at any time for any sum
28 paid to such person on account of such services.
29 5. If the director wrongfully withholds certification of
30 the payroll voucher or account of any employee, such employee
31 may maintain a proceeding in accordance with chapter 17A in
32 the courts to compel the director to certify such a payroll
33 voucher or account.
34 Sec. 81. NEW SECTION. 8A.456 ACCESS TO RECORDS.
35 1. An employee subject to the provisions of this article

1 shall have access to the employee's personal file.
2 2. An applicant for a position subject to the provisions
3 of this article shall be permitted to review, in accordance
4 with such rules as the director may prescribe, any evaluation
5 resulting from the application for employment.
6 Sec. 82. NEW SECTION. 8A.457 WORKERS' COMPENSATION
7 CLAIMS.
8 The director shall employ appropriate staff to handle and
9 adjust claims of state employees for workers' compensation
10 benefits pursuant to chapters 85, 85A, 85B, and 86, or with
11 the approval of the executive council contract for the
12 services or purchase workers' compensation insurance coverage
13 for state employees or selected groups of state employees. A
14 state employee workers' compensation fund is created in the
15 state treasury under the control of the department to pay
16 state employee workers' compensation claims and administrative
17 costs. The department shall establish a rating formula and
18 assess premiums to all agencies, departments, and divisions of
19 the state including those which have not received an
20 appropriation for the payment of workers' compensation
21 insurance and which operate from moneys other than from the
22 general fund of the state. The department shall collect the
23 premiums and deposit them into the state employee workers'
24 compensation fund. Notwithstanding section 8.33, moneys
25 deposited in the state employee workers' compensation fund
26 shall not revert to the general fund of the state at the end
27 of any fiscal year, but shall remain in the state employee
28 workers' compensation fund and be continuously available to
29 pay state employee workers' compensation claims. The director
30 may, to the extent practicable, contract with a private
31 organization to handle the processing and payment of claims
32 and services rendered under the provisions of this section.
33 Sec. 83. NEW SECTION. 8A.458 PENALTY.
34 A person who willfully violates this article or any rules
35 adopted pursuant to this article, where no other penalty is

1 prescribed, is guilty of a simple misdemeanor.
2 ARTICLE 5
3 FINANCIAL ADMINISTRATION
4 Sec. 84. NEW SECTION. 8A.502 FINANCIAL ADMINISTRATION
5 DUTIES.
6 The department shall provide for the efficient management
7 and administration of the financial resources of state
8 government and shall have and assume the following powers and
9 duties:
10 1. CENTRALIZED ACCOUNTING SYSTEM. To assume the
11 responsibilities related to a centralized accounting system
12 for state government.
13 2. SETOFF PROCEDURES. To establish and maintain a setoff
14 procedure as provided in section 8A.504.
15 3. COST ALLOCATION SYSTEM. To establish a cost allocation
16 system as provided in section 8A.505.
17 4. COLLECTION AND PAYMENT OF FUNDS -- MONTHLY PAYMENTS.
18 To control the payment of all moneys into the state treasury,
19 and all payments from the state treasury by the preparation of
20 appropriate warrants, or warrant checks, directing such
21 collections and payment, and to advise the treasurer of state
22 monthly in writing of the amount of public funds not currently
23 needed for operating expenses. Whenever the state treasury
24 includes state funds that require distribution to counties,
25 cities, or other political subdivisions of this state, and the
26 counties, cities, and other political subdivisions certify to
27 the director that warrants will be stamped for lack of funds
28 within the thirty-day period following certification, the
29 director may partially distribute the funds on a monthly
30 basis. Whenever the law requires that any funds be paid by a
31 specific date, the director shall prepare a final accounting
32 and shall make a final distribution of any remaining funds
33 prior to that date.
34 5. PREAUDIT SYSTEM. To establish and fix a reasonable
35 imprest cash fund for each state department and institution

1 for disbursement purposes where needed. These revolving funds
2 shall be reimbursed only upon vouchers approved by the
3 director. It is the purpose of this subsection to establish a
4 preaudit system of settling all claims against the state, but
5 the preaudit system is not applicable to any of the following:
6 a. Institutions under the control of the state board of
7 regents.
8 b. The state fair board as established in chapter 173.
9 c. The Iowa dairy industry commission as established in
10 chapter 179, the Iowa beef cattle producers association as
11 established in chapter 181, the Iowa pork producers council as
12 established in chapter 183A, the Iowa egg council as
13 established in chapter 184, the Iowa turkey marketing council
14 as established in chapter 184A, the Iowa soybean promotion
15 board as established in chapter 185, and the Iowa corn
16 promotion board as established in chapter 185C.
17 6. AUDIT OF CLAIMS. To set rules and procedures for the
18 preaudit of claims by individual agencies or organizations.
19 The director reserves the right to refuse to accept incomplete
20 or incorrect claims and to review, preaudit, or audit claims
21 as determined by the director.
22 7. CONTRACTS. To certify, record, and encumber all formal
23 contracts to prevent overcommitment of appropriations and
24 allotments.
25 8. ACCOUNTS. To keep the central budget and proprietary
26 control accounts of the general fund of the state and special
27 funds, as defined in section 8.2, of the state government.
28 Upon elimination of the state deficit under generally accepted
29 accounting principles, including the payment of items budgeted
30 in a subsequent fiscal year which under generally accepted
31 accounting principles should be budgeted in the current fiscal
32 year, the recognition of revenues received and expenditures
33 paid and transfers received and paid within the time period
34 required pursuant to section 8.33 shall be in accordance with
35 generally accepted accounting principles. Budget accounts are

1 those accounts maintained to control the receipt and
2 disposition of all funds, appropriations, and allotments.
3 Proprietary accounts are those accounts relating to assets,
4 liabilities, income, and expense. For each fiscal year, the
5 financial position and results of operations of the state
6 shall be reported in a comprehensive annual financial report
7 prepared in accordance with generally accepted accounting
8 principles, as established by the governmental accounting
9 standards board.
10 9. FAIR BOARD AND BOARD OF REGENTS. To control the
11 financial operations of the state fair board and the
12 institutions under the state board of regents:
13 a. By charging all warrants issued to the respective
14 educational institutions and the state fair board to an
15 advance account to be further accounted for and not as an
16 expense which requires no further accounting.
17 b. By charging all collections made by the educational
18 institutions and state fair board to the respective advance
19 accounts of the institutions and state fair board, and by
20 crediting all such repayment collections to the respective
21 appropriations and special funds.
22 c. By charging all disbursements made to the respective
23 allotment accounts of each educational institution or state
24 fair board and by crediting all such disbursements to the
25 respective advance and inventory accounts.
26 d. By requiring a monthly abstract of all receipts and of
27 all disbursements, both money and stores, and a complete
28 account current each month from each educational institution
29 and the state fair board.
30 10. ENTITIES REPRESENTING AGRICULTURAL PRODUCERS. To
31 control the financial operations of the Iowa dairy industry
32 commission as provided in chapter 179, the Iowa beef cattle
33 producers association as provided in chapter 181, the Iowa
34 pork producers council as provided in chapter 183A, the Iowa
35 egg council as provided in chapter 184, the Iowa turkey

1 marketing council as provided in chapter 184A, the Iowa
2 soybean promotion board as provided in chapter 185, and the
3 Iowa corn promotion board as provided in chapter 185C.
4 11. CUSTODY OF RECORDS. To have the custody of all books,
5 papers, records, documents, vouchers, conveyances, leases,
6 mortgages, bonds, and other securities appertaining to the
7 fiscal affairs and property of the state, which are not
8 required to be kept in some other office.
9 12. INTEREST OF THE PERMANENT SCHOOL FUND. To transfer
10 the interest of the permanent school fund to the credit of the
11 interest for Iowa schools fund.
12 13. FORMS. To prescribe all accounting and business forms
13 and the system of accounts and reports of financial
14 transactions by all departments and agencies of the state
15 government other than those of the legislative branch.
16 14. FEDERAL CASH MANAGEMENT AND IMPROVEMENT ACT
17 ADMINISTRATOR. To serve as administrator for state actions
18 relating to the federal Cash Management and Improvement Act of
19 1990, Pub. L. No. 101-453, as codified in 31 U.S.C. § 6503.
20 The director shall perform the following duties relating to
21 the federal law:
22 a. Act as the designated representative of the state in
23 the negotiation and administration of contracts between the
24 state and federal government relating to the federal law.
25 b. Modify the centralized statewide accounting system and
26 develop, or require to be developed by the appropriate
27 departments of state government, the necessary reports and
28 procedures necessary to complete the managerial and financial
29 reports required to comply with the federal law.
30 There is annually appropriated from the general fund of the
31 state to the department an amount sufficient to pay interest
32 costs that may be due the federal government as a result of
33 implementation of the federal law. This paragraph does not
34 authorize the payment of interest from the general fund of the
35 state for any departmental revolving, trust, or special fund

1 where monthly interest earnings accrue to the credit of the
2 departmental revolving, trust, or special fund. For any
3 departmental revolving, trust, or special fund where monthly
4 interest is accrued to the credit of the fund, the director
5 may authorize a supplemental expenditure to pay interest costs
6 from the individual fund which are due the federal government
7 as a result of implementation of the federal law.
8 Sec. 85. NEW SECTION. 8A.503 RULES -- DEPOSIT OF
9 DEPARTMENTAL MONEYS.
10 The director shall prescribe by rule the manner and methods
11 by which all departments and agencies of the state who collect
12 money for and on behalf of the state shall cause the money to
13 be deposited with the treasurer of state or in a depository
14 designated by the treasurer of state. All such moneys
15 collected shall be deposited at such times and in such
16 depositories to permit the state of Iowa to deposit the funds
17 in a manner consistent with the state's investment policies.
18 All such moneys shall be promptly deposited, as directed, even
19 though the individual amount remitted may not be correct. If
20 any individual amount remitted is in excess of the amount
21 required, the department or agency receiving the same shall
22 refund the excess amount. If the individual amount remitted
23 is insufficient, the person, firm, or corporation concerned
24 shall be immediately billed for the amount of the deficiency.
25 Sec. 86. NEW SECTION. 8A.504 SETOFF PROCEDURES.
26 1. DEFINITIONS. As used in this section, unless the
27 context otherwise requires:
28 a. "Collection entity" means the department of
29 administrative services and any other state agency that
30 maintains a separate accounting system and elects to establish
31 a debt collection setoff procedure for collection of debts
32 owed to the state or its agencies.
33 b. "Person" does not include a state agency.
34 c. "Qualifying debt" includes, but is not limited to, the
35 following:

1 (1) Any debt, which is assigned to the department of human
2 services, or which the child support recovery unit is
3 otherwise attempting to collect, or which the foster care
4 recovery unit of the department of human services is
5 attempting to collect on behalf of a child receiving foster
6 care provided by the department of human services.
7 (2) An amount that is due because of a default on a
8 guaranteed student or parental loan under chapter 261.
9 (3) Any debt which is in the form of a liquidated sum due,
10 owing, and payable to the clerk of the district court.
11 d. "State agency" means a board, commission, department,
12 including the department of administrative services, or other
13 administrative office or unit of the state of Iowa or any
14 other state entity reported in the Iowa comprehensive annual
15 financial report. "State agency" does include the clerk of
16 the district court as it relates to the collection of a
17 qualifying debt. "State agency" does not include the general
18 assembly, the governor, or any political subdivision of the
19 state, or its offices and units.
20 2. SETOFF PROCEDURE. The collection entity shall
21 establish and maintain a procedure to set off against any
22 claim owed to a person by a state agency any liability of that
23 person owed to a state agency, a support debt being enforced
24 by the child support recovery unit pursuant to chapter 252B,
25 or such other qualifying debt. The procedure shall only apply
26 when at the discretion of the director it is feasible. The
27 procedure shall meet the following conditions:
28 a. Before setoff, a person's liability to a state agency
29 and the person's claim on a state agency shall be in the form
30 of a liquidated sum due, owing, and payable.
31 b. Before setoff, the state agency shall obtain and
32 forward to the collection entity the full name and social
33 security number of the person liable to it or to whom a claim
34 is owing who is a natural person. If the person is not a
35 natural person, before setoff, the state agency shall forward

1 to the collection entity the information concerning the person
2 as the collection entity shall, by rule, require. The
3 collection entity shall cooperate with other state agencies in
4 the exchange of information relevant to the identification of
5 persons liable to or claimants of state agencies. However,
6 the collection entity shall provide only relevant information
7 required by a state agency. The information shall be held in
8 confidence and used for the purpose of setoff only. Section
9 422.72, subsection 1, does not apply to this paragraph.
10 c. Before setoff, a state agency shall, at least annually,
11 submit to the collection entity the information required by
12 paragraph "b" along with the amount of each person's liability
13 to and the amount of each claim on the state agency. The
14 collection entity may, by rule, require more frequent
15 submissions.
16 d. Before setoff, the amount of a person's claim on a
17 state agency and the amount of a person's liability to a state
18 agency shall constitute a minimum amount set by rule of the
19 collection entity.
20 e. Upon submission of an allegation of liability by a
21 state agency, the collection entity shall notify the state
22 agency whether the person allegedly liable is entitled to
23 payment from a state agency, and, if so entitled, shall notify
24 the state agency of the amount of the person's entitlement and
25 of the person's last address known to the collection entity.
26 Section 422.72, subsection 1, does not apply to this
27 paragraph.
28 f. Upon notice of entitlement to a payment, the state
29 agency shall send written notification to that person of the
30 state agency's assertion of its rights to all or a portion of
31 the payment and of the state agency's entitlement to recover
32 the liability through the setoff procedure, the basis of the
33 assertion, the opportunity to request that a jointly or
34 commonly owned right to payment be divided among owners, and
35 the person's opportunity to give written notice of intent to

1 contest the amount of the allegation. The state agency shall
2 send a copy of the notice to the collection entity. A state
3 agency subject to chapter 17A shall give notice, conduct
4 hearings, and allow appeals in conformity with chapter 17A.
5 However, upon submission of an allegation of the liability
6 of a person which is owing and payable to the clerk of the
7 district court and upon the determination by the collection
8 entity that the person allegedly liable is entitled to payment
9 from a state agency, the collection entity shall send written
10 notification to the person which states the assertion by the
11 clerk of the district court of rights to all or a portion of
12 the payment, the clerk's entitlement to recover the liability
13 through the setoff procedure, the basis of the assertions, the
14 person's opportunity to request within fifteen days of the
15 mailing of the notice that the collection entity divide a
16 jointly or commonly owned right to payment between owners, the
17 opportunity to contest the liability to the clerk by written
18 application to the clerk within fifteen days of the mailing of
19 the notice, and the person's opportunity to contest the
20 collection entity's setoff procedure.
21 g. Upon the timely request of a person liable to a state
22 agency or of the spouse of that person and upon receipt of the
23 full name and social security number of the person's spouse, a
24 state agency shall notify the collection entity of the request
25 to divide a jointly or commonly owned right to payment. Any
26 jointly or commonly owned right to payment is rebuttably
27 presumed to be owned in equal portions by its joint or common
28 owners.
29 h. The collection entity shall, after the state agency has
30 sent notice to the person liable or, if the liability is owing
31 and payable to the clerk of the district court, the collection
32 entity has sent notice to the person liable, set off the
33 amount owed to the agency against any amount which a state
34 agency owes that person. The collection entity shall refund
35 any balance of the amount to the person. The collection

1 entity shall periodically transfer amounts set off to the
2 state agencies entitled to them. If a person liable to a
3 state agency gives written notice of intent to contest an
4 allegation, a state agency shall hold a refund or rebate until
5 final disposition of the allegation. Upon completion of the
6 setoff, a state agency shall notify in writing the person who
7 was liable or, if the liability is owing and payable to the
8 clerk of the district court, shall comply with the procedures
9 as provided in paragraph "j".
10 i. The department of revenue and finance's existing right
11 to credit against tax due or to become due under section
12 422.73 is not to be impaired by a right granted to or a duty
13 imposed upon the collection entity or other state agency by
14 this section. This section is not intended to impose upon the
15 collection entity or the department of revenue and finance any
16 additional requirement of notice, hearing, or appeal
17 concerning the right to credit against tax due under section
18 422.73.
19 j. If the alleged liability is owing and payable to the
20 clerk of the district court and setoff as provided in this
21 section is sought, all of the following shall apply:
22 (1) The judicial branch shall prescribe procedures to
23 permit a person to contest the amount of the person's
24 liability to the clerk of the district court.
25 (2) The collection entity shall, except for the procedures
26 described in subparagraph (1), prescribe any other applicable
27 procedures concerning setoff as provided in this subsection.
28 (3) Upon completion of the setoff, the collection entity
29 shall file, at least monthly, with the clerk of the district
30 court a notice of satisfaction of each obligation to the full
31 extent of all moneys collected in satisfaction of the
32 obligation. The clerk shall record the notice and enter a
33 satisfaction for the amounts collected and a separate written
34 notice is not required.
35 3. In the case of multiple claims to payments filed under

1 this section, priority shall be given to claims filed by the
2 child support recovery unit or the foster care recovery unit,
3 next priority shall be given to claims filed by the college
4 student aid commission, next priority shall be given to claims
5 filed by the investigations division of the department of
6 inspections and appeals, next priority shall be given to
7 claims filed by a clerk of the district court, and last
8 priority shall be given to claims filed by other state
9 agencies. In the case of multiple claims in which the
10 priority is not otherwise provided by this subsection,
11 priority shall be determined in accordance with rules to be
12 established by the director.
13 4. The director shall have the authority to enter into
14 reciprocal agreements with the departments of revenue of other
15 states that have enacted legislation that is substantially
16 equivalent to the setoff procedure provided in this section
17 for the recovery of an amount due because of a default on a
18 guaranteed student or parental loan under chapter 261. A
19 reciprocal agreement shall also be approved by the college
20 student aid commission. The agreement shall authorize the
21 department to provide by rule for the setoff of state income
22 tax refunds or rebates of defaulters from states with which
23 Iowa has a reciprocal agreement and to provide for sending
24 lists of names of Iowa defaulters to the states with which
25 Iowa has a reciprocal agreement for setoff of that state's
26 income tax refunds.
27 5. Under substantive rules established by the director,
28 the department shall seek reimbursement from other state
29 agencies to recover its costs for setting off liabilities.
30 Sec. 87. NEW SECTION. 8A.505 COST ALLOCATION SYSTEM.
31 The department shall develop and administer an indirect
32 cost allocation system for state agencies. The system shall
33 be based upon standard cost accounting methodologies and shall
34 be used to allocate both direct and indirect costs of state
35 agencies or state agency functions in providing centralized

1 services to other state agencies. A cost that is allocated to
2 a state agency pursuant to this system shall be billed to the
3 state agency and the cost is payable to the general fund of
4 the state. The source of payment for the billed cost shall be
5 any revenue source except for the general fund of the state.
6 If a state agency is authorized by law to bill and recover
7 direct expenses, the state agency shall recover indirect costs
8 in the same manner.
9 Sec. 88. NEW SECTION. 8A.506 ACCOUNTING.
10 The director may at any time require any person receiving
11 money, securities, or property belonging to the state, or
12 having the management, disbursement, or other disposition of
13 them, an account of which is kept in the department, to render
14 statements of them and information in reference to them.
15 Sec. 89. NEW SECTION. 8A.507 STATING ACCOUNT.
16 If an officer who is accountable to the state treasury for
17 any money or property neglects to render an account to the
18 director within the time prescribed by law, or, if no time is
19 so prescribed, within twenty days after being required to do
20 so by the director, the director shall state an account
21 against the officer from the books of the officer's office,
22 charging ten percent damages on the whole sum appearing due,
23 and interest at the rate of six percent per annum on the
24 aggregate from the time when the account should have been
25 rendered; all of which may be recovered by action brought on
26 the account, or on the official bond of the officer.
27 Sec. 90. NEW SECTION. 8A.508 COMPELLING PAYMENT.
28 If an officer fails to pay into the state treasury the
29 amount received by the officer within the time prescribed by
30 law, or, having settled with the director, fails to pay the
31 amount found due, the director shall charge the officer with
32 twenty percent damages on the amount due, with interest on the
33 aggregate from the time the amount became due at the rate of
34 six percent per annum, and the whole may be recovered by an
35 action brought on the account, or on the official bond of the

1 officer, and the officer shall forfeit the officer's
2 commission.
3 Sec. 91. NEW SECTION. 8A.509 DEFENSE TO CLAIM.
4 The penal provisions in sections 8A.507 and 8A.508 are
5 subject to any legal defense which the officer may have
6 against the account as stated by the director, but judgment
7 for costs shall be rendered against the officer in the action,
8 whatever its result, unless the officer rendered an account
9 within the time named in those sections.
10 Sec. 92. NEW SECTION. 8A.510 REQUESTED CREDITS -- OATH
11 REQUIRED.
12 When a county treasurer or other receiver of public money
13 seeks to obtain credit on the books of the department for
14 payment made to the county treasurer, before giving such
15 credit the director shall require that person to take and
16 subscribe an oath that the person has not used, loaned, or
17 appropriated any of the public money for the person's private
18 benefit, nor for the benefit of any other person.
19 Sec. 93. NEW SECTION. 8A.511 REQUISITION FOR
20 INFORMATION.
21 In those cases where the director is authorized to call
22 upon persons or officers for information, or statements, or
23 accounts, the director may issue a requisition therefor in
24 writing to the person or officer called upon, allowing
25 reasonable time, which, having been served and return made to
26 the director, as a notice in a civil action, is evidence of
27 the making of the requisition.
28 Sec. 94. NEW SECTION. 8A.512 LIMITS ON CLAIMS.
29 The director is limited in authorizing the payment of
30 claims, as follows:
31 1. FUNDING LIMIT.
32 a. A claim shall not be allowed by the department if the
33 appropriation or fund of certification available for paying
34 the claim has been exhausted or proves insufficient.
35 b. The authority of the director is subject to the

1 following exceptions:
2 (1) Claims by state employees for benefits pursuant to
3 chapters 85, 85A, 85B, and 86 are subject to limitations
4 provided in those chapters.
5 (2) Claims for medical assistance payments authorized
6 under chapter 249A are subject to the time limits imposed by
7 rule adopted by the department of human services.
8 (3) Claims approved by an agency according to the
9 provisions of sections 25.1 and 25.2.
10 2. CONVENTION EXPENSES. Claims for expenses in attending
11 conventions, meetings, conferences, or gatherings of members
12 of an association or society organized and existing as a
13 quasi-public association or society outside the state of Iowa
14 shall not be allowed at public expense, unless authorized by
15 the executive council; and claims for these expenses outside
16 of the state shall not be allowed unless the voucher is
17 accompanied by the portion of the minutes of the executive
18 council, certified to by its secretary, showing that the
19 expense was authorized by the council. This section does not
20 apply to claims in favor of the governor, attorney general,
21 utilities board members, or to trips referred to in sections
22 97B.7A and 217.20.
23 3. PAYMENT FROM FEES. Claims for per diem and expenses
24 payable from fees shall not be approved for payment in excess
25 of those fees if the law provides that such expenditures are
26 limited to the special funds collected and deposited in the
27 state treasury.
28 Sec. 95. NEW SECTION. 8A.513 CLAIMS -- APPROVAL.
29 The director before approving a claim on behalf of the
30 department shall determine:
31 1. That the creation of the claim is clearly authorized by
32 law. Statutes authorizing the expenditure may be referenced
33 through account coding authorized by the director.
34 2. That the claim has been authorized by an officer or
35 official body having legal authority to so authorize and that

1 the fact of authorization has been certified to the director
2 by such officer or official body.
3 3. That all legal requirements have been observed,
4 including notice and opportunity for competition, if required
5 by law.
6 4. That the claim is in proper form as the director may
7 provide.
8 5. That the charges are reasonable, proper, and correct
9 and no part of the claim has been paid.
10 Sec. 96. NEW SECTION. 8A.514 VOUCHERS -- INTEREST --
11 PAYMENT OF CLAIMS.
12 1. Before a warrant or its equivalent is issued for a
13 claim payable from the state treasury, the department shall
14 file an itemized voucher showing in detail the items of
15 service, expense, item furnished, or contract for which
16 payment is sought. However, the director may authorize the
17 prepayment of claims when the best interests of the state are
18 served under rules adopted by the director. The claimant's
19 original invoice shall be attached to a department's approved
20 voucher. The director shall adopt rules specifying the form
21 and contents for invoices submitted by a vendor to a
22 department. The requirements apply to acceptance of an
23 invoice by a department. A department shall not impose
24 additional or different requirements on submission of invoices
25 than those contained in rules of the director unless the
26 director exempts the department from the invoice requirements
27 or a part of the requirements upon a finding that compliance
28 would result in poor accounting or management practices.
29 2. Vouchers for postage, stamped envelopes, and postal
30 cards may be audited as soon as an order for them is entered.
31 3. The departments, the general assembly, and the courts
32 shall pay their claims in a timely manner. If a claim for
33 services, supplies, materials, or a contract which is payable
34 from the state treasury remains unpaid after sixty days
35 following the receipt of the claim or the satisfactory

1 delivery, furnishing, or performance of the services,
2 supplies, materials, or contract, whichever date is later, the
3 state shall pay interest at the rate of one percent per month
4 on the unpaid amount of the claim. This subsection does not
5 apply to claims against the state under chapters 25 and 669 or
6 to claims paid by federal funds. The interest shall be
7 charged to the appropriation or fund to which the claim is
8 certified. Departments may enter into contracts for goods or
9 services on payment terms of less than sixty days if the state
10 may obtain a financial benefit or incentive which would not
11 otherwise be available from the vendor. The department, in
12 consultation with other affected departments, shall develop
13 policies to promote consistency and fiscal responsibility
14 relating to payment terms authorized under this subsection.
15 The director shall adopt rules under chapter 17A relating to
16 the administration of this subsection.
17 Sec. 97. NEW SECTION. 8A.515 WARRANTS -- FORM.
18 A warrant shall bear on its face the signature of the
19 director or its facsimile, or the signature of an assistant or
20 its facsimile in case of a vacancy in the office of the
21 director; a proper number, date, amount, and name of payee; a
22 reference to the law under which it is drawn; whether for
23 salaries or wages, services, or supplies, and what kind of
24 supplies; and from what office or department, or for what
25 other general or special purposes; or in lieu thereof, a
26 coding system may be used, which particulars shall be entered
27 in a warrant register kept for that purpose in the order of
28 issuance; and as soon as practicable after issuing a warrant
29 register, the director shall certify a duplicate of it to the
30 treasurer of state.
31 Sec. 98. NEW SECTION. 8A.516 REQUIRED PAYEE.
32 All warrants shall be drawn to the order of the person
33 entitled to payment or compensation, except that when goods or
34 materials are purchased in foreign countries, warrants may be
35 drawn upon the treasurer of state, payable to the bearer for

1 the net amount of invoice and current exchange, and the
2 treasurer of state shall furnish a foreign draft payable to
3 the order of the person from whom purchase is made.
4 Sec. 99. NEW SECTION. 8A.517 PROHIBITED PAYEE.
5 In no case shall warrants be drawn in the name of the
6 certifying office, department, board, or institution, or in
7 the name of an employee, except for personal service rendered
8 or expense incurred by the employee, unless express statutory
9 authority exists therefor.
10 Sec. 100. NEW SECTION. 8A.518 CLAIMS EXCEEDING
11 APPROPRIATIONS.
12 A claim shall not be allowed when the claim will exceed the
13 amount specifically appropriated for the claim.
14 Sec. 101. NEW SECTION. 8A.519 CANCELLATION OF STATE
15 WARRANTS.
16 On the last business day of each month, the director shall
17 cancel and request the treasurer of state to stop payment on
18 all state warrants which have been outstanding and unredeemed
19 by the treasurer of state for six months or longer.
20 DIVISION II
21 CONFORMING AND MISCELLANEOUS CHANGES
22 Sec. 102. Section 2.9, Code 2003, is amended to read as
23 follows:
24 2.9 JOURNALS -- BILLS AND AMENDMENTS.
25 1. a. The senate and house of representatives shall each
26 publish a daily journal of the transactions of their
27 respective bodies. The secretary of the senate and the chief
28 clerk of the house shall each determine the format and manner
29 of the journal's publication, the procurement procedures for
30 the journal's publication, and the journal's distribution for
31 their respective bodies.
32 b. The secretary of the senate and the clerk of the house
33 of representatives shall each preserve copies of the printed
34 daily journals of their respective bodies, as corrected,
35 certify to their correctness, and file them with the secretary

1 of state at the adjournment of each session of the general
2 assembly. The secretary of state shall ~~cause the journals to~~
3 ~~be bound and preserved as~~ preserve the original journals of
4 the senate and the house in the manner specified by the
5 majority leader of the senate and speaker of the house.
6 2. a. The senate and house of representatives shall each
7 publish bills and amendments of their respective bodies. The
8 secretary of the senate and the chief clerk of the house shall
9 each determine the procurement procedures for the publication
10 of the bills and amendments and the distribution of the bills
11 and amendments for their respective bodies.
12 b. A bill that seeks to legalize the acts of any official
13 or board or other official body, in regard to any matter of
14 public nature or for any person or persons, company, or
15 corporation, shall not be considered by the senate or house of
16 representatives until the bill is published and distributed to
17 members of the general assembly, and the publication shall be
18 without expense to the state. The senate and house shall not
19 order any such bill published until the secretary of the
20 senate or chief clerk of the house has received a deposit to
21 cover the cost of the publication. The newspaper publication
22 of such bill shall be without expense to the state, and the
23 bill shall not be published in a newspaper until the costs of
24 the newspaper publication has been paid to the secretary of
25 state.
26 Sec. 103. Section 2.10, subsection 1, Code 2003, is
27 amended to read as follows:
28 1. Every member of the general assembly except the
29 presiding officer of the senate, the speaker of the house, the
30 majority and minority floor leader of each house, and the
31 president pro tempore of the senate and speaker pro tempore of
32 the house, shall receive an annual salary of twenty thousand
33 one hundred twenty dollars for the year 1997 and subsequent
34 years while serving as a member of the general assembly. In
35 addition, each such member shall receive the sum of eighty-six

1 dollars per day for expenses of office, except travel, for
2 each day the general assembly is in session commencing with
3 the first day of a legislative session and ending with the day
4 of final adjournment of each legislative session as indicated
5 by the journals of the house and senate, except that if the
6 length of the first regular session of the general assembly
7 exceeds one hundred ten calendar days and the second regular
8 session exceeds one hundred calendar days, the payments shall
9 be made only for one hundred ten calendar days for the first
10 session and one hundred calendar days for the second session.
11 Members from Polk county shall receive sixty-five dollars per
12 day. Each member shall receive a two hundred dollar per month
13 allowance for legislative district constituency postage,
14 travel, telephone costs, and other expenses. Travel expenses
15 shall be paid ~~at the rate established by section 18.117~~ for
16 actual travel in going to and returning from the seat of
17 government by the nearest traveled route for not more than one
18 time per week during a legislative session.
19 Sec. 104. Section 2.42, subsection 12, Code 2003, is
20 amended to read as follows:
21 12. To establish policies for the distribution of
22 information which is stored by the general assembly in an
23 electronic format, including the contents of statutes or
24 rules, other than value-added electronic publications as
25 provided in section ~~7A.22~~ 7A.15A. The legislative council
26 shall establish payment rates that encourage the distribution
27 of such information to the public, including private vendors
28 reselling that information. The legislative council shall not
29 establish a price that attempts to recover more than is
30 attributable to costs related to reproducing and delivering
31 the information.
32 Sec. 105. Section 2.47A, subsection 1, paragraph c, Code
33 2003, is amended to read as follows:
34 c. Receive annual status reports for all ongoing capital
35 projects of state agencies, pursuant to section ~~18.12~~ 8A.321,

1 subsection ~~14~~ 10.
2 Sec. 106. Section 2B.5, subsection 2, Code 2003, is
3 amended to read as follows:
4 2. Cause the Iowa court rules to be published, as directed
5 by the supreme court after consultation with the legislative
6 council. The Iowa court rules shall consist of all rules
7 prescribed by the supreme court. The court rules shall be
8 published in loose-leaf form and supplements shall be prepared
9 and distributed as directed by the supreme court. The Iowa
10 court rules and supplements to the court rules shall be priced
11 as provided in section ~~7A.22~~ 7A.15A.
12 Sec. 107. Section 7A.1, unnumbered paragraph 4, Code 2003,
13 is amended to read as follows:
14 This section shall not be construed as depriving the ~~state~~
15 ~~printing administrator~~ director of the department of
16 administrative services of the right to edit and revise said
17 report.
18 Sec. 108. Section 7A.2, unnumbered paragraph 2, Code 2003,
19 is amended to read as follows:
20 Reports after being filed with the governor and considered
21 by the governor shall be delivered to the ~~state printing~~
22 ~~administrator~~ director of the department of administrative
23 services.
24 Sec. 109. Section 7A.3, subsection 1, Code 2003, is
25 amended to read as follows:
26 1. Director of ~~revenue and finance~~ the department of
27 administrative services on the fiscal condition of the state.
28 Sec. 110. Section 7A.3, subsection 6, Code 2003, is
29 amended by striking the subsection.
30 Sec. 111. Section 7A.3, subsection 10, Code 2003, is
31 amended to read as follows:
32 10. Department of ~~general~~ administrative services.
33 Sec. 112. Section 7A.14, unnumbered paragraph 1, Code
34 2003, is amended to read as follows:
35 The annual and biennial reports shall be published,

1 printed, and bound in such number as the ~~state printing~~
2 ~~administrator~~ director of the department of administrative
3 services may order. The officials and heads of departments
4 shall furnish the ~~administrator~~ director with information
5 necessary to determine the number of copies to be printed.
6 Sec. 113. NEW SECTION. 7A.15A OFFICIAL LEGAL AND OTHER
7 PUBLICATIONS -- PROCUREMENTS.
8 1. The legislative service bureau shall publish the
9 official legal publications of the state as provided in
10 chapter 2B. The legislative service bureau shall have legal
11 custody of the publications and shall provide for the
12 warehousing, sale, and distribution of the publications. The
13 legislative service bureau shall retain or cause to be
14 retained a number of old editions of the publications but may
15 otherwise distribute or cause to be distributed old editions
16 of the publications to any person upon payment by the person
17 of any distribution costs.
18 2. The printed versions of the publications listed in this
19 subsection shall be sold at a price to be established by the
20 legislative service bureau. In determining the prices, the
21 legislative service bureau shall consider the costs of
22 printing, binding, distribution, and paper stock, compilation
23 and editing labor costs, and any other associated costs. The
24 legislative service bureau shall also consider the number of
25 volumes or units to be printed, sold, and distributed in the
26 determination of the prices.
27 a. The Iowa Code.
28 b. The Iowa Code Supplement.
29 c. The Iowa Acts.
30 d. The Iowa court rules.
31 e. The Iowa administrative code.
32 f. The Iowa administrative bulletin.
33 3. The legislative service bureau may establish policies
34 for the production, editing, distribution, and pricing of
35 electronic publications containing information stored by the

1 legislative branch in an electronic format, including
2 information contained in the printed publications listed in
3 this section. Such electronic publications may include
4 programming not originally part of the stored information,
5 including but not limited to search and retrieval functions.
6 The policies shall provide for the widest possible
7 distribution of these value-added electronic publications at
8 the lowest price practicable, which shall not be more than the
9 costs attributable to producing, editing, and distributing the
10 electronic publications.
11 4. Subject to section 2.42, the legislative service bureau
12 shall determine its procurement procedures, which may include
13 procurement determinations based on service provider
14 competence, meeting of service or product specifications, and
15 reasonableness of price; the posting of security to accompany
16 a service provider proposal; the preference of Iowa-based
17 businesses if comparable in price; the disclosure of service
18 provider assignments; the inclusion of renewal options; the
19 imposition of liquidated damages and other penalties for
20 breach of any service provider requirement; and the rejection
21 of all service provider proposals and institution of a new
22 procurement process.
23 Sec. 114. NEW SECTION. 7A.16A SPECIAL DISTRIBUTION OF
24 LEGAL PUBLICATIONS -- RESTRICTIONS ON FREE DISTRIBUTIONS.
25 1. The legislative service bureau shall make free
26 distribution of the printed versions of the official legal
27 publications listed in section 7A.15A, subsection 2, subject
28 to payment of any routine distribution costs such as but not
29 limited to mailing and handling costs, to the three branches
30 of state government, to elected county officers, to county and
31 city assessors, to Iowa's congressional delegation, to federal
32 courts in Iowa and federal judges and magistrates for Iowa,
33 and to state and university depository libraries, the library
34 of congress, and the library of the United States supreme
35 court. Only such officers, offices, and agencies entitled to

1 or receiving free copies during the fiscal year beginning July
2 1, 2002, and ending June 30, 2003, shall be entitled to
3 continue to receive free copies in subsequent years, except
4 that successor and new officers, offices, and agencies shall
5 receive a reasonable number of free copies as determined by
6 the legislative service bureau. Such officers, offices, and
7 agencies shall annually review the number received in the
8 prior year to determine if the number of copies received can
9 be reduced and shall submit the information in a report to the
10 legislative service bureau. The number of copies received,
11 once reduced, shall not be increased to the previous level
12 without the express consent of the legislative service bureau.
13 2. Each officer, office, or agency receiving one or more
14 free copies of a publication under this section shall only
15 receive up to the number of copies indicated free at the time
16 of initial distribution. If an officer, office, or agency
17 receiving one or more free copies of a publication under this
18 section desires additional copies beyond the number initially
19 received, the officer, office, or agency must request the
20 additional copies and pay the normal charge for such
21 publication.
22 3. If a version of a publication provided under this
23 section is available in an electronic format, the legislative
24 service bureau may establish policies providing for the
25 substitution of an electronic version for the printed version
26 of the publication, and for the amount of payment, if any,
27 required for the electronic publication. The payment amount
28 shall not be more than established pursuant to section 7A.15A
29 for the same publication. For the Iowa administrative code
30 and its supplements, the legislative service bureau may
31 provide that the distribution requirement of this section is
32 met by distributing relevant portions of the Iowa
33 administrative code or its supplements in either a printed or
34 electronic format.
35 4. Notwithstanding any provision of this section to the

contrary, the legislative service bureau may review the publication costs and offsetting sales revenues relating to legal publications in printed formats, and may establish policies requiring payment from persons otherwise entitled to receive them at no cost or at a price covering distribution costs pursuant to subsection 1. The payment amount shall not be more than established pursuant to section 7A.15A for the same publication.

Sec. 115. Section 7A.23, Code 2003, is amended to read as follows:

7A.23 PRICE OF DEPARTMENTAL REPORTS.

The ~~state-printing-administrator~~ director of the department of administrative services shall establish and fix a selling price for all state departmental reports and any other state publications the ~~administrator~~ director may designate, which price per volume shall be the amount charged any person, other than public officials, who purchases the publication. The price shall cover the cost of printing and distribution. The ~~administrator~~ director may distribute gratis to state or local public officials or offices, as the ~~administrator~~ director deems necessary, copies of departmental annual reports.

Sec. 116. Section 7A.27, Code 2003, is amended to read as follows:

7A.27 OTHER NECESSARY PUBLICATIONS -- WHEN NECESSARY TO SELL.

~~There may be published other~~ Other miscellaneous documents, reports, bulletins, books, and booklets may be published that are needed for the use of the various officials and departments of state, or are of value for the information of the general assembly or the public, in form and number most useful and convenient, to be determined by the ~~state-printing administrator~~ director of the department of administrative services.

When such publications, except supplements to the Iowa administrative code, paid for by public funds furnished by the

state, contain reprints of statutes or rules, or both, they shall be sold and distributed at cost by the department ordering ~~same~~ the publication if the cost per publication is one dollar or more, unless a central library or depository is established. Such publications shall be obtained from the ~~state printing administrator~~ director of the department of administrative services on requisition by the department ordering the publication and the selling price, if any, shall be determined by the ~~administrator~~ director of the department of administrative services by dividing the total cost of printing, paper, distribution, and binding by the number printed. ~~Said~~ The price shall be set at the nearest multiple of ten to the quotient thus obtained. Distribution of such publications shall be made by the ~~administrator~~ director gratis to public officers, purchasers of licenses from state departments required by statute and departments. Funds from the sale of such publications shall be deposited monthly in the general fund of the state except the cost of distribution shall be deposited in the ~~permanent~~ printing revolving fund established in section ~~18.57~~ 8A.345.

Sec. 117. Section 7A.28, Code 2003, is amended to read as follows:

7A.28 GOVERNOR MAY FIX FILING DATE.

The governor shall have the right to fix a date for the completion of or filing of any copy or manuscript for any miscellaneous document or other publication, or for any portion of the manuscript, and to compel compliance with such orders the same as in the case of the official reports. The ~~state printing administrator~~ director of the department of administrative services shall report to the governor any failure to furnish manuscript or other delay affecting any publication.

Sec. 118. Section 7A.29, Code 2003, is amended to read as follows:

7A.29 TITLE PAGES -- COMPLIMENTARY INSERTIONS.

1 The ~~state-printing-administrator~~ director of the department
2 of administrative services shall provide the necessary
3 printer's copy for a suitable title page for each publication
4 requiring such title which shall contain the name of the
5 author, but ~~no~~ such title shall not have written or printed
6 thereon or attached thereto the words "Compliments of"
7 followed by the name of the author, nor any other words of
8 similar import.
9 Sec. 119. Section 7E.5, subsection 1, paragraph b, Code
10 2003, is amended to read as follows:
11 b. The department of ~~personnel~~ administrative services,
12 created in section ~~19A.1~~ 8A.102, which has primary
13 responsibility for ~~personnel~~ the management and coordination
14 of the major resources of state government.
15 Sec. 120. Section 7E.5, subsection 1, paragraph c, Code
16 2003, is amended by striking the paragraph.
17 Sec. 121. Section 7E.5, subsection 1, paragraph d, Code
18 2003, is amended to read as follows:
19 d. The department of revenue ~~and finance~~, created in
20 section 421.2, which has primary responsibility for revenue
21 collection and revenue law compliance, ~~financial management~~
22 ~~and assistance,~~ and the Iowa lottery.
23 Sec. 122. Section 7E.5, subsection 1, paragraph x, Code
24 2003, is amended by striking the paragraph.
25 Sec. 123. Section 7F.1, subsection 3, Code 2003, is
26 amended to read as follows:
27 3. OFFICE ESTABLISHED. A state-federal relations office
28 is established as an independent agency. The office shall be
29 located in Washington D.C. and shall be administered by the
30 director of the office who is appointed by the governor,
31 subject to confirmation by the senate, and who serves at the
32 pleasure of the governor. The office and its personnel are
33 exempt from the merit system provisions of chapter ~~19A~~ 8A,
34 article 4.
35 Sec. 124. Section 8.31, unnumbered paragraph 6, Code 2003,

is amended to read as follows:

The procedure to be employed in controlling the expenditures and receipts of the state fair board and the institutions under the state board of regents, whose collections are not deposited in the state treasury, is that outlined in section ~~421.31~~ 8A.502, subsection ~~6~~ 9.

Sec. 125. Section 8.36A, Code 2003, is amended to read as follows:

8.36A FULL-TIME EQUIVALENT ~~POSITION~~ POSITIONS.

1. For purposes of making appropriations and financial reports and as used in appropriations statutes, "full-time equivalent position" means a budgeting and monitoring unit that equates the aggregate of full-time positions, part-time positions, a vacancy and turnover factor, and other adjustments. One full-time equivalent position represents two thousand eighty working hours, which is the regular number of hours one full-time person works in one fiscal year. The number of full-time equivalent positions shall be calculated by totaling the regular number of hours that could be annually worked by persons in all authorized positions, reducing those hours by a vacancy and turnover factor and dividing that amount by two thousand eighty hours. In order to achieve the full-time equivalent position level, the number of filled positions may exceed the number of full-time equivalent positions during parts of the fiscal year to compensate for time periods when the number of filled positions is below the authorized number of full-time equivalent positions.

2. If a department or establishment has reached or anticipates reaching the full-time equivalent position level authorized for the department but determines that conversion of a contract position to a full-time equivalent position would result in cost savings while providing comparable or better services, the department or establishment may request the director of the department of management to approve the conversion and addition of the full-time equivalent position.

1 The request shall be accompanied by evidence demonstrating how
2 the cost savings and service quality will be achieved through
3 the conversion. If approved by the director of the department
4 of management, the department's or establishment's authorized
5 full-time equivalent position level shall be increased
6 accordingly and the revised level shall be reported to the
7 fiscal committee of the legislative council and the
8 legislative fiscal bureau.
9 Sec. 126. Section 8.47, subsection 1, unnumbered paragraph
10 1, Code 2003, is amended to read as follows:
11 The department of ~~general~~ administrative services, in
12 cooperation with the office of attorney general~~,~~ and the
13 department of management, ~~the department of personnel, and the~~
14 ~~department of revenue and finance,~~ shall adopt uniform terms
15 and conditions for service contracts executed by a department
16 or establishment benefiting from service contracts. The terms
17 and conditions shall include but are not limited to all of the
18 following:
19 Sec. 127. Section 8.47, subsection 2, Code 2003, is
20 amended to read as follows:
21 2. Departments or establishments, with the approval of the
22 department of management acting in cooperation with the office
23 of attorney general~~, the department of general services, the~~
24 ~~department of personnel,~~ and the department of ~~revenue and~~
25 ~~finance~~ administrative services, may adopt special terms and
26 conditions for use by the departments or establishments in
27 their service contracts.
28 Sec. 128. Section 8.63, Code 2003, is amended to read as
29 follows:
30 8.63 INNOVATIONS FUND.
31 1. An innovations fund is created in the state treasury
32 under the control of the department of management for the
33 purpose of stimulating and encouraging innovation and
34 entrepreneurship in state government by the awarding of
35 repayable loans to state agencies.

1 2. The director of the department of management shall
2 establish an eight-member committee to be called the state
3 innovations fund committee. The committee shall review all
4 requests for funds and approve loans of funds if the committee
5 determines that the loan meets the requirements for a project
6 loan or an enterprise loan as provided in this section.
7 3. A project loan can be funded if the committee
8 determines that an agency request would result in cost savings
9 or added revenue to the general fund of the state. Eligible
10 projects are projects which cannot be funded from an agency's
11 operating budget without adversely affecting the agency's
12 normal service levels. Projects may include, but are not
13 limited to, purchase of advanced technology, contracting for
14 expert services, and acquisition of equipment or supplies.
15 4. An enterprise loan can be funded if the committee
16 determines that the agency or business unit has a viable
17 business plan and the capability to use the loan to provide
18 internal services to government. The enterprise is expected
19 to receive payment for services from its customers and use
20 those payments to cover its expenses, including repayment of
21 the loan.
22 ~~3.~~ 5. A state agency seeking a loan from the innovations
23 fund shall complete an application form designed by the state
24 innovations fund committee which employs, for projects, a
25 return on investment concept and demonstrates how state
26 general fund expenditures will be reduced or how state general
27 fund revenues will increase, or, for enterprises, a business
28 plan that shows how the enterprise will meet customer needs,
29 provide value to customers, and demonstrate financial
30 viability. Minimum loan requirements for state agency
31 requests shall be determined by the committee. As an
32 incentive to increase state general fund revenues, an agency
33 may retain up to fifty percent of savings realized in
34 connection with a project loan from the innovations fund. The
35 amount retained shall be determined by the innovations fund

1 committee.
2 ~~4.~~ 6. a. In order for the innovations fund to be self-
3 supporting, the innovations fund committee shall establish
4 repayment schedules for each ~~innovation~~ innovations fund loan
5 awarded. Agencies shall repay the funds over a period not to
6 exceed five years with interest, at a rate to be determined by
7 the innovations fund committee.
8 b. If the department of management and the department of
9 ~~revenue-and-finance~~ administrative services certify that the
10 savings from a proposed innovations fund project will result
11 in a net increase in the balance of the general fund of the
12 state without a corresponding cost savings to the requesting
13 agency, and if the requesting agency meets all other
14 eligibility requirements, the innovations fund committee may
15 approve the loan for the project and not require repayment by
16 the requesting agency. There is appropriated from the general
17 fund of the state to the department of ~~revenue-and-finance~~
18 administrative services an amount sufficient to repay the loan
19 amount.
20 ~~5.~~ 7. Notwithstanding section 12C.7, subsection 2,
21 interest or earnings on moneys deposited in the innovations
22 fund shall be credited to the innovations fund.
23 Notwithstanding section 8.33, moneys remaining in the
24 innovations fund at the end of a fiscal year shall not revert
25 to the general fund of the state.
26 Sec. 129. Section 8D.4, Code 2003, is amended to read as
27 follows:
28 8D.4 EXECUTIVE DIRECTOR APPOINTED.
29 The commission, in consultation with the director of the
30 department of administrative services shall appoint an
31 executive director of the commission, subject to confirmation
32 by the senate. Such individual shall not serve as a member of
33 the commission. The executive director shall serve at the
34 pleasure of the commission. The executive director shall be
35 selected primarily for administrative ability and knowledge in

1 the field, without regard to political affiliation. The
2 governor shall establish the salary of the executive director
3 within range nine as established by the general assembly. The
4 salary and support of the executive director shall be paid
5 from funds deposited in the Iowa communications network fund.
6 Sec. 130. Section 9.3, Code 2003, is amended to read as
7 follows:
8 9.3 COMMISSIONS.
9 All commissions issued by the governor shall be
10 countersigned by the secretary, who shall register each
11 commission in a book to be kept for that purpose, specifying
12 the office, name of officer, date of commission, and tenure of
13 office, and forthwith forward to the directors of the
14 departments of management and of ~~revenue-and-finance~~
15 administrative services copies of the registration.
16 Sec. 131. Section 9F.4, Code 2003, is amended to read as
17 follows:
18 9F.4 PUBLICATION IN OFFICIAL REGISTER.
19 The ~~state-printing-administrator~~ director of the department
20 of administrative services shall publish said federal census
21 report and certificate aforesaid in full in each copy of the
22 Iowa official register.
23 Sec. 132. Section 10A.104, subsection 2, Code 2003, is
24 amended to read as follows:
25 2. Appoint the administrators of the divisions within the
26 department and all other personnel deemed necessary for the
27 administration of this chapter, except the state public
28 defender, assistant state public defenders, administrator of
29 the racing and gaming commission, members of the employment
30 appeal board, and administrator of the child advocacy board
31 created in section 237.16. All persons appointed and employed
32 in the department are covered by the provisions of chapter ~~19A~~
33 8A, article 4, but persons not appointed by the director are
34 exempt from the merit system provisions of chapter ~~19A~~ 8A,
35 article 4.

1 Sec. 133. Section 10A.601, subsections 1 and 7, Code 2003,
2 are amended to read as follows:
3 1. A full-time employment appeal board is created within
4 the department of inspections and appeals to hear and decide
5 contested cases under chapter 8A, article 4, and chapters ~~19A,~~
6 80, 88, 89A, 91C, 96, and 97B.
7 7. An application for rehearing before the appeal board
8 shall be filed pursuant to section 17A.16, unless otherwise
9 provided in chapter ~~19A,~~ 8A, article 4, or chapter 80, 88,
10 89A, 91C, 96, or 97B. A petition for judicial review of a
11 decision of the appeal board shall be filed pursuant to
12 section 17A.19. The appeal board may be represented in any
13 such judicial review by an attorney who is a regular salaried
14 employee of the appeal board or who has been designated by the
15 appeal board for that purpose, or at the appeal board's
16 request, by the attorney general. Notwithstanding the
17 petitioner's residency requirement in section 17A.19,
18 subsection 2, a petition for judicial review may be filed in
19 the district court of the county in which the petitioner was
20 last employed or resides, provided that if the petitioner does
21 not reside in this state, the action shall be brought in the
22 district court of Polk county, Iowa, and any other party to
23 the proceeding before the appeal board shall be named in the
24 petition. Notwithstanding the thirty-day requirement in
25 section 17A.19, subsection 6, the appeal board shall, within
26 sixty days after filing of the petition for judicial review or
27 within a longer period of time allowed by the court, transmit
28 to the reviewing court the original or a certified copy of the
29 entire records of a contested case. The appeal board may also
30 certify to the court, questions of law involved in any
31 decision by the appeal board. Petitions for judicial review
32 and the questions so certified shall be given precedence over
33 all other civil cases except cases arising under the workers'
34 compensation law of this state. No bond shall be required for
35 entering an appeal from any final order, judgment, or decree

of the district court to the supreme court.

Sec. 134. Section 10A.801, subsection 3, paragraph a, Code 2003, is amended to read as follows:

a. The department shall employ a sufficient number of administrative law judges to conduct proceedings for which agencies are required, by section 17A.11 or any other provision of law, to use an administrative law judge employed by the division. An administrative law judge employed by the division shall not perform duties inconsistent with the judge's duties and responsibilities as an administrative law judge and shall be located in an office that is separated from the offices of the agencies for which that person acts as a presiding officer. Administrative law judges shall be covered by the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 135. Section 11.2, subsection 1, unnumbered paragraph 3, Code 2003, is amended to read as follows:

Provided further, that a preliminary audit of the educational institutions and the state fair board shall be made periodically, at least quarterly, to check the monthly reports submitted to the director of ~~revenue and finance~~ the department of administrative services as required by section ~~421.31~~ 8A.502, subsection ~~4~~ 9, and that a final audit of such state agencies shall be made at the close of each fiscal year.

Sec. 136. Section 12E.8, subsection 2, Code 2003, is amended to read as follows:

2. The authority is exempt from the requirements of chapter ~~18~~ 8A, article 3.

Sec. 137. Section 13.13, subsection 2, Code 2003, is amended to read as follows:

2. The farm assistance program coordinator shall contract with a nonprofit organization chartered in this state to provide mediation services as provided in chapters 654A, 654B, and 654C. The contract may be terminated by the coordinator upon written notice and for good cause. The organization awarded the contract is designated as the farm mediation

service for the duration of the contract. The organization may, upon approval by the coordinator, provide mediation services other than as provided by law. The farm mediation service is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20~~,~~ and 669.

Sec. 138. Section 13.22, subsection 6, Code 2003, is amended to read as follows:

6. Cooperate to the fullest extent feasible with the existing informational and referral networks among farmers, farmer advocates, and others concerned with the economic crisis in agricultural areas. The legal services provider is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20~~,~~ and 669.

Sec. 139. Section 13.34, subsection 4, Code 2003, is amended to read as follows:

4. The contracting nonprofit organization is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20~~,~~ and 669.

Sec. 140. Section 13B.5, Code 2003, is amended to read as follows:

13B.5 STAFF.

The state public defender may appoint assistant state public defenders who, subject to the direction of the state public defender, shall have the same duties as the state public defender and shall not engage in the private practice of law. The salaries of the staff shall be fixed by the state public defender. The state public defender and the state public defender's staff shall receive actual and necessary expenses, including travel at the state rate set forth in section ~~18.117~~ 8A.363.

Sec. 141. Section 15.106, subsection 2, Code 2003, is amended to read as follows:

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with the merit system provisions of chapter ~~19A~~ 8A, article 4, for

1 nonprofessional employees. Professional staff of the
2 department are exempt from the merit system provisions of
3 chapter ~~19A~~ 8A, article 4.
4 Sec. 142. Section 15.108, subsection 9, paragraph c, Code
5 2003, is amended to read as follows:
6 c. Except as otherwise provided in sections ~~7D.33~~ 8A.110,
7 260C.14, and 262.9, provide that an inventor whose research is
8 funded in whole or in part by the state shall assign to the
9 state a proportionate part of the inventor's rights to a
10 letter patent resulting from that research. Royalties or
11 earnings derived from a letter patent shall be paid to the
12 treasurer of state and credited by the treasurer to the
13 general fund of the state. However, the department in
14 conjunction with other state agencies, including the board of
15 regents, shall provide incentives to inventors whose research
16 is funded in whole or in part by the state for having their
17 products produced in the state. These incentives may include
18 taking a smaller portion of the inventor's royalties or
19 earnings than would otherwise occur under this paragraph or
20 other provisions of the law.
21 Sec. 143. Section 16.2, subsection 1, unnumbered paragraph
22 2, Code 2003, is amended to read as follows:
23 A title guaranty division is created within the authority.
24 The powers of the division relating to the issuance of title
25 guaranties are vested in and shall be exercised by a division
26 board of five members appointed by the governor subject to
27 confirmation by the senate. The membership of the board shall
28 include an attorney, an abstractor, a real estate broker, a
29 representative of a mortgage-lender, and a representative of
30 the housing development industry. The executive director of
31 the authority shall appoint an attorney as director of the
32 title guaranty division who shall serve as an ex officio
33 member of the board. The appointment of and compensation for
34 the division director are exempt from the merit system
35 provisions of chapter ~~19A~~ 8A, article 4.

1 Sec. 144. Section 16A.5, subsection 2, Code 2003, is
2 amended to read as follows:
3 2. The executive director is a nonvoting ex officio member
4 of the board, and shall advise the authority on matters
5 relating to finance, carry out all directives from the
6 authority, and hire and supervise the authority's staff
7 pursuant to its directions and under the merit system
8 provisions of chapter ~~19A~~ 8A, article 4, except that principal
9 administrative assistants with responsibilities in operating
10 loan programs, accounting, and processing of applications for
11 interest reduction are exempt from the merit system.
12 Sec. 145. Section 17A.6, subsection 5, Code 2003, is
13 amended to read as follows:
14 5. The Iowa administrative code, its supplements, and the
15 Iowa administrative bulletin shall be made available upon
16 request to all persons who subscribe to any of them ~~through~~
17 ~~the state printing division. Copies of this code so made~~
18 ~~available shall be kept current by the division.~~
19 Sec. 146. Section 19B.5, subsection 2, Code 2003, is
20 amended to read as follows:
21 2. The department of ~~personnel~~ administrative services
22 shall submit a report on the condition of affirmative action,
23 diversity, and multicultural programs in state agencies
24 covered by subsection 1 by September 30 of each year to the
25 governor and the general assembly. ~~The report shall include~~
26 ~~information identifying funding sources and itemized costs,~~
27 ~~including administrative costs, for these programs.~~
28 Sec. 147. Section 19B.12, subsection 4, Code 2003, is
29 amended to read as follows:
30 4. The department of ~~personnel~~ administrative services for
31 all state agencies, and the state board of regents for its
32 institutions, shall adopt rules and appropriate internal,
33 confidential grievance procedures to implement this section,
34 and shall adopt procedures for determining violations of this
35 section and for ordering appropriate dispositions that may

1 include, but are not limited to, discharge, suspension, or
2 reduction in rank or grade as defined in section ~~19A.9~~ 8A.413,
3 subsection 16.
4 Sec. 148. Section 20.5, subsection 4, Code 2003, is
5 amended to read as follows:
6 4. The board may employ such persons as are necessary for
7 the performance of its functions. Personnel of the board
8 shall be employed pursuant to the provisions of chapter ~~19A~~
9 8A, article 4.
10 Sec. 149. Section 20.18, unnumbered paragraph 2, Code
11 2003, is amended to read as follows:
12 Public employees of the state or public employees covered
13 by civil service shall follow either the grievance procedures
14 provided in a collective bargaining agreement, or in the event
15 that grievance procedures are not provided, shall follow
16 grievance procedures established pursuant to chapter ~~19A~~ 8A,
17 article 4, or chapter 400, as applicable.
18 Sec. 150. Section 22.3A, subsection 2, paragraph a, Code
19 2003, is amended to read as follows:
20 a. The amount charged for access to a public record shall
21 be not more than that required to recover direct publication
22 costs, including but not limited to editing, compilation, and
23 media production costs, incurred by the government body in
24 developing the data processing software, and preparing the
25 data processing software for transfer to the person. The
26 amount shall be in addition to any other fee required to be
27 paid under this chapter for the examination and copying of a
28 public record. If a person accesses a public record stored in
29 an electronic format that does not require formatting,
30 editing, or compiling to access the public record, the charge
31 for providing the accessed public record shall not exceed the
32 reasonable cost of accessing that public record. The
33 government body shall, if requested, provide documentation
34 which explains and justifies the amount charged. This
35 paragraph shall not apply to any publication for which a price

1 has been established pursuant to another section, including
2 section ~~7A.22~~ 7A.15A.
3 Sec. 151. Section 22.7, subsection 11, Code 2003, is
4 amended to read as follows:
5 11. Personal information in confidential personnel records
6 of public bodies including but not limited to cities, boards
7 of supervisors and school districts. For purposes of this
8 subsection, "personal information" includes, but is not
9 limited to, information in the personnel files of an employee
10 concerning investigations incident to the employee's
11 employment, information relating to disciplinary actions, and
12 complaints, grievances, and appeals.
13 Sec. 152. Section 23A.2, subsection 10, paragraph o, Code
14 2003, is amended to read as follows:
15 o. The performance of an activity authorized pursuant to
16 section ~~14B.102~~ 8A.202, subsection 2, paragraph ~~"l"~~ "k".
17 Sec. 153. Section 29A.13, Code 2003, is amended to read as
18 follows:
19 29A.13 APPROPRIATED FUNDS.
20 Operating expenses for the national guard including the
21 purchase of land, maintenance of facilities, improvement of
22 state military reservations, installations, and weapons firing
23 ranges owned or leased by the state of Iowa or the United
24 States shall be paid from funds appropriated for the support
25 and maintenance of the national guard. Claims for payment of
26 such expenses shall be subject to the approval of the adjutant
27 general. Upon approval of the adjutant general the claim
28 shall be submitted to the director of ~~revenue and finance in~~
29 ~~accordance with the procedures established by the director of~~
30 ~~revenue and finance under chapter 421~~ the department of
31 administrative services.
32 Payment for personnel compensation and authorized benefits
33 shall be approved by the adjutant general prior to submission
34 to the director of ~~revenue and finance~~ the department of
35 administrative services for payment.

1 Sec. 154. Section 35A.8, subsection 3, Code 2003, is
2 amended to read as follows:
3 3. Except for the employment duties and responsibilities
4 assigned to the commandant for the Iowa veterans home, the
5 executive director shall employ such personnel as are
6 necessary for the performance of the duties and
7 responsibilities assigned to the commission. All employees
8 shall be selected on a basis of fitness for the work to be
9 performed with due regard to training and experience and shall
10 be subject to the provisions of chapter ~~19A~~ 8A, article 4.
11 Sec. 155. Section 35A.10, Code 2003, is amended to read as
12 follows:
13 35A.10 MULTIYEAR CONSTRUCTION PROGRAM -- CONSTRUCTION,
14 REPAIR, AND IMPROVEMENT PROJECTS.
15 1. The commission shall work with the department of
16 ~~general~~ administrative services to prepare and submit to the
17 director of the department of management, as provided in
18 section 8.23, a multiyear construction program including
19 estimates of the expenditure requirements for the
20 construction, repair, or improvement of buildings, grounds, or
21 equipment at the commission of veterans affairs building at
22 Camp Dodge and the Iowa veterans home in Marshalltown.
23 2. The commandant and the commission shall have plans and
24 specifications prepared by the department of ~~general~~
25 administrative services for authorized construction, repair,
26 or improvement projects in excess of twenty-five thousand
27 dollars. An appropriation for a project shall not be expended
28 until the department of ~~general~~ administrative services has
29 adopted plans and specifications and has completed a detailed
30 estimate of the cost of the project, prepared under the
31 supervision of a registered architect or registered
32 professional engineer.
33 3. The director of the department of ~~general~~
34 administrative services shall, in writing, let all contracts
35 for authorized improvements in excess of twenty-five thousand

1 dollars in accordance with chapter ~~18~~ 8A, article 3. The
2 director of the department of ~~general~~ administrative services
3 shall not authorize payment for construction purposes until
4 satisfactory proof has been furnished by the proper officer or
5 supervising architect that the parties have complied with the
6 contract.
7 Sec. 156. Section 35D.14, unnumbered paragraph 1, Code
8 2003, is amended to read as follows:
9 The commandant or the commandant's designee shall employ
10 such personnel as are necessary for the performance of the
11 duties and responsibilities assigned to the commandant. All
12 employees shall be selected on a basis of fitness for the work
13 to be performed with due regard to training and experience and
14 shall be subject to the provisions of chapter ~~19A~~ 8A, article
15 4.
16 Sec. 157. Section 42.1, subsection 5, paragraph b, Code
17 2003, is amended to read as follows:
18 b. An elective office in the executive or legislative
19 branch of the government of this state, or an office which is
20 filled by appointment and is exempt from the merit system
21 under section ~~19A.3~~ 8A.412.
22 Sec. 158. Section 47.8, subsection 3, unnumbered paragraph
23 2, Code 2003, is amended to read as follows:
24 The commission may authorize the registrar to employ such
25 additional staff personnel as it deems necessary to permit the
26 duties of the registrar's office to be adequately and promptly
27 discharged. Such personnel shall be employed pursuant to
28 chapter ~~19A~~ 8A, article 4.
29 Sec. 159. Section 55.1, unnumbered paragraph 2, Code 2003,
30 is amended to read as follows:
31 A leave of absence for a person regularly employed pursuant
32 to chapter ~~19A~~ 8A, article 4, is subject to section ~~19A.18~~
33 8A.416.
34 Sec. 160. Section 55.4, unnumbered paragraph 1, Code 2003,
35 is amended to read as follows:

1 Any public employee who becomes a candidate for any
2 elective public office shall, upon request of the employee and
3 commencing any time within thirty days prior to a contested
4 primary, special, or general election and continuing until
5 after the day following that election, automatically be given
6 a period of leave. If the employee is under chapter ~~19A~~ 8A,
7 article 4, the employee may choose to use accrued vacation
8 leave, accrued compensatory leave or leave without pay to
9 cover these periods. The appointing authority may authorize
10 other employees to use accrued vacation leave or accrued
11 compensatory leave instead of leave without pay to cover these
12 periods. An employee who is a candidate for any elective
13 public office shall not campaign while on duty as an employee.
14 Sec. 161. Section 68B.32, subsection 5, Code 2003, is
15 amended to read as follows:
16 5. The board shall employ a full-time executive director
17 who shall be the board's chief administrative officer. The
18 board shall employ or contract for the employment of legal
19 counsel notwithstanding section 13.7, and any other personnel
20 as may be necessary to carry out the duties of the board. The
21 board's legal counsel shall be the chief legal officer of the
22 board, and shall advise the board on all legal matters
23 relating to the administration of this chapter and chapter 56.
24 The state may be represented by the board's legal counsel in
25 any civil action regarding the enforcement of this chapter or
26 chapter 56, or, at the board's request, the state may be
27 represented by the office of the attorney general.
28 Notwithstanding section ~~19A.3~~ 8A.412, all of the board's
29 employees, except for the executive director and legal
30 counsel, shall be employed subject to the merit system
31 provisions of chapter ~~19A~~ 8A, article 4. The salary of the
32 executive director shall be fixed by the board, within the
33 range established by the general assembly. The salary of the
34 legal counsel shall be fixed by the board, within a salary
35 range established by the department of personnel for a

1 position requiring similar qualifications and experience.
2 Sec. 162. Section 70A.38, subsection 8, Code 2003, is
3 amended by striking the subsection.
4 Sec. 163. Section 84A.7, subsection 5, Code 2003, is
5 amended to read as follows:
6 5. PARTICIPANT ELIGIBILITY. Notwithstanding any contrary
7 provision of ~~chapters 19A~~ chapter 8A, article 4, and chapter
8 96, a person employed through an Iowa conservation corps
9 program shall be exempt from merit system requirements and
10 shall not be eligible to receive unemployment compensation
11 benefits.
12 Sec. 164. Section 86.2, subsection 1, Code 2003, is
13 amended to read as follows:
14 1. Chief deputy workers' compensation commissioners for
15 whose acts the commissioner is responsible, who are exempt
16 from the merit system provisions of chapter ~~19A~~ 8A, article 4,
17 and who shall serve at the pleasure of the commissioner.
18 Sec. 165. Section 88.2, subsection 3, Code 2003, is
19 amended to read as follows:
20 3. Personnel administering the chapter shall be employed
21 pursuant to chapter ~~19A~~ 8A, article 4.
22 Sec. 166. Section 88A.6, Code 2003, is amended to read as
23 follows:
24 88A.6 PERSONNEL.
25 The commissioner may employ inspectors and any other
26 personnel deemed necessary to carry out the provisions of this
27 chapter, subject to the provisions of chapter ~~19A~~ 8A, article
28 4.
29 Sec. 167. Section 89.1, unnumbered paragraph 1, Code 2003,
30 is amended to read as follows:
31 The labor commissioner shall enforce the provisions of this
32 chapter and may employ qualified personnel under the
33 provisions of chapter ~~19A~~ 8A, article 4, to administer the
34 provisions of this chapter.
35 Sec. 168. Section 89A.4, Code 2003, is amended to read as

1 follows:
2 89A.4 COMMISSIONER'S DUTIES AND PERSONNEL.
3 The commissioner shall enforce the provisions of this
4 chapter. The commissioner shall employ personnel for the
5 administration of this chapter pursuant to chapter ~~19A~~ 8A,
6 article 4.
7 Sec. 169. Section 91A.9, subsection 3, Code 2003, is
8 amended to read as follows:
9 3. The commissioner may employ such qualified personnel as
10 are necessary for the enforcement of this chapter. Such
11 personnel shall be employed pursuant to chapter ~~19A~~ 8A,
12 article 4.
13 Sec. 170. Section 96.11, subsection 16, Code 2003, is
14 amended to read as follows:
15 16. Reimbursement of setoff costs. The department shall
16 include in the amount set off in accordance with section
17 ~~421.17,-subsection-29~~ 8A.504, for the collection of an
18 overpayment created pursuant to section 96.3, subsection 7, or
19 section 96.16, subsection 4, an additional amount for the
20 reimbursement of setoff costs incurred by the department of
21 ~~revenue-and-finance~~ administrative services.
22 Sec. 171. Section 97.51, subsection 1, Code 2003, is
23 amended to read as follows:
24 1. The treasurer of state is the custodian and trustee of
25 this fund and shall administer the fund in accordance with the
26 directions of the ~~department-of-personnel~~ Iowa public
27 employees' retirement system created in section 97B.1. It is
28 the duty of the trustee:
29 a. To hold said trust funds.
30 b. Under the direction of the department and as designated
31 by the department, invest such portion of said trust funds as
32 are not needed for current payment of benefits, in interest-
33 bearing securities issued by the United States, or interest-
34 bearing bonds issued by the state of Iowa, or bonds issued by
35 counties, school districts or general obligations or limited

1 levy bonds issued by municipal corporations in this state as
2 authorized by law; also to sell and dispose of same when
3 needed for the payment of benefits.
4 c. To disburse the trust funds upon warrants drawn by the
5 director of revenue and finance pursuant to the order of the
6 ~~department of personnel~~ Iowa public employees' retirement
7 system created in section 97B.1.
8 Sec. 172. Section 97.51, subsection 3, Code 2003, is
9 amended to read as follows:
10 3. The ~~department of personnel~~ Iowa public employees'
11 retirement system created in section 97B.1 shall administer
12 the Iowa old-age and survivors' insurance liquidation fund and
13 shall also administer all other provisions of this chapter.
14 Sec. 173. Section 97.52, Code 2003, is amended to read as
15 follows:
16 97.52 ADMINISTRATION AGREEMENTS.
17 The ~~department of personnel~~ Iowa public employees'
18 retirement system created in section 97B.1 may enter into
19 agreements whereby services performed by the ~~department~~ system
20 and its employees under chapters 97, 97B, and 97C shall be
21 equitably apportioned among the funds provided for the
22 administration of those chapters. The money spent for
23 personnel, rentals, supplies, and equipment used by the
24 ~~department~~ system in administering the chapters shall be
25 equitably apportioned and charged against the funds.
26 Sec. 174. Section 97A.5, subsections 5 and 6, Code 2003,
27 are amended to read as follows:
28 5. STAFF. The department of ~~personnel~~ public safety shall
29 provide administrative services to the board of trustees.
30 Investments shall be administered through the office of the
31 treasurer of state.
32 6. DATA -- RECORDS -- REPORTS.
33 a. The department of ~~personnel~~ public safety shall keep in
34 convenient form the data necessary for actuarial valuation of
35 the various funds of the system and for checking the expense

1 of the system. The ~~director-of-the-department~~ commissioner of
2 ~~personnel~~ public safety shall keep a record of all the acts
3 and proceedings of the board, which records shall be open to
4 public inspection. The board of trustees shall biennially
5 make a report to the general assembly showing the fiscal
6 transactions of the system for the preceding biennium, the
7 amount of the accumulated cash and securities of the system,
8 and the last balance sheet showing the financial condition of
9 the system by means of an actuarial valuation of the assets
10 and liabilities of the system.
11 b. The ~~director-of-the-department~~ commissioner of
12 ~~personnel~~ public safety shall maintain records, including but
13 not limited to names, addresses, ages, and lengths of service,
14 salaries and wages, contributions, designated beneficiaries,
15 benefit amounts, if applicable, and other information
16 pertaining to members as necessary in the administration of
17 this chapter, as well as the names, addresses, and benefit
18 amounts of beneficiaries. For the purpose of obtaining these
19 facts, the ~~director~~ commissioner of ~~personnel~~ public safety
20 shall have access to the records of the various departments of
21 the state and the departments shall provide such information
22 upon request. Member and beneficiary records containing
23 personal information are not public records for the purposes
24 of chapter 22. However, summary information concerning the
25 demographics of the members and general statistical
26 information concerning the system is subject to chapter 22, as
27 well as aggregate information by category.
28 Sec. 175. Section 97A.7, subsection 4, Code 2003, is
29 amended to read as follows:
30 4. A member of the board of trustees or an employee of the
31 department of ~~personnel~~ public safety shall not have a direct
32 interest in the gains or profits of any investment made by the
33 board of trustees. A trustee shall not receive any pay or
34 emolument for the trustee's services. A trustee or employee
35 of the department of ~~personnel~~ public safety shall not

1 directly or indirectly use the assets of the system except to
2 make current and necessary payments as authorized by the board
3 of trustees, nor shall a trustee or employee of the department
4 of ~~personnel~~ public safety become an endorser or surety or
5 become in any manner an obligor for moneys loaned by or
6 borrowed from the board of trustees.
7 Sec. 176. Section 97B.1, Code 2003, is amended to read as
8 follows:
9 97B.1 SYSTEM CREATED -- ORGANIZATIONAL DEFINITIONS.
10 1. The "Iowa Public Employees' Retirement System" is
11 ~~created~~ established as an independent agency within the
12 executive branch of state government. The Iowa public
13 employees' retirement system ~~division, a separate and distinct~~
14 ~~division within the department of personnel,~~ shall administer
15 the retirement system established under this chapter.
16 2. As used in this chapter, unless the context requires
17 otherwise:
18 a. "Board" means the investment board created by section
19 97B.8A.
20 b. "Chief executive officer" means the chief executive
21 officer of the Iowa public employees' retirement system
22 ~~division, notwithstanding section 7E.2, subsection 3,~~
23 ~~paragraph "c", subparagraph (1)~~.
24 c. "Committee" means the benefits advisory committee
25 created by section 97B.8B.
26 ~~d. "Division" means the Iowa public employees' retirement~~
27 ~~system division.~~
28 ~~e.~~ d. "System" means the Iowa public employees' retirement
29 system.
30 Sec. 177. Section 97B.1A, subsection 23, Code 2003, is
31 amended to read as follows:
32 ~~23.~~ 19A. ~~"System"~~ "Retirement system" means the retirement
33 plan as contained ~~herein~~ in this chapter or as duly amended.
34 Sec. 178. Section 97B.4, subsection 2, paragraph c, Code
35 2003, is amended to read as follows:

c. In administering this chapter, the ~~division shall~~ system may enter into a biennial agreement with the department of ~~personnel~~ administrative services concerning the sharing of resources between the ~~division~~ system and department which are of benefit to each and which are consistent with the mission of the ~~division~~ system and the department. The budget program for the ~~division~~ system shall be established by the chief executive officer in consultation with the board and other staff of the ~~division~~ system and shall be compiled ~~by the department of personnel in collaboration with the division~~ and submitted ~~on behalf of the division~~ by the ~~department~~ system pursuant to section 8.23.

Sec. 179. Section 97B.4, subsection 3, paragraphs a, b, c, and d, Code 2003, are amended to read as follows:

a. CHIEF INVESTMENT OFFICER. The chief executive officer, following consultation with the board, shall employ a chief investment officer who shall be appointed pursuant to chapter ~~19A~~ 8A, article 4, and shall be responsible for administering the investment program for the retirement fund pursuant to the investment policies of the board.

b. CHIEF BENEFITS OFFICER. The chief executive officer, following consultation with the benefits advisory committee, shall employ a chief benefits officer who shall be appointed pursuant to chapter ~~19A~~ 8A, article 4, and shall be responsible for administering the benefits and other services provided under the retirement system.

c. ACTUARY. The ~~division~~ system shall employ an actuary who shall be selected by the board and shall serve at the pleasure of the board. The actuary shall be the technical advisor for the system on matters regarding the operation of the retirement fund.

d. ~~DIVISION~~ SYSTEM EMPLOYEES. Subject to other provisions of this chapter, the ~~division~~ system may employ all other personnel as necessary for the administration of the retirement system. The maximum number of full-time equivalent

1 employees specified by the general assembly for the ~~division~~
2 system for administration of the retirement system for a
3 fiscal year shall not be reduced by any authority other than
4 the general assembly. The personnel of the ~~division~~ system
5 shall be appointed pursuant to chapter ~~19A~~ 8A, article 4. The
6 ~~division~~ system shall not appoint or employ a person who is an
7 officer or committee member of a political party organization
8 or who holds or is a candidate for a partisan elective public
9 office.
10 Sec. 180. Section 97B.7A, subsection 5, Code 2003, is
11 amended to read as follows:
12 5. TRAVEL. In the administration of the investment of
13 moneys in the retirement fund, employees of the ~~division~~
14 system and members of the board may travel outside the state
15 for the purpose of meeting with investment firms and
16 consultants and attending conferences and meetings to fulfill
17 their fiduciary responsibilities. This travel is not subject
18 to section ~~421.38~~ 8A.512, subsection 2.
19 Sec. 181. Section 97B.43, unnumbered paragraph 1, Code
20 2003, is amended to read as follows:
21 Each member in service on July 4, 1953, who made
22 contributions under the abolished system, and who has not
23 applied for and qualified for benefit payments under the
24 abolished system, shall receive credit for years of prior
25 service in the determination of retirement allowance payments
26 under this chapter, if the member elects to become a member on
27 or before October 1, 1953, the member has not made application
28 for a refund of the part of the member's contributions under
29 the abolished system which are payable under sections 97.50 to
30 97.53, and the member gives written authorization prior to
31 October 1, 1953, to the commission to credit to the retirement
32 fund the amount of the member's contribution which would be
33 subject to a claim for refund. The amount so credited shall,
34 after transfer, be considered as a contribution to the
35 retirement system made as of July 4, 1953, by the member and

1 shall be included in the determination of the amount of moneys
2 payable under this chapter. However, an employee who was
3 under a contract of employment as a teacher in the public
4 schools of the state of Iowa at the end of the school year
5 1952-1953, or any person covered by section 97B.1A, subsection
6 20, paragraph "c" or "d", shall be considered as in service as
7 of July 4, 1953, if they were members of the abolished system.
8 Sec. 182. Section 97B.49B, subsection 1, paragraph e,
9 subparagraph (3), Code 2003, is amended to read as follows:
10 (3) A correctional officer or correctional supervisor
11 employed by the Iowa department of corrections, and any other
12 employee of that department whose primary purpose is, through
13 ongoing direct inmate contact, to enforce and maintain
14 discipline, safety, and security within a correctional
15 facility. The Iowa department of corrections and the
16 ~~personnel division of the~~ department of ~~personnel~~
17 administrative services shall jointly determine which job
18 classifications are covered under this subparagraph.
19 Sec. 183. Section 97B.49B, subsection 1, paragraph e,
20 subparagraph (7), Code 2003, is amended to read as follows:
21 (7) An employee covered by the merit system as provided in
22 chapter ~~19A~~ 8A, article 4, whose primary duty is providing
23 airport security and who carries or is licensed to carry a
24 firearm while performing those duties.
25 Sec. 184. Section 97B.49F, subsection 2, paragraph c,
26 subparagraph (5), Code 2003, is amended to read as follows:
27 (5) As used in this paragraph, "favorable actuarial
28 experience" means the difference, if positive, between the
29 anticipated and actual experience of the retirement system's
30 actuarial assets and liabilities as measured by the system's
31 actuary in the most recent annual actuarial valuation of the
32 retirement system pursuant to rules adopted by the ~~division~~
33 system.
34 Sec. 185. Section 97B.50, subsection 2, paragraph c, Code
35 2003, is amended to read as follows:

1 c. A vested member who terminated service due to a
2 disability, who has been issued payment for a refund pursuant
3 to section 97B.53, and who subsequently commences receiving
4 disability benefits as a result of that disability pursuant to
5 the federal Social Security Act, 42 U.S.C. § 423 et seq. or
6 the federal Railroad Retirement Act, 45 U.S.C. § 231 et seq.,
7 may receive credit for membership service for the period
8 covered by the refund payment, upon repayment to the ~~division~~
9 system of the actuarial cost of receiving service credit for
10 the period covered by the refund payment, as determined by the
11 ~~division~~ system. For purposes of this paragraph, the
12 actuarial cost of the service purchase shall be determined as
13 provided in section 97B.74. The payment to the ~~division~~
14 system as provided in this paragraph shall be made within
15 ninety days after July 1, 2000, or the date federal disability
16 payments commenced, whichever occurs later. For purposes of
17 this paragraph, the date federal disability payments commence
18 shall be the date that the member actually receives the first
19 such payment, regardless of any retroactive payments included
20 in that payment. A member who repurchases service credit
21 under this paragraph and applies for retirement benefits shall
22 have the member's monthly allowance, including retroactive
23 adjustment payments, determined in the same manner as provided
24 in paragraph "a" or "b", as applicable. This paragraph shall
25 not be implemented until the system has received a
26 determination letter from the federal internal revenue service
27 approving the system's plan's qualified status under Internal
28 Revenue Code section 401(a).
29 Sec. 186. Section 97B.64, Code 2003, is amended to read as
30 follows:
31 97B.64 INSURANCE LAWS NOT APPLICABLE.
32 None of the laws of this state regulating insurance or
33 insurance companies shall apply to the ~~division~~ system or to
34 the ~~Iowa public employees'~~ retirement system or any of its
35 funds.

1 Sec. 187. Section 97C.2, subsection 8, Code 2003, is
2 amended to read as follows:
3 8. The term "state agency" means the ~~department of~~
4 ~~personnel~~ Iowa public employees' retirement system created in
5 section 97B.1.
6 Sec. 188. Section 99E.3, subsection 3, Code 2003, is
7 amended to read as follows:
8 3. The commissioner may employ, with the approval of the
9 director, clerks, stenographers, inspectors, agents, and other
10 employees pursuant to chapter ~~19A~~ 8A, article 4, as necessary
11 to carry out this chapter, except as provided in section
12 99E.14. The commissioner may require a background
13 investigation to be conducted in connection with the
14 employment of lottery employees. The board shall define, by
15 rule, the employment categories subject to investigation. The
16 background investigation by the division of criminal
17 investigation of the department of public safety may include a
18 national criminal history record check through the federal
19 bureau of investigation. The screening of lottery employees
20 through the federal bureau of investigation shall be conducted
21 by submission of fingerprints through the state criminal
22 history record repository to the federal bureau of
23 investigation.
24 Sec. 189. Section 99E.14, unnumbered paragraph 1, Code
25 2003, is amended to read as follows:
26 The commissioner shall designate three administrative
27 positions within the division which require specific areas of
28 expertise relating to the operation of the lottery. These
29 three administrative positions are exempt from the merit
30 system provisions of chapter ~~19A~~ 8A, article 4. The
31 commissioner shall designate one of these three administrators
32 to serve as acting commissioner in the commissioner's absence.
33 Sec. 190. Section 103A.6, Code 2003, is amended to read as
34 follows:
35 103A.6 MERIT SYSTEM.

1 Employees of the commissioner, if required by federal
2 statutes, are covered by the merit system provisions of
3 chapter ~~19A~~ 8A, article 4.
4 Sec. 191. Section 123.20, subsection 4, Code 2003, is
5 amended to read as follows:
6 4. To appoint clerks, agents, or other employees required
7 for carrying out the provisions of this chapter; to dismiss
8 employees for cause; to assign employees to bureaus as created
9 by the administrator within the division; and to designate
10 their title, duties, and powers. All employees of the
11 division are subject to chapter ~~19A~~ 8A, article 4, unless
12 exempt under section ~~19A.3~~ 8A.412.
13 Sec. 192. Section 135.2, unnumbered paragraph 1, Code
14 2003, is amended to read as follows:
15 The governor shall appoint the director of the department,
16 subject to confirmation by the senate. The director shall
17 serve at the pleasure of the governor. The director is exempt
18 from the merit system provisions of chapter ~~19A~~ 8A, article 4.
19 The governor shall set the salary of the director within the
20 range established by the general assembly.
21 Sec. 193. Section 135C.16, subsection 1, Code 2003, is
22 amended to read as follows:
23 1. In addition to the inspections required by sections
24 135C.9 and 135C.38, the department shall make or cause to be
25 made such further unannounced inspections as it deems
26 necessary to adequately enforce this chapter. At least one
27 general unannounced inspection shall be conducted for each
28 health care facility within a thirty-month period. The
29 inspector shall show identification to the person in charge of
30 the facility and state that an inspection is to be made before
31 beginning the inspection. An employee of the department who
32 gives unauthorized advance notice of an inspection made or
33 planned to be made under this subsection or section 135C.38
34 shall be disciplined as determined by the director, except
35 that if the employee is employed pursuant to the merit system

1 provisions of chapter ~~19A~~ 8A, article 4, the discipline shall
2 not exceed the discipline authorized pursuant to that ~~chapter~~
3 article.
4 Sec. 194. Section 135C.18, Code 2003, is amended to read
5 as follows:
6 135C.18 EMPLOYEES.
7 The department may employ, pursuant to chapter ~~19A~~ 8A,
8 article 4, such assistants and inspectors as may be necessary
9 to administer and enforce the provisions of this chapter.
10 Sec. 195. Section 137.6, subsection 4, Code 2003, is
11 amended to read as follows:
12 4. Employ persons as necessary for the efficient discharge
13 of its duties. Employment practices shall meet the
14 requirements of chapter ~~19A~~ 8A, article 4, or any civil
15 service provision adopted under chapter 400.
16 Sec. 196. Section 142A.5, subsection 1, paragraph b, Code
17 2003, is amended to read as follows:
18 b. Employ a division administrator who shall be
19 responsible for the administration and oversight of the
20 division. The division administrator shall report to and
21 shall serve at the pleasure of the director. The
22 administrator shall be exempt from the merit system provisions
23 of chapter ~~19A~~ 8A, article 4.
24 Sec. 197. Section 142A.6, subsection 5, Code 2003, is
25 amended to read as follows:
26 5. Procurement of goods and services necessary to
27 implement the initiative is subject to approval of the
28 commission. Notwithstanding chapter ~~18~~ 8A, article 3, or any
29 other provision of law to the contrary, such procurement may
30 be accomplished by the commission under its own competitive
31 bidding process which shall provide for consideration of such
32 factors as price, bidder competence, and expediency in
33 procurement.
34 Sec. 198. Section 147.98, Code 2003, is amended to read as
35 follows:

1 147.98 SECRETARY OF PHARMACY EXAMINERS.
2 The pharmacy examiners shall have the right to employ a
3 full-time secretary, who shall not be a member of the
4 examining board, at such compensation as may be fixed pursuant
5 to chapter ~~19A~~ 8A, article 4, but the provisions of section
6 147.22 providing for a secretary for each examining board
7 shall not apply to the pharmacy examiners.
8 Sec. 199. Section 147.102, Code 2003, is amended to read
9 as follows:
10 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.
11 Notwithstanding the provisions of this subtitle, every
12 application for a license to practice psychology,
13 chiropractic, or dentistry shall be made directly to the
14 chairperson, executive director, or secretary of the examining
15 board of such profession, and every reciprocal agreement for
16 the recognition of any such license issued in another state
17 shall be negotiated by the examining board for such
18 profession. All examination, license, and renewal fees
19 received from persons licensed to practice any of such
20 professions shall be paid to and collected by the chairperson,
21 executive director, or secretary of the examining board of
22 such profession, who shall transmit the fees to the treasurer
23 of state for deposit into the general fund of the state. The
24 salary of the secretary shall be established by the governor
25 with the approval of the executive council pursuant to section
26 ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt
27 positions in the executive branch of government.
28 Sec. 200. Section 147.103, unnumbered paragraph 1, Code
29 2003, is amended to read as follows:
30 The board of physician assistant examiners may appoint
31 investigators, who shall not be members of the examining
32 board, to administer and aid in the enforcement of the
33 provisions of law relating to physician assistants. The
34 amount of compensation for the investigators shall be
35 determined pursuant to chapter ~~19A~~ 8A, article 4.

1 Sec. 201. Section 147.103A, subsections 3 and 4, Code
2 2003, are amended to read as follows:
3 3. The board may appoint investigators, who shall not be
4 members of the examining board, and whose compensation shall
5 be determined pursuant to chapter ~~19A~~ 8A, article 4.
6 Investigators appointed by the board have the powers and
7 status of peace officers when enforcing this chapter and
8 chapters 148, 150, 150A, and 272C.
9 4. Applications for a license shall be made to the chair-
10 person, executive director, or secretary of the board. All
11 examination, license, and renewal fees shall be paid to and
12 collected by the chairperson, executive director, or secretary
13 of the board, who shall transmit the fees to the treasurer of
14 state for deposit in the general fund of the state. The
15 salary of the executive director of the board shall be
16 established by the governor with approval of the executive
17 council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under
18 the pay plan for exempt positions in the executive branch of
19 government.
20 Sec. 202. Section 147.114, Code 2003, is amended to read
21 as follows:
22 147.114 INSPECTOR.
23 An inspector may be appointed by the board of dental
24 examiners pursuant to the provisions of chapter ~~19A~~ 8A,
25 article 4.
26 Sec. 203. Section 152.2, Code 2003, is amended to read as
27 follows:
28 152.2 EXECUTIVE DIRECTOR -- ASSISTANTS.
29 The board shall appoint a full-time executive director.
30 The executive director shall be a registered nurse and shall
31 not be a member of the board. The governor, with the approval
32 of the executive council pursuant to section ~~19A.9~~ 8A.413,
33 subsection 2, under the pay plan for exempt positions in the
34 executive branch of government, shall set the salary of the
35 executive director.

1 Sec. 204. Section 152.3, subsection 6, Code 2003, is
2 amended to read as follows:
3 6. To appoint assistants to the director and persons
4 necessary to administer this ~~Act~~ chapter. Any appointments
5 shall be merit appointments made pursuant to chapter ~~19A~~ 8A,
6 article 4.
7 Sec. 205. Section 152.11, Code 2003, is amended to read as
8 follows:
9 152.11 INVESTIGATORS FOR NURSES.
10 The board of nursing may appoint investigators, who shall
11 not be members of the board, to administer and aid in the
12 enforcement of the provisions of law related to those licensed
13 to practice nursing. The amount of compensation for the
14 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
15 article 4. Investigators authorized by the board of nursing
16 have the powers and status of peace officers when enforcing
17 this chapter and chapters 147 and 272C.
18 Sec. 206. Section 153.33, subsection 2, Code 2003, is
19 amended to read as follows:
20 2. To appoint investigators, who shall not be members of
21 the examining board, to administer and aid in the enforcement
22 of the provisions of law relating to those persons licensed to
23 practice dentistry and dental hygiene, and persons registered
24 as dental assistants. The amount of compensation for the
25 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
26 article 4. Investigators authorized by the board of dental
27 examiners have the powers and status of peace officers when
28 enforcing this chapter and chapters 147 and 272C.
29 Sec. 207. Section 157.7, Code 2003, is amended to read as
30 follows:
31 157.7 INSPECTORS AND CLERICAL ASSISTANTS.
32 The department of inspections and appeals shall employ
33 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
34 perform duties related to inspection functions under this
35 chapter. The department of inspections and appeals shall,

1 when possible, integrate inspection efforts under this chapter
2 with inspections conducted under chapter 158.
3 The Iowa department of public health may employ clerical
4 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
5 administer and enforce this chapter. The costs and expenses
6 of the clerical assistants shall be paid from funds
7 appropriated to the department of public health.
8 Sec. 208. Section 158.6, Code 2003, is amended to read as
9 follows:
10 158.6 INSPECTORS AND CLERICAL ASSISTANTS.
11 The department of inspections and appeals shall employ
12 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
13 perform duties related to inspection functions under this
14 chapter. The department of inspections and appeals shall,
15 when possible, integrate inspection efforts under this chapter
16 with inspections conducted under chapter 157.
17 The Iowa department of public health may employ clerical
18 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
19 administer and enforce this chapter. The costs and expenses
20 of the clerical assistants shall be paid from funds
21 appropriated to the department of public health.
22 Sec. 209. Section 175.7, subsection 3, Code 2003, is
23 amended to read as follows:
24 3. The executive director shall advise the authority on
25 matters relating to agricultural land and property and
26 agricultural finance, and carry out all directives from the
27 authority, and shall hire and supervise the authority's staff
28 pursuant to its directions and under the merit system
29 provisions of chapter ~~19A~~ 8A, article 4, except that principal
30 administrative assistants with responsibilities in beginning
31 farm loan programs, accounting, mortgage loan processing, and
32 investment portfolio management are exempt from the merit
33 system.
34 Sec. 210. Section 189.2, subsection 4, Code 2003, is
35 amended to read as follows:

4. Issue from time to time, bulletins showing the results of inspections, analyses, and prosecutions under this subtitle, excluding chapters 203, 203A, 203C, 203D, 207, and 208. These bulletins shall be printed in such numbers as may be approved by the ~~state printing administrator~~ director of the department of administrative services and shall be distributed to the newspapers of the state and to all interested persons.

Sec. 211. Section 216A.2, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The governor shall appoint the administrators of each of the divisions subject to confirmation by the senate. Each administrator shall serve at the pleasure of the governor and is exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4. The governor shall set the salary of the division administrators within the ranges set by the general assembly.

Sec. 212. Section 216A.145, Code 2003, is amended to read as follows:

216A.145 EMPLOYEES AND RESPONSIBILITY.

The administrator shall be the administrative officer of the division and shall be responsible for implementing policies and programs. The administrator may employ, in accordance with chapter ~~19A~~ 8A, article 4, other persons necessary to carry out the programs of the division.

Sec. 213. Section 216B.3, subsections 14 and 17, Code 2003, are amended to read as follows:

14. Purchase and use recycled printing and writing paper in accordance with the schedule established in section ~~18.18~~ 8A.315; 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~~ 8A.329; and, in accordance with section ~~18.6~~ 8A.311, require product content statements and compliance with requirements regarding contract bidding.

17. Comply with the requirements for the purchase of

lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section ~~18.22~~ 8A.316.

Sec. 214. Section 217.23, subsection 1, Code 2003, is amended to read as follows:

1. The director of human services or the director's designee, shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the department. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 215. Section 217.34, Code 2003, is amended to read as follows:

217.34 DEBT SETOFF.

The investigations division of the department of inspections and appeals and the department of human services shall provide assistance to set off against a person's or provider's income tax refund or rebate any debt which has accrued through written contract, subrogation, departmental recoupment procedures, or court judgment and which is in the form of a liquidated sum due and owing the department of human services. The department of inspections and appeals, with approval of the department of human services, shall adopt rules under chapter 17A necessary to assist the department of ~~revenue and finance~~ administrative services in the implementation of the setoff under section ~~421.17, subsection 21~~ 8A.504 in regard to money owed to the state for public assistance overpayments. The department of human services shall adopt rules under chapter 17A necessary to assist the department of ~~revenue and finance~~ administrative services in the implementation of the setoff under section ~~421.17, subsection 21~~ 8A.504, in regard to collections by the child support recovery unit and the foster care recovery unit.

Sec. 216. Section 218.10, Code 2003, is amended to read as follows:

1 218.10 SUBORDINATE OFFICERS AND EMPLOYEES.
2 The administrator in charge of a particular institution,
3 with the consent and approval of the director of human
4 services, shall determine the number of subordinate officers
5 and employees for the institution. Subject to this chapter,
6 the officers and employees shall be appointed and discharged
7 by the superintendent or business manager pursuant to chapter
8 ~~19A~~ 8A, article 4. The superintendent shall keep, in the
9 record of each subordinate officer and employee, the date of
10 employment, the compensation, and the date of each discharge,
11 and the reasons for discharge.
12 Sec. 217. Section 218.58, subsections 3 and 5, Code 2003,
13 are amended to read as follows:
14 3. The department of ~~general~~ administrative services shall
15 let all contracts under chapter ~~18~~ 8A, article 3, for
16 authorized construction, repair, or improvement of
17 departmental buildings, grounds, or equipment.
18 5. A claim for payment relating to a project shall be
19 itemized on a voucher form pursuant to section ~~421.40~~ 8A.514,
20 certified by the claimant and the architect or engineer in
21 charge, and audited and approved by the department of ~~general~~
22 administrative services. Upon approval by the department of
23 ~~general~~ administrative services, the ~~voucher shall be~~
24 ~~forwarded to the~~ director of ~~revenue and finance, who~~ the
25 department of administrative services shall draw a warrant to
26 be paid by the treasurer of state from funds appropriated for
27 the project. A partial payment made before completion of the
28 project does not constitute final acceptance of the work or a
29 waiver of any defect in the work.
30 Sec. 218. Section 218.85, Code 2003, is amended to read as
31 follows:
32 218.85 UNIFORM SYSTEM OF ACCOUNTS.
33 The director of human services through the administrators
34 in control of the institutions shall install in all the
35 institutions the most modern, complete, and uniform system of

accounts, records, and reports possible. The system shall be prescribed by the director of ~~revenue and finance~~ the department of administrative services as authorized in section ~~421.31~~ 8A.502, subsection ~~10~~ 13, and, among other matters, shall clearly show the detailed facts relative to the handling and uses of all purchases.

Sec. 219. Section 218.100, Code 2003, is amended to read as follows:

218.100 CENTRAL WAREHOUSE AND SUPPLY DEPOT.

The department of human services shall establish a fund for maintaining and operating a central warehouse as a supply depot and distribution facility for surplus government products, carload canned goods, paper products, other staples and such other items as determined by the department. The fund shall be permanent and shall be composed of the receipts from the sales of merchandise, recovery of handling, operating and delivery charges of such merchandise and from the funds contributed by the institutions now in a contingent fund being used for this purpose. All claims for purchases of merchandise, operating and salary expenses shall be subject to the provisions of sections 218.86 to ~~218.89~~ 218.88.

Sec. 220. Section 231.22, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The governor, subject to confirmation by the senate, shall appoint a director of the department of elder affairs who shall, subject to chapter ~~19A~~ 8A, article 4, employ and direct staff as necessary to carry out the powers and duties created by this chapter. The director shall serve at the pleasure of the governor. However, the director is subject to reconfirmation by the senate as provided in section 2.32, subsection 8. The governor shall set the salary for the director within the range set by the general assembly.

Sec. 221. Section 231.58, subsection 4, paragraph d, Code 2003, is amended to read as follows:

d. Develop procedures for coordination at the local and

1 state level among the providers of long-term care, including
2 when possible co-campusing of services. The director of the
3 department of ~~general~~ administrative services shall give
4 particular attention to this section when arranging for office
5 space pursuant to section ~~18.12~~ 8A.321 for these three
6 departments.
7 Sec. 222. Section 234.8, Code 2003, is amended to read as
8 follows:
9 234.8 FEES FOR CHILD WELFARE SERVICES.
10 The department of human services may charge a fee for child
11 welfare services to a person liable for the cost of the
12 services. The fee shall not exceed the reasonable cost of the
13 services. The fee shall be based upon the person's ability to
14 pay and consideration of the fee's impact upon the liable
15 person's family and the goals identified in the case
16 permanency plan. The department may assess the liable person
17 for the fee and the means of recovery shall include a setoff
18 against an amount owed by a state agency to the person
19 assessed pursuant to section ~~421.17, subsection 29~~ 8A.504. In
20 addition the department may establish an administrative
21 process to recover the assessment through automatic income
22 withholding. The department shall adopt rules pursuant to
23 chapter 17A to implement the provisions of this section. This
24 section does not apply to court-ordered services provided to
25 juveniles which are a charge upon the state pursuant to
26 section 232.141 and services for which the department has
27 established a support obligation pursuant to section 234.39.
28 Sec. 223. Section 235A.15, subsection 5, Code 2003, is
29 amended to read as follows:
30 5. Access to disposition data subject to placement in the
31 central registry pursuant to section 232.71D is authorized to
32 the department of personnel or to the personnel office of a
33 public employer, as defined in section 20.3, as necessary for
34 presentation in grievance or arbitration procedures provided
35 for in sections ~~19A.14~~ 8A.415 and 20.18. Disposition data

1 introduced into a grievance or arbitration proceeding shall
2 not be considered a part of the public record of a case.
3 Sec. 224. Section 236.15B, unnumbered paragraph 5, Code
4 2003, is amended to read as follows:
5 The department of ~~revenue-and-finance~~ administrative
6 services shall consult the crime victim assistance board
7 concerning the adoption of rules to implement this section.
8 However, before a checkoff pursuant to this section shall be
9 permitted, all liabilities on the books of the department of
10 ~~revenue-and-finance~~ administrative services and accounts
11 identified as owing under section ~~421.17~~ 8A.504 and the
12 political contribution allowed under section 56.18 shall be
13 satisfied.
14 Sec. 225. Section 252B.5, subsection 4, Code 2003, is
15 amended to read as follows:
16 4. Assistance to set off against a debtor's income tax
17 refund or rebate any support debt, which is assigned to the
18 department of human services or which the child support
19 recovery unit is attempting to collect on behalf of any
20 individual not eligible as a public assistance recipient,
21 which has accrued through written contract, subrogation, or
22 court judgment, and which is in the form of a liquidated sum
23 due and owing for the care, support, or maintenance of a
24 child. Unless the periodic payment plan provisions for a
25 retroactive modification pursuant to section 598.21,
26 subsection 8, apply, the entire amount of a judgment for
27 accrued support, notwithstanding compliance with a periodic
28 payment plan or regardless of the date of entry of the
29 judgment, is due and owing as of the date of entry of the
30 judgment and is delinquent for the purposes of setoff,
31 including for setoff against a debtor's federal income tax
32 refund or other federal nontax payment. The department of
33 human services shall adopt rules pursuant to chapter 17A
34 necessary to assist the department of ~~revenue-and-finance~~
35 administrative services in the implementation of the child

1 support setoff as established under section ~~421.17, subsection~~
2 ~~21~~ 8A.504.
3 Sec. 226. Section 252B.5, subsection 8, Code 2003, is
4 amended to read as follows:
5 8. a. Assistance, in consultation with the department of
6 ~~revenue and finance~~ administrative services, in identifying
7 and taking action against self-employed individuals as
8 identified by the following conditions:
9 (1) The individual owes support pursuant to a court or
10 administrative order being enforced by the unit and is
11 delinquent in an amount equal to or greater than the support
12 obligation amount assessed for one month.
13 (2) The individual has filed a state income tax return in
14 the preceding twelve months.
15 (3) The individual has no reported tax withholding amount
16 on the most recent state income tax return.
17 (4) The individual has failed to enter into or comply with
18 a formalized repayment plan with the unit.
19 (5) The individual has failed to make either all current
20 support payments in accordance with the court or
21 administrative order or to make payments against any
22 delinquency in each of the preceding twelve months.
23 b. Notwithstanding section 252B.9, the unit may forward
24 information to the department of ~~revenue and finance~~
25 administrative services as necessary to implement this
26 subsection, including but not limited to both of the
27 following:
28 (1) The name and social security number of the individual.
29 (2) Support obligation information in the specific case,
30 including the amount of the delinquency.
31 Sec. 227. Section 255.27, Code 2003, is amended to read as
32 follows:
33 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.
34 The medical faculty of the state university hospital shall
35 from time to time prepare blanks containing questions and

1 requiring information that it finds necessary and proper to be
2 obtained by the physician who examines a patient under order
3 of court. The blanks shall be printed by the state, and a
4 sufficient supply shall be furnished by the ~~state printing~~
5 ~~administrator~~ director of the department of administrative
6 services to the clerk of each juvenile court in the state.
7 The cost of printing the blanks shall be audited, allowed, and
8 paid in the same manner as other bills for public printing.
9 Sec. 228. Section 256.9, subsection 4, Code 2003, is
10 amended to read as follows:
11 4. Employ personnel and assign duties and responsibilities
12 of the department. The director shall appoint a deputy
13 director and division administrators deemed necessary. They
14 shall be appointed on the basis of their professional
15 qualifications, experience in administration, and background.
16 Members of the professional staff are not subject to the merit
17 system provisions of chapter ~~19A~~ 8A, article 4, and are
18 subject to section 256.10.
19 Sec. 229. Section 256.52, subsection 3, paragraph d, Code
20 2003, is amended to read as follows:
21 d. Appoint and approve the technical, professional,
22 excepting the medical librarian and the law librarian,
23 secretarial, and clerical staff necessary to accomplish the
24 purposes of the division subject to chapter ~~19A~~ 8A, article 4.
25 Sec. 230. Section 256.54, subsection 1, unnumbered
26 paragraph 1, Code 2003, is amended to read as follows:
27 The medical library shall be administered by a medical
28 librarian, appointed by the director subject to chapter ~~19A~~
29 8A, article 4, who shall do all of the following:
30 Sec. 231. Section 256.54, subsection 2, unnumbered
31 paragraph 1, Code 2003, is amended to read as follows:
32 The law library shall be administered by a law librarian
33 appointed by the director subject to chapter ~~19A~~ 8A, article
34 4, who shall do all of the following:
35 Sec. 232. Section 257C.6, subsection 11, Code 2003, is

1 amended to read as follows:
2 11. The authority is exempt from chapter ~~18~~ 8A, article 3.
3 Sec. 233. Section 260C.19B, Code 2003, is amended to read
4 as follows:
5 260C.19B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
6 AND OTHER INDUSTRIAL LUBRICANTS.
7 Hydraulic fluids, greases, and other industrial lubricants
8 purchased by or used under the direction of the board of
9 directors to provide services to a merged area shall be
10 purchased in compliance with the preference requirements for
11 purchasing bio-based hydraulic fluids, greases, and other
12 industrial lubricants as provided pursuant to section ~~18.22~~
13 8A.316.
14 Sec. 234. Section 261.37, subsection 7, Code 2003, is
15 amended to read as follows:
16 7. To establish an effective system for the collection of
17 delinquent loans, including the adoption of an agreement with
18 the ~~Iowa~~ department of ~~revenue and finance~~ administrative
19 services to set off against a defaulter's income tax refund or
20 rebate the amount that is due because of a default on a
21 guaranteed or parental loan made under this division. The
22 commission shall adopt rules under chapter 17A necessary to
23 assist the department of ~~revenue and finance~~ administrative
24 services in the implementation of the student loan setoff
25 program as established under section ~~421.17, subsection 23~~
26 8A.504.
27 Sec. 235. Section 261A.6, subsection 10, Code 2003, is
28 amended to read as follows:
29 10. All employees of the authority are exempt from
30 ~~chapters 19A~~ chapter 8A, article 4, and chapter 97B.
31 Sec. 236. Section 262.9, subsection 6, Code 2003, is
32 amended to read as follows:
33 6. Purchase and use recycled printing and writing paper,
34 with the exception of specialized paper when no recyclable
35 product is available, in accordance with the schedule

1 established in section ~~18.18~~ 8A.315; establish a wastepaper
2 recycling program for all institutions governed by the board
3 in accordance with recommendations made by the department of
4 natural resources and the requirements of section ~~18.20~~
5 8A.329; shall, in accordance with the requirements of section
6 ~~18.6~~ 8A.311, require product content statements and compliance
7 with requirements regarding procurement specifications; and
8 shall comply with the requirements for the purchase of
9 lubricating oils and industrial oils as established pursuant
10 to section ~~18.22~~ 8A.316.
11 Sec. 237. Section 262.25A, subsection 1, Code 2003, is
12 amended to read as follows:
13 1. Institutions under the control of the state board of
14 regents shall purchase only new automobiles which have at
15 least the fuel economy required for purchase of new
16 automobiles by the ~~state fleet administrator~~ director of the
17 department of administrative services under section ~~18.115~~
18 8A.362, subsection 4. This subsection does not apply to
19 automobiles purchased for law enforcement purposes.
20 Sec. 238. Section 262.25B, Code 2003, is amended to read
21 as follows:
22 262.25B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
23 AND OTHER INDUSTRIAL LUBRICANTS.
24 The state board of regents and institutions under the
25 control of the board purchasing hydraulic fluids, greases, and
26 other industrial lubricants shall give preference to
27 purchasing bio-based hydraulic fluids, greases, and other
28 industrial lubricants as provided in section ~~18.22~~ 8A.316.
29 Sec. 239. Section 272C.7, subsection 1, Code 2003, is
30 amended to read as follows:
31 1. As an alternative to authority contained elsewhere in
32 this chapter, a licensing board may employ within the limits
33 of available funds an executive secretary, one or more
34 inspectors, and such clerical personnel as may be necessary
35 for the administration of the duties of the board. Employees

1 of the board shall be employed subject to chapter ~~19A~~ 8A,
2 article 4. The qualifications of the executive secretary
3 shall be determined by the board.
4 Sec. 240. Section 298.14, Code 2003, is amended to read as
5 follows:
6 298.14 SCHOOL DISTRICT INCOME SURTAXES.
7 For each fiscal year, the cumulative total of the percents
8 of surtax approved by the board of directors of a school
9 district and collected by the department of revenue ~~and~~
10 ~~finance~~ under sections 257.21, 257.29, and 298.2, and the
11 enrichment surtax under section 442.15, Code 1989, and an
12 income surtax collected by a political subdivision under
13 chapter 422D, shall not exceed twenty percent.
14 A school district income surtax fund is created in the
15 office of treasurer of state. Income surtaxes collected by
16 the department of revenue ~~and finance~~ under sections 257.21,
17 257.29, and 298.2 and section 442.15, Code 1989, shall be
18 deposited in the school district income surtax fund to the
19 credit of each school district. A separate accounting of each
20 surtax, by school district, shall be maintained.
21 The director of ~~revenue and finance~~ the department of
22 administrative services shall draw warrants in payment of the
23 surtaxes collected in each school district. Warrants shall be
24 payable in two installments to be paid on approximately the
25 first day of December and the first day of February following
26 collection of the taxes and shall be delivered to the
27 respective school districts.
28 Sec. 241. Section 303.1A, subsection 5, Code 2003, is
29 amended to read as follows:
30 5. Appoint and approve the technical, professional,
31 secretarial, and clerical staff necessary to accomplish the
32 purposes of the department subject to chapter ~~19A~~ 8A, article
33 4.
34 Sec. 242. Section 303.2, subsection 2, paragraph i, Code
35 2003, is amended to read as follows:

1 i. Buy or receive by other means historical materials
2 including, but not limited to, artifacts, art, books,
3 manuscripts, and images. Such materials are not personal
4 property under ~~section 18.12~~ sections 8A.321 and 8A.324 and
5 shall be received and cared for under the rules of the
6 department. The historical division may sell or otherwise
7 dispose of those materials according to the rules of the
8 department and be credited for any revenues credited by the
9 disposal less the costs incurred.
10 Sec. 243. Section 303.9, subsection 2, Code 2003, is
11 amended to read as follows:
12 2. The department may sell mementos and other items
13 relating to Iowa history and historic sites on the premises of
14 property under control of the department and at the state
15 capitol. Notwithstanding sections ~~18.12~~ 8A.321 and ~~18.16~~
16 8A.327, the department may directly and independently enter
17 into rental and lease agreements with private vendors for the
18 purpose of selling mementos. All fees and income produced by
19 the sales and rental or lease agreements shall be credited to
20 the account of the department. The mementos and other items
21 sold by the department or vendors under this subsection are
22 exempt from section ~~18.6~~ 8A.311. The department is not a
23 retailer under chapter 422 and the sale of such mementos and
24 other items by the department is not a retail sale under
25 chapter 422 and is exempt from the sales tax.
26 Sec. 244. Section 304.3, subsections 8 and 9, Code 2003,
27 are amended to read as follows:
28 8. The director of the department of ~~general~~
29 administrative services.
30 ~~9.--The director of the information technology department.~~
31 Sec. 245. Section 307.12, subsection 2, Code 2003, is
32 amended to read as follows:
33 2. Employ personnel as necessary to carry out the duties
34 and responsibilities of the department, consistent with
35 chapter ~~19A~~ 8A, article 4.

1 Sec. 246. Section 307.12, unnumbered paragraph 2, Code
2 2003, is amended to read as follows:
3 If in the interest of the state, the director may allow a
4 subsistence expense to an employee under the supervision of
5 the department's administrator for highways for continuous
6 stay in one location while on duty away from established head-
7 quarters and place of domicile for a period not to exceed
8 forty-five days; and allow automobile expenses in accordance
9 with section ~~18.117~~ 8A.363, for moving an employee and the
10 employee's family from place of present domicile to new
11 domicile, and actual transportation expense for moving of
12 household goods. The household goods for which transportation
13 expense is allowed shall not include pets or animals.
14 Sec. 247. Section 307.21, subsection 4, paragraphs a and
15 b, Code 2003, are amended to read as follows:
16 a. Provide centralized purchasing services for the
17 department, in cooperation with the department of ~~general~~
18 administrative services. The administrator shall, when the
19 price is reasonably competitive and the quality as intended,
20 purchase soybean-based inks and plastic products with recycled
21 content, including but not limited to plastic garbage can
22 liners, and shall purchase these items in accordance with the
23 schedule established in section ~~18.18~~ 8A.315. However, the
24 administrator need not purchase garbage can liners in
25 accordance with the schedule if the liners are utilized by a
26 facility approved by the environmental protection commission
27 created under section 455A.6, for purposes of recycling. For
28 purposes of this subsection, "recycled content" means that the
29 content of the product contains a minimum of thirty percent
30 postconsumer material.
31 b. The administrator shall do all of the following:
32 (1) Purchase and use recycled printing and writing paper
33 in accordance with the schedule established in section ~~18.18~~
34 8A.315.
35 (2) Establish a wastepaper recycling program ~~by January 1,~~

1 ~~1990,~~ in accordance with recommendations made by the
2 department of natural resources and the requirements of
3 section ~~18.20~~ 8A.329.
4 (3) Require in accordance with section ~~18.6~~ 8A.311 product
5 content statements and compliance with requirements regarding
6 procurement specifications.
7 (4) Comply with the requirements for the purchase of
8 lubricating oils, industrial oils, greases, and hydraulic
9 fluids as established pursuant to section ~~18.22~~ 8A.316.
10 Sec. 248. Section 307.21, unnumbered paragraph 2, Code
11 2003, is amended to read as follows:
12 The administrator of administrative services may purchase
13 items from the department of ~~general~~ administrative services
14 and may cooperate with the director of ~~general~~ the department
15 of administrative services by providing ~~centralized~~ purchasing
16 services for the department of ~~general~~ administrative
17 services.
18 Sec. 249. Section 313.4, subsection 3, Code 2003, is
19 amended to read as follows:
20 3. There is appropriated from funds appropriated to the
21 department which would otherwise revert to the primary road
22 fund pursuant to the provisions of the Act appropriating the
23 funds or chapter 8, an amount sufficient to pay the increase
24 in salaries, which increase is not otherwise provided for by
25 the general assembly in an appropriation bill, resulting from
26 the annual review of the merit pay plan as provided in
27 ~~subsection 2 of~~ section ~~19A.9~~ 8A.413, subsection 2. The
28 appropriation herein provided shall be in effect from the
29 effective date of the revised pay plan to the end of the
30 fiscal biennium in which it becomes effective.
31 Sec. 250. Section 321.19, subsection 1, unnumbered
32 paragraph 2, Code 2003, is amended to read as follows:
33 The department shall furnish, on application, free of
34 charge, distinguishing plates for vehicles thus exempted,
35 which plates except plates on Iowa state patrol vehicles shall

1 bear the word "official" and the department shall keep a
2 separate record. Registration plates issued for Iowa state
3 patrol vehicles, except unmarked patrol vehicles, shall bear
4 two red stars on a yellow background, one before and one
5 following the registration number on the plate, which
6 registration number shall be the officer's badge number.
7 Registration plates issued for county sheriff's patrol
8 vehicles shall display one seven-pointed gold star followed by
9 the letter "S" and the call number of the vehicle. However,
10 the director of ~~general~~ the department of administrative
11 services or the director of transportation may order the
12 issuance of regular registration plates for any exempted
13 vehicle used by peace officers in the enforcement of the law,
14 persons enforcing chapter 124 and other laws relating to
15 controlled substances, persons in the department of justice,
16 the alcoholic beverages division of the department of
17 commerce, disease investigators of the Iowa department of
18 public health, the department of inspections and appeals, and
19 the department of revenue ~~and finance~~, who are regularly
20 assigned to conduct investigations which cannot reasonably be
21 conducted with a vehicle displaying "official" state
22 registration plates, persons in the lottery division of the
23 department of revenue and finance whose regularly assigned
24 duties relating to security or the carrying of lottery tickets
25 cannot reasonably be conducted with a vehicle displaying
26 "official" registration plates, and persons in the department
27 of economic development who are regularly assigned duties
28 relating to existing industry expansion or business
29 attraction. For purposes of sale of exempted vehicles, the
30 exempted governmental body, upon the sale of the exempted
31 vehicle, may issue for in-transit purposes a pasteboard card
32 bearing the words "Vehicle in Transit", the name of the
33 official body from which the vehicle was purchased, together
34 with the date of the purchase plainly marked in at least one-
35 inch letters, and other information required by the

department. The in-transit card is valid for use only within forty-eight hours after the purchase date as indicated on the bill of sale which shall be carried by the driver.

Sec. 251. Section 321.30, subsection 13, Code 2003, is amended to read as follows:

13. The department or the county treasurer knows that an applicant for renewal of a registration has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state, from information received pursuant to ~~section~~ sections 421.17 and 8A.504. An applicant may contest this action by requesting a contested case proceeding from the agency that referred the debt for collection pursuant to section ~~421.17~~ 8A.504. This subsection shall apply only to a renewal of registration and shall not apply to the issuance of an original registration or to the issuance of a certificate of title.

Sec. 252. Section 321.31, subsection 1, unnumbered paragraph 3, Code 2003, is amended to read as follows:

The director shall maintain a records system of delinquent accounts owed to the state using information provided through the computerized data bank established in section 421.17. The department and county treasurers shall use the information maintained in the records system to determine if applicants for renewal of registration have delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to or being collected by the state as provided pursuant to section ~~421.17~~ 8A.504. The director, the director of the department of administrative services, and the director of revenue ~~and finance~~ shall establish procedures for updating the delinquent accounts records to add and remove accounts, as applicable.

Sec. 253. Section 321.35, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The department shall not enter into any contract requiring an expenditure of at least five hundred thousand dollars for the manufacture of motor vehicle registration plates to be

1 reissued to owners under this chapter unless competitive
2 bidding procedures as provided in chapter ~~18~~ 8A, article 3,
3 are followed.
4 Sec. 254. Section 321.40, unnumbered paragraph 6, Code
5 2003, is amended to read as follows:
6 The county treasurer shall refuse to renew the registration
7 of a vehicle registered to the applicant if the county
8 treasurer knows that the applicant has a delinquent account,
9 charge, fee, loan, taxes, or other indebtedness owed to or
10 being collected by the state, from information provided
11 pursuant to ~~section~~ sections 8A.504 and 421.17. An applicant
12 may contest this action by requesting a contested case
13 proceeding from the agency that referred the debt for
14 collection pursuant to section ~~421.17~~ 8A.504.
15 Sec. 255. Section 321.149, Code 2003, is amended to read
16 as follows:
17 321.149 BLANKS.
18 The department shall not later than November 15 of each
19 year prepare and furnish the treasurer of each county all
20 blank books, blank forms, and all supplies required for the
21 administration of this chapter, including applications for
22 registration and transfer of vehicles, quintuple receipts, and
23 original remittance sheets to be used in remitting fees to the
24 department, in such form as the department may prescribe.
25 Contracts for the blank books, blank forms, and supplies shall
26 be awarded by the ~~state printing administrator~~ director of the
27 department of administrative services to persons, firms,
28 partnerships, or corporations engaged in the business of
29 printing in Iowa unless, or through them, the persons, firms,
30 partnerships or corporations cannot provide the required
31 printing set forth in this section. In lieu of purchasing
32 under competitive bids the ~~state printing administrator~~
33 director of the department of administrative services shall
34 have authority to arrange with the director of the department
35 of corrections to furnish the supplies as can be made in the

1 state institutions.
2 Sec. 256. Section 321.210B, Code 2003, is amended to read
3 as follows:
4 321.210B NONRENEWAL OR SUSPENSION FOR FAILURE TO PAY
5 INDEBTEDNESS OWED TO THE STATE.
6 The department shall suspend or refuse to renew the
7 driver's license of a person who has a delinquent account owed
8 to the state according to records provided by the department
9 of revenue ~~and finance~~ pursuant to section 421.17. A license
10 shall be suspended or shall not be renewed until such time as
11 the department of ~~revenue and finance~~ administrative services
12 notifies the state department of transportation that the
13 licensee has made arrangements for payment of the debt with
14 the agency which is owed or is collecting the debt. This
15 section is only applicable to those persons residing in a
16 county which is participating in the driver's license
17 indebtedness clearance pilot project.
18 Sec. 257. Section 331.502, subsection 3, Code 2003, is
19 amended by striking the subsection.
20 Sec. 258. Section 331.552, subsection 5, Code 2003, is
21 amended to read as follows:
22 5. Account for, report, and pay into the state treasury
23 any money, property, or securities received on behalf of the
24 state as provided in sections ~~421.32~~ 8A.506 to ~~421.34~~ 8A.508.
25 Sec. 259. Section 405A.10, Code 2003, is amended to read
26 as follows:
27 405A.10 FRANCHISE TAX REVENUE ALLOCATION.
28 For the fiscal year beginning July 1, 1997, and each
29 subsequent fiscal year, there is appropriated from the general
30 fund of the state to the department of revenue and finance the
31 sum of eight million eight hundred thousand dollars which
32 shall be paid quarterly on warrants by the director of the
33 department of administrative services as allocated pursuant to
34 section 422.65.
35 Sec. 260. Section 421.17, subsections 21, 23, 24, 25, 26,

1 28, 29, 30, and 33, Code 2003, are amended by striking the
2 subsections.
3 Sec. 261. Section 422.12A, subsection 2, Code 2003, is
4 amended to read as follows:
5 2. The director of revenue ~~and finance~~ shall draft the
6 income tax form to allow the designation of contributions to
7 the keep Iowa beautiful fund on the tax return. The
8 department of revenue ~~and finance~~, on or before January 31,
9 shall certify the total amount designated on the tax return
10 forms due in the preceding calendar year and shall report the
11 amount to the treasurer of state. The treasurer of state
12 shall credit the amount to the keep Iowa beautiful fund.
13 However, before a checkoff pursuant to this section shall be
14 permitted, all liabilities on the books of the department of
15 revenue ~~and finance~~ and accounts identified as owing under
16 section 421.17 and the political contribution allowed under
17 section 56.18 shall be satisfied.
18 Sec. 262. Section 422.20, subsection 3, unnumbered
19 paragraph 1, Code 2003, is amended to read as follows:
20 Unless otherwise expressly permitted by section 8A.504,
21 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,~~ ~~25,~~ ~~29,~~ and 32,
22 sections 252B.9, 421.19, 421.28, 422.72, and 452A.63, and this
23 section, a tax return, return information, or investigative or
24 audit information shall not be divulged to any person or
25 entity, other than the taxpayer, the department, or internal
26 revenue service for use in a matter unrelated to tax
27 administration.
28 Sec. 263. Section 422.72, subsection 3, unnumbered
29 paragraph 1, Code 2003, is amended to read as follows:
30 Unless otherwise expressly permitted by section 8A.504,
31 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,~~ ~~25,~~ ~~29,~~ and 32,
32 sections 252B.9, 421.19, 421.28, 422.20, and 452A.63, and this
33 section, a tax return, return information, or investigative or
34 audit information shall not be divulged to any person or
35 entity, other than the taxpayer, the department, or internal

1 revenue service for use in a matter unrelated to tax
2 administration.
3 Sec. 264. Section 425.1, subsection 1, Code 2003, is
4 amended to read as follows:
5 1. A homestead credit fund is created. There is
6 appropriated annually from the general fund of the state to
7 the department of revenue ~~and finance~~ to be credited to the
8 homestead credit fund, an amount sufficient to implement this
9 chapter.
10 The director of ~~revenue and finance~~ the department of
11 administrative services shall issue warrants on the homestead
12 credit fund payable to the county treasurers of the several
13 counties of the state under this chapter.
14 Sec. 265. Section 432.13, unnumbered paragraph 2, Code
15 2003, is amended to read as follows:
16 Premiums received for benefits acquired by the department
17 of ~~personnel~~ administrative services on behalf of state
18 employees pursuant to section ~~19A.1~~ 8A.402, subsection ~~2~~ 1,
19 are exempt from premium tax.
20 Sec. 266. Section 450.84, Code 2003, is amended to read as
21 follows:
22 450.84 COSTS CHARGED AGAINST ESTATE -- EXCEPTIONS.
23 If an estate or interest in an estate passes so as to be
24 liable to taxation under this chapter, all costs of the
25 proceedings for the assessment of the tax are chargeable to
26 the estate as other costs in probate proceedings and, to
27 discharge the lien, all costs as well as the taxes must be
28 paid. In all other cases the costs are to be paid as ordered
29 by the court. When a decision adverse to the state has been
30 rendered, with an order that the state pay the costs, the
31 clerk of the court in which the action was pending shall
32 certify the amount of the costs to the director of revenue ~~and~~
33 ~~finance~~, who shall, if the costs are correctly certified and
34 the case has been finally terminated and the tax, if any is
35 due, has been paid, audit the claim and direct the department

1 of administrative services to issue a warrant on the treasurer
2 of state in payment of the costs.
3 Sec. 267. Section 452A.77, unnumbered paragraph 1, Code
4 2003, is amended to read as follows:
5 All fees, taxes, interest and penalties imposed under this
6 chapter must be paid to the department of revenue ~~and finance~~
7 or the state department of transportation, whichever is
8 responsible for the collection. The appropriate state agency
9 shall transmit each payment daily to the treasurer of state.
10 Such payments shall be deposited by the treasurer of state in
11 a fund, hereby created, within the state treasury which shall
12 be known as the "motor fuel tax fund," the net proceeds of
13 which fund, after deductions by lawful transfers and refunds,
14 shall be known as the "motor vehicle fuel tax fund". The
15 department of revenue ~~and finance~~ and the state department of
16 transportation shall certify monthly to the director of
17 ~~revenue and finance~~ the department of administrative services
18 amounts of refunds of tax approved during each month, and the
19 director of ~~revenue and finance~~ the department of
20 administrative services shall draw warrants in such amounts on
21 the motor fuel tax fund and transmit them. There is hereby
22 appropriated out of the money received under the provisions of
23 this chapter and deposited in the motor fuel tax fund
24 sufficient funds to pay such refunds as may be authorized in
25 this chapter.
26 Sec. 268. Section 455A.4, subsection 1, paragraph e, Code
27 2003, is amended to read as follows:
28 e. Employ personnel as necessary to carry out the
29 functions vested in the department consistent with chapter ~~19A~~
30 8A, article 4, unless the positions are exempt from that
31 ~~chapter~~ article.
32 Sec. 269. Section 455G.3, subsection 5, Code 2003, is
33 amended to read as follows:
34 5. For purposes of payment of refunds of the environmental
35 protection charge under section 424.15 by the department of

1 revenue ~~and finance~~, the treasurer of state shall allocate to
2 the department of ~~revenue and finance~~ administrative services
3 the total amount budgeted by the fund's board for
4 environmental protection charge refunds. Any unused funds
5 shall be remitted to the treasurer of state.
6 Sec. 270. Section 459.505, subsection 2, paragraph b, Code
7 2003, is amended to read as follows:
8 b. Obtain a lower fixed amount bid for the work from
9 another qualified person, other than a governmental entity,
10 and pay the amount of the claim required in this section,
11 based on the fixed amount in this bid upon completion of the
12 work. The department is not required to comply with section
13 ~~18.6~~ 8A.311 in implementing this section.
14 Sec. 271. Section 474.1, unnumbered paragraph 2, Code
15 2003, is amended to read as follows:
16 The utilities board shall organize by appointing an
17 executive secretary, who shall take the same oath as the
18 members. The board shall set the salary of the executive
19 secretary within the limits of the pay plan for exempt
20 positions provided for in section ~~19A.9~~ 8A.413, subsection 2,
21 unless otherwise provided by the general assembly. The board
22 may employ additional personnel as it finds necessary.
23 Subject to confirmation by the senate, the governor shall
24 appoint a member as the chairperson of the board. The
25 chairperson shall be the administrator of the utilities
26 division. The appointment as chairperson shall be for a two-
27 year term which begins and ends as provided in section 69.19.
28 Sec. 272. Section 474.10, Code 2003, is amended to read as
29 follows:
30 474.10 GENERAL COUNSEL.
31 The board shall employ a competent attorney to serve as its
32 general counsel, and assistants to the general counsel as it
33 finds necessary for the full and efficient discharge of its
34 duties. The general counsel is the attorney for, and legal
35 advisor of, the board and is exempt from the merit system

1 provisions of chapter ~~19A~~ 8A, article 4. Assistants to the
2 general counsel are subject to the merit system provisions of
3 chapter ~~19A~~ 8A, article 4. The general counsel or an
4 assistant to the general counsel shall provide the necessary
5 legal advice to the board in all matters and represent the
6 board in all actions instituted in a state or federal court
7 challenging the validity of a rule or order of the board. The
8 existence of a fact which disqualifies a person from election
9 or from acting as a utilities board member disqualifies the
10 person from employment as general counsel or assistant general
11 counsel. The general counsel shall devote full time to the
12 duties of the office. During employment the counsel shall not
13 be a member of a political committee, contribute to a
14 political campaign fund other than through the income tax
15 checkoff for contributions to the Iowa election campaign fund
16 and the presidential election campaign fund, participate in a
17 political campaign, or be a candidate for a political office.
18 Sec. 273. Section 475A.3, subsection 2, Code 2003, is
19 amended to read as follows:
20 2. EMPLOYEES. The consumer advocate may employ attorneys,
21 legal assistants, secretaries, clerks, and other employees the
22 consumer advocate finds necessary for the full and efficient
23 discharge of the duties and responsibilities of the office.
24 The consumer advocate may employ consultants as expert
25 witnesses or technical advisors pursuant to contract as the
26 consumer advocate finds necessary for the full and efficient
27 discharge of the duties of the office. Employees of the
28 consumer advocate division, other than the consumer advocate,
29 are subject to merit employment, except as provided in section
30 ~~19A.3~~ 8A.412.
31 Sec. 274. Section 502.601, subsection 1, Code 2003, is
32 amended to read as follows:
33 1. This chapter shall be administered by the commissioner
34 of insurance of the state of Iowa. The administrator shall
35 appoint a deputy administrator who shall be exempt from the

1 merit system provided for in chapter ~~19A~~ 8A, article 4. The
2 deputy administrator is the principal operations officer of
3 the securities bureau and is responsible to the administrator
4 for the routine administration of the chapter and the
5 management of the securities bureau. In the absence of the
6 administrator, whether because of vacancy in the office, by
7 reason of absence, physical disability, or other cause, the
8 deputy administrator shall be the acting administrator and
9 shall, for the time being, have and exercise the authority
10 conferred upon the administrator. The administrator may by
11 order from time to time delegate to the deputy administrator
12 any or all of the functions assigned to the administrator in
13 this chapter. The administrator shall employ officers,
14 attorneys, accountants, and other employees as needed for the
15 administration of the chapter.
16 Sec. 275. Section 505.4, unnumbered paragraph 2, Code
17 2003, is amended to read as follows:
18 The commissioner may appoint a deputy commissioner for
19 supervision whom the commissioner may appoint as supervisory
20 or special deputy pursuant to chapter 507C and who shall
21 perform such other duties as may be assigned by the
22 commissioner. The deputy commissioner for supervision shall
23 receive a salary to be fixed by the commissioner. The deputy
24 commissioner for supervision shall be ~~an~~ exempt ~~employee~~ from
25 the merit system provisions of chapter 8A, article 4, under
26 section ~~19A.3~~ 8A.412, subsection 17.
27 Sec. 276. Section 507.5, Code 2003, is amended to read as
28 follows:
29 507.5 CHIEF EXAMINER.
30 The commissioner may appoint a chief examiner who shall
31 supervise insurance company examinations and perform such
32 other duties as may be assigned by the commissioner. The
33 chief examiner shall receive a salary to be fixed by the
34 commissioner. The chief examiner shall be ~~an~~ exempt ~~employee~~
35 from the merit system provisions of chapter 8A, article 4,

1 under section ~~19A.3~~ 8A.412, subsection 17.
2 Sec. 277. Section 602.1204, subsection 3, Code 2003, is
3 amended to read as follows:
4 3. The supreme court shall compile and publish all
5 procedures and directives relating to the supervision and
6 administration of the internal affairs of the judicial branch,
7 and shall distribute a copy of the compilation and all
8 amendments to each operating component of the judicial branch.
9 ~~Copies also shall be distributed to agencies referred to in~~
10 ~~section 18.97 upon request.~~
11 Sec. 278. Section 602.8102, subsection 58A, Code 2003, is
12 amended to read as follows:
13 58A. Assist the department of ~~revenue and finance~~
14 administrative services in setting off against debtors' income
15 tax refunds or rebates under section ~~421.17, subsection 25~~
16 8A.504, debts which are due, owing, and payable to the clerk
17 of the district court as criminal fines, civil penalties,
18 surcharges, or court costs.
19 Sec. 279. Section 602.8107, subsection 4, unnumbered
20 paragraph 2, Code 2003, is amended to read as follows:
21 This subsection does not apply to amounts collected for
22 victim restitution, the victim compensation fund, criminal
23 penalty surcharge, law enforcement initiative surcharge,
24 amounts collected as a result of procedures initiated under
25 subsection 5 or under section ~~421.17, subsection 25~~ 8A.504, or
26 sheriff's room and board fees.
27 Sec. 280. Section 618.11, Code 2003, is amended to read as
28 follows:
29 618.11 FEES FOR PUBLICATION.
30 The compensation, when not otherwise fixed, for the
31 publication in a newspaper of any notice, order, citation, or
32 other publication required or allowed by law shall be at a
33 rate of thirty-four cents for one insertion and twenty-three
34 cents for each subsequent insertion for each line of eight
35 point type two inches in length, or its equivalent. Beginning

1 June 1, 2001, and each June 1 thereafter, the ~~state printing~~
2 ~~administrator~~ director of the department of administrative
3 services shall calculate a new rate for the following fiscal
4 year as prescribed in this section, and shall publish this
5 rate as a notice in the Iowa administrative bulletin prior to
6 the first day of the following calendar month. The new rate
7 shall be effective on the first day of the calendar month
8 following its publication. The rate shall be calculated by
9 applying the percentage change in the consumer price index for
10 all urban consumers for the last available twelve-month period
11 published in the federal register by the federal department of
12 labor, bureau of labor statistics, to the existing rate as an
13 increase or decrease in the rate rounded to the nearest one-
14 tenth of a cent. The calculation and publication of the rate
15 by the ~~state printing administrator~~ director of the department
16 of administrative services shall be exempt from the provisions
17 of chapters 17A and 25B.
18 Sec. 281. Section 625.29, subsection 1, paragraph g, Code
19 2003, is amended to read as follows:
20 g. The proceeding involved the department of ~~personnel~~
21 ~~under~~ administrative services under chapter ~~19A~~ 8A, article 4.
22 Sec. 282. Section 691.1, Code 2003, is amended to read as
23 follows:
24 691.1 LABORATORY CREATED.
25 There is hereby created under the control, direction and
26 supervision of the commissioner of public safety a state
27 criminalistics laboratory. The commissioner of public safety
28 may assign the criminalistics laboratory to a division or
29 bureau within the public safety department. The laboratory
30 shall, within its capabilities, conduct analyses, comparative
31 studies, fingerprint identification, firearms identification,
32 questioned documents studies, and other studies normally
33 performed by a criminalistics laboratory when requested by a
34 county attorney, medical examiner, or law enforcement agency
35 of this state to aid in any criminal investigation. Agents of

1 the division of criminal investigation and bureau of
2 identification may be assigned to the criminalistics
3 laboratory by the commissioner. New employees shall be
4 appointed pursuant to chapter ~~19A~~ 8A, article 4, and need not
5 qualify as agents for the division of criminal investigation
6 and bureau of identification, and shall not participate in the
7 peace officers' retirement plan established pursuant to
8 chapter 97A.
9 Sec. 283. Section 809A.17, subsection 4, Code 2003, is
10 amended to read as follows:
11 4. Forfeited property which is not used by the department
12 of justice in the enforcement of the law may be requisitioned
13 by the department of public safety or any law enforcement
14 agency within the state for use in enforcing the criminal laws
15 of this state. Forfeited property not requisitioned may be
16 delivered to the director of the department of general
17 services to be disposed of in the same manner as property
18 received pursuant to section ~~18.15~~ 8A.325.
19 Sec. 284. Section 904.108, subsection 1, paragraph e, Code
20 2003, is amended to read as follows:
21 e. Employ, assign, and reassign personnel as necessary for
22 the performance of duties and responsibilities assigned to the
23 department. Employees shall be selected on the basis of
24 fitness for work to be performed with due regard to training
25 and experience and are subject to chapter ~~19A~~ 8A, article 4.
26 Sec. 285. Section 904.108, subsection 3, Code 2003, is
27 amended to read as follows:
28 3. The director may establish a sales bonus system for the
29 sales representatives for prison industry products. If a
30 sales bonus system is established, the system shall not affect
31 the status of the sales representatives under chapter ~~19A~~ 8A,
32 article 4.
33 Sec. 286. Section 904.303, unnumbered paragraph 1, Code
34 2003, is amended to read as follows:
35 The director shall determine the number and compensation of

1 subordinate officers and employees for each institution
2 subject to chapter ~~19A~~ 8A, article 4. Subject to this
3 chapter, the officers and employees shall be appointed and
4 discharged by the superintendent who shall keep in the record
5 of each subordinate officer and employee, the date of
6 employment, the compensation, and the date of and the reasons
7 for each discharge.
8 Sec. 287. Section 904.312B, Code 2003, is amended to read
9 as follows:
10 904.312B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
11 AND OTHER INDUSTRIAL LUBRICANTS.
12 The department when purchasing hydraulic fluids, greases,
13 and other industrial lubricants shall give preference to
14 purchasing bio-based hydraulic fluids, greases, and other
15 industrial lubricants as provided in section ~~18.22~~ 8A.316.
16 Sec. 288. Section 904.315, unnumbered paragraph 1, Code
17 2003, is amended to read as follows:
18 The director of the department of ~~general~~ administrative
19 services shall, in writing, let all contracts for authorized
20 improvements costing in excess of twenty-five thousand dollars
21 under chapter ~~18~~ 8A, article 3. Upon prior authorization by
22 the director, improvements costing five thousand dollars or
23 less may be made by the superintendent of any institution.
24 Sec. 289. Section 904.706, unnumbered paragraph 1, Code
25 2003, is amended to read as follows:
26 A revolving farm fund is created in the state treasury in
27 which the department shall deposit receipts from agricultural
28 products, nursery stock, agricultural land rentals, and the
29 sale of livestock. However, before any agricultural operation
30 is phased out, the department which proposes to discontinue
31 this operation shall notify the governor, chairpersons and
32 ranking members of the house and senate appropriations
33 committees, and cochairpersons and ranking members of the
34 subcommittee in the senate and house of representatives which
35 has handled the appropriation for this department in the past

1 session of the general assembly. Before the department sells
2 farmland under the control of the department, the director
3 shall notify the governor, chairpersons and ranking members of
4 the house and senate appropriations committees, and
5 cochairpersons and ranking members of the joint appropriations
6 subcommittee that handled the appropriation for the department
7 during the past session of the general assembly. The
8 department may pay from the fund for the operation,
9 maintenance, and improvement of farms and agricultural or
10 nursery property under the control of the department. A
11 purchase order for five thousand dollars or less payable from
12 the fund is exempt from the general purchasing requirements of
13 chapter ~~18~~ 8A, article 3. Notwithstanding section 8.33,
14 unencumbered or unobligated receipts in the revolving farm
15 fund at the end of a fiscal year shall not revert to the
16 general fund of the state.
17 Sec. 290. Section 904.808, subsection 1, paragraph b, Code
18 2003, is amended to read as follows:
19 b. When the state director releases, in writing, the
20 obligation of the department or agency to purchase the product
21 from Iowa state industries, after determining that Iowa state
22 industries is unable to meet the performance characteristics
23 of the purchase request for the product, and a copy of the
24 release is attached to the request to the director of ~~revenue~~
25 ~~and finance~~ the department of administrative services for
26 payment for a similar product, or when Iowa state industries
27 is unable to furnish needed products, comparable in both
28 quality and price to those available from alternative sources,
29 within a reasonable length of time. Any disputes arising
30 between a purchasing department or agency and Iowa state
31 industries regarding similarity of products, or comparability
32 of quality or price, or the availability of the product, shall
33 be referred to the director of the department of ~~general~~
34 administrative services, whose decision shall be subject to
35 appeal as provided in section ~~18.7~~ 8A.313. However, if the

1 purchasing department is the department of ~~general~~
2 administrative services, any matter which would be referred to
3 the director under this paragraph shall be referred to the
4 executive council in the same manner as if the matter were to
5 be heard by the director of the department of ~~general~~
6 administrative services. The decision of the executive
7 council is final.
8 Sec. 291. Section 904A.4B, subsection 3, Code 2003, is
9 amended to read as follows:
10 3. Hire and supervise all of the board's staff pursuant to
11 the provisions of chapter ~~19A~~ 8A, article 4.
12 Sec. 292. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO
13 CODE EDITOR. Except as otherwise provided in this Act:
14 1. a. The Iowa Code editor is directed to strike the
15 words "information technology department" and insert the words
16 "department of administrative services" wherever the words
17 "information technology department" appear in the Iowa Code
18 unless a contrary intent is clearly evident.
19 b. The Iowa Code editor is directed to strike the words
20 "director of the information technology department" or
21 "information technology department director" and insert the
22 words "director of the department of administrative services"
23 wherever the words "director of the information technology
24 department" or "information technology department director"
25 appear in the Iowa Code unless a contrary intent is clearly
26 evident.
27 2. a. The Iowa Code editor is directed to strike the
28 words "department of general services" and insert the words
29 "department of administrative services" wherever the words
30 "department of general services" appear in the Iowa Code
31 unless a contrary intent is clearly evident.
32 b. The Iowa Code editor is directed to strike the words
33 "director of the department of general services" or "general
34 services department director" and insert the words "director
35 of the department of administrative services" wherever the

1 words "director of the department of general services" or
2 "general services department director" appear in the Iowa Code
3 unless a contrary intent is clearly evident.
4 3. a. The Iowa Code editor is directed to strike the
5 words "department of personnel" and insert the words
6 "department of administrative services" wherever the words
7 "department of personnel" appear in the Iowa Code unless a
8 contrary intent is clearly evident.
9 b. The Iowa Code editor is directed to strike the words
10 "director of the department of personnel" or "personnel
11 department director" and insert the words "director of the
12 department of administrative services" wherever the words
13 "director of the department of personnel" or "personnel
14 department director" appear in the Iowa Code unless a contrary
15 intent is clearly evident.
16 4. a. Sections 1.15, 2.10, subsection 4, 2.12, 2.13,
17 2B.10, subsection 4, 7.13, 7D.13, 7D.14, 8.35A, 11.20, 12.3,
18 12.4, 12.5, 12.6, 12.8, 12.15, 12.26, 12B.16, 12B.17, 12B.18,
19 15.354, 15E.112, 15E.117, 16.31, 17A.4, 25.2, 29C.14, 35.10,
20 49A.9, 53.50, 56.3A, 56.22, 56.23, 74.9, 96.7, subsection 7,
21 96.9, 96.14, 97.51, 97A.8, 97A.11, 97B.7, 97B.33, 100B.11,
22 123.53, 152.3, 159.21, 159.23, 159A.7, 161.7, 161C.5,
23 169A.13A, 175.22, subsection 3, 179.5, 186.5, 218.50, 218.57,
24 218.86, 218.87, 225.22, 225.23, 225.28, 225.30, 225C.12,
25 227.7, 229.35, 233B.14, 234.6, 249.8, 251.5, 255.24, 255.26,
26 257B.11, 257B.18, 257B.35, 257B.37, 257B.39, 257B.40, 257B.42,
27 257C.9, subsection 3, 261.4, 262.22, 262.29, 270.5, 270.6,
28 270.7, 272.11, 272C.7, 298.11, 304A.29, 310.7, 313.18, 313.19,
29 313.20, 313.28, 314.3, 315.7, 324A.5, 331.555, 452A.72,
30 455B.107, 455B.183A, 455B.246, 456A.19, 456A.21, 459.401,
31 459.501, 460.303, 473.11, 504A.63, 515.129, 518B.2, 518B.5,
32 524.209, 533.62, 534.403, 546.10, 568.16, 568.20, 568.24,
33 569.4, 602.1304, 602.9109, 641.5, 663.44, 679B.7, 820.24, and
34 904.311, Code 2003, are amended by striking from the
35 applicable section or subsection the words "director of

1 revenue and finance" and inserting in lieu thereof the
2 following: "director of the department of administrative
3 services".
4 b. Sections 2.49, subsection 5, 8.34, 8.61, 8D.13,
5 subsection 11, 11.28, 12.6, 12.14, 12.28, 12B.2, 12B.17,
6 16.31, 16A.13, 22.7, subsection 32, 25.6, 74.9, 100B.11,
7 175.22, 179.5, 181.13, 183A.7, 184.13, 184A.4, 185.26,
8 185C.26, 252B.22, 255.24A, 256.12, 256.19, 256.20, 256D.4,
9 257.32, 257B.1B, 257C.9, subsection 4, 260C.18B, subsection 4,
10 260C.24, 282.28, 282.31, 283.1, 285.2, 294A.6, 294A.9,
11 294A.22, 303.14, 313.7, 405A.9, 455G.5, 541A.3, 541A.5,
12 602.8102, subsection 4, 602.9104, 633.545, 804.28, and
13 904.507A, Code 2003, are amended by striking from the sections
14 the words "department of revenue and finance" and inserting in
15 lieu thereof the following: "department of administrative
16 services".
17 c. Except as otherwise provided in this Act, the Iowa Code
18 editor is directed to strike the words "revenue and finance"
19 and insert the word "revenue" wherever the words "revenue and
20 finance" appear in the Iowa Code and the reference to "revenue
21 and finance" means the department of revenue and finance or
22 the director of revenue and finance unless a contrary intent
23 is clearly evident.
24 5. a. Except as otherwise provided in this Act, the Iowa
25 Code editor is directed to strike the words "division" and
26 "division's" and insert the words "system" and "system's"
27 wherever the words "division" and "division's" appear in
28 chapter 97B of the Iowa Code and the reference means the Iowa
29 public employee's retirement system division of the department
30 of personnel unless a contrary intent is clearly evident.
31 b. Except as otherwise provided in this Act, the Iowa Code
32 editor is directed to strike the word "system" and insert the
33 words "retirement system" in the following sections wherever
34 "system" but not "retirement system" appears in chapter 97B of
35 the Iowa Code and the reference means the retirement plan

1 established under chapter 97B:
2 Sections 97B.1A, subsections 3, 7, 9, 11, 14, 26; 97B.4;
3 97B.7A, subsection 1; 97B.8A, subsection 3, paragraph "b",
4 97B.8A, subsections 4 and 5; 97B.8B; 97B.11; 97B.17; 97B.42A,
5 subsections 3, 4, and 5; 97B.49F; 97B.49G; 97B.49H; 97B.50;
6 97B.50A, subsections 2 and 3; 97B.52A, subsection 3; 97B.53,
7 unnumbered paragraph 1; 97B.65; 97B.66; 97B.72; 97B.72A;
8 97B.73; 97B.73A; 97B.74; 97B.80; 97B.80A; 97B.80B; 97B.80C;
9 97B.81; 97B.82.
10 Sec. 293. ADMINISTRATIVE RULES -- TRANSITION PROVISIONS.
11 1. Any rule, regulation, form, order, or directive
12 promulgated by any state agency mentioned in this Act,
13 including any agency abolished, merged, or altered in this
14 Act, and in effect on the effective date of this Act shall
15 continue in full force and effect until amended, repealed, or
16 supplemented by affirmative action of the appropriate state
17 agency under the duties and powers of state agencies as
18 established in this Act and under the procedure established in
19 subsection 2.
20 Any license or permit issued by any state agency mentioned
21 in this Act, including any agency abolished, merged, or
22 altered in this Act, and in effect on the effective date of
23 this Act shall continue in full force and effect until
24 expiration or renewal.
25 2. In regard to updating references and format in the Iowa
26 administrative code in order to correspond to the
27 restructuring of state government as established in this Act,
28 the administrative rules coordinator and the administrative
29 rules review committee, in consultation with the
30 administrative code editor, shall jointly develop a schedule
31 for the necessary updating of the Iowa administrative code.
32 Sec. 294. MISCELLANEOUS TRANSITION PROVISIONS.
33 1. Any personnel in the state merit system of employment
34 who are mandatorily transferred due to the effect of this Act
35 shall be so transferred without any loss in salary, benefits,

1 or accrued years of service.
2 2. Any funds in any account or fund of a department
3 eliminated due to the effect of this Act shall be transferred
4 to the comparable fund or account as provided by this Act.
5 3. Any cause of action or statute of limitation relating
6 to a department or division transferred to another department
7 or division as provided by this Act shall not be affected as a
8 result of the transfer and such cause or statute of limitation
9 shall apply to the successor department or division.
10 4. Any replacement of signs, logos, stationery, insignia,
11 uniforms, and related items that is made due to the effect of
12 this Act should be done as part of the normal replacement
13 cycle for such items.
14 Sec. 295. STATE ADMINISTRATIVE SERVICES -- MISCELLANEOUS
15 PROVISIONS.
16 1. As used in this section, unless the context otherwise
17 requires:
18 a. "Designated state service" means one of the following
19 services provided to state agencies: printing, information
20 technology, mail, human resource benefits and payroll,
21 financial accounting, property management, fleet management,
22 and purchasing services.
23 b. "Managed competition" means a process that allows both
24 state government entities and nonstate government entities to
25 submit competitive bids to provide designated state services,
26 which process takes into account the true cost-accounting
27 costs for state government entities and may result in multiple
28 providers of the same designated state service. The use of
29 managed competition shall not preclude the use of other
30 entrepreneurial steps in any area.
31 2. a. The department of administrative services may,
32 pursuant to the requirements of this section, determine how
33 the designated state services of all executive branch
34 agencies, community-based corrections districts, and other
35 state governmental entities shall be delivered. In addition,

1 the state board of regents shall participate in any
2 determination of the department of administrative services on
3 the delivery of designated state services as provided by this
4 section but only if both the department and state board of
5 regents approve such participation.
6 b. This section shall not apply to the judicial branch,
7 legislative branch, statewide elected officials, area
8 education agencies, and community colleges.
9 3. The following duties relating to state administrative
10 services shall be performed as provided by this subsection.
11 a. By July 1, 2004, the department of administrative
12 services shall submit a request for proposals for a managed
13 competition for printing services. The request for proposals
14 shall allow for the awarding of all or parts of printing
15 services to the department or another governmental agency or
16 nongovernmental entity.
17 b. Subject to the requirements provided in chapter 8A, the
18 department of administrative services shall determine the
19 means of delivery for all information technology services,
20 including determining which services shall remain the
21 responsibility of individual state agencies. The department
22 shall determine which application development activities shall
23 remain as responsibilities of the individual state agencies.
24 As of July 1, 2003, all employees delivering information
25 technology services shall be transferred to the department of
26 administrative services or applicable delivering agency and
27 any funding appropriated for such services shall also be
28 transferred, as determined by the department of management.
29 c. The three major data centers of state government shall
30 be physically merged into one data center as expeditiously as
31 possible, no later than July 1, 2004.
32 d. The department of administrative services may limit
33 unified fleet management responsibilities to cars and small
34 trucks. By July 1, 2005, the fleet management operations
35 shall be subject to a managed competition process conducted by

1 the department of administrative services. Any one-time
2 savings shall be amortized based on state government's average
3 borrowing cost for funds over the preceding five years.
4 4. The auditor of state shall be consulted regarding the
5 decision to conduct a managed competition process under this
6 section for each designated state service and shall also be
7 consulted regarding the issuance of a request for proposals
8 and shall also be consulted in the award process. The auditor
9 of state's role is to provide advice as to whether an approach
10 offers the best opportunity for reducing state government
11 costs.
12 5. The department of administrative services shall submit
13 a written report to the legislative government oversight
14 committee by December 31, 2003, concerning the progress made
15 by the department in complying with the requirements of this
16 section as well as any other suggestions or recommendations of
17 the department concerning the requirements of this section.
18 Sec. 296.
19 1. Sections 7A.15, 7A.16, 7A.17, 7A.18, 7A.19, 7A.21,
20 7A.22, 7A.25, 7A.26, 7D.33, 218.89, 421.6, 421.31, 421.32,
21 421.33, 421.34, 421.35, 421.36, 421.37, 421.38, 421.39,
22 421.40, 421.41, 421.42, 421.43, 421.44, 421.45, Code 2003, are
23 repealed.
24 2. Chapters 14B, 18, and 19A, Code 2003, are repealed.
25 Sec. 297. EFFECTIVE DATE. The sections of this Act
26 amending sections 8.63 and 70A.38, and enacting section
27 8A.204, being deemed of immediate importance, take effect upon
28 enactment.
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Amend the amendment, S-3097, to House File 534, as amended, passed, and reprinted by the House, as follows:

1. Page 1, by inserting after line 9 the following:

"___. Page 8, line 27, by inserting after the word "approving" the following: ", on an annual basis,".

___. Page 8, line 28, by striking the word "service.", and inserting the following: "service, the procedure for resolving complaints concerning the service provided, and the procedure for setting rates for the service. In addition, if the service to be provided may also be provided to the judicial branch and legislative branch, then the rules shall provide that the chief justice of the supreme court and the legislative council may, in their discretion, each appoint a member to the applicable customer council.""

2. Page 1, by inserting after line 14 the following:

"___. Page 8, by inserting before line 33 the following:

"4. The department shall annually prepare a listing separately identifying services to be provided by the department and funded by an appropriation, services to be provided by the department and funded by the governmental entity receiving the service, and services which the department is authorized to provide but which governmental entities may provide on their own or obtain from another provider of the service.""

3. Page 1, line 45, by inserting after the word "management" the following: "and the concurrence of the auditor of state".

4. Page 3, by inserting after line 9 the following:

"___. Page 31, line 35, by inserting after the figure "3." the following: "a."

___. Page 32, by inserting after line 5 the following:

"b. Architectural and engineering services shall be procured in a reasonable manner, as the director by rule may determine, on the basis of competence and qualification for the type of services required and for a fair and reasonable price.""

5. Page 4, by inserting after line 1 the following:

"___. Page 126, by striking lines 3 through 12."

6. Page 4, lines 13 and 14, by striking the word and figures "June 30, 2005" and inserting the following: "February 1, 2006".

7. Page 4, by striking lines 20 and 21 and inserting the following:

"___. Page 179, by inserting after line 17 the following:

"__. "Agency" or "state agency" means as defined in section 8A.101. "Agency" includes the state board of regents subject to the requirements of section 8A.122."

___. Page 179, by striking line 24 and inserting the following: "state agencies and other entities to".

___. Page 179, line 27, by striking the words "government entities and", and inserting the following: "agencies. Managed competition".

___. Page 179, line 28, by inserting after the word "providers" the following: ", which may be state agencies or nongovernmental entities,".

___. Page 179, line 28, by inserting after the word "service" the following: "to state agencies".

___. Page 179, by striking line 31 and inserting the following:

"2. The following duties relating to state administrative services shall be performed, subject to the requirements of chapter 8A, as provided by this subsection:

a. (1) The department of administrative services shall, pursuant to the requirements of this section, select a designated state service and conduct a pilot project to determine the feasibility of conducting a managed competition for delivery of the service and shall submit a report, with its findings and recommendations, to the legislative fiscal bureau and the committees on government oversight of the senate and house of representatives by July 1, 2005.

(2) In addition, the department of administrative services may,".

___. Page 179, line 35, by striking the words "In addition,".

___. Page 180, by striking lines 1 through 10.

___. Page 180, line 11, by striking the words and figures "a. By July 1, 2004", and inserting the following:

"b. By July 1, 2005".

___. Page 180, line 13, by inserting after the word "services" the following: "unless more efficient results can be obtained through the use of other entrepreneurial methods as authorized by chapter 8A".

___. Page 180, by striking lines 17 through 31 and inserting the following:

"c. By September 1, 2004, the department of

1 administrative services, with the assistance of the
2 department of management, shall conduct a
3 comprehensive study of the impact of transferring all
4 state agency employees delivering information
5 technology services to the department of
6 administrative services and of the impact of
7 physically merging the data centers of the department,
8 the state department of transportation, and the
9 department of workforce development, into one data
10 center. The study shall include an assessment of
11 advantages and disadvantages, economies of scale,
12 cost, and space availability, and shall solicit input
13 from outside vendors, both public and private. The
14 department shall report to the legislative fiscal
15 bureau and the committees on government oversight of
16 the senate and house of representatives on the
17 department's findings and recommendations by November
18 1, 2004."
19 ___. Page 181, by striking lines 1 through 3 and
20 inserting the following: "the department of
21 administrative services unless more efficient results
22 can be obtained through the use of other
23 entrepreneurial methods as authorized by chapter 8A.
24 The request for proposals shall allow for the awarding
25 of all or parts of fleet management to the department
26 of administrative services, other governmental
27 agencies, or nongovernmental entities."
28 ___. Page 181, line 4, by striking the figure
29 "4." and inserting the following: "3."
30 ___. Page 181, by striking lines 5 through 17 and
31 inserting the following: "process for issuance of
32 requests for proposals for managed competition. The
33 role of the auditor of state is to provide advice as
34 to whether an approach offers the best opportunity for
35 reducing state government costs.""
36 8. Page 4, by inserting before line 24 the
37 following:
38 "___. Page 181, by inserting after line 24, the
39 following:
40 "Sec. ___. PREVAILING PROVISIONS. The provisions
41 of House File 636 relating to legislative branch
42 consolidation of functions, or a similar bill enacted
43 by the Eightieth General Assembly, 2003 Regular
44 Session, which provisions relate to official legal and
45 other publications, procurements, special distribution
46 of legal publications, and restrictions on free
47 distributions by the legislative service bureau or its
48 successor agency, shall prevail over any conflicting
49 provisions of this Act.""

By BOB BRUNKHORST
ROBERT E. DVORSKY

S-3185 FILED APRIL 10, 2003

1 Amend House File 534, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 2, line 15, by striking the word
4 "public".
5 2. Page 3, line 18, by striking the word
6 "enterprisewide".
7 3. Page 3, line 21, by striking the words "the
8 enterprise" and inserting the following: "state
9 government".
10 4. Page 8, by striking line 32 and inserting the
11 following: "biennial review by the appropriate
12 customer council of the decision made by the
13 department that the department should be the sole
14 provider of a service."
15 5. By striking page 8, line 35, through page 9,
16 line 2, and inserting the following:
17 "1. The director shall enter into agreements with
18 state agencies, and may enter into agreements with any
19 other governmental entity, to furnish services and
20 facilities of the department to the applicable
21 governmental entity. The".
22 6. Page 9, by inserting after line 8 the
23 following:
24 "3. The state board of regents shall not be
25 required to obtain any service for the state board of
26 regents or any institution under the control of the
27 state board of regents that is provided by the
28 department pursuant to this chapter without the
29 consent of the state board of regents."
30 7. Page 9, line 9, by striking the word
31 "REVOLVING", and inserting the following: "INTERNAL
32 SERVICE".
33 8. Page 9, by striking lines 10 through 17 and
34 inserting the following:
35 "1. Activities of the department shall be
36 accounted for within the general fund of the state,
37 except that the director may establish and maintain
38 internal service funds in accordance with generally
39 accepted accounting principles, as defined in section
40 8.57, subsection 4, for activities of the department
41 which are primarily funded from billings to
42 governmental entities for services rendered by the
43 department. The establishment of an internal service
44 fund is subject to the approval of the director of the
45 department of management. At least ninety days prior
46 to the establishment of an internal service fund
47 pursuant to this section, the director shall notify in
48 writing the general assembly, including the
49 legislative council, legislative fiscal committee, and
50 the legislative fiscal bureau.

1 2. Internal service funds shall be administered by
2 the department and shall consist of moneys collected
3 by the department from billings issued in accordance
4 with section 8A.125 and any other moneys obtained or
5 accepted by the department, including but not limited
6 to gifts, loans, donations, grants, and contributions,
7 which are designated to support the activities of the
8 individual internal service funds."
9 9. Page 9, line 19, by striking the words "a
10 revolving" and inserting the following: "an internal
11 service".
12 10. Page 9, by striking lines 23 and 24 and
13 inserting the following:
14 "3. The proceeds of an internal service fund
15 established pursuant to this section shall be used by
16 the".
17 11. Page 9, line 28, by striking the words "a
18 revolving", and inserting the following: "an internal
19 service".
20 12. Page 9, line 34, by striking the letter "c.",
21 and inserting the following: "4."
22 13. Page 9, line 34, by striking the word
23 "revolving", and inserting the following: "internal
24 service".
25 14. Page 10, by striking line 3 and inserting the
26 following:
27 "5. a. The director shall annually provide
28 internal service fund".
29 15. Page 10, line 9, by striking the figure
30 "(2)", and inserting the following: "b."
31 16. Page 10, line 10, by striking the word and
32 figure "January 31", and inserting the following:
33 "October 1".
34 17. Page 10, line 12, by striking the words "a
35 revolving", and inserting the following: "an internal
36 service".
37 18. Page 10, by striking lines 14 through 20.
38 19. Page 11, line 3, by inserting after the word
39 "costs" the following: "which have not been funded by
40 an appropriation to the department".
41 20. Page 11, lines 25 and 26, by striking the
42 words "a revolving", and inserting the following: "an
43 internal service".
44 21. Page 11, line 27, by striking the word
45 "revolving", and inserting the following: "internal
46 service".
47 22. Page 13, line 11, by inserting after the word
48 "systems" the following: "and capitol complex
49 security systems in use for the legislative branch".
50 23. Page 13, by inserting after line 15, the

following:
"g. A judicial district department of correctional services established pursuant to section 905.2".
24. Page 30, line 2, by inserting after the word "purchased" the following: "by state agencies".
25. Page 30, line 6, by inserting after the word "law." the following: "However, items of general use may be purchased through the department by any governmental entity."
26. Page 63, line 2, by striking the word "as", and inserting the following: "if such policies are otherwise".
27. Page 107, by striking line 15, and inserting the following: "shall be paid at the rate established by section ~~18.117~~ 8A.363 for".
28. Page 107, line 18, by inserting after the word "session" the following: "unless the general assembly otherwise provides".
29. Page 107, by inserting after line 31, the following:
"Sec. ___. Section 2.43, unnumbered paragraph 1, Code 2003, is amended to read as follows:
The legislative council in cooperation with the officers of the senate and house shall have the duty and responsibility for preparing for each session of the general assembly. Pursuant to such duty and responsibility, the legislative council shall assign the use of areas in the state capitol except for the areas used by the governor as of January 1, 1986, and by the courts as of ~~November 1, 2002~~ July 1, 2003, and, in consultation with the director of the department of general services and the capitol planning commission, may assign areas in other state office buildings for use of the general assembly or legislative agencies. The legislative council may authorize the renovation, remodeling and preparation of the physical facilities used or to be used by the general assembly or legislative agencies subject to the jurisdiction of the legislative council and award contracts pursuant to such authority to carry out such preparation. The legislative council may purchase supplies and equipment deemed necessary for the proper functioning of the legislative branch of government."
30. Page 114, by striking lines 25 through 34.
31. Page 118, by striking line 9, and inserting the following: "revenue ~~and finance~~ certify that the".
32. Page 118, line 18, by striking the words "administrative services", and inserting the following: "management for deposit in the innovations

1 fund".
2 33. Page 130, by striking lines 2 and 3 and
3 inserting the following:
4 "Sec. ___. Section 70A.38, subsection 8, Code
5 2003, is amended to read as follows:
6 8. This section is repealed June 30, ~~2003~~ 2008."
7 34. Page 179, by inserting after line 13, the
8 following:
9 "Sec. ___. DEPARTMENT PROGRESS REPORTS. The
10 department of administrative services shall report to
11 the committees on government oversight of the senate
12 and house of representatives on or before each July 31
13 and January 31 between July 1, 2003, and June 30,
14 2005, regarding the activities of the department in
15 implementing the requirements of this Act, including
16 but not limited to the department's decisions
17 concerning which services should be provided solely by
18 the department and which services should be available
19 from a variety of providers."
20 35. By striking page 179, line 14, through page
21 181, line 17.
22 36. Page 181, line 20, by inserting after the
23 figure "7D.33," the following: "7F.1,".
24 37. By renumbering, relettering, or redesignating
25 and correcting internal references as necessary.

By COMMITTEE ON GOVERNMENT O
MARY A. LUNDBY, CHAIRPERS

S-3097 FILED MARCH 26, 2003

Adopted
4/14/03

S-3169

1 Amend the amendment, S-3097, to House File 534, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by inserting after line 14 the
5 following:
6 "___. Page 8, by inserting before line 33 the
7 following:
8 "4. The department shall annually prepare a
9 listing separately identifying services to be provided
10 by the department and funded by an appropriation,
11 services to be provided by the department and funded
12 by the governmental entity receiving the service, and
13 services which the department is authorized to provide
14 but which governmental entities may provide on their
15 own or obtain from another provider of the service.""
16 2. Page 1, line 45, by inserting after the word
17 "management" the following: "and the auditor of
18 state".
19 3. Page 3, by inserting after line 9 the
20 following:
21 "___. Page 31, line 35, by inserting after the
22 figure "3." the following: "a."
23 ___. Page 32, by inserting after line 5 the
24 following:
25 "b. Architectural and engineering services shall
26 be procured in a reasonable manner, as the director by
27 rule may determine, on the basis of competence and
28 qualification for the type of services required and
29 for a fair and reasonable price.""
30 4. Page 4, by inserting after line 1 the
31 following:
32 "___. Page 126, by striking lines 3 through 11."
33 5. Page 4, by striking lines 20 and 21 and
34 inserting the following:
35 "___. Page 179, by inserting after line 17 the
36 following:
37 "__. "Agency" or "state agency" means as defined
38 in section 8A.101. "Agency" includes the state board
39 of regents subject to the requirements of section
40 8A.122."
41 ___. Page 179, by striking line 24 and inserting
42 the following: "state agencies and other entities
43 to".
44 ___. Page 179, line 27, by striking the words
45 "government entities and", and inserting the
46 following: "agencies. Managed competition".
47 ___. Page 179, line 28, by inserting after the
48 word "providers" the following: ", which may be state
49 agencies or nongovernmental entities,".
50 ___. Page 179, line 28, by inserting after the

1 word "service" the following: "to state agencies".
2 ___. Page 179, by striking line 31 and inserting
3 the following:
4 "2. The following duties relating to state
5 administrative services shall be performed, subject to
6 the requirements of chapter 8A, as provided by this
7 subsection:
8 a. (1) The department of administrative services
9 shall, pursuant to the requirements of this section,
10 select a designated state service and conduct a pilot
11 project to determine the feasibility of conducting a
12 managed competition for delivery of the service and
13 shall submit a report, with its findings and
14 recommendations, to the legislative fiscal bureau and
15 the committees on government oversight of the senate
16 and house of representatives by July 1, 2005.
17 (2) In addition, the department of administrative
18 services may,".
19 ___. Page 179, line 35, by striking the words "In
20 addition,".
21 ___. Page 180, by striking lines 1 through 10.
22 ___. Page 180, line 11, by striking the words and
23 figures "a. By July 1, 2004", and inserting the
24 following:
25 "b. By July 1, 2005".
26 ___. Page 180, line 13, by inserting after the
27 word "services" the following: "unless more efficient
28 results can be obtained through the use of other
29 entrepreneurial methods as authorized by chapter 8A".
30 ___. Page 180, by striking lines 17 through 31
31 and inserting the following:
32 "c. By September 1, 2004, the department of
33 administrative services, with the assistance of the
34 department of management, shall conduct a
35 comprehensive study of the impact of transferring all
36 state agency employees delivering information
37 technology services to the department of
38 administrative services and of the impact of
39 physically merging the data centers of the department,
40 the state department of transportation, and the
41 department of workforce development, into one data
42 center. The study shall include an assessment of
43 advantages and disadvantages, economies of scale,
44 cost, and space availability, and shall solicit input
45 from outside vendors, both public and private. The
46 department shall report to the legislative fiscal
47 bureau and the committees on government oversight of
48 the senate and house of representatives on the
49 department's findings and recommendations by November
50 1, 2004."

1 ___. Page 181, by striking lines 1 through 3 and
2 inserting the following: "the department of
3 administrative services unless more efficient results
4 can be obtained through the use of other
5 entrepreneurial methods as authorized by chapter 8A.
6 The request for proposals shall allow for the awarding
7 of all or parts of fleet management to the department
8 of administrative services, other governmental
9 agencies, or nongovernmental entities."
10 ___. Page 181, line 4, by striking the figure
11 "4." and inserting the following: "3."
12 ___. Page 181, by striking lines 5 through 11 and
13 inserting the following: "process for issuance of
14 requests for proposals for managed competition. The
15 role of the auditor of state is to provide advice as
16 to whether an approach offers the best opportunity for
17 reducing state government costs."
18 ___. Page 181, line 12, by striking the figure
19 "5.", and inserting the following: "4."
20 ___. Page 181, line 14, by striking the figure
21 "2003," and inserting the following: "in calendar
22 years 2003, 2004, and 2005,"."
23 6. Page 4, by inserting after line 23 the
24 following:
25 "___. Page 181, by inserting after line 24, the
26 following:
27 "Sec. ___. PREVAILING PROVISIONS. The provisions
28 of House File 636 relating to legislative branch
29 consolidation of functions, or a similar bill enacted
30 by the Eighteenth General Assembly, 2003 Regular
31 Session, which provisions relate to official legal and
32 other publications, procurements, special distribution
33 of legal publications, and restrictions on free
34 distributions by the legislative service bureau or its
35 successor agency, shall prevail over any conflicting
36 provisions of this Act.""

By BOB BRUNKHORST
ROBERT E. DVORSKY

S-3169 FILED APRIL 8, 2003

Ruled out of order 4/14/03

HOUSE FILE 534

S-3205

1 Amend the amendment, S-3097, to House File 534, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 3, by inserting after line 9 the
5 following:
6 "___. Page 55, by striking lines 27 through 28.
7 ___. Page 55, line 29, by striking the figure
8 "4." and inserting the following: "3.""
9 2. Page 3, by inserting after line 18 the
10 following:
11 "___. Page 107, by striking lines 19 through 31."
12 3. Page 3, line 19, by striking the words "after
13 line 31", and inserting the following: "before line
14 32".
15 4. Page 3, by inserting after line 43 the
16 following:
17 "___. Page 108, by striking lines 2 through 11.
18 ___. By striking page 109, line 6, through page
19 112, line 8."
20 5. Page 4, by inserting after line 1 the
21 following:
22 "___. Page 119, by striking lines 16 through 22.
23 ___. By striking page 125, line 18, through page
24 126, line 2."
25 6. By renumbering as necessary.

By BOB BRUNKHORST
ROBERT E. DVORSKY

S-3205 FILED APRIL 14, 2003
ADOPTED

SENATE AMENDMENT TO
HOUSE FILE 534

H-1336

1 Amend House File 534, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 2, line 15, by striking the word
4 "public".
5 2. Page 3, line 18, by striking the word
6 "enterprisewide".
7 3. Page 3, line 21, by striking the words "the
8 enterprise" and inserting the following: "state
9 government".
10 4. Page 8, line 27, by inserting after the word
11 "approving" the following: ", on an annual basis,".
12 5. Page 8, line 28, by striking the word
13 "service.", and inserting the following: "service,
14 the procedure for resolving complaints concerning the
15 service provided, and the procedure for setting rates
16 for the service. In addition, if the service to be
17 provided may also be provided to the judicial branch
18 and legislative branch, then the rules shall provide
19 that the chief justice of the supreme court and the
20 legislative council may, in their discretion, each
21 appoint a member to the applicable customer council."
22 6. Page 8, by striking line 32 and inserting the
23 following: "biennial review by the appropriate
24 customer council of the decision made by the
25 department that the department should be the sole
26 provider of a service."
27 7. Page 8, by inserting before line 33 the
28 following:
29 "4. The department shall annually prepare a
30 listing separately identifying services to be provided
31 by the department and funded by an appropriation,
32 services to be provided by the department and funded
33 by the governmental entity receiving the service, and
34 services which the department is authorized to provide
35 but which governmental entities may provide on their
36 own or obtain from another provider of the service."
37 8. By striking page 8, line 35, through page 9,
38 line 2, and inserting the following:
39 "1. The director shall enter into agreements with
40 state agencies, and may enter into agreements with any
41 other governmental entity, to furnish services and
42 facilities of the department to the applicable
43 governmental entity. The".
44 9. Page 9, by inserting after line 8 the
45 following:
46 "3. The state board of regents shall not be
47 required to obtain any service for the state board of
48 regents or any institution under the control of the
49 state board of regents that is provided by the
50 department pursuant to this chapter without the

1 consent of the state board of regents."
2 10. Page 9, line 9, by striking the word
3 "REVOLVING", and inserting the following: "INTERNAL
4 SERVICE".
5 11. Page 9, by striking lines 10 through 17 and
6 inserting the following:
7 "1. Activities of the department shall be
8 accounted for within the general fund of the state,
9 except that the director may establish and maintain
10 internal service funds in accordance with generally
11 accepted accounting principles, as defined in section
12 8.57, subsection 4, for activities of the department
13 which are primarily funded from billings to
14 governmental entities for services rendered by the
15 department. The establishment of an internal service
16 fund is subject to the approval of the director of the
17 department of management and the concurrence of the
18 auditor of state. At least ninety days prior to the
19 establishment of an internal service fund pursuant to
20 this section, the director shall notify in writing the
21 general assembly, including the legislative council,
22 legislative fiscal committee, and the legislative
23 fiscal bureau.
24 2. Internal service funds shall be administered by
25 the department and shall consist of moneys collected
26 by the department from billings issued in accordance
27 with section 8A.125 and any other moneys obtained or
28 accepted by the department, including but not limited
29 to gifts, loans, donations, grants, and contributions,
30 which are designated to support the activities of the
31 individual internal service funds."
32 12. Page 9, line 19, by striking the words "a
33 revolving" and inserting the following: "an internal
34 service".
35 13. Page 9, by striking lines 23 and 24 and
36 inserting the following:
37 "3. The proceeds of an internal service fund
38 established pursuant to this section shall be used by
39 the".
40 14. Page 9, line 28, by striking the words "a
41 revolving", and inserting the following: "an internal
42 service".
43 15. Page 9, line 34, by striking the letter "c.",
44 and inserting the following: "4."
45 16. Page 9, line 34, by striking the word
46 "revolving", and inserting the following: "internal
47 service".
48 17. Page 10, by striking line 3 and inserting the
49 following:
50 "5. a. The director shall annually provide

internal service fund".

18. Page 10, line 9, by striking the figure "(2)", and inserting the following: "b."

19. Page 10, line 10, by striking the word and figure "January 31", and inserting the following: "October 1".

20. Page 10, line 12, by striking the words "a revolving", and inserting the following: "an internal service".

21. Page 10, by striking lines 14 through 20.

22. Page 11, line 3, by inserting after the word "costs" the following: "which have not been funded by an appropriation to the department".

23. Page 11, lines 25 and 26, by striking the words "a revolving", and inserting the following: "an internal service".

24. Page 11, line 27, by striking the word "revolving", and inserting the following: "internal service".

25. Page 13, line 11, by inserting after the word "systems" the following: "and capitol complex security systems in use for the legislative branch".

26. Page 13, by inserting after line 15, the following:

"g. A judicial district department of correctional services established pursuant to section 905.2".

27. Page 30, line 2, by inserting after the word "purchased" the following: "by state agencies".

28. Page 30, line 6, by inserting after the word "law." the following: "However, items of general use may be purchased through the department by any governmental entity."

29. Page 31, line 35, by inserting after the figure "3." the following: "a."

30. Page 32, by inserting after line 5 the following:

"b. Architectural and engineering services shall be procured in a reasonable manner, as the director by rule may determine, on the basis of competence and qualification for the type of services required and for a fair and reasonable price."

31. Page 55, by striking lines 27 through 28.

32. Page 55, line 29, by striking the figure "4." and inserting the following: "3."

33. Page 63, line 2, by striking the word "as", and inserting the following: "if such policies are otherwise".

34. Page 107, by striking line 15, and inserting the following: "shall be paid at the rate established by section ~~18.117~~ 8A.363 for".

35. Page 107, line 18, by inserting after the word "session" the following: "unless the general assembly otherwise provides".

36. Page 107, by striking lines 19 through 31.

37. Page 107, by inserting before line 32, the following:

"Sec. ___. Section 2.43, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The legislative council in cooperation with the officers of the senate and house shall have the duty and responsibility for preparing for each session of the general assembly. Pursuant to such duty and responsibility, the legislative council shall assign the use of areas in the state capitol except for the areas used by the governor as of January 1, 1986, and by the courts as of ~~November 1, 2002~~ July 1, 2003, and, in consultation with the director of the department of general services and the capitol planning commission, may assign areas in other state office buildings for use of the general assembly or legislative agencies. The legislative council may authorize the renovation, remodeling and preparation of the physical facilities used or to be used by the general assembly or legislative agencies subject to the jurisdiction of the legislative council and award contracts pursuant to such authority to carry out such preparation. The legislative council may purchase supplies and equipment deemed necessary for the proper functioning of the legislative branch of government."

38. Page 108, by striking lines 2 through 11.

39. By striking page 109, line 6, through page 112, line 8.

40. Page 114, by striking lines 25 through 34.

41. Page 118, by striking line 9, and inserting the following: "revenue ~~and finance~~ certify that the".

42. Page 118, line 18, by striking the words "administrative services", and inserting the following: "management for deposit in the innovations fund".

43. Page 119, by striking lines 16 through 22.

44. By striking page 125, line 18, through page 126, line 2.

45. Page 126, by striking lines 3 through 12.

46. Page 130, by striking lines 2 and 3 and inserting the following:

"Sec. ___. Section 70A.38, subsection 8, Code 2003, is amended to read as follows:

8. This section is repealed June 30, ~~2003~~ 2008."

47. Page 179, by inserting after line 13, the

1 following:
2 "Sec. ___. DEPARTMENT PROGRESS REPORTS. The
3 department of administrative services shall report to
4 the committees on government oversight of the senate
5 and house of representatives on or before each July 31
6 and January 31 between July 1, 2003, and February 1,
7 2006, regarding the activities of the department in
8 implementing the requirements of this Act, including
9 but not limited to the department's decisions
10 concerning which services should be provided solely by
11 the department and which services should be available
12 from a variety of providers."
13 48. Page 179, by inserting after line 17 the
14 following:
15 "__. "Agency" or "state agency" means as defined
16 in section 8A.101. "Agency" includes the state board
17 of regents subject to the requirements of section
18 8A.122."
19 49. Page 179, by striking line 24 and inserting
20 the following: "state agencies and other entities
21 to".
22 50. Page 179, line 27, by striking the words
23 "government entities and", and inserting the
24 following: "agencies. Managed competition".
25 51. Page 179, line 28, by inserting after the
26 word "providers" the following: ", which may be state
27 agencies or nongovernmental entities,".
28 52. Page 179, line 28, by inserting after the
29 word "service" the following: "to state agencies".
30 53. Page 179, by striking line 31 and inserting
31 the following:
32 "2. The following duties relating to state
33 administrative services shall be performed, subject to
34 the requirements of chapter 8A, as provided by this
35 subsection:
36 a. (1) The department of administrative services
37 shall, pursuant to the requirements of this section,
38 select a designated state service and conduct a pilot
39 project to determine the feasibility of conducting a
40 managed competition for delivery of the service and
41 shall submit a report, with its findings and
42 recommendations, to the legislative fiscal bureau and
43 the committees on government oversight of the senate
44 and house of representatives by July 1, 2005.
45 (2) In addition, the department of administrative
46 services may,".
47 54. Page 179, line 35, by striking the words "In
48 addition,".
49 55. Page 180, by striking lines 1 through 10.
50 56. Page 180, line 11, by striking the words and

1 figures "a. By July 1, 2004", and inserting the
2 following:
3 "b. By July 1, 2005".
4 57. Page 180, line 13, by inserting after the
5 word "services" the following: "unless more efficient
6 results can be obtained through the use of other
7 entrepreneurial methods as authorized by chapter 8A".
8 58. Page 180, by striking lines 17 through 31 and
9 inserting the following:
10 "c. By September 1, 2004, the department of
11 administrative services, with the assistance of the
12 department of management, shall conduct a
13 comprehensive study of the impact of transferring all
14 state agency employees delivering information
15 technology services to the department of
16 administrative services and of the impact of
17 physically merging the data centers of the department,
18 the state department of transportation, and the
19 department of workforce development, into one data
20 center. The study shall include an assessment of
21 advantages and disadvantages, economies of scale,
22 cost, and space availability, and shall solicit input
23 from outside vendors, both public and private. The
24 department shall report to the legislative fiscal
25 bureau and the committees on government oversight of
26 the senate and house of representatives on the
27 department's findings and recommendations by November
28 1, 2004."
29 59. Page 181, by striking lines 1 through 3 and
30 inserting the following: "the department of
31 administrative services unless more efficient results
32 can be obtained through the use of other
33 entrepreneurial methods as authorized by chapter 8A.
34 The request for proposals shall allow for the awarding
35 of all or parts of fleet management to the department
36 of administrative services, other governmental
37 agencies, or nongovernmental entities."
38 60. Page 181, line 4, by striking the figure "4."
39 and inserting the following: "3."
40 61. Page 181, by striking lines 5 through 17 and
41 inserting the following: "process for issuance of
42 requests for proposals for managed competition. The
43 role of the auditor of state is to provide advice as
44 to whether an approach offers the best opportunity for
45 reducing state government costs."
46 62. Page 181, line 20, by inserting after the
47 figure "7D.33," the following: "7F.1,".
48 63. Page 181, by inserting after line 24, the
49 following:
50 "Sec. ___. PREVAILING PROVISIONS. The provisions

of House File 636 relating to legislative branch consolidation of functions, or a similar bill enacted by the Eightieth General Assembly, 2003 Regular Session, which provisions relate to official legal and other publications, procurements, special distribution of legal publications, and restrictions on free distributions by the legislative service bureau or its successor agency, shall prevail over any conflicting provisions of this Act."

64. By renumbering, relettering, or redesignating and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-1336 FILED APRIL 15, 2003

House concurred 4/21/03

HOUSE FILE 534

H-1345

Amend the Senate amendment, H-1336, to House File 534, as amended, passed, and reprinted by the House, as follows:

1. Page 4, by striking line 33.
2. Page 6, by striking lines 46 and 47.

By ELGIN of Linn

H-1345 FILED APRIL 15, 2003

Adopted 4/21/03

HOUSE AMENDMENT TO SENATE AMENDMENT TO HOUSE FILE 534

S-3263

Amend the Senate amendment, H-1336, to House File 534, as amended, passed, and reprinted by the House, as follows:

1. Page 4, by striking line 33.
2. Page 6, by striking lines 46 and 47.

RECEIVED FROM THE HOUSE

S-3263 FILED APRIL 21, 2003

Senate concurred 4/30/03

Chair: Elgin

Fallon Oldson
Hutter Roberts
Jochum Watts

Succeeded By SF 534

HSB 192

STATE GOVERNMENT

SENATE/HOUSE FILE _____

BY (PROPOSED GOVERNOR'S BILL)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

An Act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, making appropriations, and providing an effective date.

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

TLSB 1657XL 80

ec/cf/24

S.F. _____ H.F. _____

1 DIVISION I
2 DEPARTMENT OF ADMINISTRATIVE SERVICES
3 ARTICLE 1
4 DEPARTMENT OF ADMINISTRATIVE SERVICES
5 Section 1. NEW SECTION. 8A.101 DEFINITIONS.
6 As used in this chapter, unless the context otherwise
7 requires:
8 1. "Agency" or "state agency" means a unit of state
9 government, which is an authority, board, commission,
10 committee, council, department, examining board, or
11 independent agency as defined in section 7E.4, including but
12 not limited to each principal central department enumerated in
13 section 7E.5. However, "agency" or "state agency" does not
14 mean any of the following:
15 a. The office of the governor or the office of an elective
16 constitutional or statutory officer.
17 b. The general assembly, or any office or unit under its
18 administrative authority.
19 c. The judicial branch, as provided in section 602.1102.
20 d. A political subdivision of the state or its offices or
21 units, including but not limited to a county, city, or
22 community college.
23 2. "Department" means the department of administrative
24 services.
25 3. "Director" means the director of the department of
26 administrative services or the director's designee.
27 4. "Governmental entity" means any unit of government in
28 the executive, legislative, or judicial branch of government;
29 an agency or political subdivision; any unit of another state
30 government, including its political subdivisions; any unit of
31 the United States government; or any association or other
32 organization whose membership consists primarily of one or
33 more of any of the foregoing.
34 5. "Governmental subdivision" means a county, city, school
35 district, or combination thereof.

1 6. "Public records" means the same as defined in section
2 22.1.
3 Sec. 2. NEW SECTION. 8A.102 DEPARTMENT CREATED --
4 DIRECTOR APPOINTED.
5 1. The department of administrative services is created.
6 The director of the department shall be appointed by the
7 governor to serve at the pleasure of the governor and is
8 subject to confirmation by the senate. If the office becomes
9 vacant, the vacancy shall be filled in the same manner as
10 provided for the original appointment.
11 2. The person appointed as director shall be
12 professionally qualified by education and have no less than
13 five years' experience in the field of management, public or
14 private sector personnel administration, including the
15 application of merit principles in public employment,
16 financial management, and policy development and
17 implementation. The appointment shall be made without regard
18 for political affiliation. The director shall not be a member
19 of any local, state, or national committee of a political
20 party, an officer or member of a committee in any partisan
21 political club or organization, or hold or be a candidate for
22 a paid elective public office. The director is subject to the
23 restrictions on political activity provided in section 8A.416.
24 The governor shall set the salary of the director within pay
25 grade nine.
26 Sec. 3. NEW SECTION. 8A.103 DEPARTMENT -- PURPOSE --
27 MISSION.
28 The department is created for the purpose of managing and
29 coordinating the major resources of state government including
30 the human, financial, physical, and information resources of
31 state government.
32 The mission of the department is to implement a world-
33 class, customer-focused organization that provides a
34 complement of valued products and services to the internal
35 customers of state government.

1 Sec. 4. NEW SECTION. 8A.104 POWERS AND DUTIES OF THE
2 DIRECTOR.
3 The director shall do all of the following:
4 1. Coordinate the internal operations of the department
5 and develop and implement policies and procedures designed to
6 ensure the efficient administration of the department.
7 2. Appoint all personnel deemed necessary for the
8 administration of the department's functions as provided in
9 this chapter.
10 3. Prepare an annual budget for the department.
11 4. Develop and recommend legislative proposals deemed
12 necessary for the continued efficiency of the department's
13 functions, and review legislative proposals generated outside
14 the department which are related to matters within the
15 department's purview.
16 5. Adopt rules deemed necessary for the administration of
17 this chapter in accordance with chapter 17A.
18 6. Develop and maintain enterprisewide support systems
19 within the department to provide appropriate administrative
20 support and sufficient data for the effective and efficient
21 operation of the enterprise.
22 7. Enter into contracts for the receipt and provision of
23 services as deemed necessary. The director and the governor
24 may obtain and accept grants and receipts to or for the state
25 to be used for the administration of the department's
26 functions as provided in this chapter.
27 8. Establish the internal organization of the department
28 and allocate and reallocate duties and functions not assigned
29 by law to an officer or any subunit of the department to
30 promote economic and efficient administration and operation of
31 the department.
32 9. Install a records system for the keeping of records
33 which are necessary for a proper audit and effective operation
34 of the department.
35 10. Determine which risk exposures shall be self-insured

1 or assumed by the state with respect to loss and loss
2 exposures of state government.
3 11. Keep in the director's office a complete record
4 containing an itemized account of all state property,
5 including furniture and equipment, under the director's care
6 and control, and plans and surveys of the public grounds,
7 buildings, and underground constructions at the seat of
8 government and of the state laboratories facility in Ankeny.
9 12. Serve as the chief information officer for the state.
10 13. Exercise and perform such other powers and duties as
11 may be prescribed by law.
12 Sec. 5. NEW SECTION. 8A.105 PROHIBITED INTERESTS --
13 PENALTY.
14 The director shall not have any pecuniary interest,
15 directly or indirectly, in any contract for supplies furnished
16 to the state, or in any business enterprise involving any
17 expenditure by the state. A violation of the provisions of
18 this section shall be a serious misdemeanor, and upon
19 conviction, the director shall be removed from office in
20 addition to any other penalty.
21 Sec. 6. NEW SECTION. 8A.106 PUBLIC RECORDS.
22 1. The records of the department, except personal
23 information in an employee's file if the publication of such
24 information would serve no proper public purpose, shall be
25 public records and shall be open to public inspection, subject
26 to reasonable rules as to the time and manner of inspection
27 which may be prescribed by the director. However, the
28 department shall not be required to release financial
29 information, business, or product plans which if released
30 would give advantage to competitors and serve no public
31 purpose, relating to commercial operations conducted or
32 intended to be conducted by the department.
33 2. The state agency that is the lawful custodian of a
34 public record shall be responsible for determining whether a
35 record is required by federal or state statute to be

1 confidential. The transmission of a record by a state agency
2 by use of electronic means established, maintained, or managed
3 by the department shall not constitute a transfer of the legal
4 custody of the record from the individual state agency to the
5 department or to any other person or entity.
6 3. The department shall not have authority to determine
7 whether an individual state agency should automate records of
8 which the individual state agency is the lawful custodian.
9 However, the department may encourage state agencies to
10 implement electronic access to public records.
11 4. A state agency shall not limit access to a record by
12 requiring a citizen to receive the record electronically as
13 the only means of providing the record. A person shall have
14 the right to examine and copy a printed form of a public
15 record as provided in section 22.2, unless the public record
16 is confidential.
17 Sec. 7. NEW SECTION. 8A.107 OATHS AND SUBPOENAS.
18 The director may administer oaths, subpoena witnesses, and
19 compel the production of books and papers pertinent to any
20 investigation or hearing authorized by this chapter. A person
21 who fails to appear in response to a subpoena or produce books
22 or papers pertinent to the investigation or hearing or who
23 knowingly gives false testimony is guilty of a simple
24 misdemeanor.
25 Sec. 8. NEW SECTION. 8A.108 ACCEPTANCE OF FUNDS.
26 The department may receive and accept donations, grants,
27 gifts, and contributions in the form of moneys, services,
28 materials, or otherwise, from the United States or any of its
29 agencies, from this state or any of its agencies, or from any
30 other person, and may use or expend such moneys, services,
31 materials, or other contributions, or issue grants, in
32 carrying out the operations of the department. All federal
33 grants to and the federal receipts of the department are
34 hereby appropriated for the purpose set forth in such federal
35 grants or receipts.

1 Sec. 9. NEW SECTION. 8A.109 FEDERAL FUNDS.
2 1. Neither the provisions of this chapter nor rules
3 adopted pursuant to this chapter shall apply in any situation
4 where such provision or rule is in conflict with governing
5 federal regulation or where the provision or rule would
6 jeopardize the receipt of federal funds.
7 2. If it is determined by the attorney general that any
8 provision of this chapter would cause denial of funds or
9 services from the United States government which would
10 otherwise be available to an agency of this state, such
11 provision shall be suspended as to such agency, but only to
12 the extent necessary to prevent denial of such funds or
13 services.
14 Sec. 10. NEW SECTION. 8A.110 SERVICES TO GOVERNMENTAL
15 ENTITIES.
16 1. The director may enter into agreements with any
17 governmental entity of this state to furnish services and
18 facilities of the department to the governmental entity. The
19 agreement shall provide for the reimbursement to the
20 department of the reasonable cost of the services and
21 facilities furnished. All governmental entities of this state
22 may enter into such agreements.
23 2. This chapter does not affect any city civil service
24 programs established under chapter 400.
25 Sec. 11. NEW SECTION. 8A.111 DEPARTMENT REVOLVING FUNDS.
26 1. The director may establish and maintain revolving funds
27 to support and account for the services provided by the
28 department. These funds shall be administered by the
29 department and shall consist of moneys collected by the
30 department, moneys appropriated by the general assembly, and
31 any other moneys obtained or accepted by the department,
32 including but not limited to gifts, loans, donations, grants,
33 and contributions. The director may obtain loans from the
34 innovation fund created in section 8.63 for deposit in a
35 revolving fund established pursuant to this section to provide

1 seed and investment capital to enhance the delivery of
2 services provided by the department.
3 2. The proceeds of a revolving fund established pursuant
4 to this section are appropriated to and shall be used by the
5 department for the operations of the department consistent
6 with this chapter. The director may appoint the personnel
7 necessary to ensure the efficient provision of services funded
8 pursuant to a revolving fund established under this section.
9 However, this usage requirement shall not limit or restrict
10 the department from using proceeds from gifts, loans,
11 donations, grants, and contributions in conformance with any
12 conditions, directions, limitations, or instructions attached
13 or related thereto.
14 3. Section 8.33 does not apply to any moneys in revolving
15 funds established pursuant to this section. Notwithstanding
16 section 12C.7, subsection 2, interest or earnings on moneys
17 deposited in these funds shall be credited to these funds.
18 4. a. The director shall annually provide revolving fund
19 service business plans and financial reports to the department
20 of management and the general assembly. The business plans
21 may include the recommendation that a portion of unexpended
22 net income be periodically returned to the appropriate funding
23 source.
24 b. The department shall submit an annual report not later
25 than January 31 to the members of the general assembly and the
26 legislative fiscal bureau of the activities funded by and
27 expenditures made from a revolving fund established pursuant
28 to this section during the preceding fiscal year.
29 Sec. 12. NEW SECTION. 8A.112 ADDITIONAL PERSONNEL.
30 The department may employ such additional personnel in
31 excess of the number of full-time equivalent positions
32 authorized by the general assembly if such additional
33 personnel are reasonable and necessary to perform such duties
34 as authorized by this chapter and if the cost of such
35 additional personnel is reimbursed to the department by one or

1 more governmental entities. The director shall notify in
2 writing the department of management, the legislative fiscal
3 committee, and the legislative fiscal bureau of any additional
4 personnel employed pursuant to this section.
5 Sec. 13. NEW SECTION. 8A.113 BILLING -- CREDIT CARD
6 PAYMENTS.
7 1. The director may bill a governmental entity for
8 services rendered by the department in accordance with the
9 duties of the department as provided in this chapter. Bills
10 may include direct, indirect, and developmental costs. The
11 department shall periodically render a billing statement to a
12 governmental entity outlining the cost of services provided to
13 the governmental entity. The amount indicated on the
14 statement shall be paid by the governmental entity and amounts
15 received by the department shall be considered repayment
16 receipts as defined in section 8.2, and deposited into the
17 accounts of the department.
18 2. In addition to other forms of payment, a person may pay
19 by credit card for services provided by the department,
20 according to rules adopted by the treasurer of state. The
21 credit card fees to be charged shall not exceed those
22 permitted by statute. A governmental entity may adjust its
23 payment to reflect the costs of processing as determined by
24 the treasurer of state. The discount charged by the credit
25 card issuer may be included in determining the fees to be paid
26 for completing a financial transaction under this section by
27 using a credit card. All credit card payments shall be
28 credited to the fund used to account for the services
29 provided.
30 Sec. 14. NEW SECTION. 8A.114 STATE EMPLOYEE SUGGESTION
31 SYSTEM.
32 1. There is created a state employee suggestion system for
33 the purpose of encouraging state employees to develop and
34 submit ideas which will reduce costs and increase efficiency
35 in state government and which will make monetary and other

1 awards to state employees whose cost reduction ideas are
2 adopted under the system.
3 2. The department shall provide necessary personnel for
4 the efficient operation of the system. The department shall
5 adopt rules as necessary for the administration of the system
6 and to establish the award policy under which the system will
7 operate. The rules shall include:
8 a. Eligibility standards and restrictions for both the
9 state employee submitting the suggestion and the suggestion
10 being submitted. The rules shall provide that suggestions
11 relating to academic affairs, including teaching, research,
12 and patient care programs at a university teaching hospital,
13 are ineligible.
14 b. Procedures for submitting and evaluating suggestions,
15 including the responsibilities of each person involved in the
16 system and providing that the final decision to implement
17 shall be made by the director of the applicable state agency.
18 c. The method of presentation of awards to employees.
19 d. The method of promoting the suggestion program in the
20 broadest possible manner to state employees.
21 e. Any other policies necessary to properly administer the
22 system.
23 3. a. When a suggestion is implemented and results in a
24 direct cost reduction within state government, the suggester
25 shall be awarded ten percent of the first year's net savings,
26 not exceeding ten thousand dollars, and a certificate. A cash
27 award shall not be awarded for a suggestion which saves less
28 than one hundred dollars during the first year of
29 implementation. The state agency head shall approve all
30 awards and determine the amount to be awarded. Appeals of
31 award amounts shall be submitted to the director whose
32 decision is final.
33 b. Certificates shall be awarded to suggesters of
34 implemented suggestions that result in a direct cost reduction
35 of less than one hundred dollars. The state agency head shall

1 make the determination as to who will receive certificates.
2 That decision is final.
3 4. An award made pursuant to this section shall be paid
4 for out of the appropriated funds of the state agency
5 realizing the cost savings, but the payment for awards shall
6 not violate any state or federal contract, law, or regulation,
7 or impair any agency contractual obligation.
8 5. a. A state agency shall keep records of each
9 suggestion implemented and the cost savings resulting from the
10 suggestion for a period of one year from the date of
11 implementation of the suggestion.
12 b. The director shall file a report with the governor and
13 the general assembly for each fiscal year, relating to the
14 administration and implementation of the suggestion system and
15 the benefits for the state, the state departments, and state
16 employees.
17 6. The ability of employees to patent ideas submitted
18 under this section is subject to all other agency rules and
19 Code requirements pertaining to patents.
20 Sec. 15. NEW SECTION. 8A.115 DEPARTMENT DEBTS AND
21 LIABILITIES -- APPROPRIATION.
22 If a service provided by the department and funded from a
23 revolving fund established under section 8A.111 ceases to be
24 provided and insufficient funds remain in the revolving fund
25 to pay any outstanding debts and liabilities relating to that
26 service, moneys are appropriated from the general fund of the
27 state to the department to pay such debts and liabilities.
28 ARTICLE 2
29 INFORMATION TECHNOLOGY
30 GENERAL PROVISIONS
31 Sec. 16. NEW SECTION. 8A.201 DEFINITIONS.
32 As used in this article, unless the context otherwise
33 requires:
34 1. "Information technology" means computing and
35 electronics applications used to process and distribute

1 information in digital and other forms and includes
2 information technology devices, information technology
3 services, and value-added services.
4 2. "Information technology council" means the information
5 technology council established in section 8A.204.
6 3. "Information technology device" means equipment or
7 associated software, including programs, languages,
8 procedures, or associated documentation, used in operating the
9 equipment which is designed for utilizing information stored
10 in an electronic format. "Information technology device"
11 includes but is not limited to computer systems, computer
12 networks, and equipment used for input, output, processing,
13 storage, display, scanning, and printing.
14 4. "Information technology services" means services
15 designed to do any of the following:
16 a. Provide functions, maintenance, and support of
17 information technology devices.
18 b. Provide services including, but not limited to, any of
19 the following:
20 (1) Computer systems application development and
21 maintenance.
22 (2) Systems integration and interoperability.
23 (3) Operating systems maintenance and design.
24 (4) Computer systems programming.
25 (5) Computer systems software support.
26 (6) Planning and security relating to information
27 technology devices.
28 (7) Data management consultation.
29 (8) Information technology education and consulting.
30 (9) Information technology planning and standards.
31 (10) Establishment of local area network and workstation
32 management standards.
33 5. "Participating agency" means any agency other than any
34 of the following:
35 a. The state board of regents and institutions operated

1 under the authority of the state board of regents.
2 b. The public broadcasting division of the department of
3 education.
4 c. The state department of transportation mobile radio
5 network.
6 d. The department of public safety law enforcement
7 communications systems.
8 e. The telecommunications and technology commission
9 established in section 8D.3, with respect to information
10 technology that is unique to the Iowa communications network.
11 6. "Value-added services" means services that offer or
12 provide unique, special, or enhanced value, benefits, or
13 features to the customer or user, including, but not limited
14 to, services in which information technology is specially
15 designed, modified, or adapted to meet the special or
16 requested needs of the user or customer, services involving
17 the delivery, provision, or transmission of information or
18 data that require or involve additional processing,
19 formatting, enhancement, compilation or security, services
20 that provide the customer or user with enhanced accessibility,
21 security or convenience, research and development services,
22 and services that are provided to support technological or
23 statutory requirements imposed on participating agencies and
24 other governmental entities, businesses, and the public.
25 Sec. 17. NEW SECTION. 8A.202 INFORMATION TECHNOLOGY
26 SERVICES -- MISSION -- POWERS AND DUTIES -- RESPONSIBILITIES.
27 1. MISSION. The mission of the department as it relates
28 to information technology services is to provide high-quality,
29 customer-focused information technology services and business
30 solutions to government and to citizens.
31 2. POWERS AND DUTIES OF DEPARTMENT. The powers and duties
32 of the department as it relates to information technology
33 services shall include, but are not limited to, all of the
34 following:
35 a. Providing information technology to agencies and other

1 governmental entities.
2 b. Implementing the strategic information technology plan.
3 c. Developing and implementing a business continuity plan,
4 as the director determines is appropriate, to be used if a
5 disruption occurs in the provision of information technology
6 to participating agencies and other governmental entities.
7 d. Prescribing standards and adopting rules relating to
8 information technology and procurement, including but not
9 limited to system design and systems integration and
10 interoperability, which shall apply to all participating
11 agencies except as otherwise provided in this chapter. The
12 department shall implement information technology standards as
13 established pursuant to this chapter which are applicable to
14 information technology procurements for participating
15 agencies.
16 e. Prescribing standards and adopting rules relating to
17 standards for an electronic repository for maintaining
18 mandated agency reports as provided in section 304.13A. Such
19 repository shall be developed and maintained for the purpose
20 of providing public access to such mandated reports. The
21 department shall prescribe such standards and adopt rules
22 relating to such standards in consultation with the state
23 librarian.
24 f. Developing and maintaining security policies and
25 systems to ensure the integrity of the state's information
26 resources and to prevent the disclosure of confidential
27 records.
28 g. Developing and implementing effective and efficient
29 strategies for the use and provision of information technology
30 for participating agencies and other governmental entities.
31 h. Coordinating the acquisition of information technology
32 by participating agencies in furtherance of the purposes of
33 this chapter. The department shall institute procedures to
34 ensure effective and efficient compliance with the applicable
35 standards established pursuant to this article. This article

1 shall not be construed to prohibit or limit a participating
2 agency from entering into an agreement or contract for
3 information technology with a qualified private entity.
4 i. Entering into contracts, leases, licensing agreements,
5 royalty agreements, marketing agreements, memorandums of
6 understanding, or other agreements as necessary and
7 appropriate to administer this article.
8 j. Requesting that a participating agency provide such
9 information as is necessary to establish and maintain an
10 inventory of information technology used by participating
11 agencies, and such participating agency shall provide such
12 information to the department in a timely manner. The form
13 and content of the information to be provided shall be
14 determined by the department.
15 k. Charging reasonable fees, costs, expenses, charges, or
16 other amounts to an agency, governmental entity, public
17 official, or person or entity related to the provision, sale,
18 use, or utilization of, or cost sharing with respect to,
19 information technology and any intellectual property interests
20 related thereto, research and development, proprietary
21 hardware, software, and applications, and information
22 technology architecture and design. The department may enter
23 into nondisclosure agreements and take any other legal action
24 reasonably necessary to secure a right to an interest in
25 information technology development by or on behalf of the
26 state of Iowa and to protect the state of Iowa's proprietary
27 information technology and intellectual property interests.
28 The provisions of chapter 23A relating to noncompetition by
29 state agencies and political subdivisions with private
30 enterprise shall not apply to department activities authorized
31 under this paragraph.
32 l. Charging reasonable fees, costs, expenses, charges, or
33 other amounts to an agency, governmental entity, public
34 official, or other person or entity to or for whom information
35 technology or other services have been provided by or on

1 behalf of, or otherwise made available through, the
2 department.
3 m. Providing, selling, leasing, licensing, transferring,
4 or otherwise conveying or disposing of information technology,
5 or any intellectual property or other rights with respect
6 thereto, to agencies, governmental entities, public officials,
7 or other persons or entities.
8 n. Entering into partnerships, contracts, leases, or other
9 agreements with public and private entities for the evaluation
10 and development of information technology pilot projects.
11 o. Initiating and supporting the development of electronic
12 commerce, electronic government, and internet applications
13 across participating agencies and in cooperation with other
14 governmental entities. The department shall foster joint
15 development of electronic commerce and electronic government
16 involving the public and private sectors, develop customer
17 surveys and citizen outreach and education programs and
18 material, and provide for citizen input regarding the state's
19 electronic commerce and electronic government applications.
20 3. RESPONSIBILITIES. The responsibilities of the
21 department as it relates to information technology services
22 include the following:
23 a. Coordinate the activities of the department in
24 promoting, integrating, and supporting information technology
25 in all business aspects of state government.
26 b. Provide for server systems, including mainframe and
27 other server operations, desktop support, and applications
28 integration.
29 c. Provide applications development, support, and
30 training, and advice and assistance in developing and
31 supporting business applications throughout state government.
32 4. INFORMATION TECHNOLOGY CHARGES. The department shall
33 render a statement to an agency, governmental entity, public
34 official, or other person or entity to or for whom information
35 technology, value-added services, or other items or services

1 have been provided by or on behalf of, or otherwise made
2 available through, the department. Such an agency,
3 governmental entity, public official, or other person or
4 entity shall pay an amount indicated on such statement in a
5 manner determined by the department.
6 5. DISPUTE RESOLUTION. If a dispute arises between the
7 department and an agency for which the department provides or
8 refuses to provide information technology, the dispute shall
9 be resolved as provided in section 679A.19.
10 Sec. 18. NEW SECTION. 8A.203 DIRECTOR -- INFORMATION
11 TECHNOLOGY SERVICES POWERS AND DUTIES.
12 The director shall do all of the following as it relates to
13 information technology services:
14 1. Prescribe and adopt information technology standards
15 and rules.
16 2. Develop and recommend legislative proposals deemed
17 necessary for the continued efficiency of the department in
18 performing information technology functions, and review
19 legislative proposals generated outside of the department
20 which are related to matters within the department's purview.
21 3. Provide advice to the governor on issues related to
22 information technology.
23 4. Consult with agencies and other governmental entities
24 on issues relating to information technology.
25 5. Work with all governmental entities in an effort to
26 achieve the information technology goals established by the
27 department.
28 Sec. 19. NEW SECTION. 8A.204 INFORMATION TECHNOLOGY
29 COUNCIL -- MEMBERS -- POWERS AND DUTIES.
30 1. MEMBERSHIP.
31 a. The information technology council is composed of
32 fourteen members including the following:
33 (1) The chairperson of the IowAccess advisory council
34 established in section 8A.221, or the chairperson's designee.
35 (2) Two executive branch department heads appointed by the

1 governor.
2 (3) Six persons appointed by the governor who are
3 knowledgeable in information technology matters.
4 (4) One person representing the judicial branch appointed
5 by the chief justice of the supreme court who shall serve in
6 an ex officio, nonvoting capacity.
7 (5) Four members of the general assembly with not more
8 than one member from each house being from the same political
9 party. The two senators shall be designated by the president
10 of the senate after consultation with the majority and
11 minority leaders of the senate. The two representatives shall
12 be designated by the speaker of the house of representatives
13 after consultation with the majority and minority leaders of
14 the house of representatives. Legislative members shall serve
15 in an ex officio, nonvoting capacity. A legislative member is
16 eligible for per diem and expenses as provided in section
17 2.10.
18 b. The members appointed pursuant to paragraph "a" shall
19 serve four-year staggered terms and such appointments to the
20 information technology council are subject to the requirements
21 of sections 69.16, 69.16A, and 69.19. The four-year terms of
22 members appointed by the governor shall be staggered as
23 designated by the governor. Members appointed by the governor
24 are subject to senate confirmation and may also be eligible to
25 receive compensation as provided in section 7E.6. Members
26 shall be reimbursed for actual and necessary expenses incurred
27 in performance of the members' duties.
28 c. The information technology council shall annually elect
29 its own chairperson from among the voting members of the
30 council. A majority of the voting members of the council
31 constitutes a quorum.
32 2. DUTIES. The information technology council shall do
33 all of the following:
34 a. Advise the department in the development of recommended
35 standards for consideration with respect to the procurement of

1 information technology by all participating agencies.
2 b. Appoint advisory committees as appropriate to assist
3 the department in developing strategies for the use and
4 provision of information technology and establishing other
5 advisory committees as necessary to assist the information
6 technology council in carrying out its duties under this
7 article. The number of advisory committees and their
8 membership shall be determined by the information technology
9 council to assure that the public and agencies and other
10 governmental entities have an opportunity to comment on the
11 services provided and the service goals and objectives of the
12 department.
13 c. Advise the department in the preparation and annual
14 update of the strategic information technology plan for the
15 use of information technology throughout state government.
16 The plan shall promote participation in cooperative projects
17 with other governmental entities. The plan shall establish a
18 mission, goals, and objectives for the use of information
19 technology, including goals for electronic access to public
20 records, information, and services. The plan shall be
21 submitted annually to the governor and the general assembly.
22 d. Review, as deemed appropriate by the information
23 technology council, legislative proposals recommended by the
24 director, or other legislative proposals as developed and
25 deemed necessary by the information technology council.
26 e. Review the recommendations of the IowAccess advisory
27 council regarding rates to be charged for access to and for
28 value-added services performed through IowAccess. The
29 information technology council shall report the establishment
30 of a new rate or change in the level of an existing rate to
31 the department who will then notify the department of
32 management, and the department of management shall notify the
33 legislative fiscal bureau regarding the rate establishment or
34 change.
35 Sec. 20. NEW SECTION. 8A.205 DIGITAL GOVERNMENT.

1 1. The department is responsible for initiating and
2 supporting the development of electronic commerce, electronic
3 government, and internet applications across participating
4 agencies and in cooperation with other governmental entities.
5 2. In developing the concept of digital government, the
6 department shall do all of the following:
7 a. Establish standards, consistent with other state law,
8 for the implementation of electronic commerce, including
9 standards for digital signatures, electronic currency, and
10 other items associated with electronic commerce.
11 b. Establish guidelines for the appearance and functioning
12 of applications.
13 c. Establish standards for the integration of electronic
14 data across state agencies.
15 d. Foster joint development of electronic commerce and
16 electronic government involving the public and private
17 sectors.
18 e. Develop customer surveys and citizen outreach and
19 education programs and material, and provide for citizen input
20 regarding the state's electronic commerce and electronic
21 government applications.
22 f. Provide staff support for the IowAccess advisory
23 council.
24 Sec. 21. NEW SECTION. 8A.206 INFORMATION TECHNOLOGY
25 STANDARDS.
26 1. The department shall develop, in consultation with the
27 information technology council, recommended standards for
28 consideration with respect to the procurement of information
29 technology by all participating agencies. It is the intent of
30 the general assembly that information technology standards be
31 established for the purpose of guiding such procurements.
32 Such standards, unless waived by the department, shall apply
33 to all information technology procurements for participating
34 agencies.
35 2. The office of the governor or the office of an elective

1 constitutional or statutory officer shall consult with the
2 department prior to procuring information technology and
3 consider the standards recommended by the department, and
4 provide a written report to the department relating to the
5 office's decision regarding such acquisitions.
6 Sec. 22. NEW SECTION. 8A.207 PROCUREMENT OF INFORMATION
7 TECHNOLOGY.
8 1. Standards established by the department, unless waived
9 by the department, shall apply to all information technology
10 procurements for participating agencies.
11 2. The department shall institute procedures to ensure
12 effective and efficient compliance with standards established
13 by the department.
14 3. The department, by rule, may implement a
15 prequalification procedure for contractors with which the
16 department has entered or intends to enter into agreements
17 regarding the procurement of information technology.
18 4. Notwithstanding the provisions governing purchasing as
19 provided in article III, the department may procure
20 information technology as provided in this section. The
21 department may cooperate with other governmental entities in
22 the procurement of information technology in an effort to make
23 such procurements in a cost-effective, efficient manner as
24 provided in this section. The department, as deemed
25 appropriate and cost-effective, may procure information
26 technology using any of the following methods:
27 a. Cooperative procurement agreement. The department may
28 enter into a cooperative procurement agreement with another
29 governmental entity relating to the procurement of information
30 technology, whether such information technology is for the use
31 of the department or other governmental entities. The
32 cooperative procurement agreement shall clearly specify the
33 purpose of the agreement and the method by which such purpose
34 will be accomplished. Any power exercised under such
35 agreement shall not exceed the power granted to any party to

1 the agreement.
2 b. Negotiated contract. The department may enter into an
3 agreement for the purchase of information technology if any of
4 the following applies:
5 (1) The contract price, terms, and conditions are pursuant
6 to the current federal supply contract, and the purchase order
7 adequately identifies the federal supply contract under which
8 the procurement is to be made.
9 (2) The contract price, terms, and conditions are no less
10 favorable than the contractor's current federal supply
11 contract price, terms, and conditions; the contractor has
12 indicated in writing a willingness to extend such price,
13 terms, and conditions to the department; and the purchase
14 order adequately identifies the contract relied upon.
15 (3) The contract is with a vendor which has a current
16 exclusive or nonexclusive price agreement with the state for
17 the information technology to be procured, and such
18 information technology meets the same standards and
19 specifications as the items to be procured and both of the
20 following apply:
21 (a) The quantity purchased does not exceed the quantity
22 which may be purchased under the applicable price agreement.
23 (b) The purchase order adequately identifies the price
24 agreement relied upon.
25 c. Contracts let by another governmental entity. The
26 department, on its own behalf or on the behalf of another
27 participating agency or governmental entity, may procure
28 information technology under a contract let by another agency
29 or other governmental entity, or approve such procurement in
30 the same manner by a participating agency or governmental
31 entity.
32 d. Reverse auction.
33 (1) The department may enter into an agreement for the
34 purchase of information technology utilizing a reverse auction
35 process. Such process shall result in the purchase of

1 information technology from the vendor submitting the lowest
2 responsible bid amount for the information technology to be
3 acquired. The department, in establishing a reverse auction
4 process, shall do all of the following:
5 (a) Determine the specifications and requirements of the
6 information technology to be acquired.
7 (b) Identify and provide notice to potential vendors
8 concerning the proposed acquisition.
9 (c) Establish prequalification requirements to be met by a
10 vendor to be eligible to participate in the reverse auction.
11 (d) Conduct the reverse auction in a manner as deemed
12 appropriate by the department, and consistent with rules
13 adopted by the department.
14 (2) Prior to conducting a reverse auction, the department
15 shall establish a threshold amount which shall be the maximum
16 amount which the department is willing to pay for the
17 information technology to be acquired.
18 (3) The department shall enter into an agreement with a
19 vendor who is the lowest responsible bidder which meets the
20 specifications or description of the information technology to
21 be procured, or the department may reject all bids and begin
22 the process again. In determining the lowest responsible
23 bidder, the department may consider various factors,
24 including, but not limited to, the past performance of the
25 vendor relative to quality of product or service, the past
26 experience of the department in relation to the product or
27 service, the relative quality of products or services, the
28 proposed terms of delivery, and the best interest of the
29 state.
30 e. Competitive bidding. The department may enter into an
31 agreement for the procurement or acquisition of information
32 technology in the same manner as provided under article III
33 for the purchasing of service.
34 f. Other agreements. In addition to the competitive
35 bidding procedure provided for under paragraph "e", the

1 department may enter into an agreement for the purchase,
2 disposal, or other disposition of information technology in
3 the same manner and subject to the same limitations as
4 otherwise provided in this chapter. The department, by rule,
5 shall provide for such procedures.
6 5. The department shall adopt rules pursuant to chapter
7 17A to implement the procurement methods and procedures
8 provided for in subsections 2 through 4.
9 IOWACCESS
10 Sec. 23. NEW SECTION. 8A.221 IOWACCESS ADVISORY COUNCIL
11 ESTABLISHED -- DUTIES -- MEMBERSHIP.
12 1. ADVISORY COUNCIL ESTABLISHED. An IowAccess advisory
13 council is established within the department for the purpose
14 of creating and providing a service to the citizens of this
15 state that is the gateway for one-stop electronic access to
16 government information and transactions, whether federal,
17 state, or local. Except as provided in this section,
18 IowAccess shall be a state-funded service providing access to
19 government information and transactions. The department, in
20 establishing the fees for value-added services, shall consider
21 the reasonable cost of creating and organizing such government
22 information through IowAccess.
23 2. DUTIES.
24 a. The advisory council shall do all of the following:
25 (1) Recommend to the information technology council rates
26 to be charged for access to and for value-added services
27 performed through IowAccess.
28 (2) Recommend to the director the priority of projects
29 associated with IowAccess.
30 (3) Recommend to the director expected outcomes and
31 effects of the use of IowAccess and determine the manner in
32 which such outcomes are to be measured and evaluated.
33 (4) Review and recommend to the director the IowAccess
34 total budget request and ensure that such request reflects the
35 priorities and goals of IowAccess as established by the

1 advisory council.
2 (5) Review and recommend to the director all rules to be
3 adopted by the department that are related to IowAccess.
4 (6) Advocate for access to government information and
5 services through IowAccess and for data privacy protection,
6 information ethics, accuracy, and security in IowAccess
7 programs and services.
8 (7) Receive status and operations reports associated with
9 IowAccess.
10 (8) Other duties as assigned by the director.
11 b. The advisory council shall also advise the director
12 with respect to the operation of IowAccess and encourage and
13 implement access to government and its public records by the
14 citizens of this state.
15 c. The advisory council shall serve as a link between the
16 users of public records, the lawful custodians of such public
17 records, and the citizens of this state who are the owners of
18 such public records.
19 d. The advisory council shall ensure that IowAccess gives
20 priority to serving the needs of the citizens of this state.
21 3. MEMBERSHIP.
22 a. The advisory council shall be composed of nineteen
23 members including the following:
24 (1) Five persons appointed by the governor representing
25 the primary customers of IowAccess.
26 (2) Six persons representing lawful custodians as follows:
27 (a) One person representing the legislative branch, who
28 shall not be a member of the general assembly, to be appointed
29 jointly by the president of the senate, after consultation
30 with the majority and minority leaders of the senate, and by
31 the speaker of the house of representatives, after
32 consultation with the majority and minority leaders of the
33 house of representatives.
34 (b) One person representing the judicial branch as
35 designated by the chief justice of the supreme court.

1 (c) One person representing the executive branch as
2 designated by the governor.
3 (d) One person to be appointed by the governor
4 representing cities who shall be actively engaged in the
5 administration of a city.
6 (e) One person to be appointed by the governor
7 representing counties who shall be actively engaged in the
8 administration of a county.
9 (f) One person to be appointed by the governor
10 representing the federal government.
11 (3) Four members to be appointed by the governor
12 representing a cross section of the citizens of the state.
13 (4) Four members of the general assembly, two from the
14 senate and two from the house of representatives, with not
15 more than one member from each chamber being from the same
16 political party. The two senators shall be designated by the
17 president of the senate after consultation with the majority
18 and minority leaders of the senate. The two representatives
19 shall be designated by the speaker of the house of
20 representatives after consultation with the majority and
21 minority leaders of the house of representatives. Legislative
22 members shall serve in an ex officio, nonvoting capacity. A
23 legislative member is eligible for per diem and expenses as
24 provided in section 2.10.
25 b. Members appointed by the governor are subject to
26 confirmation by the senate and shall serve four-year staggered
27 terms as designated by the governor. The advisory council
28 shall annually elect its own chairperson from among the voting
29 members of the board. Members appointed by the governor are
30 subject to the requirements of sections 69.16, 69.16A, and
31 69.19. Members appointed by the governor shall be reimbursed
32 for actual and necessary expenses incurred in performance of
33 their duties. Such members may also be eligible to receive
34 compensation as provided in section 7E.6.
35 4. This section shall not be construed to impair the right

1 of a person to contract to purchase information or data from
2 the Iowa court information system or any other governmental
3 entity. This section shall not be construed to affect a data
4 purchase agreement or contract in existence on April 25, 2000.
5 Sec. 24. NEW SECTION. 8A.222 FINANCIAL TRANSACTIONS.
6 1. Moneys paid to a participating agency from persons who
7 complete an electronic financial transaction with the agency
8 by accessing IowAccess shall be transferred to the treasurer
9 of state for deposit in the general fund of the state, unless
10 the disposition of the moneys is specifically provided for
11 under other law. The moneys may include all of the following:
12 a. Fees required to obtain an electronic public record as
13 provided in section 22.3A.
14 b. Fees required to process an application or file a
15 document, including but not limited to fees required to obtain
16 a license issued by a licensing authority.
17 c. Moneys owed to a governmental entity by a person
18 accessing IowAccess in order to satisfy a liability arising
19 from the operation of law, including the payment of
20 assessments, taxes, fines, and civil penalties.
21 2. Moneys transferred using IowAccess may include amounts
22 owed by a governmental entity to a person accessing IowAccess
23 in order to satisfy a liability of the governmental entity.
24 The moneys may include the payment of tax refunds, and the
25 disbursement of support payments as defined in section 252D.16
26 or 598.1 as required for orders issued pursuant to section
27 252B.14.
28 3. In addition to other forms of payment, credit cards
29 shall be accepted in payment for moneys owed to or fees
30 imposed by a governmental entity in the same manner as
31 provided in section 8A.113.
32 4. Notwithstanding any other provision of this section,
33 the department may establish for the fiscal years beginning
34 July 1, 2003, and ending June 30, 2005, a pilot project for
35 fee collection. Fees shall be collected based on the ability

1 to access court information from remote locations.
2 Sec. 25. NEW SECTION. 8A.223 AUDITS REQUIRED.
3 A technology audit of the electronic transmission system by
4 which government records are transmitted electronically to the
5 public shall be conducted not less than once annually for the
6 purpose of determining that government records and other
7 electronic data are not misappropriated or misused by the
8 department or a contractor of the department.
9 Sec. 26. NEW SECTION. 8A.224 IOWACCESS REVOLVING FUND.
10 An IowAccess revolving fund is created in the state
11 treasury. The revolving fund shall be administered by the
12 department and shall consist of moneys collected by the
13 department as fees, moneys appropriated by the general
14 assembly, and any other moneys obtained or accepted by the
15 department for deposit in the revolving fund. The proceeds of
16 the revolving fund are appropriated to and shall be used by
17 the department to maintain, develop, operate, and expand
18 IowAccess consistent with this article. The department shall
19 submit an annual report not later than January 31 to the
20 members of the general assembly and the legislative fiscal
21 bureau, of the activities funded by and expenditures made from
22 the revolving fund during the preceding fiscal year. Section
23 8.33 does not apply to any moneys in the revolving fund and,
24 notwithstanding section 12C.7, subsection 2, earnings or
25 interest on moneys deposited in the revolving fund shall be
26 credited to the revolving fund.
27 ARTICLE 3
28 PHYSICAL RESOURCES
29 GENERAL PROVISIONS
30 Sec. 27. NEW SECTION. 8A.301 DEFINITIONS.
31 When used in this article, unless the context otherwise
32 requires:
33 1. "Bid specification" means the standards or qualities
34 which must be met before a contract to purchase will be
35 awarded and any terms which the director has set as a

1 condition precedent to the awarding of a contract.
2 2. "Competitive bidding procedure" means the advertisement
3 for, solicitation of, or the procurement of bids; the manner
4 and condition in which bids are received; and the procedure by
5 which bids are opened, accessed, accepted, rejected, or
6 awarded. A "competitive bidding procedure" may include a
7 transaction accomplished in an electronic format.
8 3. "Life cycle cost" means the expected total cost of
9 ownership during the life of a product.
10 4. "Printing" means, as used in chapter 7A and this
11 article, the reproduction of an image from a printing surface
12 made generally by a contact impression that causes a transfer
13 of ink, the reproduction of an impression by a photographic
14 process, or the reproduction of an image by electronic means
15 and shall include binding and may include material, processes,
16 or operations necessary to produce a finished printed product,
17 but shall not include binding, rebinding or repairs of books,
18 journals, pamphlets, magazines and literary articles by any
19 library of the state or any of its offices, departments,
20 boards, and commissions held as a part of their library
21 collection.
22 5. "State buildings and grounds" excludes any building
23 under the custody and control of the Iowa public employees'
24 retirement system.
25 Sec. 28. NEW SECTION. 8A.302 DEPARTMENTAL DUTIES --
26 PHYSICAL RESOURCES.
27 The duties of the department as it relates to the physical
28 resources of state government shall include but not
29 necessarily be limited to the following:
30 1. Providing a system of uniform standards and
31 specifications for purchasing. When the system is developed,
32 all items of general use shall be purchased through the
33 department, except items used by the state department of
34 transportation, institutions under the control of the state
35 board of regents, the department for the blind, and any other

1 agencies exempted by law.
2 2. Providing for the proper maintenance of the state
3 capitol, grounds, and equipment, and all other state buildings
4 and grounds, and equipment at the seat of government, and of
5 the state laboratories facility in Ankeny, except those
6 referred to in section 216B.3, subsection 6.
7 3. Providing for mail services for all state officials,
8 agencies, and departments located at the seat of government.
9 However, postage shall not be furnished to the general
10 assembly, its members, officers, employees, or committees.
11 4. Providing architectural services, contracting for
12 construction and construction oversight for state agencies
13 except for the state board of regents, department of
14 transportation, national guard, natural resource commission,
15 and the Iowa public employees' retirement system. Capital
16 funding appropriated to state agencies, except to the state
17 board of regents, department of transportation, national
18 guard, natural resource commission, and the Iowa public
19 employees' retirement system, for property management shall be
20 transferred for administration to the director of the
21 department of administrative services.
22 5. Developing and implementing procedures to conduct
23 transactions, including purchasing, authorized by this article
24 in an electronic format to the extent determined appropriate
25 by the department. The director shall adopt rules
26 establishing criteria for competitive bidding procedures
27 involving transactions in an electronic format, including
28 criteria for accepting or rejecting bids which are
29 electronically transmitted to the department, and for
30 establishing with reasonable assurance the authenticity of the
31 bid and the bidder's identity.
32 6. Providing insurance for motor vehicles owned by the
33 state.
34 PURCHASING
35 Sec. 29. NEW SECTION. 8A.311 COMPETITIVE BIDDING --

1 PREFERENCES -- RECIPROCAL APPLICATION -- DIRECT PURCHASING.
2 The director shall adopt rules establishing competitive
3 bidding procedures.
4 1. All equipment, supplies, or services procured by the
5 department shall be purchased by a competitive bidding
6 procedure. However, the director may exempt by rule purchases
7 of noncompetitive items and purchases in lots or quantities
8 too small to be effectively purchased by competitive bidding.
9 Preference shall be given to purchasing Iowa products and
10 purchases from Iowa-based businesses if the Iowa-based
11 business bids submitted are comparable in price to bids
12 submitted by out-of-state businesses and otherwise meet the
13 required specifications. If the laws of another state mandate
14 a percentage preference for businesses or products from that
15 state and the effect of the preference is that bids of Iowa
16 businesses or products that are otherwise low and responsive
17 are not selected in the other state, the same percentage
18 preference shall be applied to Iowa businesses and products
19 when businesses or products from that other state are bid to
20 supply Iowa requirements.
21 2. The director may also exempt the purchase of an item or
22 service from a competitive bidding procedure when the director
23 determines that the best interests of the state will be served
24 by the exemption which shall be based on one of the following:
25 a. An immediate or emergency need existing for the item or
26 service.
27 b. A need to protect the health, safety, or welfare of
28 persons occupying or visiting a public improvement or property
29 located adjacent to the public improvement.
30 3. The director may contract for the purchase of items or
31 services by the department. Contracts for the purchase of
32 items or services shall be awarded on the basis of the lowest
33 competent bid.
34 4. The director may refuse all bids on any item or service
35 and request new bids.

1 5. The director shall establish by rule the amount of
2 security, if any, to accompany a bid or as a condition
3 precedent to the awarding of any contract and the
4 circumstances under which a security will be returned to the
5 bidder or forfeited to the state.
6 6. The director shall adopt rules providing a method for
7 the various state agencies to file with the department a list
8 of those supplies, equipment, machines, and all items needed
9 to properly perform their governmental duties and functions.
10 7. The director shall furnish a list of specifications,
11 prices, and discounts of contract items to any governmental
12 subdivision which shall be responsible for payment to the
13 vendor under the terms and conditions outlined in the state
14 contract.
15 8. The director shall adopt rules providing that any state
16 agency may, upon request, purchase directly from a vendor if
17 the direct purchasing is as economical or more economical than
18 purchasing through the department, or upon a showing that
19 direct purchasing by the state agency would be in the best
20 interests of the state due to an immediate or emergency need.
21 The rules shall include a provision permitting a state agency
22 to purchase directly from a vendor, on the agency's own
23 authority, if the purchase will not exceed five thousand
24 dollars and the purchase will contribute to the agency
25 complying with or exceeding the targeted small business
26 procurement goals under sections 73.15 through 73.21.
27 Any member of the executive council may bring before the
28 executive council for review a decision of the director
29 granting a state agency request for direct purchasing. The
30 executive council shall hear and review the director's
31 decision in the same manner as an appeal filed by an aggrieved
32 bidder, except that the three-day period for filing for review
33 shall not apply.
34 9. a. When the estimated total cost of construction,
35 erection, demolition, alteration, or repair of a public

1 improvement exceeds twenty-five thousand dollars, the
2 department shall solicit bids on the proposed improvement by
3 publishing an advertisement in a print format. The
4 advertisement shall appear in two publications in a newspaper
5 published in the county in which the work is to be done. The
6 first advertisement for bids appearing in a newspaper shall be
7 not less than fifteen days prior to the date set for receiving
8 bids. The department may publish an advertisement in an
9 electronic format as an additional method of soliciting bids
10 under this paragraph.
11 b. In awarding a contract under this subsection, the
12 department shall let the work to the lowest responsible bidder
13 submitting a sealed proposal. However, if the department
14 considers the bids received not to be acceptable, all bids may
15 be rejected and new bids requested. A bid shall be
16 accompanied by a certified or cashier's check or bid bond in
17 an amount designated in the advertisement for bids as security
18 that the bidder will enter into a contract for the work
19 requested. The department shall establish the bid security in
20 an amount equal to at least five percent, but not more than
21 ten percent of the estimated total cost of the work. The
22 certified or cashier's checks or bid bonds of unsuccessful
23 bidders shall be returned as soon as the successful bidder is
24 determined. The certified or cashier's check or bid bond of
25 the successful bidder shall be returned upon execution of the
26 contract. This subsection does not apply to the construction,
27 erection, demolition, alteration, or repair of a public
28 improvement when the contracting procedure for the work
29 requested is otherwise provided for in law.
30 10. The state and its political subdivisions shall give
31 preference to purchasing Iowa products and purchasing from
32 Iowa-based businesses if the bids submitted are comparable in
33 price to those submitted by other bidders and meet the
34 required specifications.
35 11. The director shall adopt rules which require that each

1 bid received for the purchase of items purchased by the
2 department includes a product content statement which provides
3 the percentage of the content of the item which is reclaimed
4 material.
5 12. The director shall review and, where necessary, revise
6 specifications used by state agencies to procure products in
7 order to ensure all of the following:
8 a. The procurement of products containing recovered
9 materials, including but not limited to lubricating oils,
10 retread tires, building insulation materials, and recovered
11 materials from waste tires. The specifications shall be
12 revised if they restrict the use of alternative materials,
13 exclude recovered materials, or require performance standards
14 which exclude products containing recovered materials unless
15 the agency seeking the product can document that the use of
16 recovered materials will hamper the intended use of the
17 product.
18 b. The procurement by state agencies of bio-based
19 hydraulic fluids, greases, and other industrial lubricants
20 manufactured from soybeans in accordance with the requirements
21 of section 8A.316.
22 13. A bidder awarded a state construction contract shall
23 disclose the names of all subcontractors, who will work on the
24 project being bid, within forty-eight hours after the award of
25 the contract.
26 If a subcontractor named by a bidder awarded a state
27 construction contract is replaced, or if the cost of work to
28 be done by a subcontractor is reduced, the bidder shall
29 disclose the name of the new subcontractor or the amount of
30 the reduced cost.
31 14. A state agency shall make every effort to purchase
32 those products produced for sale by sheltered workshops, work
33 activity centers, and other special programs funded in whole
34 or in part by public moneys that employ persons with mental
35 retardation or other developmental disabilities or mental

1 illness if the products meet the required specifications.
2 15. A state agency shall make every effort to purchase
3 products produced for sale by employers of persons in
4 supported employment.
5 16. The department shall not award a contract to a bidder
6 for a construction, reconstruction, demolition, or repair
7 project or improvement with an estimated cost that exceeds
8 twenty-five thousand dollars in which the bid requires the use
9 of inmate labor supplied by the department of corrections, but
10 not employed by private industry pursuant to section 904.809,
11 to perform the project or improvement.
12 17. This section does not apply to Iowa technology center
13 contracts in support of activities performed for another
14 governmental entity, either state or federal. The Iowa
15 technology center is an entity created by a chapter 28E
16 agreement entered into by the department of public defense.
17 18. Life cycle cost and energy efficiency shall be
18 included in the criteria used by the department, institutions
19 under the control of the state board of regents, the
20 department of transportation, the department for the blind,
21 and other state agencies in developing standards and
22 specifications for purchasing energy-consuming products. For
23 purposes of this subsection, the life cycle costs of American
24 motor vehicles shall be reduced by five percent in order to
25 determine if the motor vehicle is comparable to foreign-made
26 motor vehicles. "American motor vehicles" includes those
27 vehicles manufactured in this state and those vehicles in
28 which at least seventy percent of the value of the motor
29 vehicle was manufactured in the United States or Canada and at
30 least fifty percent of the motor vehicle sales of the
31 manufacturer are in the United States or Canada. In
32 determining the life cycle costs of a motor vehicle, the costs
33 shall be determined on the basis of the bid price, the resale
34 value, and the operating costs based upon a useable life of
35 five years or seventy-five thousand miles, whichever occurs

1 first.
2 19. Preference shall be given to purchasing American-made
3 products and purchases from American-based businesses if the
4 life cycle costs are comparable to those products of foreign
5 businesses and which most adequately fulfill the department's
6 need.
7 Sec. 30. NEW SECTION. 8A.312 COOPERATIVE PURCHASING.
8 The director may purchase items through the department of
9 transportation, institutions under the control of the state
10 board of regents, and any other agency exempted by law from
11 centralized purchasing. These state agencies shall upon
12 request furnish the director with a list of and specifications
13 for all items of office equipment, furniture, fixtures, motor
14 vehicles, heavy equipment, and other related items to be
15 purchased during the next quarter and the date by which the
16 director must file with the agency the quantity of items to be
17 purchased by the state agency for the department. The
18 department shall be liable to the state agency for the
19 proportionate costs the items purchased for the department
20 bear to the total purchase price. When items purchased have
21 been delivered, the state agency shall notify the director and
22 after receipt of the purchase price shall release the items to
23 the director or upon the director's order.
24 Sec. 31. NEW SECTION. 8A.313 DISPUTES INVOLVING
25 PURCHASING FROM IOWA STATE INDUSTRIES.
26 Disputes arising between the department of corrections and
27 a purchasing department or agency over the procurement of
28 products from Iowa state industries as described in section
29 904.808 shall be referred to the director. The decision of
30 the director is final unless a written appeal is filed with
31 the executive council within five days of receipt of the
32 decision of the director, excluding Saturdays, Sundays, and
33 legal holidays. If an appeal is filed, the executive council
34 shall hear and determine the appeal within thirty days. The
35 decision of the executive council is final.

1 Sec. 32. NEW SECTION. 8A.314 PURCHASING REVOLVING FUND.
2 1. A purchasing revolving fund is established within the
3 department. The director shall keep an accurate itemized
4 account for each state agency purchasing through the
5 department, using services provided for by the department, and
6 using postage supplied by the department.
7 2. At the end of each month the director shall render a
8 statement to each state agency for the actual cost of items
9 purchased through the department, and the actual cost of
10 services and postage used by the agency. The monthly
11 statement shall also include a fair proportion of the
12 administrative costs of the department during the month. The
13 portion of administrative costs shall be determined by the
14 director subject to review by the executive council upon
15 complaint from any state agency adversely affected.
16 3. Statements rendered to the various state agencies shall
17 be paid by the state agencies in the manner determined by the
18 department. When the statements are paid the sums shall be
19 credited to the purchasing revolving fund. If any funds
20 accrue to the revolving fund in excess of two hundred twenty-
21 five thousand dollars and there is no anticipated need or use
22 for such funds, the governor shall order the excess funds
23 credited to the general fund of the state.
24 Sec. 33. NEW SECTION. 8A.315 STATE PURCHASES -- RECYCLED
25 PRODUCTS -- SOYBEAN-BASED INKS.
26 1. When purchasing paper products other than printing and
27 writing paper, the department shall, when the price is
28 reasonably competitive and the quality as intended, purchase
29 the recycled product. The department shall also purchase,
30 when the price is reasonably competitive and the quality as
31 intended, and in keeping with the schedule established in this
32 subsection, soybean-based inks and plastic products with
33 recycled content including but not limited to plastic garbage
34 can liners.
35 a. One hundred percent of the purchases of inks which are

1 used for newsprint printing services performed internally or
2 contracted for by the department shall be soybean-based.
3 b. One hundred percent of the purchases of inks, other
4 than inks which are used for newsprint printing services, and
5 which are used internally or contracted for by the department,
6 shall be soybean-based to the extent formulations for such
7 inks are available.
8 c. A minimum of ten percent of the purchases of garbage
9 can liners made by the department shall be plastic garbage can
10 liners with recycled content. The percentage shall increase
11 by ten percent annually until fifty percent of the purchases
12 of garbage can liners are plastic garbage can liners with
13 recycled content.
14 d. The department shall report to the general assembly on
15 February 1 of each year the following:
16 (1) A listing of plastic products which are regularly
17 purchased by the department and other state agencies for which
18 recycled content product alternatives are available, including
19 the cost of the plastic products purchased and the cost of the
20 recycled content product alternatives.
21 (2) Information relating to soybean-based inks and plastic
22 garbage can liners with recycled content regularly purchased
23 by the department and other state agencies, including the cost
24 of purchasing soybean-based inks and plastic garbage can
25 liners with recycled content and the percentages of soybean-
26 based inks and plastic garbage can liners with recycled
27 content that have been purchased.
28 e. For purposes of this subsection, "recycled content"
29 means that the content of the product contains a minimum of
30 thirty percent postconsumer material.
31 2. a. Except as otherwise provided in this section, the
32 department shall purchase and use recycled printing and
33 writing paper so that ninety percent of the volume of printing
34 and writing paper purchased is recycled paper. The recycled
35 printing and writing paper shall meet the requirements for

1 procuring recycled printing and writing paper set forth in 40
2 C.F.R. pt. 247, and in related recovered materials advisory
3 notices issued by the United States environmental protection
4 agency.
5 b. The department shall establish a prioritization
6 procedure for the purchase of recycled paper which provides
7 for a five percent differential in the cost of the purchase of
8 paper which has been recycled through the use of a
9 nonchlorinated process.
10 c. If a provision under this subsection results in the
11 limitation of sources for the purchase of printing and writing
12 paper to three or fewer sources, the department may waive the
13 requirement in order to purchase necessary amounts of printing
14 and writing paper.
15 d. Notwithstanding the requirements of this subsection
16 regarding the purchase of recycled printing and writing paper,
17 the department shall purchase acid-free permanent paper in the
18 amount necessary for the production or reproduction of
19 documents, papers, or similar materials produced or reproduced
20 for permanent preservation pursuant to law.
21 3. The department, in conjunction with the department of
22 natural resources, shall review the procurement specifications
23 currently used by the state to eliminate, wherever possible,
24 discrimination against the procurement of products
25 manufactured with recovered materials and soybean-based inks.
26 4. The department of natural resources shall assist the
27 department in locating suppliers of recycled products and
28 soybean-based inks and collecting data on recycled content and
29 soybean-based ink purchases.
30 5. Information on recycled content shall be requested on
31 all bids for paper products other than printing and writing
32 paper issued by the state and on other bids for products which
33 could have recycled content such as oil, plastic products,
34 including but not limited to compost materials, aggregate,
35 solvents, soybean-based inks, and rubber products. Except for

1 purchases of printing and writing paper made pursuant to
2 subsection 2, paragraphs "c" and "d", the department shall
3 require persons submitting bids for printing and writing paper
4 to certify that the printing and writing paper proposed
5 complies with the requirements referred to in subsection 2,
6 paragraph "a".
7 6. The department, in conjunction with the department of
8 natural resources, shall adopt rules to administer this
9 section.
10 7. All state agencies shall fully cooperate with the
11 department and with the department of natural resources in all
12 phases of implementing this section.
13 8. The department, whenever technically feasible, shall
14 purchase and use degradable loose foam packing material
15 manufactured from grain starches or other renewable resources,
16 unless the cost of the packing material is more than ten
17 percent greater than the cost of packing material made from
18 nonrenewable resources. For the purposes of this subsection,
19 "packing material" means material, other than an exterior
20 packing shell, that is used to stabilize, protect, cushion, or
21 brace the contents of a package.
22 Sec. 34. NEW SECTION. 8A.316 LUBRICANTS AND OILS --
23 PREFERENCES.
24 The department shall do all of the following:
25 1. Revise its procedures and specifications for the
26 purchase of lubricating oil and industrial oil to eliminate
27 exclusion of recycled oils and any requirement that oils be
28 manufactured from virgin materials.
29 2. Require that purchases of lubricating oil and
30 industrial oil be made from the seller whose oil product
31 contains the greatest percentage of recycled oil, unless one
32 of the following circumstances regarding a specific oil
33 product containing recycled oil exists:
34 a. The product is not available within a reasonable period
35 of time or in quantities necessary or in container sizes

1 appropriate to meet a state agency's needs.
2 b. The product does not meet the performance requirements
3 or standards recommended by the equipment or vehicle
4 manufacturer, including any warranty requirements.
5 c. The product is available only at a cost greater than
6 one hundred five percent of the cost of comparable virgin oil
7 products.
8 3. Establish and maintain a preference program for
9 procuring oils containing the maximum content of recycled oil.
10 The preference program shall include but is not limited to all
11 of the following:
12 a. The inclusion of the preferences for recycled oil
13 products in publications used to solicit bids from suppliers.
14 b. The provision of a description of the recycled oil
15 procurement program at bidders' conferences.
16 c. Discussion of the preference program in lubricating oil
17 and industrial oil procurement solicitations or invitations to
18 bid.
19 d. Efforts to inform industry trade associations about the
20 preference program.
21 4. a. Provide that when purchasing hydraulic fluids,
22 greases, and other industrial lubricants, the department or a
23 state agency authorized by the department to directly purchase
24 hydraulic fluids, greases, and other industrial lubricants
25 shall give preference to purchasing bio-based hydraulic
26 fluids, greases, and other industrial lubricants manufactured
27 from soybeans.
28 b. Provide for the implementation of requirements
29 necessary in order to carry out this subsection by the
30 department or state agency making the purchase, which shall
31 include all of the following:
32 (1) Including the preference requirements in publications
33 used to solicit bids for hydraulic fluids, greases, and other
34 industrial lubricants.
35 (2) Describing the preference requirements at bidders'

1 conferences in which bids for the sale of hydraulic fluids,
2 greases, and other industrial lubricants are sought by the
3 department or authorized state agency.
4 (3) Discussing the preference requirements in procurement
5 solicitations or invitations to bid for hydraulic fluids,
6 greases, and other industrial lubricants.
7 (4) Informing industry trade associations about the
8 preference requirements.
9 c. As used in this subsection, unless the context
10 otherwise requires:
11 (1) "Bio-based hydraulic fluids, greases, and other
12 industrial lubricants" means the same as defined by the United
13 States department of agriculture, if the department has
14 adopted such a definition. If the United States department of
15 agriculture has not adopted a definition, "bio-based hydraulic
16 fluids, greases, and other industrial lubricants" means
17 hydraulic fluids, greases, and other lubricants containing a
18 minimum of fifty-one percent soybean oil.
19 (2) "Other industrial lubricants" means lubricants used or
20 applied to machinery.
21 PHYSICAL RESOURCES AND FACILITY MANAGEMENT
22 Sec. 35. NEW SECTION. 8A.321 PHYSICAL RESOURCES AND
23 FACILITY MANAGEMENT -- DIRECTOR DUTIES -- APPROPRIATION.
24 In managing the physical resources of government, the
25 director shall perform all of the following duties:
26 1. Provide for supervision over the custodians, and other
27 employees of the department in and about the capitol and other
28 state buildings, and the state laboratories facility in
29 Ankeny, except the buildings and grounds referred to in
30 section 216B.3, subsection 6, at the seat of government.
31 2. Institute, in the name of the state, and with the
32 advice and consent of the attorney general, civil and criminal
33 proceedings against any person for injury or threatened injury
34 to any public property, including but not limited to
35 intangible and intellectual property, under the person's

1 control.
2 3. Under the direction of the governor, provide, furnish,
3 and pay for public utilities service, heat, maintenance, minor
4 repairs, and equipment in operating and maintaining the
5 official residence of the governor of Iowa.
6 4. Contract, with the approval of the executive council,
7 for the repair, remodeling, or, if the condition warrants,
8 demolition of all buildings and grounds of the state at the
9 seat of government, at the state laboratories facility in
10 Ankeny, and the institutions of the department of human
11 services and the department of corrections for which no
12 specific appropriation has been made, if the cost of repair,
13 remodeling, or demolition will not exceed one hundred thousand
14 dollars when completed. The cost of repair projects for which
15 no specific appropriation has been made shall be paid from the
16 fund provided in section 7D.29.
17 5. Dispose of all personal property of the state under the
18 director's control as provided by section 8A.324 when it
19 becomes unnecessary or unfit for further use by the state. If
20 the director concludes that the personal property is
21 contaminated, contains hazardous waste, or is hazardous waste,
22 the director may charge the state agency responsible for the
23 property for removal and disposal of the personal property.
24 The director shall adopt rules establishing the procedures for
25 inspecting, selecting, and removing personal property from
26 state agencies or from state storage.
27 6. a. Lease all buildings and office space necessary to
28 carry out the provisions of this article or necessary for the
29 proper functioning of any state agency at the seat of
30 government. For state agencies at the seat of government, the
31 director may lease buildings and office space in Polk county
32 or in a county contiguous to Polk county. If no specific
33 appropriation has been made, the proposed lease shall be
34 submitted to the executive council for approval. The cost of
35 any lease for which no specific appropriation has been made

1 shall be paid from the fund provided in section 7D.29.
2 b. When the general assembly is not in session, the
3 director may request moneys from the executive council for
4 moving state agencies located at the seat of government from
5 one location to another. The request may include moving
6 costs, telecommunications costs, repair costs, or any other
7 costs relating to the move. The executive council may approve
8 and shall pay the costs from funds provided in section 7D.29
9 if it determines the agency or department has no available
10 funds for these expenses.
11 c. Coordinate the leasing of buildings and office space by
12 state agencies throughout the state and develop cooperative
13 relationships with the state board of regents in order to
14 promote the colocation of state agencies.
15 7. Unless otherwise provided by law, coordinate the
16 location, design, plans and specifications, construction, and
17 ultimate use of the real or personal property to be purchased
18 by a state agency for whose benefit and use the property is
19 being obtained. If the purchase of real or personal property
20 is to be financed pursuant to section 12.28, the department
21 shall cooperate with the treasurer of state in providing the
22 information necessary to complete the financing of the
23 property.
24 A contract for acquisition, construction, erection,
25 demolition, alteration, or repair by a private person of real
26 or personal property to be lease-purchased by the treasurer of
27 state pursuant to section 12.28 is exempt from section 8A.311,
28 subsections 1 and 9, unless the lease-purchase contract is
29 funded in advance by a deposit of the lessor's moneys to be
30 administered by the treasurer of state under a lease-purchase
31 contract which requires rent payments to commence upon
32 delivery of the lessor's moneys to the lessee.
33 8. With the authorization of a constitutional majority of
34 each house of the general assembly and approval by the
35 governor, dispose of real property belonging to the state and

1 its state agencies upon terms, conditions, and consideration
2 as the director may recommend. If real property subject to
3 sale under this subsection has been purchased or acquired from
4 appropriated funds, the proceeds of the sale shall be
5 deposited with the treasurer of state and credited to the
6 general fund of the state or other fund from which
7 appropriated. There is appropriated from that same fund, with
8 the prior approval of the executive council and in cooperation
9 with the director, a sum equal to the proceeds so deposited
10 and credited to the state agency to which the disposed real
11 property belonged or by which it was used, for purposes of the
12 state agency.
13 9. Subject to the selection procedures of section 12.30,
14 employ financial consultants, banks, insurers, underwriters,
15 accountants, attorneys, and other advisors or consultants
16 necessary to implement the provisions of subsection 7.
17 10. Prepare annual status reports for all ongoing capital
18 projects of all state agencies, as defined in section 8.3A,
19 and submit the status reports to the legislative capital
20 projects committee.
21 11. Call upon any state agency, as defined in section
22 8.3A, for assistance the director may require in performing
23 the director's duties under subsection 10 regarding capital
24 project status reports. All state agencies, upon the request
25 of the director and with the approval of the director of the
26 department of management, shall assist the director and are
27 authorized to make available to the director any existing
28 studies, surveys, plans, data, and other materials in the
29 possession of the state agencies which are relevant to the
30 director's duties.
31 12. In carrying out the requirements of section 64.6,
32 purchase an individual or a blanket surety bond insuring the
33 fidelity of state officers. The department may self-assume or
34 self-insure fidelity exposures for state officials and
35 employees. A state official is deemed to have furnished

1 surety if the official has been covered by a program of
2 insurance or self-insurance established by the department. To
3 the extent possible, all bonded state employees shall be
4 covered under one or more blanket bonds or position schedule
5 bonds.
6 13. Review the management of state property loss exposures
7 and state liability risk exposures for the capitol complex.
8 Insurance coverage may include self-insurance or any type of
9 insurance protection sold by insurers, including, but not
10 limited to, full coverage, partial coverage, coinsurance,
11 reinsurance, and deductible insurance coverage.
12 14. Establish a monument maintenance account in the state
13 treasury under the control of the department. Funds for the
14 maintenance of a state monument, whether received by gift,
15 devise, bequest, or otherwise, shall be deposited in the
16 account. Funds in the account shall be deposited in an
17 interest-bearing account. Notwithstanding section 12C.7,
18 interest earned on the account shall be deposited in the
19 account and shall be used to maintain the designated monument.
20 Any maintenance funds for a state monument held by the state
21 and interest earned on the funds shall be used to maintain the
22 designated monument. Notwithstanding section 8.33, funds in
23 the monument maintenance account at the end of a fiscal year
24 shall not revert to the general fund of the state.
25 Sec. 36. NEW SECTION. 8A.322 BUILDINGS AND GROUNDS --
26 SERVICES -- PUBLIC USE.
27 1. The director shall provide necessary lighting, fuel,
28 and water services for the state buildings and grounds located
29 at the seat of government, and for the state laboratories
30 facility in Ankeny, except the buildings and grounds referred
31 to in section 216B.3, subsection 6.
32 2. Except for buildings and grounds described in section
33 216B.3, subsection 6; section 2.43, unnumbered paragraph 1;
34 and any buildings under the custody and control of the Iowa
35 public employees' retirement system, the director shall assign

1 office space at the capitol, other state buildings, and
2 elsewhere in the city of Des Moines, and the state
3 laboratories facility in Ankeny, for all executive and
4 judicial state agencies. Assignments may be changed at any
5 time. The various officers to whom rooms have been so
6 assigned may control the same while the assignment to them is
7 in force. Official apartments shall be used only for the
8 purpose of conducting the business of the state. The term
9 "capitol" or "capitol building" as used in the Code shall be
10 descriptive of all buildings upon the capitol grounds. The
11 capitol building itself is reserved for the operations of the
12 general assembly, the governor, and the courts and the
13 assignment and use of physical facilities for the general
14 assembly shall be pursuant to section 2.43.
15 3. The director shall establish, publish, and enforce
16 rules regulating and restricting the use by the public of the
17 capitol buildings and grounds and of the state laboratories
18 facility in Ankeny. The rules when established shall be
19 posted in conspicuous places about the capitol buildings and
20 grounds and the state laboratories facility, as applicable.
21 Any person violating any rule, except a parking regulation,
22 shall be guilty of a simple misdemeanor.
23 Sec. 37. NEW SECTION. 8A.323 PARKING REGULATIONS.
24 1. The director shall establish, publish, and enforce
25 rules regulating, restricting, or prohibiting the use by state
26 officials, state employees, and the public, of motor vehicle
27 parking facilities at the state capitol complex and at the
28 state laboratories facility in Ankeny. The assignment of
29 legislative parking spaces shall be under the control of the
30 legislative council. The rules established by the director
31 may establish fines for violations and a procedure for payment
32 of the fines. The director may order payment of a fine and
33 enforce the order in the district court.
34 2. Motor vehicles parked in violation of the rules may be
35 removed without the owner's or operator's consent and at the

1 owner's or operator's expense. Motor vehicles removed and not
2 claimed within thirty days of their removal or vehicles
3 abandoned within the capitol grounds may be disposed of in
4 accordance with the provisions of sections 321.85 through
5 321.91.
6 3. The parking rules established shall be posted in
7 conspicuous places at the capitol complex and at the state
8 laboratories facility in Ankeny, as applicable. Copies of the
9 rules shall be made available to all state officials and
10 employees and any other person who requests a copy of the
11 rules.
12 4. All fines collected by the department shall be
13 forwarded to the treasurer of state and deposited in the
14 general fund of the state.
15 Sec. 38. NEW SECTION. 8A.324 DISPOSAL OF PERSONAL
16 PROPERTY.
17 The director may dispose of personal property of the state
18 under the director's control by any of the following means:
19 1. The director may dispose of unfit or unnecessary
20 personal property by sale. Proceeds from the sale of personal
21 property shall be deposited in the general fund of the state.
22 2. If the director concludes that the personal property
23 has little or no value, the director may enter into an
24 agreement with a not-for-profit organization or governmental
25 agency to dispose of the personal property. The not-for-
26 profit organization or governmental agency may charge the
27 state agency in control of the property with the cost of
28 removing and transporting the property. Title to the personal
29 property shall transfer when the personal property is in the
30 possession of the not-for-profit organization or governmental
31 agency. If a governmental agency adds value to the property
32 transferred to it and sells it, the proceeds from the sale
33 shall be deposited with the governmental agency and not in the
34 general fund of the state.
35 3. The director may dispose of presses, printing

1 equipment, printing supplies, and other machinery or equipment
2 used in the printing operation.
3 Sec. 39. NEW SECTION. 8A.325 SERVICES AND COMMODITIES
4 ACCEPTED.
5 The director may accept services, commodities, and surplus
6 property and make provision for warehousing and distribution
7 to various departments and governmental subdivisions of the
8 state, and such other agencies, institutions, and authorized
9 recipients within the state as may be from time to time
10 designated in federal statutes and rules.
11 Sec. 40. NEW SECTION. 8A.326 TERRACE HILL COMMISSION.
12 1. The Terrace Hill commission is created consisting of
13 nine persons, appointed by the governor, who are knowledgeable
14 in business management and historic preservation and
15 renovation. The governor shall appoint the chairperson. The
16 terms of the commission members are for three years beginning
17 on July 1 and ending on June 30.
18 2. The Terrace Hill commission may consult with the
19 Terrace Hill society, Terrace Hill foundation, the executive
20 and legislative branches of this state, and other persons
21 interested in the property.
22 3. The Terrace Hill commission may enter into contracts,
23 subject to this chapter, to execute its purposes.
24 4. The commission may adopt rules to administer the
25 programs of the commission. The decision of the commission is
26 final agency action under chapter 17A.
27 Sec. 41. NEW SECTION. 8A.327 RENT REVOLVING FUND CREATED
28 -- PURPOSE.
29 1. A rent revolving fund is created in the state treasury
30 under the control of the department to be used by the
31 department to pay the lease or rental costs of all buildings
32 and office space necessary for the proper functioning of any
33 state agency at the seat of state government as provided in
34 section 8A.321, subsection 6, except that this fund shall not
35 be used to pay the rental or lease costs of a state agency

1 which has not received funds budgeted for rental or lease
2 purposes.
3 2. The director shall pay the lease or rental fees to the
4 renter or lessor and submit a monthly statement to each state
5 agency for which building and office space is rented or
6 leased. If the director pays the lease or rental fees on
7 behalf of a state agency, the state agency's payment to the
8 department shall be credited to the rent revolving fund
9 established by this section. With the approval of the
10 director, a state agency may pay the lease or rental cost
11 directly to the person who is due the payment under the lease
12 or rental agreement.
13 Sec. 42. NEW SECTION. 8A.328 RECYCLING REVOLVING FUND.
14 A recycling revolving fund is created within the state
15 treasury under the control of the department. The fund shall
16 consist of any moneys appropriated by the general assembly and
17 any other moneys available to and obtained or accepted by the
18 department from the federal government or private sources for
19 placement in the fund. The assets of the fund shall be used
20 by the department only for supporting recycling operations.
21 Moneys in the fund shall be drawn upon the written requisition
22 of the director or an authorized representative of the
23 director. The fund is subject to an annual audit by the
24 auditor of state. Section 8.33 does not apply to any moneys
25 in the fund. Notwithstanding section 12C.7, subsection 2,
26 interest or earnings on moneys deposited in the fund shall be
27 credited to the fund.
28 Sec. 43. NEW SECTION. 8A.329 WASTEPAPER RECYCLING
29 PROGRAM.
30 1. The department in accordance with recommendations made
31 by the department of natural resources shall require all state
32 agencies to establish an agency wastepaper recycling program.
33 The director shall adopt rules which require a state agency to
34 develop a program to ensure the recycling of the wastepaper
35 generated by the agency. All state employees shall practice

1 conservation of paper materials.
2 2. For the purposes of this section, "agency wastepaper"
3 means wastepaper or wastepaper products generated by the
4 agency.
5 3. The rules adopted by the director shall provide for the
6 continuation of existing state agency contracts which provide
7 for alternative waste management not including incineration or
8 land burial of agency wastepaper.
9 PRINTING
10 Sec. 44. NEW SECTION. 8A.341 STATE PRINTING -- DUTIES.
11 The director shall do all of the following as it relates to
12 printing:
13 1. Provide general supervision of all matters pertaining
14 to public printing, including the enforcement of contracts for
15 printing, except as otherwise provided by law. The
16 supervision shall include providing guidelines for the letting
17 of contracts for printing, the manner, form, style, and
18 quantity of public printing, and the specifications and
19 advertisements for public printing. In addition, the director
20 shall have charge of office equipment and supplies and of the
21 stock, if any, required in connection with printing contracts.
22 2. If money is appropriated for this purpose, by November
23 1 of each year supply a report which contains the name,
24 gender, county, or city of residence when possible, official
25 title, salary received during the previous fiscal year, base
26 salary as computed on July 1 of the current fiscal year, and
27 traveling and subsistence expense of the personnel of each of
28 the departments, boards, and commissions of the state
29 government except personnel who receive an annual salary of
30 less than one thousand dollars. The number of the personnel
31 and the total amount received by them shall be shown for each
32 department in the report. All employees who have drawn
33 salaries, fees, or expense allowances from more than one
34 department or subdivision shall be listed separately under the
35 proper departmental heading. On the request of the director,

1 the head of each department, board, or commission shall
2 furnish the data covering that agency. The report shall be
3 distributed upon request without charge to each caucus of the
4 general assembly, the legislative service bureau, the
5 legislative fiscal bureau, the chief clerk of the house of
6 representatives, and the secretary of the senate. Copies of
7 the report shall be made available to other persons in both
8 print or electronic medium upon payment of a fee, which shall
9 not exceed the cost of providing the copy of the report.
10 Sections 22.2 through 22.6 apply to the report. All funds
11 from the sale of the report shall be deposited in the printing
12 revolving fund established in section 8A.345. Requests for
13 print publications shall be handled only upon receipt of
14 postage by the director.
15 3. Deposit receipts from the sale of presses, printing
16 equipment, printing supplies, and other machinery or equipment
17 used in the printing operation in the printing revolving fund
18 established in section 8A.345.
19 Sec. 45. NEW SECTION. 8A.342 CONTRACTS WITH STATE
20 INSTITUTIONS.
21 The director may, without advertising for bids, enter into
22 contracts or make provision for doing any of the work coming
23 under the provisions of chapter 7A and this article at any
24 school or institution under the ownership or control of the
25 state. The work shall be done under conditions substantially
26 the same as those provided for in the case of contracts with
27 individuals and the same standard of quality or product shall
28 be required.
29 Sec. 46. NEW SECTION. 8A.343 SPECIFICATIONS AND
30 REQUIREMENTS.
31 The director shall, from time to time, adopt and print
32 specifications and requirements covering all matters relating
33 to printing that are the subject of contracts.
34 Sec. 47. NEW SECTION. 8A.344 PUBLIC PRINTING -- BIDDING
35 PROCEDURES.

1 1. The director shall advertise for bids for public
2 printing. Advertisements shall state where and how
3 specifications and other necessary information may be
4 obtained, the time during which the director will receive
5 bids, and the day, hour, and place when bids will be publicly
6 opened or accessed, and the manner by which the contracts will
7 be awarded.
8 2. The director shall supply prospective bidders and
9 others on request with the specifications and requirements,
10 blank forms for bids, samples of printing so far as possible,
11 and all other information pertaining to the subject.
12 3. The specifications shall be kept on file in the office
13 of the director, open to public inspection, together with
14 samples so far as possible, of the work to be done or the
15 material to be furnished.
16 4. Bids submitted must be:
17 a. Secured in writing, by telephone, by facsimile, or in a
18 format prescribed by the director as indicated in the bid
19 specifications.
20 b. Signed by the bidder, or if a telephone or electronic
21 bid, confirmed by the bidder in a manner prescribed by the
22 director.
23 c. Submitted in a format prescribed by the director which
24 reasonably assures the authenticity of the bid and the
25 bidder's identity.
26 d. Submitted to the department as specified by the date
27 and time established in the advertisements for bids.
28 5. When a bidder submits a bid to the department, the
29 director may require the bidder to file a bid bond or a
30 certified or cashier's check payable to the treasurer of state
31 in an amount to be fixed in the bid specifications, either
32 covering all classes or items or services, or separate
33 certified or cashier's checks for each bid in case the bidder
34 makes more than one bid. In lieu of a certified or cashier's
35 check, the 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 6. All bids shall be publicly opened or accessed and read
6 and the contracts awarded in the manner designated in the bid
7 specifications. In the award of a contract, due consideration
8 shall be given to the price bid, mechanical and other
9 equipment proposed to be used by the bidder, the financial
10 responsibility of the bidder, the bidder's ability and
11 experience in the performance of similar contracts, and any
12 other factors that the department determines are relevant and
13 that are included in the bid specifications.
14 7. The director shall have the right to reject any or all
15 bids, and in case of rejection or because of failure of a
16 bidder to enter into a contract, the director may advertise
17 for and secure new bids.
18 8. When the director is satisfied that bidders have
19 presented bids pursuant to an agreement, understanding, or
20 combination to prevent free competition, the director shall
21 reject all of them and readvertise for bids as in the first
22 instance.
23 Sec. 48. NEW SECTION. 8A.345 PRINTING REVOLVING FUND.
24 A revolving fund is created in the state treasury under the
25 control of the department and may be used in making payments
26 for supplying paper stock, offset printing, copy preparation,
27 binding, distribution costs, and original payment of printing
28 and binding claims for any of the state departments, bureaus,
29 commissions, or institutions. All salaries and expenses
30 properly chargeable to the fund shall be paid from the fund.
31 The director may also use the fund for the purchase of
32 replacement or additional equipment, if a sufficient balance
33 will remain in the fund to enable the continued operation of
34 the printing operations of the department.
35 DOCUMENT MANAGEMENT

1 Sec. 49. NEW SECTION. 8A.351 DISTRIBUTION OF DOCUMENTS
2 -- GENERAL PROVISIONS.
3 If money is appropriated for this purpose, the director
4 shall do all of the following:
5 1. The director shall require from officials or heads of
6 departments mailing lists, or addressed labels or envelopes,
7 for use in distribution of reports and documents. The
8 director shall revise such lists, eliminating duplications and
9 adding to the lists libraries, institutions, public officials,
10 and persons having actual use for the material. The director
11 shall arrange the lists so as to reduce to the minimum the
12 postage or other cost for delivery. Requests for publications
13 shall be handled only upon receipt of postage by the director
14 from the requesting agency or department.
15 2. The director shall furnish the various officials and
16 departments with copies of their reports needed for office use
17 or to be distributed to persons requesting the reports.
18 Requests for publications shall be handled only upon receipt
19 of postage by the director.
20 3. The official register shall be distributed to the
21 public in a manner determined by the director.
22 4. The director may send additional copies of publications
23 to other state officials, individuals, institutions,
24 libraries, or societies that may request them. Requests for
25 publications shall be handled only upon receipt of postage by
26 the director.
27 FLEET MANAGEMENT
28 Sec. 50. NEW SECTION. 8A.361 VEHICLE ASSIGNMENT --
29 AUTHORITY IN DEPARTMENT.
30 The department shall provide for the assignment of all
31 state-owned motor vehicles to all state officers and
32 employees, and to all state offices, departments, bureaus, and
33 commissions, except the department of transportation,
34 institutions under the control of the state board of regents,
35 the department for the blind, and any other agencies exempted

1 by law.
2 Sec. 51. NEW SECTION. 8A.362 FLEET MANAGEMENT -- POWERS
3 AND DUTIES -- FUEL ECONOMY REQUIREMENTS.
4 1. The director may provide for the assignment to a state
5 officer or employee or to a state agency, of one or more motor
6 vehicles which may be required by the state officer or
7 employee or state agency, after the state officer or employee
8 or state agency has shown the necessity for such
9 transportation. The director may assign a motor vehicle
10 either for part-time or full-time use. The director may
11 revoke the assignment at any time.
12 2. The director may cause all state-owned motor vehicles
13 to be inspected periodically. Whenever the inspection reveals
14 that repairs have been improperly made on the motor vehicle or
15 that the operator is not giving the motor vehicle the proper
16 care, the director shall report this fact to the head of the
17 state agency to which the motor vehicle has been assigned,
18 together with recommendation for improvement.
19 3. The director shall provide for a record system for the
20 keeping of records of the total number of miles state-owned
21 motor vehicles are driven and the per-mile cost of operation
22 of each motor vehicle. Every state officer or employee shall
23 keep a record book to be furnished by the director in which
24 the officer or employee shall enter all purchases of gasoline,
25 lubricating oil, grease, and other incidental expense in the
26 operation of the motor vehicle assigned to the officer or
27 employee, giving the quantity and price of each purchase,
28 including the cost and nature of all repairs on the motor
29 vehicle. Each operator of a state-owned motor vehicle shall
30 promptly prepare a report at the end of each month on forms
31 furnished by the director and forwarded to the director,
32 giving the information the director may request in the report.
33 Each month the director shall compile the costs and mileage of
34 state-owned motor vehicles from the reports and keep a cost
35 history for each motor vehicle and the costs shall be reduced

1 to a cost-per-mile basis for each motor vehicle. The director
2 shall call to the attention of an elected official or the head
3 of any state agency to which a motor vehicle has been assigned
4 any evidence of the mishandling or misuse of a state-owned
5 motor vehicle which is called to the director's attention.
6 A motor vehicle operated under this subsection shall not
7 operate on gasoline other than gasoline blended with at least
8 ten percent ethanol, unless under emergency circumstances. A
9 state-issued credit card used to purchase gasoline shall not
10 be valid to purchase gasoline other than gasoline blended with
11 at least ten percent ethanol, if commercially available. The
12 motor vehicle shall also be affixed with a brightly visible
13 sticker which notifies the traveling public that the motor
14 vehicle is being operated on gasoline blended with ethanol.
15 However, the sticker is not required to be affixed to an
16 unmarked vehicle used for purposes of providing law
17 enforcement or security.
18 4. a. The director shall provide for the purchase of all
19 motor vehicles for all branches of the state government,
20 except the department of transportation, institutions under
21 the control of the state board of regents, the department for
22 the blind, and any other state agency exempted by law. The
23 director shall purchase new vehicles in accordance with
24 competitive bidding procedures for items or services as
25 provided in this article. The director may purchase used or
26 preowned vehicles at governmental or dealer auctions if the
27 purchase is determined to be in the best interests of the
28 state.
29 b. The director, and any other state agency, which for
30 purposes of this subsection includes but is not limited to
31 community colleges and institutions under the control of the
32 state board of regents, or local governmental subdivisions
33 purchasing new motor vehicles, shall purchase new passenger
34 vehicles and light trucks so that the average fuel efficiency
35 for the fleet of new passenger vehicles and light trucks

1 purchased in that year equals or exceeds the average fuel
2 economy standard for the vehicles' model year as established
3 by the United States secretary of transportation under 15
4 U.S.C. § 2002. This paragraph does not apply to vehicles
5 purchased for law enforcement purposes or used for off-road
6 maintenance work, or work vehicles used to pull loaded
7 trailers.
8 c. Not later than February 15 of each year, the director
9 shall report compliance with the corporate average fuel
10 economy standards published by the United States secretary of
11 transportation for new motor vehicles, other than motor
12 vehicles purchased by the department of transportation,
13 institutions under the control of the state board of regents,
14 the department for the blind, and any other state agency
15 exempted from the requirements of this subsection. The report
16 of compliance shall classify the vehicles purchased for the
17 current vehicle model year using the following categories:
18 passenger automobiles, enforcement automobiles, vans, and
19 light trucks. The director shall deliver a copy of the report
20 to the department of natural resources. As used in this
21 paragraph, "corporate average fuel economy" means the
22 corporate average fuel economy as defined in 49 C.F.R. §
23 533.5.
24 d. The director shall assign motor vehicles available for
25 use to maximize the average passenger miles per gallon of
26 motor vehicle fuel consumed. In assigning motor vehicles, the
27 director shall consider standards established by the director,
28 which may include but are not limited to the number of
29 passengers traveling to a destination, the fuel economy of and
30 passenger capacity of vehicles available for assignment, and
31 any other relevant information, to assure assignment of the
32 most energy-efficient vehicle or combination of vehicles for a
33 trip from those vehicles available for assignment. The
34 standards shall not apply to special work vehicles and law
35 enforcement vehicles. The standards shall apply to the

1 following agencies:
2 (1) Department of transportation.
3 (2) Institutions under the control of the state board of
4 regents.
5 (3) Department for the blind.
6 (4) Any other state agency exempted from obtaining
7 vehicles for use through the department.
8 e. As used in paragraph "d", "fuel economy" means the
9 average number of miles traveled by an automobile per gallon
10 of gasoline consumed as determined by the United States
11 environmental protection agency administrator in accordance
12 with 26 U.S.C. § 4064(c).
13 5. Of all new passenger vehicles and light pickup trucks
14 purchased by the director, a minimum of ten percent of all
15 such vehicles and trucks purchased shall be equipped with
16 engines which utilize alternative methods of propulsion
17 including but not limited to any of the following:
18 a. A flexible fuel, which is any of the following:
19 (1) A fuel blended with not more than fifteen percent
20 gasoline and at least eighty-five percent ethanol.
21 (2) A fuel which is a mixture of diesel fuel and processed
22 soybean oil. At least twenty percent of the mixed fuel by
23 volume must be processed soybean oil.
24 (3) A renewable fuel approved by the office of renewable
25 fuels and coproducts pursuant to section 159A.3.
26 b. Compressed or liquefied natural gas.
27 c. Propane gas.
28 d. Solar energy.
29 e. Electricity.
30 This subsection does not apply to vehicles and trucks
31 purchased and directly used for law enforcement or purchased
32 and used for off-road maintenance work or to pull loaded
33 trailers.
34 6. All used motor vehicles turned in to the director shall
35 be disposed of by public auction, and the sales shall be

1 advertised in a newspaper of general circulation one week in
2 advance of sale, and the receipts from the sale shall be
3 deposited in the depreciation fund to the credit of that state
4 agency turning in the vehicle; except that, in the case of a
5 used motor vehicle of special design, the director may,
6 instead of selling it at public auction, authorize the motor
7 vehicle to be traded for another vehicle of similar design.
8 If a vehicle sustains damage and the cost to repair exceeds
9 the wholesale value of the vehicle, the director may dispose
10 of the motor vehicle by obtaining two or more written salvage
11 bids and the vehicle shall be sold to the highest responsible
12 bidder.
13 7. The director may authorize the establishment of motor
14 pools consisting of a number of state-owned motor vehicles
15 under the director's supervision. The director may store the
16 motor vehicles in a public or private garage. If the director
17 establishes a motor pool, any state officer or employee
18 desiring the use of a state-owned motor vehicle on state
19 business shall notify the director of the need for a vehicle
20 within a reasonable time prior to actual use of the motor
21 vehicle. The director may assign a motor vehicle from the
22 motor pool to the state officer or employee. If two or more
23 state officers or employees desire the use of a state-owned
24 motor vehicle for a trip to the same destination for the same
25 length of time, the director may assign one vehicle to make
26 the trip.
27 8. The director shall require that a sign be placed on
28 each state-owned motor vehicle in a conspicuous place which
29 indicates its ownership by the state. This requirement shall
30 not apply to motor vehicles requested to be exempt by the
31 director or by the commissioner of public safety. All state-
32 owned motor vehicles shall display registration plates bearing
33 the word "official" except motor vehicles requested to be
34 furnished with ordinary plates by the director or by the
35 commissioner of public safety pursuant to section 321.19. The

1 director shall keep an accurate record of the registration
2 plates used on all state-owned motor vehicles.
3 9. All fuel used in state-owned automobiles shall be
4 purchased at cost from the various installations or garages of
5 the department of transportation, state board of regents,
6 department of human services, or state motor pools throughout
7 the state, unless the state-owned sources for the purchase of
8 fuel are not reasonably accessible. If the director
9 determines that state-owned sources for the purchase of fuel
10 are not reasonably accessible, the director shall authorize
11 the purchase of fuel from other sources. The director may
12 prescribe a manner, other than the use of the revolving fund,
13 in which the purchase of fuel from state-owned sources is
14 charged to the state agency responsible for the use of the
15 motor vehicle. The director shall prescribe the manner in
16 which oil and other normal motor vehicle maintenance for
17 state-owned motor vehicles may be purchased from private
18 sources, if they cannot be reasonably obtained from a state
19 motor pool. The director may advertise for bids and award
20 contracts in accordance with competitive bidding procedures
21 for items and services as provided in this article for
22 furnishing fuel, oil, grease, and vehicle replacement parts
23 for all state-owned motor vehicles. The director and other
24 state agencies, when advertising for bids for gasoline, shall
25 also seek bids for ethanol blended gasoline.
26 Sec. 52. NEW SECTION. 8A.363 PRIVATE USE PROHIBITED --
27 RATE FOR STATE BUSINESS.
28 1. A state officer or employee shall not use a state-owned
29 motor vehicle for personal private use. A state officer or
30 employee shall not be compensated for driving a privately
31 owned motor vehicle unless it is done on state business with
32 the approval of the director. In that case the state officer
33 or employee shall receive an amount to be determined by the
34 director. The amount shall not exceed the maximum allowable
35 under the federal internal revenue service rules per mile,

1 notwithstanding established mileage requirements or
2 depreciation allowances. However, the director may authorize
3 private motor vehicle rates in excess of the rate allowed
4 under the federal internal revenue service rules for state
5 business use of substantially modified or specially equipped
6 privately owned vehicles required by persons with
7 disabilities. A statutory provision establishing
8 reimbursement for necessary mileage, travel, or actual
9 expenses to a state officer falls under the private motor
10 vehicle mileage rate limitation provided in this section
11 unless specifically provided otherwise. Any peace officer
12 employed by the state as defined in section 801.4 who is
13 required to use a private motor vehicle in the performance of
14 official duties shall receive the private vehicle mileage rate
15 at the rate provided in this section. However, the director
16 may delegate authority to officials of the state, and
17 department heads, for the use of private vehicles on state
18 business up to a yearly mileage figure established by the
19 director. If a state motor vehicle has been assigned to a
20 state officer or employee, the officer or employee shall not
21 collect mileage for the use of a privately owned motor vehicle
22 unless the state motor vehicle assigned is not useable.
23 2. This section does not apply to any of the following:
24 a. Officials and employees of the state whose mileage is
25 paid other than by a state agency.
26 b. Elected officers of the state.
27 c. Judicial officers or court employees.
28 d. Members and employees of the general assembly who shall
29 be governed by policies relating to motor vehicle travel,
30 including but not limited to reimbursement for expenses, as
31 established by the general assembly.
32 Sec. 53. NEW SECTION. 8A.364 FLEET MANAGEMENT REVOLVING
33 FUND -- REPLENISHMENT.
34 1. A fleet management revolving fund is created in the
35 state treasury under the control of the department. There is

1 appropriated from moneys in the state treasury not otherwise
2 appropriated the sum of twenty-five thousand dollars to the
3 revolving fund. All purchases of gasoline, oil, tires,
4 repairs, and all other general expenses incurred in the
5 operation of state-owned motor vehicles, and all salaries and
6 expenses of employees providing fleet management services
7 shall be paid from this fund.
8 2. At the end of each month the director shall render a
9 statement to each state department or agency for the actual
10 cost of operation of all motor vehicles assigned to such
11 department or agency, together with a fair proportion of the
12 administrative costs for providing fleet management services
13 during such month, as determined by the director, all subject
14 to review by the executive council upon complaint of any state
15 department or agency adversely affected. Such expenses shall
16 be paid by the state departments or agencies in the same
17 manner as other expenses of such department are paid, and when
18 such expenses are paid, such sums shall be credited to the
19 fleet management revolving fund. If any surplus accrues to
20 the revolving fund in excess of twenty-five thousand dollars
21 for which there is no anticipated need or use, the governor
22 may order such surplus transferred to the general fund of the
23 state.
24 Sec. 54. NEW SECTION. 8A.365 VEHICLE REPLACEMENT --
25 DEPRECIATION FUND.
26 1. The director shall maintain a depreciation fund for the
27 purchase of replacement motor vehicles and additions to the
28 fleet. The director's records shall show the total funds
29 deposited by and credited to each department or agency. At
30 the end of each month, the director shall render a statement
31 to each state department or agency for additions to the fleet
32 and total depreciation credited to that department or agency.
33 Such depreciation expense shall be paid by the state
34 departments or agencies in the same manner as other expenses
35 are paid, and shall be deposited in the depreciation fund to

1 the credit of the department or agency. The funds credited to
2 each department or agency shall remain the property of the
3 department or agency. However, at the end of each biennium,
4 the director shall cause to revert to the fund from which it
5 accumulated any unassigned depreciation.
6 2. The department of corrections is not obligated to pay
7 the depreciation expense otherwise required by this section.
8 Sec. 55. NEW SECTION. 8A.366 VIOLATIONS -- WITHDRAWING
9 USE OF VEHICLE.
10 If any state officer or employee violates any of the
11 provisions of sections 8A.361 through 8A.365, the director may
12 withdraw the assignment of any state-owned motor vehicle to
13 any such state officer or employee.
14 ARTICLE 4
15 HUMAN RESOURCES
16 STATE HUMAN RESOURCE MANAGEMENT -- OPERATIONS
17 Sec. 56. NEW SECTION. 8A.401 DEFINITIONS.
18 As used in this article, unless the context otherwise
19 requires:
20 1. "Appointing authority" means the chairperson or person
21 in charge of any state agency including, but not limited to,
22 boards, bureaus, commissions, and departments, or an employee
23 designated to act for an appointing authority.
24 2. "Merit system" means the merit system established under
25 this article.
26 Sec. 57. NEW SECTION. 8A.402 STATE HUMAN RESOURCE
27 MANAGEMENT -- RESPONSIBILITIES.
28 1. The department is the central agency responsible for
29 state human resource management, including the following:
30 a. Policy and program development, workforce planning, and
31 research.
32 b. Employment activities and transactions, including
33 recruitment, examination, and certification of personnel
34 seeking employment or promotion.
35 c. Compensation and benefits, including position

1 classification, wages and salaries, and employee benefits.
2 Employee benefits include, but are not limited to, group
3 medical, dental, life, and long-term disability insurance,
4 workers' compensation, unemployment benefits, sick leave,
5 deferred compensation, holidays and vacations, tuition
6 reimbursement, and educational leaves.
7 d. Equal employment opportunity, affirmative action, and
8 workforce diversity programs.
9 e. Education, training, and workforce development
10 programs.
11 f. Personnel records and administration, including the
12 audit of all personnel-related documents.
13 g. Employment relations, including the negotiation and
14 administration of collective bargaining agreements on behalf
15 of the executive branch of the state and its departments and
16 agencies as provided in chapter 20. However, the state board
17 of regents, for the purposes of implementing and administering
18 collective bargaining pursuant to chapter 20, shall act as the
19 exclusive representative of the state with respect to its
20 faculty, scientific, and other professional staff.
21 h. The coordination and management of the state's human
22 resource information system, except as otherwise required for
23 those employees governed by chapter 262.
24 2. The department, as it relates to the human resources of
25 state government, shall do the following:
26 a. Establish and maintain a list of all employees in the
27 executive branch of state government and set forth, as to each
28 employee, the class title, pay, status, and other pertinent
29 data. For employees governed by chapter 262, the director
30 shall work collaboratively with the state board of regents to
31 collect such information.
32 b. Foster and develop, in cooperation with appointing
33 authorities and others, programs for the improvement of
34 employee effectiveness, including training, safety, health,
35 counseling, and welfare.

1 c. Encourage and exercise leadership in the development of
2 effective personnel administration within the several state
3 agencies, and to make available the facilities of the
4 department to this end.
5 d. The director may delegate any or all aspects of the
6 recruitment, examination, and selection processes to an agency
7 in the executive branch upon request by that agency. The
8 director shall oversee all activities delegated to that
9 agency.
10 e. Utilize appropriate persons, including officers and
11 employees in the executive branch, to assist in the
12 recruitment and examination of applicants for employment.
13 These officers and employees are not entitled to extra pay for
14 their services, but shall be paid their necessary traveling
15 and other expenses.
16 3. The human resource management powers and duties of the
17 department do not extend to the legislative branch or the
18 judicial branch of state government, except for functions
19 related to administering compensation and benefit programs.
20 MERIT SYSTEM
21 Sec. 58. NEW SECTION. 8A.411 MERIT SYSTEM ESTABLISHED --
22 COLLECTIVE BARGAINING -- APPLICABILITY.
23 1. The general purpose of this article is to establish for
24 the state of Iowa a system of human resource administration
25 based on merit principles and scientific methods to govern the
26 appointment, compensation, promotion, welfare, development,
27 transfer, layoff, removal, and discipline of its civil
28 employees, and other incidents of state employment.
29 2. It is also the purpose of this article to promote the
30 coordination of personnel rules and policies with collective
31 bargaining agreements negotiated under chapter 20.
32 3. All appointments and promotions to positions covered by
33 the state merit system shall be made solely on the basis of
34 merit and fitness, to be ascertained by examinations or other
35 appropriate screening methods, except as otherwise specified

1 in this article.
2 4. Provisions of this article pertaining to
3 qualifications, examination, certification, probation, and
4 just cause apply only to employees covered by the merit
5 system.
6 Sec. 59. NEW SECTION. 8A.412 MERIT SYSTEM --
7 APPLICABILITY -- EXCEPTIONS.
8 The merit system shall apply to all employees of the state
9 and to all positions in state government now existing or
10 hereafter established. In addition, the director shall
11 negotiate an agreement with the director of the department for
12 the blind concerning the applicability of the merit system to
13 the professional employees of the department for the blind.
14 However, the merit system shall not apply to the following:
15 1. The general assembly, employees of the general
16 assembly, other officers elected by popular vote, and persons
17 appointed to fill vacancies in elective offices.
18 2. All judicial officers and court employees.
19 3. The staff of the governor.
20 4. All board members and commissioners whose appointments
21 are provided for by the Code.
22 5. All presidents, deans, directors, teachers,
23 professional and scientific personnel, and student employees
24 under the jurisdiction of the state board of regents. The
25 state board of regents shall adopt rules not inconsistent with
26 the objectives of this chapter for all of its employees not
27 cited specifically in this subsection. The rules are subject
28 to approval by the director. If at any time the director
29 determines that the state board of regents merit system rules
30 do not comply with the intent of this chapter, the director
31 may direct the board to correct the rules. The rules of the
32 board are not in compliance until the corrections are made.
33 6. All appointments which are by law made by the governor.
34 7. All personnel of the armed services under state
35 jurisdiction.

1 8. Persons who are paid a fee on a contract-for-services
2 basis.
3 9. Seasonal employees appointed during a state agency's
4 designated six-month seasonal employment period during the
5 same annual twelve-month period, as approved by the director.
6 10. Residents, patients, or inmates working in state
7 institutions, or persons on parole working in work experience
8 programs.
9 11. Employees under the supervision of the attorney
10 general, the state public defender, the auditor of state, the
11 treasurer of state, and the public employment relations board.
12 However, employees of the consumer advocate division of the
13 department of justice, other than the consumer advocate, are
14 subject to the merit system.
15 12. Production and engineering personnel under the
16 jurisdiction of the Iowa public broadcasting board.
17 13. Members of the Iowa state patrol and other peace
18 officers employed by the department of public safety. The
19 commissioner of public safety shall adopt rules not
20 inconsistent with the objectives of this article for the
21 persons described in this subsection.
22 14. Employees of the arts division of the department of
23 cultural affairs.
24 15. The chief deputy administrative officer and each
25 division administrator of each state agency not otherwise
26 specifically provided for in this section, and physicians not
27 otherwise specifically provided for in this section. As used
28 in this subsection, "division administrator" means a principal
29 administrative or policymaking position designated by a chief
30 administrative officer and approved by the director or as
31 specified by law.
32 16. All confidential employees.
33 17. Other employees specifically exempted by law.
34 18. The administrator and the deputy administrator of the
35 credit union division of the department of commerce, all

1 members of the credit union review board, and all employees of
2 the credit union division.
3 19. The superintendent and the deputy superintendent of
4 the banking division of the department of commerce, all
5 members of the state banking board, and all employees of the
6 banking division.
7 20. Chief deputy industrial commissioners.
8 21. The appointee serving as the coordinator of the office
9 of renewable fuels and coproducts, as provided in section
10 159A.3.
11 22. All employees of the Iowa state fair authority.
12 23. Up to six nonprofessional employees designated at the
13 discretion of each statewide elected official.
14 24. The position classifications of employees of statewide
15 elected officials that were exempt from the merit system as of
16 June 30, 1994, shall remain exempt and any employees
17 subsequently hired to fill any exempt position vacancies shall
18 be classified as exempt employees.
19 Sec. 60. NEW SECTION. 8A.413 STATE HUMAN RESOURCE
20 MANAGEMENT -- RULES.
21 The department shall adopt rules for the administration of
22 this article pursuant to chapter 17A. Rulemaking shall be
23 carried out with due regard to the terms of collective
24 bargaining agreements. A rule shall not supersede a provision
25 of a collective bargaining agreement negotiated under chapter
26 20. The rules shall provide:
27 1. For the preparation, maintenance, and revision of a job
28 classification plan that encompasses each job in the executive
29 branch, excluding job classifications under the state board of
30 regents, based upon assigned duties and responsibilities, so
31 that the same general qualifications may reasonably be
32 required for and the same pay plan may be equitably applied to
33 all jobs in the same job classification. The director shall
34 classify the position of every employee in the executive
35 branch, excluding employees of the state board of regents,

1 into one of the classes in the plan. An appointing authority
2 or employee adversely affected by a classification or
3 reclassification decision may file an appeal with the
4 director. Appeals of a classification or reclassification
5 decision shall be exempt from the provisions of section 17A.11
6 and shall be heard by a committee appointed by the director.
7 The classification or reclassification of a position that
8 would cause the expenditure of additional salary funds shall
9 not become effective if the expenditure of funds would be in
10 excess of the total amount budgeted for the department of the
11 appointing authority until budgetary approval has been
12 obtained from the director of the department of management.
13 When the public interest requires a decrease or increase of
14 employees in any position or type of employment not otherwise
15 provided by law, or the creation or abolishment of any
16 position or type of employment, the director, acting in good
17 faith, shall so notify the governor. Thereafter, the position
18 or type of employment shall stand abolished or created and the
19 number of employees therein reduced or increased.
20 2. For pay plans covering all employees in the executive
21 branch, excluding employees of the state board of regents,
22 after consultation with the governor and appointing
23 authorities, and consistent with the terms of collective
24 bargaining agreements negotiated under chapter 20.
25 3. For examinations to determine the relative fitness of
26 applicants for employment. Such examinations shall be
27 practical in character and shall relate to such matters as
28 will fairly assess the ability of the applicant to discharge
29 the duties of the position to which appointment is sought.
30 Where the Code of Iowa establishes certification,
31 registration, or licensing provisions, such documents shall be
32 considered prima facie evidence of basic skills accomplishment
33 and such persons shall be exempt from further basic skills
34 examination.
35 Vacancies shall be announced publicly at least ten days in

1 advance of the date fixed for the filing of applications for
2 the vacancies, and shall be advertised through the
3 communications media. The director may, however, in the
4 director's discretion, continue to receive applications and
5 examine candidates for a period adequate to assure a
6 sufficient number of eligibles to meet the needs of the
7 system, and may add the names of successful candidates to
8 existing eligible lists.
9 4. For promotions which shall give appropriate
10 consideration to the applicant's qualifications, record of
11 performance, and conduct. A promotion means a change in the
12 status of an employee from a position in one class to a
13 position in another class having a higher pay grade.
14 5. For the establishment of lists for appointment and
15 promotion, upon which lists shall be placed the names of
16 successful candidates.
17 6. For the rejection of applicants who fail to meet
18 reasonable requirements.
19 7. For the appointment by the appointing authority of a
20 person on the appropriate list to fill a vacancy.
21 8. For a probation period of six months, excluding
22 educational or training leave, before appointment may be made
23 complete, and during which period a probationer may be
24 discharged or reduced in class or pay. If the employee's
25 services are unsatisfactory, the employee shall be dropped
26 from the payroll on or before the expiration of the probation
27 period. If satisfactory, the appointment shall be deemed
28 permanent. The determination of the appointing authority
29 shall be final and conclusive.
30 9. For temporary employment for not more than seven
31 hundred eighty hours in a fiscal year.
32 10. For provisional employment when there is no
33 appropriate list available. Such provisional employment shall
34 not continue longer than one hundred eighty calendar days.
35 11. For transfer from a position in one state agency to a

1 similar position in the same state agency or another state
2 agency involving similar qualifications, duties,
3 responsibilities, and salary ranges. Whenever an employee
4 transfers or is transferred from one state agency to another
5 state agency, the employee's seniority rights, any accumulated
6 sick leave, and accumulated vacation time, as provided in the
7 law, shall be transferred to the new place of employment and
8 credited to the employee. Employees who are subject to
9 contracts negotiated under chapter 20 which include transfer
10 provisions shall be governed by the contract provisions.
11 12. For reinstatement of persons who have attained
12 permanent status and who resign in good standing or who are
13 laid off from their positions without fault or delinquency on
14 their part.
15 13. For establishing in cooperation with the appointing
16 authorities a performance management system for all employees
17 in the executive branch, excluding employees of the state
18 board of regents, which shall be considered in determining
19 salary increases; as a factor in promotions; as a factor in
20 determining the order of layoffs and in reinstatement; as a
21 factor in demotions, discharges, and transfers; and for the
22 regular evaluation, at least annually, of the qualifications
23 and performance of those employees.
24 14. For layoffs by reason of lack of funds or work, or
25 reorganization, and for the recall of employees so laid off,
26 giving consideration in layoffs to the employee's performance
27 record and length of service. An employee who has been laid
28 off may be on a recall list for one year, which list shall be
29 exhausted by the organizational unit enforcing the layoff
30 before selection of an employee may be made from the
31 promotional or nonpromotional list in the employee's
32 classification. Employees who are subject to contracts
33 negotiated under chapter 20 which include layoff and recall
34 provisions shall be governed by the contract provisions.
35 15. For imposition, as a disciplinary measure, of a

1 suspension from service without pay.
2 16. For discharge, suspension, or reduction in job
3 classification or pay grade for any of the following causes:
4 failure to perform assigned duties; inadequacy in performing
5 assigned duties; negligence; inefficiency; incompetence;
6 insubordination; unrehabilitated alcoholism or narcotics
7 addiction; dishonesty; unlawful discrimination; failure to
8 maintain a license, certificate, or qualification necessary
9 for a job classification or position; any act or conduct which
10 adversely affects the employee's performance or the employing
11 agency; or any other good cause for discharge, suspension, or
12 reduction. The person discharged, suspended, or reduced shall
13 be given a written statement of the reasons for the discharge,
14 suspension, or reduction within twenty-four hours after the
15 discharge, suspension, or reduction. All persons concerned
16 with the administration of this article shall use their best
17 efforts to ensure that this article and the rules adopted
18 pursuant to this article shall not be a means of protecting or
19 retaining unqualified or unsatisfactory employees, and shall
20 discharge, suspend, or reduce in job classification or pay
21 grade all employees who should be discharged, suspended, or
22 reduced for any of the causes stated in this subsection.
23 17. For establishment of a uniform plan for resolving
24 employee grievances and complaints. Employees who are subject
25 to contracts negotiated under chapter 20 which include
26 grievance and complaint provisions shall be governed by the
27 contract provisions.
28 18. For attendance regulations, and special leaves of
29 absence, with or without pay, or reduced pay, in the various
30 classes of positions in the executive branch, excluding
31 positions under the state board of regents. Employees who are
32 subject to contracts negotiated under chapter 20 which include
33 leave of absence provisions shall be governed by the contract
34 provisions. Annual sick leave and vacation time shall be
35 granted in accordance with section 70A.1.

1 19. For the development and operation of programs to
2 improve the work effectiveness and morale of employees in the
3 executive branch, excluding employees of the state board of
4 regents, including training, safety, health, welfare,
5 counseling, recreation, and employee relations.
6 20. Notwithstanding any provisions to the contrary, a rule
7 or regulation shall not be adopted by the department which
8 would deprive the state of Iowa, or any of its agencies or
9 institutions, of federal grants or other forms of financial
10 assistance.
11 21. For veterans preference through a provision that
12 veterans, as defined in section 35.1, shall have five points
13 added to the grade or score attained in qualifying
14 examinations for appointment to jobs.
15 Veterans who have a service-connected disability or are
16 receiving compensation, disability benefits, or pension under
17 laws administered by the veterans administration shall have
18 ten points added to the grades attained in qualifying
19 examinations. A veteran who has been awarded the purple heart
20 for disabilities incurred in action shall be considered to
21 have a service-connected disability.
22 22. For acceptance of the qualifications, requirements,
23 regulations, and general provisions established under other
24 sections of the Code pertaining to professional registration,
25 certification, and licensing.
26 Sec. 61. NEW SECTION. 8A.414 EXPERIMENTAL RESEARCH
27 PROJECTS.
28 The director may conduct experimental or research
29 personnel-related projects of limited duration designed to
30 improve the quality of the employment system. The provisions
31 of section 8A.413 or administrative rules adopted pursuant to
32 that section are waived for the purposes of such projects.
33 Projects adopted under this authority shall not violate
34 existing collective bargaining agreements. Any projects that
35 relate to issues covered by such agreements or issues that are

1 mandatory subjects of collective bargaining are subject to
2 negotiations as applicable. The director shall notify the
3 chairpersons of the standing committees on appropriations of
4 the senate and the house of representatives and the
5 chairpersons of the appropriate subcommittees of those
6 committees of the proposed projects. The notice from the
7 director shall include the purpose of the project, a
8 description of the project, and how the project will be
9 evaluated. Chairpersons notified shall be given at least two
10 weeks to review and comment on the proposal before the project
11 is implemented. The director shall report the results of the
12 experimental research projects conducted in the preceding
13 fiscal year to the legislative council by September 30 of each
14 year.
15 Sec. 62. NEW SECTION. 8A.415 GRIEVANCES AND DISCIPLINE
16 RESOLUTION.
17 1. GRIEVANCES. An employee, except an employee covered by
18 a collective bargaining agreement which provides otherwise,
19 who has exhausted the available agency steps in the uniform
20 grievance procedure provided for in the department rules may,
21 within seven calendar days following the date a decision was
22 received or should have been received at the second step of
23 the grievance procedure, file the grievance at the third step
24 with the director. The director shall respond within thirty
25 calendar days following receipt of the third step grievance.
26 If not satisfied, the employee may, within thirty calendar
27 days following the director's response, file an appeal with
28 the public employment relations board. The hearing shall be
29 conducted in accordance with the rules of the public
30 employment relations board and the Iowa administrative
31 procedure Act, chapter 17A. Decisions rendered shall be based
32 upon a standard of substantial compliance with this article
33 and the rules of the department. Decisions by the public
34 employment relations board constitute final agency action.
35 For purposes of this subsection, "uniform grievance

1 procedure" does not include procedures for discipline and
2 discharge.
3 2. DISCIPLINE RESOLUTION. A merit system employee, except
4 an employee covered by a collective bargaining agreement, who
5 is discharged, suspended, demoted, or otherwise reduced in
6 pay, except during the employee's probationary period, may
7 bypass steps one and two of the grievance procedure and appeal
8 the disciplinary action to the director within seven calendar
9 days following the effective date of the action. The director
10 shall respond within thirty calendar days following receipt of
11 the appeal.
12 If not satisfied, the employee may, within thirty calendar
13 days following the director's response, file an appeal with
14 the public employment relations board. The employee has the
15 right to a hearing closed to the public, unless a public
16 hearing is requested by the employee. The hearing shall
17 otherwise be conducted in accordance with the rules of the
18 public employment relations board and the Iowa administrative
19 procedure Act, chapter 17A. If the public employment
20 relations board finds that the action taken by the appointing
21 authority was for political, religious, racial, national
22 origin, sex, age, or other reasons not constituting just
23 cause, the employee may be reinstated without loss of pay or
24 benefits for the elapsed period, or the public employment
25 relations board may provide other appropriate remedies.
26 Decisions by the public employment relations board constitute
27 final agency action.
28 Sec. 63. NEW SECTION. 8A.416 DISCRIMINATION, POLITICAL
29 ACTIVITY, USE OF OFFICIAL INFLUENCE PROHIBITED.
30 1. A person shall not be appointed or promoted to, or
31 demoted or discharged from, any position in the merit system,
32 or in any way favored or discriminated against with respect to
33 employment in the merit system because of the person's
34 political or religious opinions or affiliations or race or
35 national origin or sex, or age.

1 2. A person holding a position in the classified service
2 shall not, during the person's working hours or when
3 performing the person's duties or when using state equipment
4 or at any time on state property, take part in any way in
5 soliciting any contribution for any political party or any
6 person seeking political office, and such employee shall not
7 engage in any political activity that will impair the
8 employee's efficiency during working hours or cause the
9 employee to be tardy or absent from work. This section does
10 not preclude any employee from holding any office for which no
11 pay is received or any office for which only token pay is
12 received.
13 3. A person shall not seek or attempt to use any political
14 endorsement in connection with any appointment to a position
15 in the merit system.
16 4. A person shall not use or promise to use, directly or
17 indirectly, any official authority or influence, whether
18 possessed or anticipated, to secure or attempt to secure for
19 any person an appointment or advantage in appointment to a
20 position in the merit system, or an increase in pay or other
21 advantage in employment in any such position, for the purpose
22 of influencing the vote or political action of any person or
23 for any consideration.
24 5. An employee shall not use the employee's official
25 authority or influence for the purpose of interfering with an
26 election or affecting the results thereof.
27 6. Any officer or employee who violates this section shall
28 be subject to suspension, dismissal, or demotion subject to
29 the right of appeal provided in this article.
30 7. The director shall adopt any rules necessary for
31 further restricting political activities of employees in the
32 executive branch, but only to the extent necessary to comply
33 with federal standards. Employees retain the right to vote as
34 they please and to express their opinions on all subjects.
35 Sec. 64. NEW SECTION. 8A.417 PROHIBITED ACTIONS.

1 1. A person shall not make any false statement,
2 certificate, mark, rating, or report with regard to any
3 examination or appointment made under this article or in any
4 manner commit or attempt to commit any fraud preventing the
5 impartial execution of this article and the rules adopted
6 pursuant to this article.
7 2. A person shall not, directly or indirectly, give,
8 render, pay, offer, solicit, or accept any money, service, or
9 other valuable consideration for or on account of any
10 appointment, proposed appointment, promotion, or proposed
11 promotion to, or any advantage in, a position in the merit
12 system.
13 3. An employee of the department or any other person shall
14 not defeat, deceive, or obstruct any person in the person's
15 right to examination or appointment under this article, or
16 furnish to any person any special or secret information for
17 the purpose of affecting the rights or prospects of any person
18 with respect to employment in the merit system.
19 4. A person shall not discharge an employee from or take
20 or fail to take action regarding an employee's appointment or
21 proposed appointment to, promotion or proposed promotion to,
22 or any advantage in, a position in a merit system administered
23 by, or subject to approval of, the director as a reprisal for
24 a failure by that employee to inform the person that the
25 employee made a disclosure of information permitted by this
26 section, or for a disclosure of any information by that
27 employee to a member or employee of the general assembly, or
28 for a disclosure of information to any other public official
29 or law enforcement agency if the employee reasonably believes
30 the information evidences a violation of law or rule,
31 mismanagement, a gross abuse of funds, an abuse of authority,
32 or a substantial and specific danger to public health or
33 safety. However, an employee may be required to inform the
34 person that the employee made a disclosure of information
35 permitted by this section if the employee represented that the

1 disclosure was the official position of the employee's
2 immediate supervisor or employer. This subsection does not
3 apply if the disclosure of the information is prohibited by
4 statute.
5 Sec. 65. NEW SECTION. 8A.418 FEDERAL PROGRAMS EXEMPTION
6 EXCEPTIONS -- PENALTY.
7 1. Notwithstanding the provisions of this article to the
8 contrary, a person employed under a temporary, emergency
9 employment utilization program funded by the federal
10 government which program does not exceed one year and which
11 program is not subject to merit system standards by federal
12 law, shall be exempt from this article except as provided in
13 this section.
14 2. A person employed as provided in this section shall be
15 subject to the provisions of section 8A.416 relating to
16 political activity and the civil penalties contained in such
17 section and, consistent with subsection 1, the provisions of
18 section 8A.417 relating to prohibited actions.
19 3. A person violating this section shall be subject to the
20 penalty provided for in section 8A.458.
21 EMPLOYEE BENEFITS
22 Sec. 66. NEW SECTION. 8A.431 IOWA MANAGEMENT TRAINING
23 SYSTEM -- TRAINING REVOLVING FUND.
24 1. The department shall establish and administer an Iowa
25 management training system for the state.
26 2. A training revolving fund is created in the state
27 treasury under the control of the department. The moneys
28 credited to the fund shall be used for the purpose of paying
29 actual and necessary expenses incurred by the department in
30 administering the training system. All fees, grants, or
31 specific appropriations for this purpose shall be credited to
32 the fund. The fees for the training system courses shall be
33 set by the director to cover the costs of course development,
34 training materials, facilities and equipment, professional
35 instructors, and administration. The fees shall be paid to

1 the department by the state agency sending the employees for
2 training and the payment shall be credited to the training
3 revolving fund. Notwithstanding section 8.33, moneys in the
4 revolving fund shall not revert. Notwithstanding section
5 12C.7, subsection 2, interest or earnings on moneys deposited
6 in the fund shall be credited to the fund.
7 Sec. 67. NEW SECTION. 8A.432 COMBINED CHARITABLE
8 CAMPAIGN PROGRAM, FEES, REVOLVING FUND.
9 1. The department shall establish and administer a
10 combined charitable campaign program for state employees.
11 2. A combined charitable campaign revolving fund is
12 created in the state treasury under the control of the
13 department. The moneys credited to the fund shall be used for
14 the purpose of paying actual and necessary expenses incurred
15 by the department in administering the program.
16 Administrative expenses shall not exceed five percent of the
17 contributions pledged the previous year. All fees, grants, or
18 specific appropriations for this purpose shall be credited to
19 the fund. The fees for the program shall be set by the
20 director to cover only the cost of administration and
21 materials and shall not cover salaries of state employees
22 involved in the administration of the program. The fees shall
23 be paid to the department from the voluntary employee
24 contributions and the payment shall be credited to the
25 revolving fund. Notwithstanding section 8.33, any moneys in
26 the fund shall not revert. Notwithstanding section 12C.7,
27 subsection 2, interest or earnings on moneys deposited in the
28 fund shall be credited to the fund.
29 Sec. 68. NEW SECTION. 8A.433 DEFERRED COMPENSATION PLAN.
30 The department shall make available to eligible state
31 employees the option of utilizing mutual funds as an
32 investment alternative to the state's deferred compensation
33 plan established under section 509A.12. Participating
34 employees shall, to the extent permitted by law, be allowed to
35 transfer moneys deferred under the plan to a mutual fund

1 offered pursuant to section 509A.12. The department may make
2 the deferred compensation plan established pursuant to this
3 section available to governmental employees of a public entity
4 authorized to establish a deferred compensation program
5 pursuant to section 509A.12.
6 Sec. 69. NEW SECTION. 8A.434 IOWA STATE EMPLOYEE
7 DEFERRED COMPENSATION TRUST FUND.
8 1. A separate, special Iowa state employee deferred
9 compensation trust fund is created in the state treasury under
10 the control of the department. The fund shall consist of all
11 moneys deposited in the fund pursuant to this section, any
12 other assets that must be held in trust for the exclusive
13 benefit of participants in the state's deferred compensation
14 program as required by section 457 of the federal Internal
15 Revenue Code, and interest and earnings thereon, and shall be
16 used for the exclusive benefit of participants in a deferred
17 compensation program established by the state under section
18 509A.12.
19 2. The director is the trustee of the fund and shall
20 administer the fund. Any loss to the fund shall be charged
21 against the fund and the director shall not be personally
22 liable for such loss. In addition, the director is the
23 trustee of any trusts referenced in section 457(g) of the
24 federal Internal Revenue Code. Any loss to the trusts shall
25 be charged against the trusts and the director shall not be
26 personally liable for such loss.
27 3. Any compensation or portion of compensation reduced by
28 a participant in conjunction with a deferred compensation
29 program established by the state under section 509A.12 and any
30 earnings or income thereon shall be held in trust and used for
31 the exclusive benefit of the participant or the participant's
32 beneficiary as provided by section 457 of the federal Internal
33 Revenue Code.
34 4. For purposes of this section, custodial accounts,
35 annuity contracts, and any other contracts referenced in

1 section 457(g) of the federal Internal Revenue Code shall be
2 treated as trusts for purposes of section 457 of the federal
3 Internal Revenue Code.
4 5. Moneys in the fund are not subject to section 8.33.
5 Notwithstanding section 12C.7, subsection 2, interest or
6 earnings on moneys in the fund shall be credited to the fund.
7 Sec. 70. NEW SECTION. 8A.435 STATE EMPLOYEE DEFERRED
8 COMPENSATION MATCH TRUST FUND.
9 1. A separate, special Iowa state employee deferred
10 compensation match trust fund is created in the state treasury
11 under the control of the department. The trust fund shall
12 consist of all moneys deposited in the fund, and other assets
13 that must be held in trust for the exclusive benefit of
14 participants in the state's deferred compensation match
15 program as required by section 401(a) of the federal Internal
16 Revenue Code, and interest and earnings thereon, and shall be
17 used for the exclusive benefit of participants and their
18 beneficiaries in a deferred compensation match program
19 established by the state under section 509A.12.
20 2. The director is the trustee of the fund and shall
21 administer the fund. Any loss to the fund shall be charged
22 against the trust and the director shall not be personally
23 liable for such loss.
24 3. Moneys in the fund are not subject to section 8.33.
25 Notwithstanding section 12C.7, subsection 2, interest or
26 earnings on moneys in the fund shall be credited to the fund.
27 Sec. 71. NEW SECTION. 8A.436 STATE EMPLOYEE DEPENDENT
28 CARE SPENDING ACCOUNT TRUST FUND.
29 1. A separate, special Iowa state employee dependent care
30 spending account trust fund is created in the state treasury
31 under the control of the department. The trust fund consists
32 of all moneys, including monthly administrative charges paid
33 by a state department or agency as authorized by section
34 8A.451, held in trust for the exclusive benefit of
35 participants in the state's dependent care spending account

1 plan. Moneys in the fund are not subject to section 8.33.
2 Notwithstanding section 12C.7, interest and earnings from
3 moneys in the trust fund shall be credited to the trust fund
4 and shall be used exclusively for the benefit of plan
5 participants.
6 2. The director shall serve as trustee of the trust fund
7 and shall administer the fund as required by sections 125 and
8 129 of the federal Internal Revenue Code. Any loss to the
9 fund shall be charged against the fund and the director shall
10 not be personally liable for such loss. The director has the
11 authority to direct expenditures as deemed appropriate to the
12 exclusive benefit of the plan participants.
13 Sec. 72. NEW SECTION. 8A.437 STATE EMPLOYEE HEALTH
14 FLEXIBLE SPENDING ACCOUNT TRUST FUND.
15 1. The director shall establish for state employees a
16 health flexible spending account plan which offers multiple
17 benefits to state employees. The state's health flexible
18 spending account plan shall be established to meet the
19 conditions of section 125 of the Internal Revenue Code of
20 1986.
21 2. A separate, special Iowa state employee health flexible
22 spending account trust fund is created in the state treasury
23 under the control of the department. The trust fund consists
24 of all moneys appropriated to the fund, all monthly
25 administrative charges paid by a state department or agency as
26 authorized by section 8A.451, and any other assets directed to
27 be held in trust for the exclusive benefit of participants in
28 the state's health flexible spending account plan. Moneys in
29 the fund are not subject to section 8.33. Notwithstanding
30 section 12C.7, interest and earnings from moneys in the trust
31 fund shall be credited to the trust fund and shall be used
32 exclusively for the benefit of plan participants.
33 3. The director shall serve as trustee of the trust fund
34 and has the authority to direct expenditures as deemed
35 appropriate to the exclusive benefit of the plan participants.

1 Sec. 73. NEW SECTION. 8A.438 ANNUITY CONTRACTS.
2 1. At the request of an employee of a state agency through
3 contractual agreement, the director may arrange for the
4 purchase of group or individual annuity contracts for any of
5 the employees of that agency, which annuity contracts are
6 issued by a nonprofit corporation issuing retirement annuities
7 exclusively for educational institutions and their employees
8 or are purchased from any company the employee chooses that is
9 authorized to do business in this state or through an Iowa-
10 licensed salesperson that the employee selects, on a group or
11 individual basis, for retirement or other purposes, and may
12 make payroll deductions in accordance with the arrangements
13 for the purpose of paying the entire premium due and to become
14 due under the contract. The deductions shall be made in the
15 manner which will qualify the annuity premiums for the
16 benefits afforded under section 403(b) of the Internal Revenue
17 Code, as defined in section 422.3. The employee's rights
18 under the annuity contract are nonforfeitable except for the
19 failure to pay premiums. As used in this section, unless the
20 context otherwise requires, "annuity contract" includes any
21 custodial account which meets the requirements of section
22 403(b)(7) of the Internal Revenue Code, as defined in section
23 422.3.
24 2. Whenever an existing tax-sheltered annuity contract is
25 to be replaced by a new contract, the agent or representative
26 of the company shall send a letter of intent by registered
27 mail at least thirty days prior to any action to the company
28 being replaced, to the commissioner of insurance of this
29 state, to the agent's own company, and to the director. The
30 letter of intent shall contain the policy number and
31 description of the contract being replaced and a description
32 of the replacement contract.
33 Sec. 74. NEW SECTION. 8A.439 LONGEVITY PAY PROHIBITED --
34 EXCEPTION.
35 A state employee subject to the provisions of this article

1 shall not be entitled to longevity pay except for those
2 employees granted longevity pay pursuant to section 307.48.
3 STATE HUMAN RESOURCE MANAGEMENT OPERATIONS
4 MISCELLANEOUS PROVISIONS
5 Sec. 75. NEW SECTION. 8A.451 HUMAN RESOURCES
6 ADMINISTRATIVE COSTS.
7 1. The department may quarterly render a statement to each
8 department or agency which operates in whole or in part from
9 other than general fund appropriations for a pro rata share of
10 the cost of administration of the department, or a portion
11 thereof, as it relates to the state human resources management
12 duties of the department pursuant to this article. The
13 expense shall be paid by the state department or agency in the
14 same manner as other expenses of that department or agency are
15 paid and all moneys received shall be deposited in the general
16 fund of the state.
17 2. The department shall render monthly a statement to each
18 state department or agency for a pro rata share of the cost of
19 administration of the state employee flexible spending
20 accounts. The expense shall be paid by the state department
21 or agency in the same manner as other expenses of that state
22 department or agency are paid and all moneys received for
23 administration costs shall be deposited in the appropriate
24 fund.
25 Sec. 76. NEW SECTION. 8A.452 USE OF PUBLIC BUILDINGS.
26 All officers and employees of the state and of political
27 subdivisions of the state shall allow the department the
28 reasonable use of public buildings under their control, and
29 furnish heat, light, and furniture for any examination,
30 hearing, or investigation authorized by this article. The
31 department shall pay to a political subdivision the reasonable
32 cost of any such facilities furnished.
33 Sec. 77. NEW SECTION. 8A.453 AID BY STATE EMPLOYEES --
34 RECORDS AND INFORMATION.
35 1. All officers and employees of the state shall comply

1 with and aid in all proper ways in carrying out the provisions
2 of this article and the rules and orders under this article.
3 All officers and employees shall furnish any records or
4 information which the director requires for any purpose of
5 this article. The director may institute and maintain any
6 action or proceeding at law or in equity that the director
7 considers necessary or appropriate to secure compliance with
8 this article and the rules and orders under this article.
9 2. The director may delegate to a person in any
10 department, agency, board, commission, or office, located away
11 from the seat of government, any of the duties imposed by this
12 article upon the director.
13 Sec. 78. NEW SECTION. 8A.454 HEALTH INSURANCE
14 ADMINISTRATION FUND.
15 1. A separate, special Iowa state health insurance
16 administration fund is created in the state treasury under the
17 control of the department. The fund shall consist of all
18 moneys deposited in the fund from proceeds of a monthly per
19 contract administrative charge assessed and collected by the
20 department. Moneys deposited in the fund shall be expended by
21 the department for health insurance program administration
22 costs. Notwithstanding section 12C.7, subsection 2, interest
23 or earnings on moneys deposited in the fund shall be credited
24 to the fund.
25 2. A monthly per contract administrative charge shall be
26 assessed by the department on all health insurance plans
27 administered by the department in which the contract holder
28 has a state employer to pay the charge. The amount of the
29 administrative charge shall be established by the general
30 assembly. The department shall collect the administrative
31 charge from each department utilizing the centralized payroll
32 system and shall deposit the proceeds in the fund. In
33 addition, the state board of regents, all library service
34 areas, the state fair board, the state department of
35 transportation, and each judicial district department of

1 correctional services shall remit the administrative charge on
2 a monthly basis to the department and shall submit a report to
3 the department containing the number and type of health
4 insurance contracts held by each of its employees whose health
5 insurance is administered by the department.
6 3. The expenditure of moneys from the fund in any fiscal
7 year shall not exceed the amount of the monthly charge
8 established by the general assembly multiplied by the number
9 of health insurance contracts in effect at the beginning of
10 the same fiscal year in which the expenditures shall be made.
11 Any unencumbered or unobligated moneys in the fund at the end
12 of the fiscal year shall not revert but shall be transferred
13 to the health insurance premium reserve fund established
14 pursuant to section 509A.5.
15 4. This section is repealed July 1, 2007.
16 Sec. 79. NEW SECTION. 8A.455 CERTIFICATION OF PAYROLLS
17 -- ACTIONS.
18 1. A state disbursing or auditing officer shall not make
19 or approve or take part in making or approving a payment for
20 personnel services to any person unless the payroll voucher or
21 account of the pay bears the certification of the director, or
22 of the director's authorized agent, that the persons named
23 have been appointed and employed in accordance with this
24 article and the rules and orders under this article, and that
25 funds are available for the payment of the persons.
26 2. The director may, for proper cause, withhold
27 certification from an entire payroll or from any specific item
28 or items on a payroll. The director may, however, provide
29 that certification of payrolls may be made once every year,
30 and such certification shall remain in effect except in the
31 case of any officer or employee whose status has changed after
32 the last certification of the officer's or employee's payroll.
33 In the latter case a voucher for payment of salary to such
34 employee shall not be issued or payment of salary shall not be
35 made without further certification by the director.

1 3. Any citizen may maintain an action in accordance with
2 chapter 17A to restrain a disbursing officer from making any
3 payment in contravention of this article, or rule or order
4 under this article. Any sum paid contrary to this article or
5 any rule or order under this article may be recovered in an
6 action in accordance with chapter 17A maintained by any
7 citizen, from any officer who made, approved, or authorized
8 such payment or who signed or countersigned a voucher,
9 payroll, check, or warrant for such payment, or from the
10 sureties on the official bond of any such officer. All moneys
11 recovered in any such action shall be paid into the state
12 treasury.
13 4. Any person appointed or employed in contravention of
14 this article or of any rule or order under this article who
15 performs service for which the person is not paid may maintain
16 an action in accordance with chapter 17A against the officer
17 or officers who purported so to appoint or employ the person
18 to recover the agreed pay for such services or the reasonable
19 value of the services if no pay was agreed upon. An officer
20 shall not be reimbursed by the state at any time for any sum
21 paid to such person on account of such services.
22 5. If the director wrongfully withholds certification of
23 the payroll voucher or account of any employee, such employee
24 may maintain a proceeding in accordance with chapter 17A in
25 the courts to compel the director to certify such a payroll
26 voucher or account.
27 Sec. 80. NEW SECTION. 8A.456 ACCESS TO RECORDS.
28 1. An employee subject to the provisions of this article
29 shall have access to the employee's personal file.
30 2. An applicant for a position subject to the provisions
31 of this article shall be permitted to review, in accordance
32 with such rules as the director may prescribe, any evaluation
33 resulting from the application for employment.
34 Sec. 81. NEW SECTION. 8A.457 WORKERS' COMPENSATION
35 CLAIMS.

1 The director shall employ appropriate staff to handle and
2 adjust claims of state employees for workers' compensation
3 benefits pursuant to chapters 85, 85A, 85B, and 86, or with
4 the approval of the executive council contract for the
5 services or purchase workers' compensation insurance coverage
6 for state employees or selected groups of state employees. A
7 state employee workers' compensation fund is created in the
8 state treasury under the control of the department to pay
9 state employee workers' compensation claims and administrative
10 costs. The department shall establish a rating formula and
11 assess premiums to all agencies, departments, and divisions of
12 the state including those which have not received an
13 appropriation for the payment of workers' compensation
14 insurance and which operate from moneys other than from the
15 general fund of the state. The department shall collect the
16 premiums and deposit them into the state employee workers'
17 compensation fund. Notwithstanding section 8.33, moneys
18 deposited in the state employee workers' compensation fund
19 shall not revert to the general fund of the state at the end
20 of any fiscal year, but shall remain in the state employee
21 workers' compensation fund and be continuously available to
22 pay state employee workers' compensation claims. The director
23 may, to the extent practicable, contract with a private
24 organization to handle the processing and payment of claims
25 and services rendered under the provisions of this section.
26 Sec. 82. NEW SECTION. 8A.458 PENALTY.
27 A person who willfully violates this article or any rules
28 adopted pursuant to this article, where no other penalty is
29 prescribed, is guilty of a simple misdemeanor.
30 ARTICLE 5
31 FINANCIAL ADMINISTRATION
32 Sec. 83. NEW SECTION. 8A.502 FINANCIAL ADMINISTRATION
33 DUTIES.
34 The department shall provide for the efficient management
35 and administration of the financial resources of state

1 government and shall have and assume the following powers and
2 duties:
3 1. CENTRALIZED ACCOUNTING SYSTEM. To assume the
4 responsibilities related to a centralized accounting system
5 for state government.
6 2. SETOFF PROCEDURES. To establish and maintain a setoff
7 procedure as provided in section 8A.504.
8 3. COST ALLOCATION SYSTEM. To establish a cost allocation
9 system as provided in section 8A.505.
10 4. COLLECTION AND PAYMENT OF FUNDS -- MONTHLY PAYMENTS.
11 To control the payment of all moneys into the state treasury,
12 and all payments from the state treasury by the preparation of
13 appropriate warrants, or warrant checks, directing such
14 collections and payment, and to advise the treasurer of state
15 monthly in writing of the amount of public funds not currently
16 needed for operating expenses. Whenever the state treasury
17 includes state funds that require distribution to counties,
18 cities, or other political subdivisions of this state, and the
19 counties, cities, and other political subdivisions certify to
20 the director that warrants will be stamped for lack of funds
21 within the thirty-day period following certification, the
22 director may partially distribute the funds on a monthly
23 basis. Whenever the law requires that any funds be paid by a
24 specific date, the director shall prepare a final accounting
25 and shall make a final distribution of any remaining funds
26 prior to that date.
27 5. PREAUDIT SYSTEM. To establish and fix a reasonable
28 imprest cash fund for each state department and institution
29 for disbursement purposes where needed. These revolving funds
30 shall be reimbursed only upon vouchers approved by the
31 director. It is the purpose of this subsection to establish a
32 preaudit system of settling all claims against the state, but
33 the preaudit system is not applicable to any of the following:
34 a. Institutions under the control of the state board of
35 regents.

1 b. The state fair board as established in chapter 173.
2 c. The Iowa dairy industry commission as established in
3 chapter 179, the Iowa beef cattle producers association as
4 established in chapter 181, the Iowa pork producers council as
5 established in chapter 183A, the Iowa egg council as
6 established in chapter 184, the Iowa turkey marketing council
7 as established in chapter 184A, the Iowa soybean promotion
8 board as established in chapter 185, and the Iowa corn
9 promotion board as established in chapter 185C.
10 6. AUDIT OF CLAIMS. To set rules and procedures for the
11 preaudit of claims by individual agencies or organizations.
12 The director reserves the right to refuse to accept incomplete
13 or incorrect claims and to review, preaudit, or audit claims
14 as determined by the director.
15 7. CONTRACTS. To certify, record, and encumber all formal
16 contracts to prevent overcommitment of appropriations and
17 allotments.
18 8. ACCOUNTS. To keep the central budget and proprietary
19 control accounts of the general fund of the state and special
20 funds, as defined in section 8.2, of the state government.
21 Upon elimination of the state deficit under generally accepted
22 accounting principles, including the payment of items budgeted
23 in a subsequent fiscal year which under generally accepted
24 accounting principles should be budgeted in the current fiscal
25 year, the recognition of revenues received and expenditures
26 paid and transfers received and paid within the time period
27 required pursuant to section 8.33 shall be in accordance with
28 generally accepted accounting principles. Budget accounts are
29 those accounts maintained to control the receipt and
30 disposition of all funds, appropriations, and allotments.
31 Proprietary accounts are those accounts relating to assets,
32 liabilities, income, and expense. For each fiscal year, the
33 financial position and results of operations of the state
34 shall be reported in a comprehensive annual financial report
35 prepared in accordance with generally accepted accounting

1 principles, as established by the governmental accounting
2 standards board.
3 9. FAIR BOARD AND BOARD OF REGENTS. To control the
4 financial operations of the state fair board and the
5 institutions under the state board of regents:
6 a. By charging all warrants issued to the respective
7 educational institutions and the state fair board to an
8 advance account to be further accounted for and not as an
9 expense which requires no further accounting.
10 b. By charging all collections made by the educational
11 institutions and state fair board to the respective advance
12 accounts of the institutions and state fair board, and by
13 crediting all such repayment collections to the respective
14 appropriations and special funds.
15 c. By charging all disbursements made to the respective
16 allotment accounts of each educational institution or state
17 fair board and by crediting all such disbursements to the
18 respective advance and inventory accounts.
19 d. By requiring a monthly abstract of all receipts and of
20 all disbursements, both money and stores, and a complete
21 account current each month from each educational institution
22 and the state fair board.
23 10. ENTITIES REPRESENTING AGRICULTURAL PRODUCERS. To
24 control the financial operations of the Iowa dairy industry
25 commission as provided in chapter 179, the Iowa beef cattle
26 producers association as provided in chapter 181, the Iowa
27 pork producers council as provided in chapter 183A, the Iowa
28 egg council as provided in chapter 184, the Iowa turkey
29 marketing council as provided in chapter 184A, the Iowa
30 soybean promotion board as provided in chapter 185, and the
31 Iowa corn promotion board as provided in chapter 185C.
32 11. CUSTODY OF RECORDS. To have the custody of all books,
33 papers, records, documents, vouchers, conveyances, leases,
34 mortgages, bonds, and other securities appertaining to the
35 fiscal affairs and property of the state, which are not

1 required to be kept in some other office.
2 12. INTEREST OF THE PERMANENT SCHOOL FUND. To transfer
3 the interest of the permanent school fund to the credit of the
4 interest for Iowa schools fund.
5 13. FORMS. To prescribe all accounting and business forms
6 and the system of accounts and reports of financial
7 transactions by all departments and agencies of the state
8 government other than those of the legislative branch.
9 14. FEDERAL CASH MANAGEMENT AND IMPROVEMENT ACT
10 ADMINISTRATOR. To serve as administrator for state actions
11 relating to the federal Cash Management and Improvement Act of
12 1990, Pub. L. No. 101-453, as codified in 31 U.S.C. § 6503.
13 The director shall perform the following duties relating to
14 the federal law:
15 a. Act as the designated representative of the state in
16 the negotiation and administration of contracts between the
17 state and federal government relating to the federal law.
18 b. Modify the centralized statewide accounting system and
19 develop, or require to be developed by the appropriate
20 departments of state government, the necessary reports and
21 procedures necessary to complete the managerial and financial
22 reports required to comply with the federal law.
23 There is annually appropriated from the general fund of the
24 state to the department an amount sufficient to pay interest
25 costs that may be due the federal government as a result of
26 implementation of the federal law. This paragraph does not
27 authorize the payment of interest from the general fund of the
28 state for any departmental revolving, trust, or special fund
29 where monthly interest earnings accrue to the credit of the
30 departmental revolving, trust, or special fund. For any
31 departmental revolving, trust, or special fund where monthly
32 interest is accrued to the credit of the fund, the director
33 may authorize a supplemental expenditure to pay interest costs
34 from the individual fund which are due the federal government
35 as a result of implementation of the federal law.

1 Sec. 84. NEW SECTION. 8A.503 RULES -- DEPOSIT OF
2 DEPARTMENTAL MONEYS.
3 The director shall prescribe by rule the manner and methods
4 by which all departments and agencies of the state who collect
5 money for and on behalf of the state shall cause the money to
6 be deposited with the treasurer of state or in a depository
7 designated by the treasurer of state. All such moneys
8 collected shall be deposited at such times and in such
9 depositories to permit the state of Iowa to deposit the funds
10 in a manner consistent with the state's investment policies.
11 All such moneys shall be promptly deposited, as directed, even
12 though the individual amount remitted may not be correct. If
13 any individual amount remitted is in excess of the amount
14 required, the department or agency receiving the same shall
15 refund the excess amount. If the individual amount remitted
16 is insufficient, the person, firm, or corporation concerned
17 shall be immediately billed for the amount of the deficiency.
18 Sec. 85. NEW SECTION. 8A.504 SETOFF PROCEDURES.
19 1. DEFINITIONS. As used in this section, unless the
20 context otherwise requires:
21 a. "Collection entity" means the department of
22 administrative services and any other state agency that
23 maintains a separate accounting system and elects to establish
24 a debt collection setoff procedure for collection of debts
25 owed to the state or its agencies.
26 b. "Person" does not include a state agency.
27 c. "Qualifying debt" includes, but is not limited to, the
28 following:
29 (1) Any debt, which is assigned to the department of human
30 services, or which the child support recovery unit is
31 otherwise attempting to collect, or which the foster care
32 recovery unit of the department of human services is
33 attempting to collect on behalf of a child receiving foster
34 care provided by the department of human services.
35 (2) An amount that is due because of a default on a

1 guaranteed student or parental loan under chapter 261.
2 (3) Any debt which is in the form of a liquidated sum due,
3 owing, and payable to the clerk of the district court.
4 d. "State agency" means a board, commission, department,
5 including the department of administrative services, or other
6 administrative office or unit of the state of Iowa or any
7 other state entity reported in the Iowa comprehensive annual
8 financial report. "State agency" does include the clerk of
9 the district court as it relates to the collection of a
10 qualifying debt. "State agency" does not include the general
11 assembly, the governor, or any political subdivision of the
12 state, or its offices and units.
13 2. SETOFF PROCEDURE. The collection entity shall
14 establish and maintain a procedure to set off against any
15 claim owed to a person by a state agency any liability of that
16 person owed to a state agency, a support debt being enforced
17 by the child support recovery unit pursuant to chapter 252B,
18 or such other qualifying debt. The procedure shall only apply
19 when at the discretion of the director it is feasible. The
20 procedure shall meet the following conditions:
21 a. Before setoff, a person's liability to a state agency
22 and the person's claim on a state agency shall be in the form
23 of a liquidated sum due, owing, and payable.
24 b. Before setoff, the state agency shall obtain and
25 forward to the collection entity the full name and social
26 security number of the person liable to it or to whom a claim
27 is owing who is a natural person. If the person is not a
28 natural person, before setoff, the state agency shall forward
29 to the collection entity the information concerning the person
30 as the collection entity shall, by rule, require. The
31 collection entity shall cooperate with other state agencies in
32 the exchange of information relevant to the identification of
33 persons liable to or claimants of state agencies. However,
34 the collection entity shall provide only relevant information
35 required by a state agency. The information shall be held in

1 confidence and used for the purpose of setoff only. Section
2 422.72, subsection 1, does not apply to this paragraph.
3 c. Before setoff, a state agency shall, at least annually,
4 submit to the collection entity the information required by
5 paragraph "b" along with the amount of each person's liability
6 to and the amount of each claim on the state agency. The
7 collection entity may, by rule, require more frequent
8 submissions.
9 d. Before setoff, the amount of a person's claim on a
10 state agency and the amount of a person's liability to a state
11 agency shall constitute a minimum amount set by rule of the
12 collection entity.
13 e. Upon submission of an allegation of liability by a
14 state agency, the collection entity shall notify the state
15 agency whether the person allegedly liable is entitled to
16 payment from a state agency, and, if so entitled, shall notify
17 the state agency of the amount of the person's entitlement and
18 of the person's last address known to the collection entity.
19 Section 422.72, subsection 1, does not apply to this
20 paragraph.
21 f. Upon notice of entitlement to a payment, the state
22 agency shall send written notification to that person of the
23 state agency's assertion of its rights to all or a portion of
24 the payment and of the state agency's entitlement to recover
25 the liability through the setoff procedure, the basis of the
26 assertion, the opportunity to request that a jointly or
27 commonly owned right to payment be divided among owners, and
28 the person's opportunity to give written notice of intent to
29 contest the amount of the allegation. The state agency shall
30 send a copy of the notice to the collection entity. A state
31 agency subject to chapter 17A shall give notice, conduct
32 hearings, and allow appeals in conformity with chapter 17A.
33 However, upon submission of an allegation of the liability
34 of a person which is owing and payable to the clerk of the
35 district court and upon the determination by the collection

1 entity that the person allegedly liable is entitled to payment
2 from a state agency, the collection entity shall send written
3 notification to the person which states the assertion by the
4 clerk of the district court of rights to all or a portion of
5 the payment, the clerk's entitlement to recover the liability
6 through the setoff procedure, the basis of the assertions, the
7 person's opportunity to request within fifteen days of the
8 mailing of the notice that the collection entity divide a
9 jointly or commonly owned right to payment between owners, the
10 opportunity to contest the liability to the clerk by written
11 application to the clerk within fifteen days of the mailing of
12 the notice, and the person's opportunity to contest the
13 collection entity's setoff procedure.
14 g. Upon the timely request of a person liable to a state
15 agency or of the spouse of that person and upon receipt of the
16 full name and social security number of the person's spouse, a
17 state agency shall notify the collection entity of the request
18 to divide a jointly or commonly owned right to payment. Any
19 jointly or commonly owned right to payment is rebuttably
20 presumed to be owned in equal portions by its joint or common
21 owners.
22 h. The collection entity shall, after the state agency has
23 sent notice to the person liable or, if the liability is owing
24 and payable to the clerk of the district court, the collection
25 entity has sent notice to the person liable, set off the
26 amount owed to the agency against any amount which a state
27 agency owes that person. The collection entity shall refund
28 any balance of the amount to the person. The collection
29 entity shall periodically transfer amounts set off to the
30 state agencies entitled to them. If a person liable to a
31 state agency gives written notice of intent to contest an
32 allegation, a state agency shall hold a refund or rebate until
33 final disposition of the allegation. Upon completion of the
34 setoff, a state agency shall notify in writing the person who
35 was liable or, if the liability is owing and payable to the

1 clerk of the district court, shall comply with the procedures
2 as provided in paragraph "j".
3 i. The department of revenue and finance's existing right
4 to credit against tax due or to become due under section
5 422.73 is not to be impaired by a right granted to or a duty
6 imposed upon the collection entity or other state agency by
7 this section. This section is not intended to impose upon the
8 collection entity or the department of revenue and finance any
9 additional requirement of notice, hearing, or appeal
10 concerning the right to credit against tax due under section
11 422.73.
12 j. If the alleged liability is owing and payable to the
13 clerk of the district court and setoff as provided in this
14 section is sought, all of the following shall apply:
15 (1) The judicial branch shall prescribe procedures to
16 permit a person to contest the amount of the person's
17 liability to the clerk of the district court.
18 (2) The collection entity shall, except for the procedures
19 described in subparagraph (1), prescribe any other applicable
20 procedures concerning setoff as provided in this subsection.
21 (3) Upon completion of the setoff, the collection entity
22 shall file, at least monthly, with the clerk of the district
23 court a notice of satisfaction of each obligation to the full
24 extent of all moneys collected in satisfaction of the
25 obligation. The clerk shall record the notice and enter a
26 satisfaction for the amounts collected and a separate written
27 notice is not required.
28 3. In the case of multiple claims to payments filed under
29 this section, priority shall be given to claims filed by the
30 child support recovery unit or the foster care recovery unit,
31 next priority shall be given to claims filed by the college
32 student aid commission, next priority shall be given to claims
33 filed by the investigations division of the department of
34 inspections and appeals, next priority shall be given to
35 claims filed by a clerk of the district court, and last

1 priority shall be given to claims filed by other state
2 agencies. In the case of multiple claims in which the
3 priority is not otherwise provided by this subsection,
4 priority shall be determined in accordance with rules to be
5 established by the director.
6 4. The director shall have the authority to enter into
7 reciprocal agreements with the departments of revenue of other
8 states that have enacted legislation that is substantially
9 equivalent to the setoff procedure provided in this section
10 for the recovery of an amount due because of a default on a
11 guaranteed student or parental loan under chapter 261. A
12 reciprocal agreement shall also be approved by the college
13 student aid commission. The agreement shall authorize the
14 department to provide by rule for the setoff of state income
15 tax refunds or rebates of defaulters from states with which
16 Iowa has a reciprocal agreement and to provide for sending
17 lists of names of Iowa defaulters to the states with which
18 Iowa has a reciprocal agreement for setoff of that state's
19 income tax refunds.
20 5. Under substantive rules established by the director,
21 the department shall seek reimbursement from other state
22 agencies to recover its costs for setting off liabilities.
23 Sec. 86. NEW SECTION. 8A.505 COST ALLOCATION SYSTEM.
24 The department shall develop and administer an indirect
25 cost allocation system for state agencies. The system shall
26 be based upon standard cost accounting methodologies and shall
27 be used to allocate both direct and indirect costs of state
28 agencies or state agency functions in providing centralized
29 services to other state agencies. A cost that is allocated to
30 a state agency pursuant to this system shall be billed to the
31 state agency and the cost is payable to the general fund of
32 the state. The source of payment for the billed cost shall be
33 any revenue source except for the general fund of the state.
34 If a state agency is authorized by law to bill and recover
35 direct expenses, the state agency shall recover indirect costs

1 in the same manner.
2 Sec. 87. NEW SECTION. 8A.506 ACCOUNTING.
3 The director may at any time require any person receiving
4 money, securities, or property belonging to the state, or
5 having the management, disbursement, or other disposition of
6 them, an account of which is kept in the department, to render
7 statements of them and information in reference to them.
8 Sec. 88. NEW SECTION. 8A.507 STATING ACCOUNT.
9 If an officer who is accountable to the state treasury for
10 any money or property neglects to render an account to the
11 director within the time prescribed by law, or, if no time is
12 so prescribed, within twenty days after being required to do
13 so by the director, the director shall state an account
14 against the officer from the books of the officer's office,
15 charging ten percent damages on the whole sum appearing due,
16 and interest at the rate of six percent per annum on the
17 aggregate from the time when the account should have been
18 rendered; all of which may be recovered by action brought on
19 the account, or on the official bond of the officer.
20 Sec. 89. NEW SECTION. 8A.508 COMPELLING PAYMENT.
21 If an officer fails to pay into the state treasury the
22 amount received by the officer within the time prescribed by
23 law, or, having settled with the director, fails to pay the
24 amount found due, the director shall charge the officer with
25 twenty percent damages on the amount due, with interest on the
26 aggregate from the time the amount became due at the rate of
27 six percent per annum, and the whole may be recovered by an
28 action brought on the account, or on the official bond of the
29 officer, and the officer shall forfeit the officer's
30 commission.
31 Sec. 90. NEW SECTION. 8A.509 DEFENSE TO CLAIM.
32 The penal provisions in sections 8A.507 and 8A.508 are
33 subject to any legal defense which the officer may have
34 against the account as stated by the director, but judgment
35 for costs shall be rendered against the officer in the action,

1 whatever its result, unless the officer rendered an account
2 within the time named in those sections.
3 Sec. 91. NEW SECTION. 8A.510 REQUESTED CREDITS -- OATH
4 REQUIRED.
5 When a county treasurer or other receiver of public money
6 seeks to obtain credit on the books of the department for
7 payment made to the county treasurer, before giving such
8 credit the director shall require that person to take and
9 subscribe an oath that the person has not used, loaned, or
10 appropriated any of the public money for the person's private
11 benefit, nor for the benefit of any other person.
12 Sec. 92. NEW SECTION. 8A.511 REQUISITION FOR
13 INFORMATION.
14 In those cases where the director is authorized to call
15 upon persons or officers for information, or statements, or
16 accounts, the director may issue a requisition therefor in
17 writing to the person or officer called upon, allowing
18 reasonable time, which, having been served and return made to
19 the director, as a notice in a civil action, is evidence of
20 the making of the requisition.
21 Sec. 93. NEW SECTION. 8A.512 LIMITS ON CLAIMS.
22 The director is limited in authorizing the payment of
23 claims, as follows:
24 1. FUNDING LIMIT.
25 a. A claim shall not be allowed by the department if the
26 appropriation or fund of certification available for paying
27 the claim has been exhausted or proves insufficient.
28 b. The authority of the director is subject to the
29 following exceptions:
30 (1) Claims by state employees for benefits pursuant to
31 chapters 85, 85A, 85B, and 86 are subject to limitations
32 provided in those chapters.
33 (2) Claims for medical assistance payments authorized
34 under chapter 249A are subject to the time limits imposed by
35 rule adopted by the department of human services.

1 (3) Claims approved by an agency according to the
2 provisions of sections 25.1 and 25.2.
3 2. CONVENTION EXPENSES. Claims for expenses in attending
4 conventions, meetings, conferences, or gatherings of members
5 of an association or society organized and existing as a
6 quasi-public association or society outside the state of Iowa
7 shall not be allowed at public expense, unless authorized by
8 the executive council; and claims for these expenses outside
9 of the state shall not be allowed unless the voucher is
10 accompanied by the portion of the minutes of the executive
11 council, certified to by its secretary, showing that the
12 expense was authorized by the council. This section does not
13 apply to claims in favor of the governor, attorney general,
14 utilities board members, or to trips referred to in sections
15 97B.7A and 217.20.
16 3. PAYMENT FROM FEES. Claims for per diem and expenses
17 payable from fees shall not be approved for payment in excess
18 of those fees if the law provides that such expenditures are
19 limited to the special funds collected and deposited in the
20 state treasury.
21 Sec. 94. NEW SECTION. 8A.513 CLAIMS -- APPROVAL.
22 The director before approving a claim on behalf of the
23 department shall determine:
24 1. That the creation of the claim is clearly authorized by
25 law. Statutes authorizing the expenditure may be referenced
26 through account coding authorized by the director.
27 2. That the claim has been authorized by an officer or
28 official body having legal authority to so authorize and that
29 the fact of authorization has been certified to the director
30 by such officer or official body.
31 3. That all legal requirements have been observed,
32 including notice and opportunity for competition, if required
33 by law.
34 4. That the claim is in proper form as the director may
35 provide.

1 5. That the charges are reasonable, proper, and correct
2 and no part of the claim has been paid.
3 Sec. 95. NEW SECTION. 8A.514 VOUCHERS -- INTEREST --
4 PAYMENT OF CLAIMS.
5 1. Before a warrant or its equivalent is issued for a
6 claim payable from the state treasury, the department shall
7 file an itemized voucher showing in detail the items of
8 service, expense, item furnished, or contract for which
9 payment is sought. However, the director may authorize the
10 prepayment of claims when the best interests of the state are
11 served under rules adopted by the director. The claimant's
12 original invoice shall be attached to a department's approved
13 voucher. The director shall adopt rules specifying the form
14 and contents for invoices submitted by a vendor to a
15 department. The requirements apply to acceptance of an
16 invoice by a department. A department shall not impose
17 additional or different requirements on submission of invoices
18 than those contained in rules of the director unless the
19 director exempts the department from the invoice requirements
20 or a part of the requirements upon a finding that compliance
21 would result in poor accounting or management practices.
22 2. Vouchers for postage, stamped envelopes, and postal
23 cards may be audited as soon as an order for them is entered.
24 3. The departments, the general assembly, and the courts
25 shall pay their claims in a timely manner. If a claim for
26 services, supplies, materials, or a contract which is payable
27 from the state treasury remains unpaid after sixty days
28 following the receipt of the claim or the satisfactory
29 delivery, furnishing, or performance of the services,
30 supplies, materials, or contract, whichever date is later, the
31 state shall pay interest at the rate of one percent per month
32 on the unpaid amount of the claim. This subsection does not
33 apply to claims against the state under chapters 25 and 669 or
34 to claims paid by federal funds. The interest shall be
35 charged to the appropriation or fund to which the claim is

1 certified. Departments may enter into contracts for goods or
2 services on payment terms of less than sixty days if the state
3 may obtain a financial benefit or incentive which would not
4 otherwise be available from the vendor. The department, in
5 consultation with other affected departments, shall develop
6 policies to promote consistency and fiscal responsibility
7 relating to payment terms authorized under this subsection.
8 The director shall adopt rules under chapter 17A relating to
9 the administration of this subsection.
10 Sec. 96. NEW SECTION. 8A.515 WARRANTS -- FORM.
11 A warrant shall bear on its face the signature of the
12 director or its facsimile, or the signature of an assistant or
13 its facsimile in case of a vacancy in the office of the
14 director; a proper number, date, amount, and name of payee; a
15 reference to the law under which it is drawn; whether for
16 salaries or wages, services, or supplies, and what kind of
17 supplies; and from what office or department, or for what
18 other general or special purposes; or in lieu thereof, a
19 coding system may be used, which particulars shall be entered
20 in a warrant register kept for that purpose in the order of
21 issuance; and as soon as practicable after issuing a warrant
22 register, the director shall certify a duplicate of it to the
23 treasurer of state.
24 Sec. 97. NEW SECTION. 8A.516 REQUIRED PAYEE.
25 All warrants shall be drawn to the order of the person
26 entitled to payment or compensation, except that when goods or
27 materials are purchased in foreign countries, warrants may be
28 drawn upon the treasurer of state, payable to bearer for the
29 net amount of invoice and current exchange, and the treasurer
30 of state shall furnish a foreign draft payable to the order of
31 the person from whom purchase is made.
32 Sec. 98. NEW SECTION. 8A.517 PROHIBITED PAYEE.
33 In no case shall warrants be drawn in the name of the
34 certifying office, department, board, or institution, or in
35 the name of an employee, except for personal service rendered

1 or expense incurred by the employee, unless express statutory
2 authority exists therefor.
3 Sec. 99. NEW SECTION. 8A.518 CLAIMS EXCEEDING
4 APPROPRIATIONS.
5 A claim shall not be allowed when the claim will exceed the
6 amount specifically appropriated for the claim.
7 Sec. 100. NEW SECTION. 8A.519 CANCELLATION OF STATE
8 WARRANTS.
9 On the last business day of each month, the director shall
10 cancel and request the treasurer of state to stop payment on
11 all state warrants which have been outstanding and unredeemed
12 by the treasurer of state for six months or longer.
13 DIVISION II
14 CONFORMING AND MISCELLANEOUS CHANGES
15 Sec. 101. Section 2.9, Code 2003, is amended to read as
16 follows:
17 2.9 JOURNALS -- BILLS AND AMENDMENTS.
18 1. a. The senate and house of representatives shall each
19 publish a daily journal of the transactions of their
20 respective bodies. The secretary of the senate and the chief
21 clerk of the house shall each determine the format and manner
22 of the journal's publication, the procurement procedures for
23 the journal's publication, and the journal's distribution for
24 their respective bodies.
25 b. The secretary of the senate and the clerk of the house
26 of representatives shall each preserve copies of the printed
27 daily journals of their respective bodies, as corrected,
28 certify to their correctness, and file them with the secretary
29 of state at the adjournment of each session of the general
30 assembly. The secretary of state shall ~~cause the journals to~~
31 ~~be bound and preserved as~~ preserve the original journals of
32 the senate and the house in the manner specified by the
33 majority leader of the senate and speaker of the house.
34 2. a. The senate and house of representatives shall each
35 publish bills and amendments of their respective bodies. The

1 secretary of the senate and the chief clerk of the house shall
2 each determine the procurement procedures for the publication
3 of the bills and amendments and the distribution of the bills
4 and amendments for their respective bodies.
5 b. A bill that seeks to legalize the acts of any official
6 or board or other official body, in regard to any matter of
7 public nature or for any person or persons, company, or
8 corporation, shall not be considered by the senate or house of
9 representatives until the bill is published and distributed to
10 members of the general assembly, and the publication shall be
11 without expense to the state. The senate and house shall not
12 order any such bill published until the secretary of the
13 senate or chief clerk of the house has received a deposit to
14 cover the cost of the publication. The newspaper publication
15 of such bill shall be without expense to the state, and the
16 bill shall not be published in a newspaper until the costs of
17 the newspaper publication has been paid to the secretary of
18 state.
19 Sec. 102. Section 2.10, subsection 1, Code 2003, is
20 amended to read as follows:
21 1. Every member of the general assembly except the
22 presiding officer of the senate, the speaker of the house, the
23 majority and minority floor leader of each house, and the
24 president pro tempore of the senate and speaker pro tempore of
25 the house, shall receive an annual salary of twenty thousand
26 one hundred twenty dollars for the year 1997 and subsequent
27 years while serving as a member of the general assembly. In
28 addition, each such member shall receive the sum of eighty-six
29 dollars per day for expenses of office, except travel, for
30 each day the general assembly is in session commencing with
31 the first day of a legislative session and ending with the day
32 of final adjournment of each legislative session as indicated
33 by the journals of the house and senate, except that if the
34 length of the first regular session of the general assembly
35 exceeds one hundred ten calendar days and the second regular

1 session exceeds one hundred calendar days, the payments shall
2 be made only for one hundred ten calendar days for the first
3 session and one hundred calendar days for the second session.
4 Members from Polk county shall receive sixty-five dollars per
5 day. Each member shall receive a two hundred dollar per month
6 allowance for legislative district constituency postage,
7 travel, telephone costs, and other expenses. Travel expenses
8 shall be paid ~~at the rate established by section 18.117~~ for
9 actual travel in going to and returning from the seat of
10 government by the nearest traveled route for not more than one
11 time per week during a legislative session.
12 Sec. 103. Section 2.42, subsection 12, Code 2003, is
13 amended to read as follows:
14 12. To establish policies for the distribution of
15 information which is stored by the general assembly in an
16 electronic format, including the contents of statutes or
17 rules, other than value-added electronic publications as
18 provided in section ~~7A.22~~ 7A.15A. The legislative council
19 shall establish payment rates that encourage the distribution
20 of such information to the public, including private vendors
21 reselling that information. The legislative council shall not
22 establish a price that attempts to recover more than is
23 attributable to costs related to reproducing and delivering
24 the information.
25 Sec. 104. Section 2.47A, subsection 1, paragraph c, Code
26 2003, is amended to read as follows:
27 c. Receive annual status reports for all ongoing capital
28 projects of state agencies, pursuant to section ~~18.12~~ 8A.321,
29 subsection ~~14~~ 10.
30 Sec. 105. Section 2B.5, subsection 2, Code 2003, is
31 amended to read as follows:
32 2. Cause the Iowa court rules to be published, as directed
33 by the supreme court after consultation with the legislative
34 council. The Iowa court rules shall consist of all rules
35 prescribed by the supreme court. The court rules shall be

1 published in loose-leaf form and supplements shall be prepared
2 and distributed as directed by the supreme court. The Iowa
3 court rules and supplements to the court rules shall be priced
4 as provided in section ~~7A.22~~ 7A.15A.
5 Sec. 106. Section 7A.1, unnumbered paragraph 4, Code 2003,
6 is amended to read as follows:
7 This section shall not be construed as depriving the ~~state~~
8 ~~printing administrator~~ director of the department of
9 administrative services of the right to edit and revise said
10 report.
11 Sec. 107. Section 7A.2, unnumbered paragraph 2, Code 2003,
12 is amended to read as follows:
13 Reports after being filed with the governor and considered
14 by the governor shall be delivered to the ~~state printing~~
15 ~~administrator~~ director of the department of administrative
16 services.
17 Sec. 108. Section 7A.3, subsection 1, Code 2003, is
18 amended to read as follows:
19 1. Director of ~~revenue and finance~~ the department of
20 administrative services on fiscal condition of state.
21 Sec. 109. Section 7A.3, subsection 6, Code 2003, is
22 amended by striking the subsection.
23 Sec. 110. Section 7A.3, subsection 10, Code 2003, is
24 amended to read as follows:
25 10. Department of ~~general~~ administrative services.
26 Sec. 111. Section 7A.14, unnumbered paragraph 1, Code
27 2003, is amended to read as follows:
28 The annual and biennial reports shall be published,
29 printed, and bound in such number as the ~~state printing~~
30 ~~administrator~~ director of the department of administrative
31 services may order. The officials and heads of departments
32 shall furnish the ~~administrator~~ director with information
33 necessary to determine the number of copies to be printed.
34 Sec. 112. NEW SECTION. 7A.15A OFFICIAL LEGAL AND OTHER
35 PUBLICATIONS -- PROCUREMENTS.

1 1. The legislative service bureau shall publish the
2 official legal publications of the state as provided in
3 chapter 2B. The legislative service bureau shall have legal
4 custody of the publications and shall provide for the
5 warehousing, sale, and distribution of the publications. The
6 legislative service bureau shall retain or cause to be
7 retained a number of old editions of the publications but may
8 otherwise distribute or cause to be distributed old editions
9 of the publications to any person upon payment by the person
10 of any distribution costs.
11 2. The printed versions of the publications listed in this
12 subsection shall be sold at a price to be established by the
13 legislative service bureau. In determining the prices, the
14 legislative service bureau shall consider the costs of
15 printing, binding, distribution, and paper stock, compilation
16 and editing labor costs, and any other associated costs. The
17 legislative service bureau shall also consider the number of
18 volumes or units to be printed, sold, and distributed in the
19 determination of the prices.
20 a. The Iowa Code.
21 b. The Iowa Code Supplement.
22 c. The Iowa Acts.
23 d. The Iowa court rules.
24 e. The Iowa administrative code.
25 f. The Iowa administrative bulletin.
26 3. The legislative service bureau may establish policies
27 for the production, editing, distribution, and pricing of
28 electronic publications containing information stored by the
29 legislative branch in an electronic format, including
30 information contained in the printed publications listed in
31 this section. Such electronic publications may include
32 programming not originally part of the stored information,
33 including but not limited to search and retrieval functions.
34 The policies shall provide for the widest possible
35 distribution of these value-added electronic publications at

1 the lowest price practicable, which shall not be more than the
2 costs attributable to producing, editing, and distributing the
3 electronic publications.
4 4. Subject to section 2.42, the legislative service bureau
5 shall determine its procurement procedures, which may include
6 procurement determinations based on service provider
7 competence, meeting of service or product specifications, and
8 reasonableness of price; the posting of security to accompany
9 a service provider proposal; the preference of Iowa-based
10 businesses if comparable in price; the disclosure of service
11 provider assignments; the inclusion of renewal options; the
12 imposition of liquidated damages and other penalties for
13 breach of any service provider requirement; and the rejection
14 of all service provider proposals and institution of a new
15 procurement process.
16 Sec. 113. NEW SECTION. 7A.16A SPECIAL DISTRIBUTION OF
17 LEGAL PUBLICATIONS -- RESTRICTIONS ON FREE DISTRIBUTIONS.
18 1. The legislative service bureau shall make free
19 distribution of the printed versions of the official legal
20 publications listed in section 7A.15A, subsection 2, subject
21 to payment of any routine distribution costs such as but not
22 limited to mailing and handling costs, to the three branches
23 of state government, to elected county officers, to county and
24 city assessors, to Iowa's congressional delegation, to federal
25 courts in Iowa and federal judges and magistrates for Iowa,
26 and to state and university depository libraries, the library
27 of congress, and the library of the United States supreme
28 court. Only such officers, offices, and agencies entitled to
29 or receiving free copies during the fiscal year beginning July
30 1, 2002, and ending June 30, 2003, shall be entitled to
31 continue to receive free copies in subsequent years, except
32 that successor and new officers, offices, and agencies shall
33 receive a reasonable number of free copies as determined by
34 the legislative service bureau. Such officers, offices, and
35 agencies shall annually review the number received in the

1 prior year to determine if the number of copies received can
2 be reduced and shall submit the information in a report to the
3 legislative service bureau. The number of copies received,
4 once reduced, shall not be increased to the previous level
5 without the express consent of the legislative service bureau.
6 2. Each officer, office, or agency receiving one or more
7 free copies of a publication under this section shall only
8 receive up to the number of copies indicated free at the time
9 of initial distribution. If an officer, office, or agency
10 receiving one or more free copies of a publication under this
11 section desires additional copies beyond the number initially
12 received, the officer, office, or agency must request the
13 additional copies and pay the normal charge for such
14 publication.
15 3. If a version of a publication provided under this
16 section is available in an electronic format, the legislative
17 service bureau may establish policies providing for the
18 substitution of an electronic version for the printed version
19 of the publication, and for the amount of payment, if any,
20 required for the electronic publication. The payment amount
21 shall not be more than established pursuant to section 7A.15A
22 for the same publication. For the Iowa administrative code
23 and its supplements, the legislative service bureau may
24 provide that the distribution requirement of this section is
25 met by distributing relevant portions of the Iowa
26 administrative code or its supplements in either a printed or
27 electronic format.
28 4. Notwithstanding any provision of this section to the
29 contrary, the legislative service bureau may review the
30 publication costs and offsetting sales revenues relating to
31 legal publications in printed formats, and may establish
32 policies requiring payment from persons otherwise entitled to
33 receive them at no cost or at a price covering distribution
34 costs pursuant to subsection 1. The payment amount shall not
35 be more than established pursuant to section 7A.15A for the

1 same publication.
2 Sec. 114. Section 7A.23, Code 2003, is amended to read as
3 follows:
4 7A.23 PRICE OF DEPARTMENTAL REPORTS.
5 The ~~state-printing-administrator~~ director of the department
6 of administrative services shall establish and fix a selling
7 price for all state departmental reports and any other state
8 publications the ~~administrator~~ director may designate, which
9 price per volume shall be the amount charged any person, other
10 than public officials, who purchases the publication. The
11 price shall cover the cost of printing and distribution. The
12 ~~administrator~~ director may distribute gratis to state or local
13 public officials or offices, as the ~~administrator~~ director
14 deems necessary, copies of departmental annual reports.
15 Sec. 115. Section 7A.27, Code 2003, is amended to read as
16 follows:
17 7A.27 OTHER NECESSARY PUBLICATIONS -- WHEN NECESSARY TO
18 SELL.
19 ~~There-may-be-published-other~~ Other miscellaneous documents,
20 reports, bulletins, books, and booklets may be published that
21 are needed for the use of the various officials and
22 departments of state, or are of value for the information of
23 the general assembly or the public, in form and number most
24 useful and convenient, to be determined by the ~~state-printing~~
25 ~~administrator~~ director of the department of administrative
26 services.
27 When such publications, except supplements to the Iowa
28 administrative code, paid for by public funds furnished by the
29 state, contain reprints of statutes or rules, or both, they
30 shall be sold and distributed at cost by the department
31 ordering ~~same~~ the publication if the cost per publication is
32 one dollar or more, unless a central library or depository is
33 established. Such publications shall be obtained from the
34 ~~state-printing-administrator~~ director of the department of
35 administrative services on requisition by the department

1 ordering the publication and the selling price, if any, shall
2 be determined by the ~~administrator~~ director of the department
3 of administrative services by dividing the total cost of
4 printing, paper, distribution, and binding by the number
5 printed. ~~Said~~ The price shall be set at the nearest multiple
6 of ten to the quotient thus obtained. Distribution of such
7 publications shall be made by the ~~administrator~~ director
8 gratis to public officers, purchasers of licenses from state
9 departments required by statute and departments. Funds from
10 the sale of such publications shall be deposited monthly in
11 the general fund of the state except the cost of distribution
12 shall be deposited in the ~~permanent~~ printing revolving fund
13 established in section ~~18.57~~ 8A.345.
14 Sec. 116. Section 7A.28, Code 2003, is amended to read as
15 follows:
16 7A.28 GOVERNOR MAY FIX FILING DATE.
17 The governor shall have the right to fix a date for the
18 completion of or filing of any copy or manuscript for any
19 miscellaneous document or other publication, or for any
20 portion of the manuscript, and to compel compliance with such
21 orders the same as in the case of the official reports. The
22 ~~state-printing-administrator~~ director of the department of
23 administrative services shall report to the governor any
24 failure to furnish manuscript or other delay affecting any
25 publication.
26 Sec. 117. Section 7A.29, Code 2003, is amended to read as
27 follows:
28 7A.29 TITLE PAGES -- COMPLIMENTARY INSERTIONS.
29 The ~~state-printing-administrator~~ director of the department
30 of administrative services shall provide the necessary
31 printer's copy for a suitable title page for each publication
32 requiring such title which shall contain the name of the
33 author, but ~~no~~ such title shall not have written or printed
34 thereon or attached thereto the words "Compliments of"
35 followed by the name of the author, nor any other words of

similar import.

Sec. 118. Section 7E.5, subsection 1, paragraph b, Code 2003, is amended to read as follows:

b. The department of ~~personnel~~ administrative services, created in section ~~19A.1~~ 8A.102, which has primary responsibility for ~~personnel~~ the management and coordination of the major resources of state government.

Sec. 119. Section 7E.5, subsection 1, paragraph c, Code 2003, is amended by striking the paragraph.

Sec. 120. Section 7E.5, subsection 1, paragraph d, Code 2003, is amended to read as follows:

d. The department of revenue ~~and finance~~, created in section 421.2, which has primary responsibility for revenue collection and revenue law compliance, ~~financial management and assistance,~~ and the Iowa lottery.

Sec. 121. Section 7E.5, subsection 1, paragraph x, Code 2003, is amended by striking the paragraph.

Sec. 122. Section 7F.1, subsection 3, Code 2003, is amended to read as follows:

3. OFFICE ESTABLISHED. A state-federal relations office is established as an independent agency. The office shall be located in Washington D.C. and shall be administered by the director of the office who is appointed by the governor, subject to confirmation by the senate, and who serves at the pleasure of the governor. The office and its personnel are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 123. Section 8.31, unnumbered paragraph 6, Code 2003, is amended to read as follows:

The procedure to be employed in controlling the expenditures and receipts of the state fair board and the institutions under the state board of regents, whose collections are not deposited in the state treasury, is that outlined in section ~~421.31~~ 8A.502, subsection 6 9.

Sec. 124. Section 8.47, subsection 1, unnumbered paragraph

1 1, Code 2003, is amended to read as follows:
2 The department of ~~general~~ administrative services, in
3 cooperation with the office of attorney general~~,~~ and the
4 department of management, ~~the department of personnel, and the~~
5 ~~department of revenue and finance,~~ shall adopt uniform terms
6 and conditions for service contracts executed by a department
7 or establishment benefiting from service contracts. The terms
8 and conditions shall include but are not limited to all of the
9 following:
10 Sec. 125. Section 8.47, subsection 2, Code 2003, is
11 amended to read as follows:
12 2. Departments or establishments, with the approval of the
13 department of management acting in cooperation with the office
14 of attorney general~~, the department of general services, the~~
15 ~~department of personnel,~~ and the department of ~~revenue and~~
16 ~~finance~~ administrative services, may adopt special terms and
17 conditions for use by the departments or establishments in
18 their service contracts.
19 Sec. 126. Section 8.63, Code 2003, is amended to read as
20 follows:
21 8.63 INNOVATIONS FUND.
22 1. An innovations fund is created in the state treasury
23 under the control of the department of management for the
24 purpose of stimulating and encouraging innovation and
25 entrepreneurship in state government by the awarding of
26 repayable loans to state agencies.
27 2. The director of the department of management shall
28 establish an eight-member committee to be called the state
29 innovations fund committee. The committee shall review all
30 requests for funds and approve loans of funds if the committee
31 determines that the loan meets the requirements for a project
32 loan or an enterprise loan as provided in this section.
33 3. A project loan can be funded if the committee
34 determines that an agency request would result in cost savings
35 or added revenue to the general fund of the state. Eligible

1 projects are projects which cannot be funded from an agency's
2 operating budget without adversely affecting the agency's
3 normal service levels. Projects may include, but are not
4 limited to, purchase of advanced technology, contracting for
5 expert services, and acquisition of equipment or supplies.
6 4. An enterprise loan can be funded if the committee
7 determines that the agency or business unit has a viable
8 business plan and the capability to use the loan to provide
9 internal services to government. The enterprise is expected
10 to receive payment for services from its customers and use
11 those payments to cover its expenses, including repayment of
12 the loan.
13 ~~3.~~ 5. A state agency seeking a loan from the innovations
14 fund shall complete an application form designed by the state
15 innovations fund committee which employs, for projects, a
16 return on investment concept and demonstrates how state
17 general fund expenditures will be reduced or how state general
18 fund revenues will increase, or, for enterprises, a business
19 plan that shows how the enterprise will meet customer needs,
20 provide value to customers, and demonstrate financial
21 viability. Minimum loan requirements for state agency
22 requests shall be determined by the committee. As an
23 incentive to increase state general fund revenues, an agency
24 may retain up to fifty percent of savings realized in
25 connection with a project loan from the innovations fund. The
26 amount retained shall be determined by the innovations fund
27 committee.
28 ~~4.~~ 6. a. In order for the innovations fund to be self-
29 supporting, the innovations fund committee shall establish
30 repayment schedules for each ~~innovation~~ innovations fund loan
31 awarded. Agencies shall repay the funds over a period not to
32 exceed five years with interest, at a rate to be determined by
33 the innovations fund committee.
34 b. If the department of management and the department of
35 ~~revenue and finance~~ administrative services certify that the

1 savings from a proposed innovations fund project will result
2 in a net increase in the balance of the general fund of the
3 state without a corresponding cost savings to the requesting
4 agency, and if the requesting agency meets all other
5 eligibility requirements, the innovations fund committee may
6 approve the loan for the project and not require repayment by
7 the requesting agency. There is appropriated from the general
8 fund of the state to the department of ~~revenue and finance~~
9 administrative services an amount sufficient to repay the loan
10 amount.
11 ~~5.~~ 7. Notwithstanding section 12C.7, subsection 2,
12 interest or earnings on moneys deposited in the innovations
13 fund shall be credited to the innovations fund.
14 Notwithstanding section 8.33, moneys remaining in the
15 innovations fund at the end of a fiscal year shall not revert
16 to the general fund of the state.
17 Sec. 127. Section 8D.4, Code 2003, is amended to read as
18 follows:
19 8D.4 EXECUTIVE DIRECTOR APPOINTED.
20 The commission, in consultation with the director of the
21 department of administrative services shall appoint an
22 executive director of the commission, subject to confirmation
23 by the senate. Such individual shall not serve as a member of
24 the commission. The executive director shall serve at the
25 pleasure of the commission. The executive director shall be
26 selected primarily for administrative ability and knowledge in
27 the field, without regard to political affiliation. The
28 governor shall establish the salary of the executive director
29 within range nine as established by the general assembly. The
30 salary and support of the executive director shall be paid
31 from funds deposited in the Iowa communications network fund.
32 Sec. 128. Section 9.3, Code 2003, is amended to read as
33 follows:
34 9.3 COMMISSIONS.
35 All commissions issued by the governor shall be

1 countersigned by the secretary, who shall register each
2 commission in a book to be kept for that purpose, specifying
3 the office, name of officer, date of commission, and tenure of
4 office, and forthwith forward to the directors of the
5 departments of management and of ~~revenue and finance~~
6 administrative services copies of the registration.
7 Sec. 129. Section 9F.4, Code 2003, is amended to read as
8 follows:
9 9F.4 PUBLICATION IN OFFICIAL REGISTER.
10 The ~~state printing administrator~~ director of the department
11 of administrative services shall publish said federal census
12 report and certificate aforesaid in full in each copy of the
13 Iowa official register.
14 Sec. 130. Section 10A.104, subsection 2, Code 2003, is
15 amended to read as follows:
16 2. Appoint the administrators of the divisions within the
17 department and all other personnel deemed necessary for the
18 administration of this chapter, except the state public
19 defender, assistant state public defenders, administrator of
20 the racing and gaming commission, members of the employment
21 appeal board, and administrator of the child advocacy board
22 created in section 237.16. All persons appointed and employed
23 in the department are covered by the provisions of chapter ~~19A~~
24 8A, article 4, but persons not appointed by the director are
25 exempt from the merit system provisions of chapter ~~19A~~ 8A,
26 article 4.
27 Sec. 131. Section 10A.601, subsections 1 and 7, Code 2003,
28 are amended to read as follows:
29 1. A full-time employment appeal board is created within
30 the department of inspections and appeals to hear and decide
31 contested cases under chapter 8A, article 4, and chapters ~~19A,~~
32 80, 88, 89A, 91C, 96, and 97B.
33 7. An application for rehearing before the appeal board
34 shall be filed pursuant to section 17A.16, unless otherwise
35 provided in chapter ~~19A,~~ 8A, article 4, or chapter 80, 88,

1 89A, 91C, 96, or 97B. A petition for judicial review of a
2 decision of the appeal board shall be filed pursuant to
3 section 17A.19. The appeal board may be represented in any
4 such judicial review by an attorney who is a regular salaried
5 employee of the appeal board or who has been designated by the
6 appeal board for that purpose, or at the appeal board's
7 request, by the attorney general. Notwithstanding the
8 petitioner's residency requirement in section 17A.19,
9 subsection 2, a petition for judicial review may be filed in
10 the district court of the county in which the petitioner was
11 last employed or resides, provided that if the petitioner does
12 not reside in this state, the action shall be brought in the
13 district court of Polk county, Iowa, and any other party to
14 the proceeding before the appeal board shall be named in the
15 petition. Notwithstanding the thirty-day requirement in
16 section 17A.19, subsection 6, the appeal board shall, within
17 sixty days after filing of the petition for judicial review or
18 within a longer period of time allowed by the court, transmit
19 to the reviewing court the original or a certified copy of the
20 entire records of a contested case. The appeal board may also
21 certify to the court, questions of law involved in any
22 decision by the appeal board. Petitions for judicial review
23 and the questions so certified shall be given precedence over
24 all other civil cases except cases arising under the workers'
25 compensation law of this state. No bond shall be required for
26 entering an appeal from any final order, judgment, or decree
27 of the district court to the supreme court.
28 Sec. 132. Section 10A.801, subsection 3, paragraph a, Code
29 2003, is amended to read as follows:
30 3. a. The department shall employ a sufficient number of
31 administrative law judges to conduct proceedings for which
32 agencies are required, by section 17A.11 or any other
33 provision of law, to use an administrative law judge employed
34 by the division. An administrative law judge employed by the
35 division shall not perform duties inconsistent with the

1 judge's duties and responsibilities as an administrative law
2 judge and shall be located in an office that is separated from
3 the offices of the agencies for which that person acts as a
4 presiding officer. Administrative law judges shall be covered
5 by the merit system provisions of chapter ~~19A~~ 8A, article 4.
6 Sec. 133. Section 11.2, subsection 1, unnumbered paragraph
7 3, Code 2003, is amended to read as follows:
8 Provided further, that a preliminary audit of the
9 educational institutions and the state fair board shall be
10 made periodically, at least quarterly, to check the monthly
11 reports submitted to the director of ~~revenue and finance~~ the
12 department of administrative services as required by section
13 ~~421.31~~ 8A.502, subsection ~~4~~ 9, and that a final audit of such
14 state agencies shall be made at the close of each fiscal year.
15 Sec. 134. Section 12E.8, subsection 2, Code 2003, is
16 amended to read as follows:
17 2. The authority is exempt from the requirements of
18 chapter ~~18~~ 8A, article 3.
19 Sec. 135. Section 13.13, subsection 2, Code 2003, is
20 amended to read as follows:
21 2. The farm assistance program coordinator shall contract
22 with a nonprofit organization chartered in this state to
23 provide mediation services as provided in chapters 654A, 654B,
24 and 654C. The contract may be terminated by the coordinator
25 upon written notice and for good cause. The organization
26 awarded the contract is designated as the farm mediation
27 service for the duration of the contract. The organization
28 may, upon approval by the coordinator, provide mediation
29 services other than as provided by law. The farm mediation
30 service is not a state agency for the purposes of chapter 8A,
31 article 4, and chapters ~~19A,~~ 20, and 669.
32 Sec. 136. Section 13.22, subsection 6, Code 2003, is
33 amended to read as follows:
34 6. Cooperate to the fullest extent feasible with the
35 existing informational and referral networks among farmers,

1 farmer advocates, and others concerned with the economic
2 crisis in agricultural areas. The legal services provider is
3 not a state agency for the purposes of chapter 8A, article 4,
4 and chapters ~~19A,~~ 20~~,~~ and 669.
5 Sec. 137. Section 13.34, subsection 4, Code 2003, is
6 amended to read as follows:
7 4. The contracting nonprofit organization is not a state
8 agency for the purposes of chapter 8A, article 4, and chapters
9 ~~19A,~~ 20~~,~~ and 669.
10 Sec. 138. Section 13B.5, Code 2003, is amended to read as
11 follows:
12 13B.5 STAFF.
13 The state public defender may appoint assistant state
14 public defenders who, subject to the direction of the state
15 public defender, shall have the same duties as the state
16 public defender and shall not engage in the private practice
17 of law. The salaries of the staff shall be fixed by the state
18 public defender. The state public defender and the state
19 public defender's staff shall receive actual and necessary
20 expenses, including travel at the state rate set forth in
21 section ~~18.117~~ 8A.363.
22 Sec. 139. Section 15.106, subsection 2, Code 2003, is
23 amended to read as follows:
24 2. Employ personnel as necessary to carry out the duties
25 and responsibilities of the department, consistent with the
26 merit system provisions of chapter ~~19A~~ 8A, article 4, for
27 nonprofessional employees. Professional staff of the
28 department are exempt from the merit system provisions of
29 chapter ~~19A~~ 8A, article 4.
30 Sec. 140. Section 15.108, subsection 9, paragraph c, Code
31 2003, is amended to read as follows:
32 c. Except as otherwise provided in sections ~~7D.33~~ 8A.114,
33 260C.14, and 262.9, provide that an inventor whose research is
34 funded in whole or in part by the state shall assign to the
35 state a proportionate part of the inventor's rights to a

1 letter patent resulting from that research. Royalties or
2 earnings derived from a letter patent shall be paid to the
3 treasurer of state and credited by the treasurer to the
4 general fund of the state. However, the department in
5 conjunction with other state agencies, including the board of
6 regents, shall provide incentives to inventors whose research
7 is funded in whole or in part by the state for having their
8 products produced in the state. These incentives may include
9 taking a smaller portion of the inventor's royalties or
10 earnings than would otherwise occur under this paragraph or
11 other provisions of the law.
12 Sec. 141. Section 16.2, subsection 1, unnumbered paragraph
13 2, Code 2003, is amended to read as follows:
14 A title guaranty division is created within the authority.
15 The powers of the division relating to the issuance of title
16 guaranties are vested in and shall be exercised by a division
17 board of five members appointed by the governor subject to
18 confirmation by the senate. The membership of the board shall
19 include an attorney, an abstractor, a real estate broker, a
20 representative of a mortgage-lender, and a representative of
21 the housing development industry. The executive director of
22 the authority shall appoint an attorney as director of the
23 title guaranty division who shall serve as an ex officio
24 member of the board. The appointment of and compensation for
25 the division director are exempt from the merit system
26 provisions of chapter ~~19A~~ 8A, article 4.
27 Sec. 142. Section 16A.5, subsection 2, Code 2003, is
28 amended to read as follows:
29 2. The executive director is a nonvoting ex officio member
30 of the board, and shall advise the authority on matters
31 relating to finance, carry out all directives from the
32 authority, and hire and supervise the authority's staff
33 pursuant to its directions and under the merit system
34 provisions of chapter ~~19A~~ 8A, article 4, except that principal
35 administrative assistants with responsibilities in operating

loan programs, accounting, and processing of applications for interest reduction are exempt from the merit system.

Sec. 143. Section 17A.6, subsection 5, Code 2003, is amended to read as follows:

5. The Iowa administrative code, its supplements, and the Iowa administrative bulletin shall be made available upon request to all persons who subscribe to any of them ~~through the state printing division. Copies of this code so made available shall be kept current by the division.~~

Sec. 144. Section 19B.5, subsection 2, Code 2003, is amended to read as follows:

2. The department of ~~personnel~~ administrative services shall submit a report on the condition of affirmative action, diversity, and multicultural programs in state agencies covered by subsection 1 by September 30 of each year to the governor and the general assembly. ~~The report shall include information identifying funding sources and itemized costs, including administrative costs, for these programs.~~

Sec. 145. Section 19B.12, subsection 4, Code 2003, is amended to read as follows:

4. The department of ~~personnel~~ administrative services for all state agencies, and the state board of regents for its institutions, shall adopt rules and appropriate internal, confidential grievance procedures to implement this section, and shall adopt procedures for determining violations of this section and for ordering appropriate dispositions that may include, but are not limited to, discharge, suspension, or reduction in rank or grade as defined in section ~~19A.9~~ 8A.413, subsection 16.

Sec. 146. Section 20.5, subsection 4, Code 2003, is amended to read as follows:

4. The board may employ such persons as are necessary for the performance of its functions. Personnel of the board shall be employed pursuant to the provisions of chapter ~~19A~~ 8A, article 4.

1 be subject to the provisions of chapter ~~19A~~ 8A, article 4.
2 Sec. 153. Section 35A.10, Code 2003, is amended to read as
3 follows:
4 35A.10 MULTIYEAR CONSTRUCTION PROGRAM -- CONSTRUCTION,
5 REPAIR, AND IMPROVEMENT PROJECTS.
6 1. The commission shall work with the department of
7 ~~general~~ administrative services to prepare and submit to the
8 director of the department of management, as provided in
9 section 8.23, a multiyear construction program including
10 estimates of the expenditure requirements for the
11 construction, repair, or improvement of buildings, grounds, or
12 equipment at the commission of veterans affairs building at
13 Camp Dodge and the Iowa veterans home in Marshalltown.
14 2. The commandant and the commission shall have plans and
15 specifications prepared by the department of ~~general~~
16 administrative services for authorized construction, repair,
17 or improvement projects in excess of twenty-five thousand
18 dollars. An appropriation for a project shall not be expended
19 until the department of ~~general~~ administrative services has
20 adopted plans and specifications and has completed a detailed
21 estimate of the cost of the project, prepared under the
22 supervision of a registered architect or registered
23 professional engineer.
24 3. The director of the department of ~~general~~
25 administrative services shall, in writing, let all contracts
26 for authorized improvements in excess of twenty-five thousand
27 dollars in accordance with chapter ~~18~~ 8A, article 3. The
28 director of the department of ~~general~~ administrative services
29 shall not authorize payment for construction purposes until
30 satisfactory proof has been furnished by the proper officer or
31 supervising architect that the parties have complied with the
32 contract.
33 Sec. 154. Section 35D.14, unnumbered paragraph 1, Code
34 2003, is amended to read as follows:
35 The commandant or the commandant's designee shall employ

1 loan programs, accounting, and processing of applications for
2 interest reduction are exempt from the merit system.
3 Sec. 143. Section 17A.6, subsection 5, Code 2003, is
4 amended to read as follows:
5 5. The Iowa administrative code, its supplements, and the
6 Iowa administrative bulletin shall be made available upon
7 request to all persons who subscribe to any of them ~~through~~
8 ~~the-state-printing-division. Copies-of-this-code-so-made~~
9 ~~available-shall-be-kept-current-by-the-division.~~
10 Sec. 144. Section 19B.5, subsection 2, Code 2003, is
11 amended to read as follows:
12 2. The department of ~~personnel~~ administrative services
13 shall submit a report on the condition of affirmative action,
14 diversity, and multicultural programs in state agencies
15 covered by subsection 1 by September 30 of each year to the
16 governor and the general assembly. ~~The-report-shall-include~~
17 ~~information-identifying-funding-sources-and-itemized-costs,~~
18 ~~including-administrative-costs,-for-these-programs.~~
19 Sec. 145. Section 19B.12, subsection 4, Code 2003, is
20 amended to read as follows:
21 4. The department of ~~personnel~~ administrative services for
22 all state agencies, and the state board of regents for its
23 institutions, shall adopt rules and appropriate internal,
24 confidential grievance procedures to implement this section,
25 and shall adopt procedures for determining violations of this
26 section and for ordering appropriate dispositions that may
27 include, but are not limited to, discharge, suspension, or
28 reduction in rank or grade as defined in section ~~19A.9~~ 8A.413,
29 subsection 16.
30 Sec. 146. Section 20.5, subsection 4, Code 2003, is
31 amended to read as follows:
32 4. The board may employ such persons as are necessary for
33 the performance of its functions. Personnel of the board
34 shall be employed pursuant to the provisions of chapter ~~19A~~
35 8A, article 4.

1 Sec. 147. Section 20.18, unnumbered paragraph 2, Code
2 2003, is amended to read as follows:
3 Public employees of the state or public employees covered
4 by civil service shall follow either the grievance procedures
5 provided in a collective bargaining agreement, or in the event
6 that grievance procedures are not provided, shall follow
7 grievance procedures established pursuant to chapter ~~19A~~ 8A,
8 article 4, or chapter 400, as applicable.
9 Sec. 148. Section 22.3A, subsection 2, paragraph a, Code
10 2003, is amended to read as follows:
11 a. The amount charged for access to a public record shall
12 be not more than that required to recover direct publication
13 costs, including but not limited to editing, compilation, and
14 media production costs, incurred by the government body in
15 developing the data processing software, and preparing the
16 data processing software for transfer to the person. The
17 amount shall be in addition to any other fee required to be
18 paid under this chapter for the examination and copying of a
19 public record. If a person accesses a public record stored in
20 an electronic format that does not require formatting,
21 editing, or compiling to access the public record, the charge
22 for providing the accessed public record shall not exceed the
23 reasonable cost of accessing that public record. The
24 government body shall, if requested, provide documentation
25 which explains and justifies the amount charged. This
26 paragraph shall not apply to any publication for which a price
27 has been established pursuant to another section, including
28 section ~~7A.22~~ 7A.15A.
29 Sec. 149. Section 22.7, subsection 11, Code 2003, is
30 amended to read as follows:
31 11. Personal information in confidential personnel records
32 of public bodies including but not limited to cities, boards
33 of supervisors and school districts. For purposes of this
34 subsection, "personal information" includes, but is not
35 limited to, information in the personnel files of an employee

concerning investigations incident to the employee's employment, information relating to disciplinary actions, and complaints, grievances, and appeals.

Sec. 150. Section 23A.2, subsection 10, paragraph o, Code 2003, is amended to read as follows:

o. The performance of an activity authorized pursuant to section ~~14B.102~~ 8A.202, subsection 2, paragraph "~~i~~" "k".

Sec. 151. Section 29A.13, Code 2003, is amended to read as follows:

29A.13 APPROPRIATED FUNDS.

Operating expenses for the national guard including the purchase of land, maintenance of facilities, improvement of state military reservations, installations, and weapons firing ranges owned or leased by the state of Iowa or the United States shall be paid from funds appropriated for the support and maintenance of the national guard. Claims for payment of such expenses shall be subject to the approval of the adjutant general. Upon approval of the adjutant general the claim shall be submitted to the director of ~~revenue and finance in accordance with the procedures established by the director of revenue and finance under chapter 421~~ the department of administrative services.

Payment for personnel compensation and authorized benefits shall be approved by the adjutant general prior to submission to the director of ~~revenue and finance~~ the department of administrative services for payment.

Sec. 152. Section 35A.8, subsection 3, Code 2003, is amended to read as follows:

3. Except for the employment duties and responsibilities assigned to the commandant for the Iowa veterans home, the executive director shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commission. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall

1 be subject to the provisions of chapter ~~19A~~ 8A, article 4.
2 Sec. 153. Section 35A.10, Code 2003, is amended to read as
3 follows:
4 35A.10 MULTIYEAR CONSTRUCTION PROGRAM -- CONSTRUCTION,
5 REPAIR, AND IMPROVEMENT PROJECTS.
6 1. The commission shall work with the department of
7 ~~general~~ administrative services to prepare and submit to the
8 director of the department of management, as provided in
9 section 8.23, a multiyear construction program including
10 estimates of the expenditure requirements for the
11 construction, repair, or improvement of buildings, grounds, or
12 equipment at the commission of veterans affairs building at
13 Camp Dodge and the Iowa veterans home in Marshalltown.
14 2. The commandant and the commission shall have plans and
15 specifications prepared by the department of ~~general~~
16 administrative services for authorized construction, repair,
17 or improvement projects in excess of twenty-five thousand
18 dollars. An appropriation for a project shall not be expended
19 until the department of ~~general~~ administrative services has
20 adopted plans and specifications and has completed a detailed
21 estimate of the cost of the project, prepared under the
22 supervision of a registered architect or registered
23 professional engineer.
24 3. The director of the department of ~~general~~
25 administrative services shall, in writing, let all contracts
26 for authorized improvements in excess of twenty-five thousand
27 dollars in accordance with chapter ~~18~~ 8A, article 3. The
28 director of the department of ~~general~~ administrative services
29 shall not authorize payment for construction purposes until
30 satisfactory proof has been furnished by the proper officer or
31 supervising architect that the parties have complied with the
32 contract.
33 Sec. 154. Section 35D.14, unnumbered paragraph 1, Code
34 2003, is amended to read as follows:
35 The commandant or the commandant's designee shall employ

1 such personnel as are necessary for the performance of the
2 duties and responsibilities assigned to the commandant. All
3 employees shall be selected on a basis of fitness for the work
4 to be performed with due regard to training and experience and
5 shall be subject to the provisions of chapter ~~19A~~ 8A, article
6 4.
7 Sec. 155. Section 42.1, subsection 5, paragraph b, Code
8 2003, is amended to read as follows:
9 b. An elective office in the executive or legislative
10 branch of the government of this state, or an office which is
11 filled by appointment and is exempt from the merit system
12 under section ~~19A.3~~ 8A.412.
13 Sec. 156. Section 47.8, subsection 3, unnumbered paragraph
14 2, Code 2003, is amended to read as follows:
15 The commission may authorize the registrar to employ such
16 additional staff personnel as it deems necessary to permit the
17 duties of the registrar's office to be adequately and promptly
18 discharged. Such personnel shall be employed pursuant to
19 chapter ~~19A~~ 8A, article 4.
20 Sec. 157. Section 55.1, unnumbered paragraph 2, Code 2003,
21 is amended to read as follows:
22 A leave of absence for a person regularly employed pursuant
23 to chapter ~~19A~~ 8A, article 4, is subject to section ~~19A.18~~
24 8A.416.
25 Sec. 158. Section 55.4, unnumbered paragraph 1, Code 2003,
26 is amended to read as follows:
27 Any public employee who becomes a candidate for any
28 elective public office shall, upon request of the employee and
29 commencing any time within thirty days prior to a contested
30 primary, special, or general election and continuing until
31 after the day following that election, automatically be given
32 a period of leave. If the employee is under chapter ~~19A~~ 8A,
33 article 4, the employee may choose to use accrued vacation
34 leave, accrued compensatory leave or leave without pay to
35 cover these periods. The appointing authority may authorize

other employees to use accrued vacation leave or accrued compensatory leave instead of leave without pay to cover these periods. An employee who is a candidate for any elective public office shall not campaign while on duty as an employee.

Sec. 159. Section 68B.32, subsection 5, Code 2003, is amended to read as follows:

5. The board shall employ a full-time executive director who shall be the board's chief administrative officer. The board shall employ or contract for the employment of legal counsel notwithstanding section 13.7, and any other personnel as may be necessary to carry out the duties of the board. The board's legal counsel shall be the chief legal officer of the board, and shall advise the board on all legal matters relating to the administration of this chapter and chapter 56. The state may be represented by the board's legal counsel in any civil action regarding the enforcement of this chapter or chapter 56, or, at the board's request, the state may be represented by the office of the attorney general. Notwithstanding section ~~19A.3~~ 8A.412, all of the board's employees, except for the executive director and legal counsel, shall be employed subject to the merit system provisions of chapter ~~19A~~ 8A, article 4. The salary of the executive director shall be fixed by the board, within the range established by the general assembly. The salary of the legal counsel shall be fixed by the board, within a salary range established by the department of personnel for a position requiring similar qualifications and experience.

Sec. 160. Section 70A.38, subsection 8, Code 2003, is amended by striking the subsection.

Sec. 161. Section 84A.7, subsection 5, Code 2003, is amended to read as follows:

5. PARTICIPANT ELIGIBILITY. Notwithstanding any contrary provision of ~~chapters 19A~~ chapter 8A, article 4, and chapter 96, a person employed through an Iowa conservation corps program shall be exempt from merit system requirements and

1 shall not be eligible to receive unemployment compensation
2 benefits.
3 Sec. 162. Section 86.2, subsection 1, Code 2003, is
4 amended to read as follows:
5 1. Chief deputy workers' compensation commissioners for
6 whose acts the commissioner is responsible, who are exempt
7 from the merit system provisions of chapter ~~19A~~ 8A, article 4,
8 and who shall serve at the pleasure of the commissioner.
9 Sec. 163. Section 88.2, subsection 3, Code 2003, is
10 amended to read as follows:
11 3. Personnel administering the chapter shall be employed
12 pursuant to chapter ~~19A~~ 8A, article 4.
13 Sec. 164. Section 88A.6, Code 2003, is amended to read as
14 follows:
15 88A.6 PERSONNEL.
16 The commissioner may employ inspectors and any other
17 personnel deemed necessary to carry out the provisions of this
18 chapter, subject to the provisions of chapter ~~19A~~ 8A, article
19 4.
20 Sec. 165. Section 89.1, unnumbered paragraph 1, Code 2003,
21 is amended to read as follows:
22 The labor commissioner shall enforce the provisions of this
23 chapter and may employ qualified personnel under the
24 provisions of chapter ~~19A~~ 8A, article 4, to administer the
25 provisions of this chapter.
26 Sec. 166. Section 89A.4, Code 2003, is amended to read as
27 follows:
28 89A.4 COMMISSIONER'S DUTIES AND PERSONNEL.
29 The commissioner shall enforce the provisions of this
30 chapter. The commissioner shall employ personnel for the
31 administration of this chapter pursuant to chapter ~~19A~~ 8A,
32 article 4.
33 Sec. 167. Section 91A.9, subsection 3, Code 2003, is
34 amended to read as follows:
35 3. The commissioner may employ such qualified personnel as

1 are necessary for the enforcement of this chapter. Such
2 personnel shall be employed pursuant to chapter ~~19A~~ 8A,
3 article 4.
4 Sec. 168. Section 96.11, subsection 16, Code 2003, is
5 amended to read as follows:
6 16. Reimbursement of setoff costs. The department shall
7 include in the amount set off in accordance with section
8 ~~421.17,-subsection-29~~ 8A.504, for the collection of an
9 overpayment created pursuant to section 96.3, subsection 7, or
10 section 96.16, subsection 4, an additional amount for the
11 reimbursement of setoff costs incurred by the department of
12 ~~revenue-and-finance~~ administrative services.
13 Sec. 169. Section 97A.5, subsections 5 and 6, Code 2003,
14 are amended to read as follows:
15 5. STAFF. The department of ~~personnel~~ public safety shall
16 provide administrative services to the board of trustees.
17 Investments shall be administered through the office of the
18 treasurer of state.
19 6. DATA -- RECORDS -- REPORTS.
20 a. The department of ~~personnel~~ public safety shall keep in
21 convenient form the data necessary for actuarial valuation of
22 the various funds of the system and for checking the expense
23 of the system. The ~~director-of-the-department~~ commissioner of
24 ~~personnel~~ public safety shall keep a record of all the acts
25 and proceedings of the board, which records shall be open to
26 public inspection. The board of trustees shall biennially
27 make a report to the general assembly showing the fiscal
28 transactions of the system for the preceding biennium, the
29 amount of the accumulated cash and securities of the system,
30 and the last balance sheet showing the financial condition of
31 the system by means of an actuarial valuation of the assets
32 and liabilities of the system.
33 b. The ~~director-of-the-department~~ commissioner of
34 ~~personnel~~ public safety shall maintain records, including but
35 not limited to names, addresses, ages, and lengths of service,

1 salaries and wages, contributions, designated beneficiaries,
2 benefit amounts, if applicable, and other information
3 pertaining to members as necessary in the administration of
4 this chapter, as well as the names, addresses, and benefit
5 amounts of beneficiaries. For the purpose of obtaining these
6 facts, the ~~director~~ commissioner of ~~personnel~~ public safety
7 shall have access to the records of the various departments of
8 the state and the departments shall provide such information
9 upon request. Member and beneficiary records containing
10 personal information are not public records for the purposes
11 of chapter 22. However, summary information concerning the
12 demographics of the members and general statistical
13 information concerning the system is subject to chapter 22, as
14 well as aggregate information by category.
15 Sec. 170. Section 97A.7, subsection 4, Code 2003, is
16 amended to read as follows:
17 4. A member of the board of trustees or an employee of the
18 department of ~~personnel~~ public safety shall not have a direct
19 interest in the gains or profits of any investment made by the
20 board of trustees. A trustee shall not receive any pay or
21 emolument for the trustee's services. A trustee or employee
22 of the department of ~~personnel~~ public safety shall not
23 directly or indirectly use the assets of the system except to
24 make current and necessary payments as authorized by the board
25 of trustees, nor shall a trustee or employee of the department
26 of ~~personnel~~ public safety become an endorser or surety or
27 become in any manner an obligor for moneys loaned by or
28 borrowed from the board of trustees.
29 Sec. 171. Section 97B.1, Code 2003, is amended to read as
30 follows:
31 97B.1 SYSTEM CREATED -- ORGANIZATIONAL DEFINITIONS.
32 1. The "Iowa Public Employees' Retirement System" is
33 ~~created~~ established as an independent agency within the
34 executive branch of state government. The Iowa public
35 employees' retirement system ~~division, a separate and distinct~~

~~division within the department of personnel,~~ shall administer the retirement system established under this chapter.

2. As used in this chapter, unless the context requires otherwise:

a. "Board" means the investment board created by section 97B.8A.

b. "Chief executive officer" means the chief executive officer of the Iowa public employees' retirement system ~~division, notwithstanding section 7E.2, subsection 3, paragraph "c", subparagraph (1)~~.

c. "Committee" means the benefits advisory committee created by section 97B.8B.

~~d. "Division" means the Iowa public employees' retirement system division.~~

~~e.~~ d. "System" means the Iowa public employees' retirement system.

Sec. 172. Section 97B.1A, subsection 23, Code 2003, is amended to read as follows:

~~23.~~ 19A. ~~"System"~~ "Retirement system" means the retirement plan as contained ~~herein~~ in this chapter or as duly amended.

Sec. 173. Section 97B.4, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. In administering this chapter, the ~~division~~ system shall enter into a biennial agreement with the department of ~~personnel~~ administrative services concerning the sharing of resources between the ~~division~~ system and department which are of benefit to each and which are consistent with the mission of the ~~division~~ system and the department. The budget program for the ~~division~~ system shall be established by the chief executive officer in consultation with the board and other staff of the ~~division~~ system and shall be compiled ~~by the department of personnel in collaboration with the division~~ and submitted ~~on behalf of the division~~ by the ~~department~~ system pursuant to section 8.23.

Sec. 174. Section 97B.4, subsection 3, paragraphs a, b, c,

1 and d, Code 2003, are amended to read as follows:
2 a. CHIEF INVESTMENT OFFICER. The chief executive officer,
3 following consultation with the board, shall employ a chief
4 investment officer who shall be appointed pursuant to chapter
5 ~~19A~~ 8A, article 4, and shall be responsible for administering
6 the investment program for the retirement fund pursuant to the
7 investment policies of the board.
8 b. CHIEF BENEFITS OFFICER. The chief executive officer,
9 following consultation with the benefits advisory committee,
10 shall employ a chief benefits officer who shall be appointed
11 pursuant to chapter ~~19A~~ 8A, article 4, and shall be
12 responsible for administering the benefits and other services
13 provided under the retirement system.
14 c. ACTUARY. The ~~division~~ system shall employ an actuary
15 who shall be selected by the board and shall serve at the
16 pleasure of the board. The actuary shall be the technical
17 advisor for the system on matters regarding the operation of
18 the retirement fund.
19 d. ~~DIVISION~~ SYSTEM EMPLOYEES. Subject to other provisions
20 of this chapter, the ~~division~~ system may employ all other
21 personnel as necessary for the administration of the
22 retirement system. The maximum number of full-time equivalent
23 employees specified by the general assembly for the ~~division~~
24 system for administration of the retirement system for a
25 fiscal year shall not be reduced by any authority other than
26 the general assembly. The personnel of the ~~division~~ system
27 shall be appointed pursuant to chapter ~~19A~~ 8A, article 4. The
28 ~~division~~ system shall not appoint or employ a person who is an
29 officer or committee member of a political party organization
30 or who holds or is a candidate for a partisan elective public
31 office.
32 Sec. 175. Section 97B.7A, subsection 5, Code 2003, is
33 amended to read as follows:
34 5. TRAVEL. In the administration of the investment of
35 moneys in the retirement fund, employees of the ~~division~~

1 system and members of the board may travel outside the state
2 for the purpose of meeting with investment firms and
3 consultants and attending conferences and meetings to fulfill
4 their fiduciary responsibilities. This travel is not subject
5 to section ~~421.38~~ 8A.512, subsection 2.
6 Sec. 176. Section 97B.43, unnumbered paragraph 1, Code
7 2003, is amended to read as follows:
8 Each member in service on July 4, 1953, who made
9 contributions under the abolished system, and who has not
10 applied for and qualified for benefit payments under the
11 abolished system, shall receive credit for years of prior
12 service in the determination of retirement allowance payments
13 under this chapter, if the member elects to become a member on
14 or before October 1, 1953, the member has not made application
15 for a refund of the part of the member's contributions under
16 the abolished system which are payable under sections 97.50 to
17 97.53, and the member gives written authorization prior to
18 October 1, 1953, to the commission to credit to the retirement
19 fund the amount of the member's contribution which would be
20 subject to a claim for refund. The amount so credited shall,
21 after transfer, be considered as a contribution to the
22 retirement system made as of July 4, 1953, by the member and
23 shall be included in the determination of the amount of moneys
24 payable under this chapter. However, an employee who was
25 under a contract of employment as a teacher in the public
26 schools of the state of Iowa at the end of the school year
27 1952-1953, or any person covered by section 97B.1A, subsection
28 20, paragraph "c" or "d", shall be considered as in service as
29 of July 4, 1953, if they were members of the abolished system.
30 Sec. 177. Section 97B.49B, subsection 1, paragraph e,
31 subparagraph (3), Code 2003, is amended to read as follows:
32 (3) A correctional officer or correctional supervisor
33 employed by the Iowa department of corrections, and any other
34 employee of that department whose primary purpose is, through
35 ongoing direct inmate contact, to enforce and maintain

1 discipline, safety, and security within a correctional
2 facility. The Iowa department of corrections and the
3 ~~personnel division of the~~ department of ~~personnel~~
4 administrative services shall jointly determine which job
5 classifications are covered under this subparagraph.
6 Sec. 178. Section 97B.49B, subsection 1, paragraph e,
7 subparagraph (7), Code 2003, is amended to read as follows:
8 (7) An employee covered by the merit system as provided in
9 chapter ~~19A~~ 8A, article 4, whose primary duty is providing
10 airport security and who carries or is licensed to carry a
11 firearm while performing those duties.
12 Sec. 179. Section 97B.49F, subsection 2, paragraph c,
13 subparagraph (5), Code 2003, is amended to read as follows:
14 (5) As used in this paragraph, "favorable actuarial
15 experience" means the difference, if positive, between the
16 anticipated and actual experience of the retirement system's
17 actuarial assets and liabilities as measured by the system's
18 actuary in the most recent annual actuarial valuation of the
19 retirement system pursuant to rules adopted by the ~~division~~
20 system.
21 Sec. 180. Section 97B.50, subsection 2, paragraph c, Code
22 2003, is amended to read as follows:
23 c. A vested member who terminated service due to a
24 disability, who has been issued payment for a refund pursuant
25 to section 97B.53, and who subsequently commences receiving
26 disability benefits as a result of that disability pursuant to
27 the federal Social Security Act, 42 U.S.C. § 423 et seq. or
28 the federal Railroad Retirement Act, 45 U.S.C. § 231 et seq.,
29 may receive credit for membership service for the period
30 covered by the refund payment, upon repayment to the ~~division~~
31 system of the actuarial cost of receiving service credit for
32 the period covered by the refund payment, as determined by the
33 ~~division~~ system. For purposes of this paragraph, the
34 actuarial cost of the service purchase shall be determined as
35 provided in section 97B.74. The payment to the ~~division~~

1 system as provided in this paragraph shall be made within
2 ninety days after July 1, 2000, or the date federal disability
3 payments commenced, whichever occurs later. For purposes of
4 this paragraph, the date federal disability payments commence
5 shall be the date that the member actually receives the first
6 such payment, regardless of any retroactive payments included
7 in that payment. A member who repurchases service credit
8 under this paragraph and applies for retirement benefits shall
9 have the member's monthly allowance, including retroactive
10 adjustment payments, determined in the same manner as provided
11 in paragraph "a" or "b", as applicable. This paragraph shall
12 not be implemented until the system has received a
13 determination letter from the federal internal revenue service
14 approving the system's plan's qualified status under Internal
15 Revenue Code section 401(a).
16 Sec. 181. Section 97B.64, Code 2003, is amended to read as
17 follows:
18 97B.64 INSURANCE LAWS NOT APPLICABLE.
19 None of the laws of this state regulating insurance or
20 insurance companies shall apply to the ~~division~~ system or to
21 the ~~Iowa public employees'~~ retirement system or any of its
22 funds.
23 Sec. 182. Section 99E.3, subsection 3, Code 2003, is
24 amended to read as follows:
25 3. The commissioner may employ, with the approval of the
26 director, clerks, stenographers, inspectors, agents, and other
27 employees pursuant to chapter ~~19A~~ 8A, article 4, as necessary
28 to carry out this chapter, except as provided in section
29 99E.14. The commissioner may require a background
30 investigation to be conducted in connection with the
31 employment of lottery employees. The board shall define, by
32 rule, the employment categories subject to investigation. The
33 background investigation by the division of criminal
34 investigation of the department of public safety may include a
35 national criminal history record check through the federal

1 bureau of investigation. The screening of lottery employees
2 through the federal bureau of investigation shall be conducted
3 by submission of fingerprints through the state criminal
4 history record repository to the federal bureau of
5 investigation.
6 Sec. 183. Section 99E.14, unnumbered paragraph 1, Code
7 2003, is amended to read as follows:
8 The commissioner shall designate three administrative
9 positions within the division which require specific areas of
10 expertise relating to the operation of the lottery. These
11 three administrative positions are exempt from the merit
12 system provisions of chapter ~~19A~~ 8A, article 4. The
13 commissioner shall designate one of these three administrators
14 to serve as acting commissioner in the commissioner's absence.
15 Sec. 184. Section 103A.6, Code 2003, is amended to read as
16 follows:
17 103A.6 MERIT SYSTEM.
18 Employees of the commissioner, if required by federal
19 statutes, are covered by the merit system provisions of
20 chapter ~~19A~~ 8A, article 4.
21 Sec. 185. Section 123.20, subsection 4, Code 2003, is
22 amended to read as follows:
23 4. To appoint clerks, agents, or other employees required
24 for carrying out the provisions of this chapter; to dismiss
25 employees for cause; to assign employees to bureaus as created
26 by the administrator within the division; and to designate
27 their title, duties, and powers. All employees of the
28 division are subject to chapter ~~19A~~ 8A, article 4, unless
29 exempt under section ~~19A.3~~ 8A.412.
30 Sec. 186. Section 135.2, unnumbered paragraph 1, Code
31 2003, is amended to read as follows:
32 The governor shall appoint the director of the department,
33 subject to confirmation by the senate. The director shall
34 serve at the pleasure of the governor. The director is exempt
35 from the merit system provisions of chapter ~~19A~~ 8A, article 4.

1 The governor shall set the salary of the director within the
2 range established by the general assembly.
3 Sec. 187. Section 135C.16, subsection 1, Code 2003, is
4 amended to read as follows:
5 1. In addition to the inspections required by sections
6 135C.9 and 135C.38, the department shall make or cause to be
7 made such further unannounced inspections as it deems
8 necessary to adequately enforce this chapter. At least one
9 general unannounced inspection shall be conducted for each
10 health care facility within a thirty-month period. The
11 inspector shall show identification to the person in charge of
12 the facility and state that an inspection is to be made before
13 beginning the inspection. An employee of the department who
14 gives unauthorized advance notice of an inspection made or
15 planned to be made under this subsection or section 135C.38
16 shall be disciplined as determined by the director, except
17 that if the employee is employed pursuant to the merit system
18 provisions of chapter ~~19A~~ 8A, article 4, the discipline shall
19 not exceed the discipline authorized pursuant to that ~~chapter~~
20 article.
21 Sec. 188. Section 135C.18, Code 2003, is amended to read
22 as follows:
23 135C.18 EMPLOYEES.
24 The department may employ, pursuant to chapter ~~19A~~ 8A,
25 article 4, such assistants and inspectors as may be necessary
26 to administer and enforce the provisions of this chapter.
27 Sec. 189. Section 137.6, subsection 4, Code 2003, is
28 amended to read as follows:
29 4. Employ persons as necessary for the efficient discharge
30 of its duties. Employment practices shall meet the
31 requirements of chapter ~~19A~~ 8A, article 4, or any civil
32 service provision adopted under chapter 400.
33 Sec. 190. Section 142A.5, subsection 1, paragraph b, Code
34 2003, is amended to read as follows:
35 b. Employ a division administrator who shall be

1 responsible for the administration and oversight of the
2 division. The division administrator shall report to and
3 shall serve at the pleasure of the director. The
4 administrator shall be exempt from the merit system provisions
5 of chapter ~~19A~~ 8A, article 4.
6 Sec. 191. Section 142A.6, subsection 5, Code 2003, is
7 amended to read as follows:
8 5. Procurement of goods and services necessary to
9 implement the initiative is subject to approval of the
10 commission. Notwithstanding chapter ~~18~~ 8A, article 3, or any
11 other provision of law to the contrary, such procurement may
12 be accomplished by the commission under its own competitive
13 bidding process which shall provide for consideration of such
14 factors as price, bidder competence, and expediency in
15 procurement.
16 Sec. 192. Section 147.98, Code 2003, is amended to read as
17 follows:
18 147.98 SECRETARY OF PHARMACY EXAMINERS.
19 The pharmacy examiners shall have the right to employ a
20 full-time secretary, who shall not be a member of the
21 examining board, at such compensation as may be fixed pursuant
22 to chapter ~~19A~~ 8A, article 4, but the provisions of section
23 147.22 providing for a secretary for each examining board
24 shall not apply to the pharmacy examiners.
25 Sec. 193. Section 147.102, Code 2003, is amended to read
26 as follows:
27 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.
28 Notwithstanding the provisions of this subtitle, every
29 application for a license to practice psychology,
30 chiropractic, or dentistry shall be made directly to the
31 chairperson, executive director, or secretary of the examining
32 board of such profession, and every reciprocal agreement for
33 the recognition of any such license issued in another state
34 shall be negotiated by the examining board for such
35 profession. All examination, license, and renewal fees

1 received from persons licensed to practice any of such
2 professions shall be paid to and collected by the chairperson,
3 executive director, or secretary of the examining board of
4 such profession, who shall transmit the fees to the treasurer
5 of state for deposit into the general fund of the state. The
6 salary of the secretary shall be established by the governor
7 with the approval of the executive council pursuant to section
8 ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt
9 positions in the executive branch of government.
10 Sec. 194. Section 147.103, unnumbered paragraph 1, Code
11 2003, is amended to read as follows:
12 The board of physician assistant examiners may appoint
13 investigators, who shall not be members of the examining
14 board, to administer and aid in the enforcement of the
15 provisions of law relating to physician assistants. The
16 amount of compensation for the investigators shall be
17 determined pursuant to chapter ~~19A~~ 8A, article 4.
18 Sec. 195. Section 147.103A, subsections 3 and 4, Code
19 2003, are amended to read as follows:
20 3. The board may appoint investigators, who shall not be
21 members of the examining board, and whose compensation shall
22 be determined pursuant to chapter ~~19A~~ 8A, article 4.
23 Investigators appointed by the board have the powers and
24 status of peace officers when enforcing this chapter and
25 chapters 148, 150, 150A, and 272C.
26 4. Applications for a license shall be made to the chair-
27 person, executive director, or secretary of the board. All
28 examination, license, and renewal fees shall be paid to and
29 collected by the chairperson, executive director, or secretary
30 of the board, who shall transmit the fees to the treasurer of
31 state for deposit in the general fund of the state. The
32 salary of the executive director of the board shall be
33 established by the governor with approval of the executive
34 council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under
35 the pay plan for exempt positions in the executive branch of

1 government.
2 Sec. 196. Section 147.114, Code 2003, is amended to read
3 as follows:
4 147.114 INSPECTOR.
5 An inspector may be appointed by the board of dental
6 examiners pursuant to the provisions of chapter ~~19A~~ 8A,
7 article 4.
8 Sec. 197. Section 152.2, Code 2003, is amended to read as
9 follows:
10 152.2 EXECUTIVE DIRECTOR -- ASSISTANTS.
11 The board shall appoint a full-time executive director. The
12 executive director shall be a registered nurse and shall not
13 be a member of the board. The governor, with the approval of
14 the executive council pursuant to section ~~19A.9~~ 8A.413,
15 subsection 2, under the pay plan for exempt positions in the
16 executive branch of government, shall set the salary of the
17 executive director.
18 Sec. 198. Section 152.3, subsection 6, Code 2003, is
19 amended to read as follows:
20 6. To appoint assistants to the director and persons
21 necessary to administer this ~~Act~~ chapter. Any appointments
22 shall be merit appointments made pursuant to chapter ~~19A~~ 8A,
23 article 4.
24 Sec. 199. Section 152.11, Code 2003, is amended to read as
25 follows:
26 152.11 INVESTIGATORS FOR NURSES.
27 The board of nursing may appoint investigators, who shall
28 not be members of the board, to administer and aid in the
29 enforcement of the provisions of law related to those licensed
30 to practice nursing. The amount of compensation for the
31 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
32 article 4. Investigators authorized by the board of nursing
33 have the powers and status of peace officers when enforcing
34 this chapter and chapters 147 and 272C.
35 Sec. 200. Section 153.33, subsection 2, Code 2003, is

1 amended to read as follows:
2 2. To appoint investigators, who shall not be members of
3 the examining board, to administer and aid in the enforcement
4 of the provisions of law relating to those persons licensed to
5 practice dentistry and dental hygiene, and persons registered
6 as dental assistants. The amount of compensation for the
7 investigators shall be determined pursuant to chapter ~~19A~~ 8A,
8 article 4. Investigators authorized by the board of dental
9 examiners have the powers and status of peace officers when
10 enforcing this chapter and chapters 147 and 272C.
11 Sec. 201. Section 157.7, Code 2003, is amended to read as
12 follows:
13 157.7 INSPECTORS AND CLERICAL ASSISTANTS.
14 The department of inspections and appeals shall employ
15 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
16 perform duties related to inspection functions under this
17 chapter. The department of inspections and appeals shall,
18 when possible, integrate inspection efforts under this chapter
19 with inspections conducted under chapter 158.
20 The Iowa department of public health may employ clerical
21 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
22 administer and enforce this chapter. The costs and expenses
23 of the clerical assistants shall be paid from funds
24 appropriated to the department of public health.
25 Sec. 202. Section 158.6, Code 2003, is amended to read as
26 follows:
27 158.6 INSPECTORS AND CLERICAL ASSISTANTS.
28 The department of inspections and appeals shall employ
29 personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to
30 perform duties related to inspection functions under this
31 chapter. The department of inspections and appeals shall,
32 when possible, integrate inspection efforts under this chapter
33 with inspections conducted under chapter 157.
34 The Iowa department of public health may employ clerical
35 assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to

1 administer and enforce this chapter. The costs and expenses
2 of the clerical assistants shall be paid from funds
3 appropriated to the department of public health.
4 Sec. 203. Section 175.7, subsection 3, Code 2003, is
5 amended to read as follows:
6 3. The executive director shall advise the authority on
7 matters relating to agricultural land and property and
8 agricultural finance, and carry out all directives from the
9 authority, and shall hire and supervise the authority's staff
10 pursuant to its directions and under the merit system
11 provisions of chapter ~~19A~~ 8A, article 4, except that principal
12 administrative assistants with responsibilities in beginning
13 farm loan programs, accounting, mortgage loan processing, and
14 investment portfolio management are exempt from the merit
15 system.
16 Sec. 204. Section 189.2, subsection 4, Code 2003, is
17 amended to read as follows:
18 4. Issue from time to time, bulletins showing the results
19 of inspections, analyses, and prosecutions under this
20 subtitle, excluding chapters 203, 203A, 203C, 203D, 207, and
21 208. These bulletins shall be printed in such numbers as may
22 be approved by the ~~state printing administrator~~ director of
23 the department of administrative services and shall be
24 distributed to the newspapers of the state and to all
25 interested persons.
26 Sec. 205. Section 216A.2, unnumbered paragraph 2, Code
27 2003, is amended to read as follows:
28 The governor shall appoint the administrators of each of
29 the divisions subject to confirmation by the senate. Each
30 administrator shall serve at the pleasure of the governor and
31 is exempt from the merit system provisions of chapter ~~19A~~ 8A,
32 article 4. The governor shall set the salary of the division
33 administrators within the ranges set by the general assembly.
34 Sec. 206. Section 216A.145, Code 2003, is amended to read
35 as follows:

1 216A.145 EMPLOYEES AND RESPONSIBILITY.
2 The administrator shall be the administrative officer of
3 the division and shall be responsible for implementing
4 policies and programs. The administrator may employ, in
5 accordance with chapter ~~19A~~ 8A, article 4, other persons
6 necessary to carry out the programs of the division.
7 Sec. 207. Section 216B.3, subsections 14 and 17, Code
8 2003, are amended to read as follows:
9 14. Purchase and use recycled printing and writing paper
10 in accordance with the schedule established in section ~~18.18~~
11 8A.315; establish a wastepaper recycling program~~,by January~~
12 ~~1,1990,~~ in accordance with the recommendations made by the
13 department of natural resources and requirements of section
14 ~~18.20~~ 8A.329; and, in accordance with section ~~18.6~~ 8A.311,
15 require product content statements and compliance with
16 requirements regarding contract bidding.
17 17. Comply with the requirements for the purchase of
18 lubricating oils, industrial oils, greases, and hydraulic
19 fluids as established pursuant to section ~~18.22~~ 8A.316.
20 Sec. 208. Section 217.23, subsection 1, Code 2003, is
21 amended to read as follows:
22 1. The director of human services or the director's
23 designee, shall employ such personnel as are necessary for the
24 performance of the duties and responsibilities assigned to the
25 department. All employees shall be selected on a basis of
26 fitness for the work to be performed with due regard to
27 training and experience and shall be subject to the provisions
28 of chapter ~~19A~~ 8A, article 4.
29 Sec. 209. Section 217.34, Code 2003, is amended to read as
30 follows:
31 217.34 DEBT SETOFF.
32 The investigations division of the department of
33 inspections and appeals and the department of human services
34 shall provide assistance to set off against a person's or
35 provider's income tax refund or rebate any debt which has

1 accrued through written contract, subrogation, departmental
2 recoupment procedures, or court judgment and which is in the
3 form of a liquidated sum due and owing the department of human
4 services. The department of inspections and appeals, with
5 approval of the department of human services, shall adopt
6 rules under chapter 17A necessary to assist the department of
7 ~~revenue and finance~~ administrative services in the
8 implementation of the setoff under section ~~421.17, subsection~~
9 ~~21~~ 8A.504 in regard to money owed to the state for public
10 assistance overpayments. The department of human services
11 shall adopt rules under chapter 17A necessary to assist the
12 department of ~~revenue and finance~~ administrative services in
13 the implementation of the setoff under section ~~421.17,~~
14 ~~subsection 21~~ 8A.504, in regard to collections by the child
15 support recovery unit and the foster care recovery unit.
16 Sec. 210. Section 218.10, Code 2003, is amended to read as
17 follows:
18 218.10 SUBORDINATE OFFICERS AND EMPLOYEES.
19 The administrator in charge of a particular institution,
20 with the consent and approval of the director of human
21 services, shall determine the number of subordinate officers
22 and employees for the institution. Subject to this chapter,
23 the officers and employees shall be appointed and discharged
24 by the superintendent or business manager pursuant to chapter
25 ~~19A~~ 8A, article 4. The superintendent shall keep, in the
26 record of each subordinate officer and employee, the date of
27 employment, the compensation, and the date of each discharge,
28 and the reasons for discharge.
29 Sec. 211. Section 218.58, subsections 3 and 5, Code 2003,
30 are amended to read as follows:
31 3. The department of ~~general~~ administrative services shall
32 let all contracts under chapter ~~18~~ 8A, article 3, for
33 authorized construction, repair, or improvement of
34 departmental buildings, grounds, or equipment.
35 5. A claim for payment relating to a project shall be

1 itemized on a voucher form pursuant to section ~~421.40~~ 8A.514,
2 certified by the claimant and the architect or engineer in
3 charge, and audited and approved by the department of ~~general~~
4 administrative services. Upon approval by the department of
5 ~~general~~ administrative services, the ~~voucher shall be~~
6 ~~forwarded to the~~ director of ~~revenue and finance, who~~ the
7 department of administrative services shall draw a warrant to
8 be paid by the treasurer of state from funds appropriated for
9 the project. A partial payment made before completion of the
10 project does not constitute final acceptance of the work or a
11 waiver of any defect in the work.
12 Sec. 212. Section 218.85, Code 2003, is amended to read as
13 follows:
14 218.85 UNIFORM SYSTEM OF ACCOUNTS.
15 The director of human services through the administrators
16 in control of the institutions shall install in all the
17 institutions the most modern, complete, and uniform system of
18 accounts, records, and reports possible. The system shall be
19 prescribed by the director of ~~revenue and finance~~ the
20 department of administrative services as authorized in section
21 ~~421.31~~ 8A.502, subsection ~~10~~ 13, and, among other matters,
22 shall clearly show the detailed facts relative to the handling
23 and uses of all purchases.
24 Sec. 213. Section 218.100, Code 2003, is amended to read
25 as follows:
26 218.100 CENTRAL WAREHOUSE AND SUPPLY DEPOT.
27 The department of human services shall establish a fund for
28 maintaining and operating a central warehouse as a supply
29 depot and distribution facility for surplus government
30 products, carload canned goods, paper products, other staples
31 and such other items as determined by the department. The
32 fund shall be permanent and shall be composed of the receipts
33 from the sales of merchandise, recovery of handling, operating
34 and delivery charges of such merchandise and from the funds
35 contributed by the institutions now in a contingent fund being

1 used for this purpose. All claims for purchases of
2 merchandise, operating and salary expenses shall be subject to
3 the provisions of sections 218.86 to ~~218.89~~ 218.88.
4 Sec. 214. Section 231.22, unnumbered paragraph 1, Code
5 2003, is amended to read as follows:
6 The governor, subject to confirmation by the senate, shall
7 appoint a director of the department of elder affairs who
8 shall, subject to chapter ~~19A~~ 8A, article 4, employ and direct
9 staff as necessary to carry out the powers and duties created
10 by this chapter. The director shall serve at the pleasure of
11 the governor. However, the director is subject to
12 reconfirmation by the senate as provided in section 2.32,
13 subsection 8. The governor shall set the salary for the
14 director within the range set by the general assembly.
15 Sec. 215. Section 231.58, subsection 4, paragraph d, Code
16 2003, is amended to read as follows:
17 d. Develop procedures for coordination at the local and
18 state level among the providers of long-term care, including
19 when possible co-campusing of services. The director of the
20 department of ~~general~~ administrative services shall give
21 particular attention to this section when arranging for office
22 space pursuant to section ~~18.12~~ 8A.321 for these three
23 departments.
24 Sec. 216. Section 234.8, Code 2003, is amended to read as
25 follows:
26 234.8 FEES FOR CHILD WELFARE SERVICES.
27 The department of human services may charge a fee for child
28 welfare services to a person liable for the cost of the
29 services. The fee shall not exceed the reasonable cost of the
30 services. The fee shall be based upon the person's ability to
31 pay and consideration of the fee's impact upon the liable
32 person's family and the goals identified in the case
33 permanency plan. The department may assess the liable person
34 for the fee and the means of recovery shall include a setoff
35 against an amount owed by a state agency to the person

1 assessed pursuant to section ~~421.17, subsection 29~~ 8A.504. In
2 addition the department may establish an administrative
3 process to recover the assessment through automatic income
4 withholding. The department shall adopt rules pursuant to
5 chapter 17A to implement the provisions of this section. This
6 section does not apply to court-ordered services provided to
7 juveniles which are a charge upon the state pursuant to
8 section 232.141 and services for which the department has
9 established a support obligation pursuant to section 234.39.
10 Sec. 217. Section 235A.15, subsection 5, Code 2003, is
11 amended to read as follows:
12 5. Access to disposition data subject to placement in the
13 central registry pursuant to section 232.71D is authorized to
14 the department of personnel or to the personnel office of a
15 public employer, as defined in section 20.3, as necessary for
16 presentation in grievance or arbitration procedures provided
17 for in sections ~~19A.14~~ 8A.415 and 20.18. Disposition data
18 introduced into a grievance or arbitration proceeding shall
19 not be considered a part of the public record of a case.
20 Sec. 218. Section 236.15B, unnumbered paragraph 5, Code
21 2003, is amended to read as follows:
22 The department of ~~revenue and finance~~ administrative
23 services shall consult the crime victim assistance board
24 concerning the adoption of rules to implement this section.
25 However, before a checkoff pursuant to this section shall be
26 permitted, all liabilities on the books of the department of
27 ~~revenue and finance~~ administrative services and accounts
28 identified as owing under section ~~421.17~~ 8A.504 and the
29 political contribution allowed under section 56.18 shall be
30 satisfied.
31 Sec. 219. Section 252B.5, subsection 4, Code 2003, is
32 amended to read as follows:
33 4. Assistance to set off against a debtor's income tax
34 refund or rebate any support debt, which is assigned to the
35 department of human services or which the child support

1 recovery unit is attempting to collect on behalf of any
2 individual not eligible as a public assistance recipient,
3 which has accrued through written contract, subrogation, or
4 court judgment, and which is in the form of a liquidated sum
5 due and owing for the care, support, or maintenance of a
6 child. Unless the periodic payment plan provisions for a
7 retroactive modification pursuant to section 598.21,
8 subsection 8, apply, the entire amount of a judgment for
9 accrued support, notwithstanding compliance with a periodic
10 payment plan or regardless of the date of entry of the
11 judgment, is due and owing as of the date of entry of the
12 judgment and is delinquent for the purposes of setoff,
13 including for setoff against a debtor's federal income tax
14 refund or other federal nontax payment. The department of
15 human services shall adopt rules pursuant to chapter 17A
16 necessary to assist the department of ~~revenue and finance~~
17 administrative services in the implementation of the child
18 support setoff as established under section ~~421.17, subsection~~
19 ~~21~~ 8A.504.
20 Sec. 220. Section 252B.5, subsection 8, Code 2003, is
21 amended to read as follows:
22 8. a. Assistance, in consultation with the department of
23 ~~revenue and finance~~ administrative services, in identifying
24 and taking action against self-employed individuals as
25 identified by the following conditions:
26 (1) The individual owes support pursuant to a court or
27 administrative order being enforced by the unit and is
28 delinquent in an amount equal to or greater than the support
29 obligation amount assessed for one month.
30 (2) The individual has filed a state income tax return in
31 the preceding twelve months.
32 (3) The individual has no reported tax withholding amount
33 on the most recent state income tax return.
34 (4) The individual has failed to enter into or comply with
35 a formalized repayment plan with the unit.

1 (5) The individual has failed to make either all current
2 support payments in accordance with the court or
3 administrative order or to make payments against any
4 delinquency in each of the preceding twelve months.
5 b. Notwithstanding section 252B.9, the unit may forward
6 information to the department of ~~revenue-and-finance~~
7 administrative services as necessary to implement this
8 subsection, including but not limited to both of the
9 following:
10 (1) The name and social security number of the individual.
11 (2) Support obligation information in the specific case,
12 including the amount of the delinquency.
13 Sec. 221. Section 255.27, Code 2003, is amended to read as
14 follows:
15 255.27 FACULTY TO PREPARE BLANKS -- PRINTING.
16 The medical faculty of the state university hospital shall
17 from time to time prepare blanks containing questions and
18 requiring information that it finds necessary and proper to be
19 obtained by the physician who examines a patient under order
20 of court. The blanks shall be printed by the state, and a
21 sufficient supply shall be furnished by the ~~state-printing~~
22 ~~administrator~~ director of the department of administrative
23 services to the clerk of each juvenile court in the state.
24 The cost of printing the blanks shall be audited, allowed, and
25 paid in the same manner as other bills for public printing.
26 Sec. 222. Section 256.9, subsection 4, Code 2003, is
27 amended to read as follows:
28 4. Employ personnel and assign duties and responsibilities
29 of the department. The director shall appoint a deputy
30 director and division administrators deemed necessary. They
31 shall be appointed on the basis of their professional
32 qualifications, experience in administration, and background.
33 Members of the professional staff are not subject to the merit
34 system provisions of chapter ~~19A~~ 8A, article 4, and are
35 subject to section 256.10.

1 Sec. 223. Section 256.52, subsection 3, paragraph d, Code
2 2003, is amended to read as follows:
3 d. Appoint and approve the technical, professional,
4 excepting the medical librarian and the law librarian,
5 secretarial, and clerical staff necessary to accomplish the
6 purposes of the division subject to chapter ~~19A~~ 8A, article 4.
7 Sec. 224. Section 256.54, subsection 1, unnumbered
8 paragraph 1, Code 2003, is amended to read as follows:
9 The medical library shall be administered by a medical
10 librarian, appointed by the director subject to chapter ~~19A~~
11 8A, article 4, who shall do all of the following:
12 Sec. 225. Section 256.54, subsection 2, unnumbered
13 paragraph 1, Code 2003, is amended to read as follows:
14 The law library shall be administered by a law librarian
15 appointed by the director subject to chapter ~~19A~~ 8A, article
16 4, who shall do all of the following:
17 Sec. 226. Section 257C.6, subsection 11, Code 2003, is
18 amended to read as follows:
19 11. The authority is exempt from chapter ~~18~~ 8A, article 3.
20 Sec. 227. Section 260C.19B, Code 2003, is amended to read
21 as follows:
22 260C.19B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
23 AND OTHER INDUSTRIAL LUBRICANTS.
24 Hydraulic fluids, greases, and other industrial lubricants
25 purchased by or used under the direction of the board of
26 directors to provide services to a merged area shall be
27 purchased in compliance with the preference requirements for
28 purchasing bio-based hydraulic fluids, greases, and other
29 industrial lubricants as provided pursuant to section ~~18.22~~
30 8A.316.
31 Sec. 228. Section 261.37, subsection 7, Code 2003, is
32 amended to read as follows:
33 7. To establish an effective system for the collection of
34 delinquent loans, including the adoption of an agreement with
35 the ~~Iowa~~ department of ~~revenue and finance~~ administrative

1 services to set off against a defaulter's income tax refund or
2 rebate the amount that is due because of a default on a
3 guaranteed or parental loan made under this division. The
4 commission shall adopt rules under chapter 17A necessary to
5 assist the department of ~~revenue-and-finance~~ administrative
6 services in the implementation of the student loan setoff
7 program as established under section ~~421.17,-subsection-23~~
8 8A.504.
9 Sec. 229. Section 261A.6, subsection 10, Code 2003, is
10 amended to read as follows:
11 10. All employees of the authority are exempt from
12 ~~chapters-19A~~ chapter 8A, article 4, and chapter 97B.
13 Sec. 230. Section 262.9, subsection 6, Code 2003, is
14 amended to read as follows:
15 6. Purchase and use recycled printing and writing paper,
16 with the exception of specialized paper when no recyclable
17 product is available, in accordance with the schedule
18 established in section ~~18.18~~ 8A.315; establish a wastepaper
19 recycling program for all institutions governed by the board
20 in accordance with recommendations made by the department of
21 natural resources and the requirements of section ~~18.20~~
22 8A.329; shall, in accordance with the requirements of section
23 ~~18.6~~ 8A.311, require product content statements and compliance
24 with requirements regarding procurement specifications; and
25 shall comply with the requirements for the purchase of
26 lubricating oils and industrial oils as established pursuant
27 to section ~~18.22~~ 8A.316.
28 Sec. 231. Section 262.25A, subsection 1, Code 2003, is
29 amended to read as follows:
30 1. Institutions under the control of the state board of
31 regents shall purchase only new automobiles which have at
32 least the fuel economy required for purchase of new
33 automobiles by the ~~state-fleet-administrator~~ director of the
34 department of administrative services under section ~~18.115~~
35 8A.362, subsection 4. This subsection does not apply to

1 automobiles purchased for law enforcement purposes.
2 Sec. 232. Section 262.25B, Code 2003, is amended to read
3 as follows:
4 262.25B PURCHASE OF BIO-BASED HYDRAULIC FLUIDS, GREASES,
5 AND OTHER INDUSTRIAL LUBRICANTS.
6 The state board of regents and institutions under the
7 control of the board purchasing hydraulic fluids, greases, and
8 other industrial lubricants shall give preference to
9 purchasing bio-based hydraulic fluids, greases, and other
10 industrial lubricants as provided in section ~~18.22~~ 8A.316.
11 Sec. 233. Section 272C.7, subsection 1, Code 2003, is
12 amended to read as follows:
13 1. As an alternative to authority contained elsewhere in
14 this chapter, a licensing board may employ within the limits
15 of available funds an executive secretary, one or more
16 inspectors, and such clerical personnel as may be necessary
17 for the administration of the duties of the board. Employees
18 of the board shall be employed subject to chapter ~~19A~~ 8A,
19 article 4. The qualifications of the executive secretary
20 shall be determined by the board.
21 Sec. 234. Section 298.14, Code 2003, is amended to read as
22 follows:
23 298.14 SCHOOL DISTRICT INCOME SURTAXES.
24 For each fiscal year, the cumulative total of the percents
25 of surtax approved by the board of directors of a school
26 district and collected by the department of revenue ~~and~~
27 ~~finance~~ under sections 257.21, 257.29, and 298.2, and the
28 enrichment surtax under section 442.15, Code 1989, and an
29 income surtax collected by a political subdivision under
30 chapter 422D, shall not exceed twenty percent.
31 A school district income surtax fund is created in the
32 office of treasurer of state. Income surtaxes collected by
33 the department of revenue ~~and finance~~ under sections 257.21,
34 257.29, and 298.2 and section 442.15, Code 1989, shall be
35 deposited in the school district income surtax fund to the

1 credit of each school district. A separate accounting of each
2 surtax, by school district, shall be maintained.
3 The director of ~~revenue and finance~~ the department of
4 administrative services shall draw warrants in payment of the
5 surtaxes collected in each school district. Warrants shall be
6 payable in two installments to be paid on approximately the
7 first day of December and the first day of February following
8 collection of the taxes and shall be delivered to the
9 respective school districts.
10 Sec. 235. Section 303.1A, subsection 5, Code 2003, is
11 amended to read as follows:
12 5. Appoint and approve the technical, professional,
13 secretarial, and clerical staff necessary to accomplish the
14 purposes of the department subject to chapter ~~19A~~ 8A, article
15 4.
16 Sec. 236. Section 303.2, subsection 2, paragraph i, Code
17 2003, is amended to read as follows:
18 i. Buy or receive by other means historical materials
19 including, but not limited to, artifacts, art, books,
20 manuscripts, and images. Such materials are not personal
21 property under ~~section 18.12~~ sections 8A.321 and 8A.324 and
22 shall be received and cared for under the rules of the
23 department. The historical division may sell or otherwise
24 dispose of those materials according to the rules of the
25 department and be credited for any revenues credited by the
26 disposal less the costs incurred.
27 Sec. 237. Section 303.9, subsection 2, Code 2003, is
28 amended to read as follows:
29 2. The department may sell mementos and other items
30 relating to Iowa history and historic sites on the premises of
31 property under control of the department and at the state
32 capitol. Notwithstanding sections ~~18.12~~ 8A.321 and ~~18.16~~
33 8A.327, the department may directly and independently enter
34 into rental and lease agreements with private vendors for the
35 purpose of selling mementos. All fees and income produced by

1 the sales and rental or lease agreements shall be credited to
2 the account of the department. The mementos and other items
3 sold by the department or vendors under this subsection are
4 exempt from section ~~18.6~~ 8A.311. The department is not a
5 retailer under chapter 422 and the sale of such mementos and
6 other items by the department is not a retail sale under
7 chapter 422 and is exempt from the sales tax.
8 Sec. 238. Section 304.3, subsections 8 and 9, Code 2003,
9 are amended to read as follows:
10 8. The director of the department of ~~general~~
11 administrative services.
12 ~~9.--The director of the information technology department.~~
13 Sec. 239. Section 307.12, subsection 2, Code 2003, is
14 amended to read as follows:
15 2. Employ personnel as necessary to carry out the duties
16 and responsibilities of the department, consistent with
17 chapter ~~19A~~ 8A, article 4.
18 Sec. 240. Section 307.12, unnumbered paragraph 2, Code
19 2003, is amended to read as follows:
20 If in the interest of the state, the director may allow a
21 subsistence expense to an employee under the supervision of
22 the department's administrator for highways for continuous
23 stay in one location while on duty away from established head-
24 quarters and place of domicile for a period not to exceed
25 forty-five days; and allow automobile expenses in accordance
26 with section ~~18.117~~ 8A.363, for moving an employee and the
27 employee's family from place of present domicile to new
28 domicile, and actual transportation expense for moving of
29 household goods. The household goods for which transportation
30 expense is allowed shall not include pets or animals.
31 Sec. 241. Section 307.21, subsection 4, paragraphs a and
32 b, Code 2003, are amended to read as follows:
33 a. Provide centralized purchasing services for the
34 department, in cooperation with the department of general
35 services. The administrator shall, when the price is

reasonably competitive and the quality as intended, purchase soybean-based inks and plastic products with recycled content, including but not limited to plastic garbage can liners, and shall purchase these items in accordance with the schedule established in section ~~18.18~~ 8A.315. However, the administrator need not purchase garbage can liners in accordance with the schedule if the liners are utilized by a facility approved by the environmental protection commission created under section 455A.6, for purposes of recycling. For purposes of this subsection, "recycled content" means that the content of the product contains a minimum of thirty percent postconsumer material.

b. The administrator shall do all of the following:

(1) Purchase and use recycled printing and writing paper in accordance with the schedule established in section ~~18.18~~ 8A.315.

(2) Establish a wastepaper recycling program ~~by January 1, 1990,~~ in accordance with recommendations made by the department of natural resources and the requirements of section ~~18.20~~ 8A.329.

(3) Require in accordance with section ~~18.6~~ 8A.311 product content statements and compliance with requirements regarding procurement specifications.

(4) Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section ~~18.22~~ 8A.316.

Sec. 242. Section 307.21, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The administrator of administrative services may purchase items from the department of ~~general~~ administrative services and may cooperate with the director of ~~general~~ the department of administrative services by providing ~~centralized~~ purchasing services for the department of ~~general~~ administrative services.

Sec. 243. Section 313.4, subsection 3, Code 2003, is

1 amended to read as follows:
2 3. There is appropriated from funds appropriated to the
3 department which would otherwise revert to the primary road
4 fund pursuant to the provisions of the Act appropriating the
5 funds or chapter 8, an amount sufficient to pay the increase
6 in salaries, which increase is not otherwise provided for by
7 the general assembly in an appropriation bill, resulting from
8 the annual review of the merit pay plan as provided in
9 ~~subsection 2 of~~ section ~~19A.9~~ 8A.413, subsection 2. The
10 appropriation herein provided shall be in effect from the
11 effective date of the revised pay plan to the end of the
12 fiscal biennium in which it becomes effective.
13 Sec. 244. Section 321.19, subsection 1, unnumbered
14 paragraph 2, Code 2003, is amended to read as follows:
15 The department shall furnish, on application, free of
16 charge, distinguishing plates for vehicles thus exempted,
17 which plates except plates on Iowa state patrol vehicles shall
18 bear the word "official" and the department shall keep a
19 separate record. Registration plates issued for Iowa state
20 patrol vehicles, except unmarked patrol vehicles, shall bear
21 two red stars on a yellow background, one before and one
22 following the registration number on the plate, which
23 registration number shall be the officer's badge number.
24 Registration plates issued for county sheriff's patrol
25 vehicles shall display one seven-pointed gold star followed by
26 the letter "S" and the call number of the vehicle. However,
27 the director of ~~general~~ the department of administrative
28 services or the director of transportation may order the
29 issuance of regular registration plates for any exempted
30 vehicle used by peace officers in the enforcement of the law,
31 persons enforcing chapter 124 and other laws relating to
32 controlled substances, persons in the department of justice,
33 the alcoholic beverages division of the department of
34 commerce, disease investigators of the Iowa department of
35 public health, the department of inspections and appeals, and

1 the department of revenue ~~and finance~~, who are regularly
2 assigned to conduct investigations which cannot reasonably be
3 conducted with a vehicle displaying "official" state
4 registration plates, persons in the lottery division of the
5 department of revenue and finance whose regularly assigned
6 duties relating to security or the carrying of lottery tickets
7 cannot reasonably be conducted with a vehicle displaying
8 "official" registration plates, and persons in the department
9 of economic development who are regularly assigned duties
10 relating to existing industry expansion or business
11 attraction. For purposes of sale of exempted vehicles, the
12 exempted governmental body, upon the sale of the exempted
13 vehicle, may issue for in-transit purposes a pasteboard card
14 bearing the words "Vehicle in Transit", the name of the
15 official body from which the vehicle was purchased, together
16 with the date of the purchase plainly marked in at least one-
17 inch letters, and other information required by the
18 department. The in-transit card is valid for use only within
19 forty-eight hours after the purchase date as indicated on the
20 bill of sale which shall be carried by the driver.
21 Sec. 245. Section 321.30, subsection 13, Code 2003, is
22 amended to read as follows:
23 13. The department or the county treasurer knows that an
24 applicant for renewal of a registration has a delinquent
25 account, charge, fee, loan, taxes, or other indebtedness owed
26 to or being collected by the state, from information received
27 pursuant to ~~section~~ sections 421.17 and 8A.504. An applicant
28 may contest this action by requesting a contested case
29 proceeding from the agency that referred the debt for
30 collection pursuant to section ~~421.17~~ 8A.504. This subsection
31 shall apply only to a renewal of registration and shall not
32 apply to the issuance of an original registration or to the
33 issuance of a certificate of title.
34 Sec. 246. Section 321.31, subsection 1, unnumbered
35 paragraph 3, Code 2003, is amended to read as follows:

The director shall maintain a records system of delinquent accounts owed to the state using information provided through the computerized data bank established in section 421.17. The department and county treasurers shall use the information maintained in the records system to determine if applicants for renewal of registration have delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to or being collected by the state as provided pursuant to section ~~421.17~~ 8A.504. The director, the director of the department of administrative services, and the director of revenue ~~and finance~~ shall establish procedures for updating the delinquent accounts records to add and remove accounts, as applicable.

Sec. 247. Section 321.35, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The department shall not enter into any contract requiring an expenditure of at least five hundred thousand dollars for the manufacture of motor vehicle registration plates to be reissued to owners under this chapter unless competitive bidding procedures as provided in chapter ~~18~~ 8A, article 3, are followed.

Sec. 248. Section 321.40, unnumbered paragraph 6, Code 2003, is amended to read as follows:

The county treasurer shall refuse to renew the registration of a vehicle registered to the applicant if the county treasurer knows that the applicant has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state, from information provided pursuant to ~~section~~ sections 8A.504 and 421.17. An applicant may contest this action by requesting a contested case proceeding from the agency that referred the debt for collection pursuant to section ~~421.17~~ 8A.504.

Sec. 249. Section 321.149, Code 2003, is amended to read as follows:

321.149 BLANKS.

The department shall not later than November 15 of each

1 year prepare and furnish the treasurer of each county all
2 blank books, blank forms, and all supplies required for the
3 administration of this chapter, including applications for
4 registration and transfer of vehicles, quintuple receipts, and
5 original remittance sheets to be used in remitting fees to the
6 department, in such form as the department may prescribe.
7 Contracts for the blank books, blank forms, and supplies shall
8 be awarded by the ~~state printing administrator~~ director of the
9 department of administrative services to persons, firms,
10 partnerships, or corporations engaged in the business of
11 printing in Iowa unless, or through them, the persons, firms,
12 partnerships or corporations cannot provide the required
13 printing set forth in this section. In lieu of purchasing
14 under competitive bids the ~~state printing administrator~~
15 director of the department of administrative services shall
16 have authority to arrange with the director of the department
17 of corrections to furnish the supplies as can be made in the
18 state institutions.
19 Sec. 250. Section 321.210B, Code 2003, is amended to read
20 as follows:
21 321.210B NONRENEWAL OR SUSPENSION FOR FAILURE TO PAY
22 INDEBTEDNESS OWED TO THE STATE.
23 The department shall suspend or refuse to renew the
24 driver's license of a person who has a delinquent account owed
25 to the state according to records provided by the department
26 of revenue ~~and finance~~ pursuant to section 421.17. A license
27 shall be suspended or shall not be renewed until such time as
28 the department of ~~revenue and finance~~ administrative services
29 notifies the state department of transportation that the
30 licensee has made arrangements for payment of the debt with
31 the agency which is owed or is collecting the debt. This
32 section is only applicable to those persons residing in a
33 county which is participating in the driver's license
34 indebtedness clearance pilot project.
35 Sec. 251. Section 331.502, subsection 3, Code 2003, is

1 amended by striking the subsection.
2 Sec. 252. Section 331.552, subsection 5, Code 2003, is
3 amended to read as follows:
4 5. Account for, report, and pay into the state treasury
5 any money, property, or securities received on behalf of the
6 state as provided in sections ~~421.32~~ 8A.506 to ~~421.34~~ 8A.508.
7 Sec. 253. Section 405A.10, Code 2003, is amended to read
8 as follows:
9 405A.10 FRANCHISE TAX REVENUE ALLOCATION.
10 For the fiscal year beginning July 1, 1997, and each
11 subsequent fiscal year, there is appropriated from the general
12 fund of the state to the department of revenue and finance the
13 sum of eight million eight hundred thousand dollars which
14 shall be paid quarterly on warrants by the director of the
15 department of administrative services as allocated pursuant to
16 section 422.65.
17 Sec. 254. Section 421.17, subsections 21, 23, 24, 25, 26,
18 28, 29, 30, and 33, Code 2003, are amended by striking the
19 subsections.
20 Sec. 255. Section 422.12A, subsection 2, Code 2003, is
21 amended to read as follows:
22 2. The director of revenue ~~and finance~~ shall draft the
23 income tax form to allow the designation of contributions to
24 the keep Iowa beautiful fund on the tax return. The
25 department of revenue ~~and finance~~, on or before January 31,
26 shall certify the total amount designated on the tax return
27 forms due in the preceding calendar year and shall report the
28 amount to the treasurer of state. The treasurer of state
29 shall credit the amount to the keep Iowa beautiful fund.
30 However, before a checkoff pursuant to this section shall be
31 permitted, all liabilities on the books of the department of
32 revenue ~~and finance~~ and accounts identified as owing under
33 section 421.17 and the political contribution allowed under
34 section 56.18 shall be satisfied.
35 Sec. 256. Section 422.20, subsection 3, unnumbered

1 paragraph 1, Code 2003, is amended to read as follows:
2 Unless otherwise expressly permitted by section 8A.504,
3 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,-25,-29,~~ and 32,
4 sections 252B.9, 421.19, 421.28, 422.72, and 452A.63, and this
5 section, a tax return, return information, or investigative or
6 audit information shall not be divulged to any person or
7 entity, other than the taxpayer, the department, or internal
8 revenue service for use in a matter unrelated to tax
9 administration.
10 Sec. 257. Section 422.72, subsection 3, unnumbered
11 paragraph 1, Code 2003, is amended to read as follows:
12 Unless otherwise expressly permitted by section 8A.504,
13 section 421.17, subsections ~~21,~~ 22, 22A, ~~23,-25,-29,~~ and 32,
14 sections 252B.9, 421.19, 421.28, 422.20, and 452A.63, and this
15 section, a tax return, return information, or investigative or
16 audit information shall not be divulged to any person or
17 entity, other than the taxpayer, the department, or internal
18 revenue service for use in a matter unrelated to tax
19 administration.
20 Sec. 258. Section 425.1, subsection 1, Code 2003, is
21 amended to read as follows:
22 1. A homestead credit fund is created. There is
23 appropriated annually from the general fund of the state to
24 the department of revenue ~~and finance~~ to be credited to the
25 homestead credit fund, an amount sufficient to implement this
26 chapter.
27 The director of ~~revenue and finance~~ the department of
28 administrative services shall issue warrants on the homestead
29 credit fund payable to the county treasurers of the several
30 counties of the state under this chapter.
31 Sec. 259. Section 432.13, unnumbered paragraph 2, Code
32 2003, is amended to read as follows:
33 Premiums received for benefits acquired by the department
34 of ~~personnel~~ administrative services on behalf of state
35 employees pursuant to section ~~19A.1~~ 8A.402, subsection ~~2~~ 1,

1 are exempt from premium tax.
2 Sec. 260. Section 450.84, Code 2003, is amended to read as
3 follows:
4 450.84 COSTS CHARGED AGAINST ESTATE -- EXCEPTIONS.
5 If an estate or interest in an estate passes so as to be
6 liable to taxation under this chapter, all costs of the
7 proceedings for the assessment of the tax are chargeable to
8 the estate as other costs in probate proceedings and, to
9 discharge the lien, all costs as well as the taxes must be
10 paid. In all other cases the costs are to be paid as ordered
11 by the court. When a decision adverse to the state has been
12 rendered, with an order that the state pay the costs, the
13 clerk of the court in which the action was pending shall
14 certify the amount of the costs to the director of revenue **and**
15 ~~**finance**~~, who shall, if the costs are correctly certified and
16 the case has been finally terminated and the tax, if any is
17 due, has been paid, audit the claim and direct the department
18 of administrative services to issue a warrant on the treasurer
19 of state in payment of the costs.
20 Sec. 261. Section 452A.77, unnumbered paragraph 1, Code
21 2003, is amended to read as follows:
22 All fees, taxes, interest and penalties imposed under this
23 chapter must be paid to the department of revenue ~~**and-finance**~~
24 or the state department of transportation, whichever is
25 responsible for the collection. The appropriate state agency
26 shall transmit each payment daily to the treasurer of state.
27 Such payments shall be deposited by the treasurer of state in
28 a fund, hereby created, within the state treasury which shall
29 be known as the "motor fuel tax fund," the net proceeds of
30 which fund, after deductions by lawful transfers and refunds,
31 shall be known as the "motor vehicle fuel tax fund". The
32 department of revenue ~~**and-finance**~~ and the state department of
33 transportation shall certify monthly to the director of
34 ~~**revenue-and-finance**~~ the department of administrative services
35 amounts of refunds of tax approved during each month, and the

1 director of ~~revenue-and-finance~~ the department of
2 administrative services shall draw warrants in such amounts on
3 the motor fuel tax fund and transmit them. There is hereby
4 appropriated out of the money received under the provisions of
5 this chapter and deposited in the motor fuel tax fund
6 sufficient funds to pay such refunds as may be authorized in
7 this chapter.
8 Sec. 262. Section 455A.4, subsection 1, paragraph e, Code
9 2003, is amended to read as follows:
10 e. Employ personnel as necessary to carry out the
11 functions vested in the department consistent with chapter ~~19A~~
12 8A, article 4, unless the positions are exempt from that
13 ~~chapter~~ article.
14 Sec. 263. Section 455G.3, subsection 5, Code 2003, is
15 amended to read as follows:
16 5. For purposes of payment of refunds of the environmental
17 protection charge under section 424.15 by the department of
18 revenue ~~and-finance~~, the treasurer of state shall allocate to
19 the department of ~~revenue-and-finance~~ administrative services
20 the total amount budgeted by the fund's board for
21 environmental protection charge refunds. Any unused funds
22 shall be remitted to the treasurer of state.
23 Sec. 264. Section 459.505, subsection 2, paragraph b, Code
24 2003, is amended to read as follows:
25 b. Obtain a lower fixed amount bid for the work from
26 another qualified person, other than a governmental entity,
27 and pay the amount of the claim required in this section,
28 based on the fixed amount in this bid upon completion of the
29 work. The department is not required to comply with section
30 ~~18.6~~ 8A.311 in implementing this section.
31 Sec. 265. Section 474.1, unnumbered paragraph 2, Code
32 2003, is amended to read as follows:
33 The utilities board shall organize by appointing an
34 executive secretary, who shall take the same oath as the
35 members. The board shall set the salary of the executive

1 secretary within the limits of the pay plan for exempt
2 positions provided for in section ~~19A.9~~ 8A.413, subsection 2,
3 unless otherwise provided by the general assembly. The board
4 may employ additional personnel as it finds necessary.
5 Subject to confirmation by the senate, the governor shall
6 appoint a member as the chairperson of the board. The
7 chairperson shall be the administrator of the utilities
8 division. The appointment as chairperson shall be for a two-
9 year term which begins and ends as provided in section 69.19.
10 Sec. 266. Section 474.10, Code 2003, is amended to read as
11 follows:
12 474.10 GENERAL COUNSEL.
13 The board shall employ a competent attorney to serve as its
14 general counsel, and assistants to the general counsel as it
15 finds necessary for the full and efficient discharge of its
16 duties. The general counsel is the attorney for, and legal
17 advisor of, the board and is exempt from the merit system
18 provisions of chapter ~~19A~~ 8A, article 4. Assistants to the
19 general counsel are subject to the merit system provisions of
20 chapter ~~19A~~ 8A, article 4. The general counsel or an
21 assistant to the general counsel shall provide the necessary
22 legal advice to the board in all matters and represent the
23 board in all actions instituted in a state or federal court
24 challenging the validity of a rule or order of the board. The
25 existence of a fact which disqualifies a person from election
26 or from acting as a utilities board member disqualifies the
27 person from employment as general counsel or assistant general
28 counsel. The general counsel shall devote full time to the
29 duties of the office. During employment the counsel shall not
30 be a member of a political committee, contribute to a
31 political campaign fund other than through the income tax
32 checkoff for contributions to the Iowa election campaign fund
33 and the presidential election campaign fund, participate in a
34 political campaign, or be a candidate for a political office.
35 Sec. 267. Section 475A.3, subsection 2, Code 2003, is

1 amended to read as follows:
2 2. EMPLOYEES. The consumer advocate may employ attorneys,
3 legal assistants, secretaries, clerks, and other employees the
4 consumer advocate finds necessary for the full and efficient
5 discharge of the duties and responsibilities of the office.
6 The consumer advocate may employ consultants as expert
7 witnesses or technical advisors pursuant to contract as the
8 consumer advocate finds necessary for the full and efficient
9 discharge of the duties of the office. Employees of the
10 consumer advocate division, other than the consumer advocate,
11 are subject to merit employment, except as provided in section
12 ~~19A.3~~ 8A.412.
13 Sec. 268. Section 502.601, subsection 1, Code 2003, is
14 amended to read as follows:
15 1. This chapter shall be administered by the commissioner
16 of insurance of the state of Iowa. The administrator shall
17 appoint a deputy administrator who shall be exempt from the
18 merit system provided for in chapter ~~19A~~ 8A, article 4. The
19 deputy administrator is the principal operations officer of
20 the securities bureau and is responsible to the administrator
21 for the routine administration of the chapter and the
22 management of the securities bureau. In the absence of the
23 administrator, whether because of vacancy in the office, by
24 reason of absence, physical disability, or other cause, the
25 deputy administrator shall be the acting administrator and
26 shall, for the time being, have and exercise the authority
27 conferred upon the administrator. The administrator may by
28 order from time to time delegate to the deputy administrator
29 any or all of the functions assigned to the administrator in
30 this chapter. The administrator shall employ officers,
31 attorneys, accountants, and other employees as needed for the
32 administration of the chapter.
33 Sec. 269. Section 505.4, unnumbered paragraph 2, Code
34 2003, is amended to read as follows:
35 The commissioner may appoint a deputy commissioner for

supervision whom the commissioner may appoint as supervisory or special deputy pursuant to chapter 507C and who shall perform such other duties as may be assigned by the commissioner. The deputy commissioner for supervision shall receive a salary to be fixed by the commissioner. The deputy commissioner for supervision shall be ~~an~~ exempt ~~employee~~ from the merit system provisions of chapter 8A, article 4, under section ~~19A.3~~ 8A.412, subsection 17.

Sec. 270. Section 507.5, Code 2003, is amended to read as follows:

507.5 CHIEF EXAMINER.

The commissioner may appoint a chief examiner who shall supervise insurance company examinations and perform such other duties as may be assigned by the commissioner. The chief examiner shall receive a salary to be fixed by the commissioner. The chief examiner shall be ~~an~~ exempt ~~employee~~ from the merit system provisions of chapter 8A, article 4, under section ~~19A.3~~ 8A.412, subsection 17.

Sec. 271. Section 602.1204, subsection 3, Code 2003, is amended to read as follows:

3. The supreme court shall compile and publish all procedures and directives relating to the supervision and administration of the internal affairs of the judicial branch, and shall distribute a copy of the compilation and all amendments to each operating component of the judicial branch. ~~Copies also shall be distributed to agencies referred to in section 18.97 upon request.~~

Sec. 272. Section 602.8102, subsection 58A, Code 2003, is amended to read as follows:

58A. Assist the department of ~~revenue and finance~~ administrative services in setting off against debtors' income tax refunds or rebates under section ~~421.17, subsection 25~~ 8A.504, debts which are due, owing, and payable to the clerk of the district court as criminal fines, civil penalties, surcharges, or court costs.

1 Sec. 273. Section 602.8107, subsection 4, unnumbered
2 paragraph 2, Code 2003, is amended to read as follows:
3 This subsection does not apply to amounts collected for
4 victim restitution, the victim compensation fund, criminal
5 penalty surcharge, law enforcement initiative surcharge,
6 amounts collected as a result of procedures initiated under
7 subsection 5 or under section ~~421.17, subsection 25~~ 8A.504, or
8 sheriff's room and board fees.
9 Sec. 274. Section 618.11, Code 2003, is amended to read as
10 follows:
11 618.11 FEES FOR PUBLICATION.
12 The compensation, when not otherwise fixed, for the
13 publication in a newspaper of any notice, order, citation, or
14 other publication required or allowed by law shall be at a
15 rate of thirty-four cents for one insertion and twenty-three
16 cents for each subsequent insertion for each line of eight
17 point type two inches in length, or its equivalent. Beginning
18 June 1, 2001, and each June 1 thereafter, the ~~state printing~~
19 ~~administrator~~ director of the department of administrative
20 services shall calculate a new rate for the following fiscal
21 year as prescribed in this section, and shall publish this
22 rate as a notice in the Iowa administrative bulletin prior to
23 the first day of the following calendar month. The new rate
24 shall be effective on the first day of the calendar month
25 following its publication. The rate shall be calculated by
26 applying the percentage change in the consumer price index for
27 all urban consumers for the last available twelve-month period
28 published in the federal register by the federal department of
29 labor, bureau of labor statistics, to the existing rate as an
30 increase or decrease in the rate rounded to the nearest one-
31 tenth of a cent. The calculation and publication of the rate
32 by the ~~state printing administrator~~ director of the department
33 of administrative services shall be exempt from the provisions
34 of chapters 17A and 25B.
35 Sec. 275. Section 625.29, subsection 1, paragraph g, Code

1 2003, is amended to read as follows:
2 g. The proceeding involved the department of ~~personnel~~
3 ~~under~~ administrative services under chapter ~~19A~~ 8A, article 4.
4 Sec. 276. Section 691.1, Code 2003, is amended to read as
5 follows:
6 691.1 LABORATORY CREATED.
7 There is hereby created under the control, direction and
8 supervision of the commissioner of public safety a state
9 criminalistics laboratory. The commissioner of public safety
10 may assign the criminalistics laboratory to a division or
11 bureau within the public safety department. The laboratory
12 shall, within its capabilities, conduct analyses, comparative
13 studies, fingerprint identification, firearms identification,
14 questioned documents studies, and other studies normally
15 performed by a criminalistics laboratory when requested by a
16 county attorney, medical examiner, or law enforcement agency
17 of this state to aid in any criminal investigation. Agents of
18 the division of criminal investigation and bureau of
19 identification may be assigned to the criminalistics
20 laboratory by the commissioner. New employees shall be
21 appointed pursuant to chapter ~~19A~~ 8A, article 4, and need not
22 qualify as agents for the division of criminal investigation
23 and bureau of identification, and shall not participate in the
24 peace officers' retirement plan established pursuant to
25 chapter 97A.
26 Sec. 277. Section 809A.17, subsection 4, Code 2003, is
27 amended to read as follows:
28 4. Forfeited property which is not used by the department
29 of justice in the enforcement of the law may be requisitioned
30 by the department of public safety or any law enforcement
31 agency within the state for use in enforcing the criminal laws
32 of this state. Forfeited property not requisitioned may be
33 delivered to the director of the department of general
34 services to be disposed of in the same manner as property
35 received pursuant to section ~~18.15~~ 8A.325.

Sec. 278. Section 904.108, subsection 1, paragraph e, Code 2003, is amended to read as follows:

e. Employ, assign, and reassign personnel as necessary for the performance of duties and responsibilities assigned to the department. Employees shall be selected on the basis of fitness for work to be performed with due regard to training and experience and are subject to chapter ~~19A~~ 8A, article 4.

Sec. 279. Section 904.108, subsection 3, Code 2003, is amended to read as follows:

3. The director may establish a sales bonus system for the sales representatives for prison industry products. If a sales bonus system is established, the system shall not affect the status of the sales representatives under chapter ~~19A~~ 8A, article 4.

Sec. 280. Section 904.303, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The director shall determine the number and compensation of subordinate officers and employees for each institution subject to chapter ~~19A~~ 8A, article 4. Subject to this chapter, the officers and employees shall be appointed and discharged by the superintendent who shall keep in the record of each subordinate officer and employee, the date of employment, the compensation, and the date of and the reasons for each discharge.

Sec. 281. Section 904.312B, Code 2003, is amended to read as follows:

904.312B PURCHASE OF 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 bio-based hydraulic fluids, greases, and other industrial lubricants as provided in section ~~18.22~~ 8A.316.

Sec. 282. Section 904.315, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The director of the department of ~~general~~ administrative

1 services shall, in writing, let all contracts for authorized
2 improvements costing in excess of twenty-five thousand dollars
3 under chapter ~~18~~ 8A, article 3. Upon prior authorization by
4 the director, improvements costing five thousand dollars or
5 less may be made by the superintendent of any institution.
6 Sec. 283. Section 904.706, unnumbered paragraph 1, Code
7 2003, is amended to read as follows:
8 A revolving farm fund is created in the state treasury in
9 which the department shall deposit receipts from agricultural
10 products, nursery stock, agricultural land rentals, and the
11 sale of livestock. However, before any agricultural operation
12 is phased out, the department which proposes to discontinue
13 this operation shall notify the governor, chairpersons and
14 ranking members of the house and senate appropriations
15 committees, and cochairpersons and ranking members of the
16 subcommittee in the senate and house of representatives which
17 has handled the appropriation for this department in the past
18 session of the general assembly. Before the department sells
19 farmland under the control of the department, the director
20 shall notify the governor, chairpersons and ranking members of
21 the house and senate appropriations committees, and
22 cochairpersons and ranking members of the joint appropriations
23 subcommittee that handled the appropriation for the department
24 during the past session of the general assembly. The
25 department may pay from the fund for the operation,
26 maintenance, and improvement of farms and agricultural or
27 nursery property under the control of the department. A
28 purchase order for five thousand dollars or less payable from
29 the fund is exempt from the general purchasing requirements of
30 chapter ~~18~~ 8A, article 3. Notwithstanding section 8.33,
31 unencumbered or unobligated receipts in the revolving farm
32 fund at the end of a fiscal year shall not revert to the
33 general fund of the state.
34 Sec. 284. Section 904.808, subsection 1, paragraph b, Code
35 2003, is amended to read as follows:

b. When the state director releases, in writing, the obligation of the department or agency to purchase the product from Iowa state industries, after determining that Iowa state industries is unable to meet the performance characteristics of the purchase request for the product, and a copy of the release is attached to the request to the director of ~~revenue and finance~~ the department of administrative services for payment for a similar product, or when Iowa state industries is unable to furnish needed products, comparable in both quality and price to those available from alternative sources, within a reasonable length of time. Any disputes arising between a purchasing department or agency and Iowa state industries regarding similarity of products, or comparability of quality or price, or the availability of the product, shall be referred to the director of the department of ~~general~~ administrative services, whose decision shall be subject to appeal as provided in section ~~18.7~~ 8A.313. However, if the purchasing department is the department of ~~general~~ administrative services, any matter which would be referred to the director under this paragraph shall be referred to the executive council in the same manner as if the matter were to be heard by the director of the department of ~~general~~ administrative services. The decision of the executive council is final.

Sec. 285. Section 904A.4B, subsection 3, Code 2003, is amended to read as follows:

3. Hire and supervise all of the board's staff pursuant to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 286. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO CODE EDITOR. Except as otherwise provided in this Act:

1. a. The Iowa Code editor is directed to strike the words "information technology department" and insert the words "department of administrative services" wherever the words "information technology department" appear in the Iowa Code unless a contrary intent is clearly evident.

1 b. The Iowa Code editor is directed to strike the words
2 "director of the information technology department" or
3 "information technology department director" and insert the
4 words "director of the department of administrative services"
5 wherever the words "director of the information technology
6 department" or "information technology department director"
7 appear in the Iowa Code unless a contrary intent is clearly
8 evident.
9 2. a. The Iowa Code editor is directed to strike the
10 words "department of general services" and insert the words
11 "department of administrative services" wherever the words
12 "department of general services" appear in the Iowa Code
13 unless a contrary intent is clearly evident.
14 b. The Iowa Code editor is directed to strike the words
15 "director of the department of general services" or "general
16 services department director" and insert the words "director
17 of the department of administrative services" wherever the
18 words "director of the department of general services" or
19 "general services department director" appear in the Iowa Code
20 unless a contrary intent is clearly evident.
21 3. a. The Iowa Code editor is directed to strike the
22 words "department of personnel" and insert the words
23 "department of administrative services" wherever the words
24 "department of personnel" appear in the Iowa Code unless a
25 contrary intent is clearly evident.
26 b. The Iowa Code editor is directed to strike the words
27 "director of the department of personnel" or "personnel
28 department director" and insert the words "director of the
29 department of administrative services" wherever the words
30 "director of the department of personnel" or "personnel
31 department director" appear in the Iowa Code unless a contrary
32 intent is clearly evident.
33 4. a. Sections 1.15, 2.10, subsection 4, 2.12, 2.13,
34 2B.10, subsection 4, 7.13, 7D.13, 7D.14, 8.35A, 11.20, 12.3,
35 12.4, 12.5, 12.6, 12.8, 12.15, 12.26, 12B.16, 12B.17, 12B.18,

1 15.354, 15E.112, 15E.117, 16.31, 17A.4, 25.2, 29C.14, 35.10,
2 49A.9, 53.50, 56.3A, 56.22, 56.23, 74.9, 96.7, subsection 7,
3 96.9, 96.14, 97.51, 97A.8, 97A.11, 97B.7, 97B.33, 100B.11,
4 123.53, 152.3, 159.21, 159.23, 159A.7, 161.7, 161C.5,
5 169A.13A, 175.22, subsection 3, 179.5, 186.5, 218.50, 218.57,
6 218.86, 218.87, 225.22, 225.23, 225.28, 225.30, 225C.12,
7 227.7, 229.35, 233B.14, 234.6, 249.8, 251.5, 255.24, 255.26,
8 257B.11, 257B.18, 257B.35, 257B.37, 257B.39, 257B.40, 257B.42,
9 257C.9, subsection 3, 261.4, 262.22, 262.29, 270.5, 270.6,
10 270.7, 272.11, 272C.7, 298.11, 304A.29, 310.7, 313.18, 313.19,
11 313.20, 313.28, 314.3, 315.7, 324A.5, 331.555, 452A.72,
12 455B.107, 455B.183A, 455B.246, 456A.19, 456A.21, 459.401,
13 459.501, 460.303, 473.11, 504A.63, 515.129, 518B.2, 518B.5,
14 524.209, 533.62, 534.403, 546.10, 568.16, 568.20, 568.24,
15 569.4, 602.1304, 602.9109, 641.5, 663.44, 679B.7, 820.24, and
16 904.311, Code 2003, are amended by striking from the
17 applicable section or subsection the words "director of
18 revenue and finance" and inserting in lieu thereof the
19 following: "director of the department of administrative
20 services".
21 b. Sections 2.49, subsection 5, 8.34, 8.61, 8D.13,
22 subsection 11, 11.28, 12.6, 12.14, 12.28, 12B.2, 12B.17,
23 16.31, 16A.13, 22.7, subsection 32, 25.6, 74.9, 100B.11,
24 175.22, 179.5, 181.13, 183A.7, 184.13, 184A.4, 185.26,
25 185C.26, 252B.22, 255.24A, 256.12, 256.19, 256.20, 256D.4,
26 257.32, 257B.1B, 257C.9, subsection 4, 260C.18B, subsection 4,
27 260C.24, 282.28, 282.31, 283.1, 285.2, 294A.6, 294A.9,
28 294A.22, 303.14, 313.7, 405A.9, 455G.5, 541A.3, 541A.5,
29 602.8102, subsection 4, 602.9104, 633.545, 804.28, and
30 904.507A, Code 2003, are amended by striking from the sections
31 the words "department of revenue and finance" and inserting in
32 lieu thereof the following: "department of administrative
33 services".
34 c. Except as otherwise provided in this Act, the Iowa Code
35 editor is directed to strike the words "revenue and finance"

1 and insert the word "revenue" wherever the words "revenue and
2 finance" appear in the Iowa Code and the reference to "revenue
3 and finance" means the department of revenue and finance or
4 the director of revenue and finance unless a contrary intent
5 is clearly evident.
6 5. a. Except as otherwise provided in this Act, the Iowa
7 Code editor is directed to strike the words "division" and
8 "division's" and insert the words "system" and "system's"
9 wherever the words "division" and "division's" appear in
10 chapter 97B of the Iowa Code and the reference means the Iowa
11 public employee's retirement system division of the department
12 of personnel unless a contrary intent is clearly evident.
13 b. Except as otherwise provided in this Act, the Iowa Code
14 editor is directed to strike the word "system" and insert the
15 words "retirement system" in the following sections wherever
16 "system" but not "retirement system" appears in chapter 97B of
17 the Iowa Code and the reference means the retirement plan
18 established under chapter 97B:
19 Sections 97B.1A, subsections 3, 7, 9, 11, 14, 26; 97B.4;
20 97B.7A, subsection 1; 97B.8A, subsection 3, paragraph "b",
21 97B.8A, subsections 4 and 5; 97B.8B; 97B.11; 97B.17; 97B.42A,
22 subsections 3, 4, and 5; 97B.49F; 97B.49G; 97B.49H; 97B.50;
23 97B.50A, subsections 2 and 3; 97B.52A, subsection 3; 97B.53,
24 unnumbered paragraph 1; 97B.65; 97B.66; 97B.72; 97B.72A;
25 97B.73; 97B.73A; 97B.74; 97B.80; 97B.80A; 97B.80B; 97B.80C;
26 97B.81; 97B.82.
27 Sec. 287. ADMINISTRATIVE RULES -- TRANSITION PROVISIONS.
28 1. Any rule, regulation, form, order, or directive
29 promulgated by any state agency mentioned in this Act,
30 including any agency abolished, merged, or altered in this
31 Act, and in effect on the effective date of this Act shall
32 continue in full force and effect until amended, repealed, or
33 supplemented by affirmative action of the appropriate state
34 agency under the duties and powers of state agencies as
35 established in this Act and under the procedure established in

1 subsection 2.
2 Any license or permit issued by any state agency mentioned
3 in this Act, including any agency abolished, merged, or
4 altered in this Act, and in effect on the effective date of
5 this Act shall continue in full force and effect until
6 expiration or renewal.
7 2. In regard to updating references and format in the Iowa
8 administrative code in order to correspond to the
9 restructuring of state government as established in this Act,
10 the administrative rules coordinator and the administrative
11 rules review committee, in consultation with the
12 administrative code editor, shall jointly develop a schedule
13 for the necessary updating of the Iowa administrative code.
14 Sec. 288. MISCELLANEOUS TRANSITION PROVISIONS.
15 1. Any personnel in the state merit system of employment
16 who are mandatorily transferred due to the effect of this Act
17 shall be so transferred without any loss in salary, benefits,
18 or accrued years of service.
19 2. Any funds in any account or fund of a department
20 eliminated due to the effect of this Act shall be transferred
21 to the comparable fund or account as provided by this Act.
22 3. Any cause of action or statute of limitation relating
23 to a department or division transferred to another department
24 or division as provided by this Act shall not be affected as a
25 result of the transfer and such cause or statute of limitation
26 shall apply to the successor department or division.
27 4. Any replacement of signs, logos, stationery, insignia,
28 uniforms, and related items that is made due to the effect of
29 this Act should be done as part of the normal replacement
30 cycle for such items.
31 Sec. 289.
32 1. Sections 7A.15, 7A.16, 7A.17, 7A.18, 7A.19, 7A.21,
33 7A.22, 7A.25, 7A.26, 7D.33, 218.89, 421.6, 421.31, 421.32,
34 421.33, 421.34, 421.35, 421.36, 421.37, 421.38, 421.39,
35 421.40, 421.41, 421.42, 421.43, 421.44, 421.45, Code 2003, are

1 repealed.
2 2. Chapters 14B, 18, and 19A, Code 2003, are repealed.
3 Sec. 290. EFFECTIVE DATE. The sections of this Act
4 amending sections 8.63 and 70A.38, and enacting section
5 8A.204, being deemed of immediate importance, take effect upon
6 enactment.
7 EXPLANATION
8 This bill provides for the reorganization of certain
9 departments of state government by establishing a new
10 department of administrative services. The bill eliminates
11 the departments of personnel, general services, and
12 information technology, and the directors of those
13 departments, and transfers most of the functions and duties of
14 those departments and directors to the new department and its
15 director. The finance functions of the department of revenue
16 and finance are also transferred to the new department and the
17 current department of revenue and finance is renamed the
18 department of revenue. The bill also establishes the Iowa
19 public employees' retirement system as an independent agency
20 of the executive branch of state government and transfers
21 responsibility related to the peace officers' retirement,
22 accident, and disability retirement system (PORS) from the
23 department of personnel to the department of public safety.
24 DIVISION I -- DEPARTMENT OF ADMINISTRATIVE SERVICES
25 OVERVIEW
26 New Code chapter 8A is established by the bill and provides
27 for the duties and responsibilities of the new department.
28 The Code chapter is divided into four articles. Article 1 of
29 the new Code chapter provides for the establishment of the
30 department, the appointment and duties of the director as it
31 relates to the entire department, and other provisions
32 governing the entire department. Article 2 of the new Code
33 chapter establishes the information technology duties of the
34 department which are currently the primary responsibility of
35 the information technology department under Code chapter 14B.

1 Article 3 of the new Code chapter establishes the duties of
2 the new department as it relates to the physical resources of
3 state government. This article encompasses much of the
4 current functions performed by the department of general
5 services as provided in Code chapter 18. Article 4 of the new
6 Code chapter establishes the duties of the new department as
7 it relates to the human resources of state government. This
8 article includes most of the functions performed by the
9 department of personnel as provided in Code chapter 19A.
10 Finally, article 5 of the new Code chapter establishes the
11 duties of the new department as it relates to the financial
12 administration of state government and encompasses most of the
13 finance duties performed by the department of revenue and
14 finance under Code chapter 421.
15 ARTICLE 1 -- CREATION OF NEW DEPARTMENT
16 Article 1 of the bill establishes the new department of
17 administrative services (DAS) and provides for the
18 appointment, qualifications, and pay of the director of the
19 department. Definitions applicable to the new chapter are
20 provided and the current definition of government entity in
21 Code section 14B.101 is expanded to include associations and
22 organizations whose membership consists primarily of units of
23 government. The bill provides that the director shall be
24 appointed by the governor, subject to senate confirmation, and
25 shall serve at the pleasure of the governor. The article
26 provides for the duties and powers of the director as it
27 relates to the operation of the new department. The current
28 requirement that the director of the department of general
29 services shall not have any pecuniary interest in contracts
30 for supplies furnished to the state is made applicable to the
31 director of DAS. Current public records provisions applicable
32 to the department of personnel and information technology are
33 merged and included in this article. However, the public
34 records section does provide that financial and other business
35 plans relating to commercial operations conducted by the

1 department are not required to be released by the department.
2 New Code section 8A.111 allows the new department to establish
3 revolving funds to provide for services as permitted by the
4 new Code chapter. The director is required to submit annual
5 business and financial plans to the governor and general
6 assembly concerning the use of the revolving funds to provide
7 for services and to also provide an annual report indicating
8 what activities of the department are funded from revolving
9 funds. New Code section 8A.112 grants the director the
10 authority to employ such additional personnel as necessary to
11 perform duties as authorized by the new Code chapter if the
12 cost of such personnel is reimbursed and the director is
13 required to submit a report to the general assembly concerning
14 additional personnel employed pursuant to this authority. New
15 Code section 8A.113 grants the new department the authority to
16 bill for services provided to governmental entities and
17 includes a provision permitting payments by credit card that
18 is currently applicable to the information technology
19 department (Code section 14B.205). The responsibility for the
20 state employee suggestion program is transferred from the
21 executive council and the department of management to the new
22 department as provided in new Code section 8A.114 and the
23 maximum possible award for a suggestion is raised from $2,500
24 to $10,000. New Code section 8A.115 provides for an
25 appropriation from the general fund of the state to the new
26 department for any outstanding debts or liabilities of the
27 department that may result if a service provided by the
28 department and funded from a revolving fund ceases to be
29 provided.
30 ARTICLE 2 -- INFORMATION TECHNOLOGY
31 Article 2 of the new Code chapter includes most of the
32 provisions currently applicable to the information technology
33 department as provided in current Code chapter 14B which is
34 repealed by this bill. The director of the department of
35 information technology is eliminated by the bill and many of

1 the duties and responsibilities of that director are
2 transferred to the DAS director.
3 However, the bill does eliminate or modify several current
4 Code provisions as it relates to information technology.
5 The bill eliminates provisions relating to the
6 establishment of departmental divisions and a digital
7 government bureau within the current information technology
8 department. The specific requirement to do an annual
9 financial audit of the information technology department is
10 eliminated and not made a requirement of the new department.
11 The bill provides several modifications regarding the
12 powers and duties of the department, including prescribing
13 standards and adopting rules relating to standards for
14 information technology and procurement. The bill provides
15 that the department shall implement the information technology
16 standards which are applicable to information technology
17 procurements for participating agencies, and that
18 participating agencies shall comply with the prescribed
19 standards and adopted rules relating to standards unless
20 compliance is waived by the department.
21 The bill provides an expanded list of authorized
22 departmental agreements, including entering into contracts,
23 leases, licensing agreements, royalty agreements, marketing
24 agreements, memorandums of understanding, or other agreements.
25 The bill provides for several additional or expanded powers
26 and duties. The department may charge reasonable fees, costs,
27 expenses, charges, or other amounts to an agency, governmental
28 entity, public official, or other person or entity to or for
29 whom information technology, intellectual property and
30 proprietary interests related to information technology, or
31 other services have been provided. The department may also
32 provide, sell, lease, license, transfer, or otherwise convey
33 or dispose of information technology, intellectual property,
34 or other rights with respect thereto to agencies, governmental
35 entities, public officials, or other persons or entities. The

1 department may additionally establish rates to be charged for
2 access to and services provided through IowAccess, enter into
3 partnerships, contracts, leases, or other agreements with
4 public and private entities for the evaluation and development
5 of information technology, including the creation and
6 implementation of pilot projects, and initiate and support the
7 development of electronic commerce, electronic government, and
8 internet applications across participating agencies and other
9 governmental entities.
10 The bill modifies the membership of the information
11 technology council, and provides that the council serves
12 primarily in an advisory capacity and shall submit
13 recommendations to the department for review and establishment
14 of rates. New Code section 8A.204, providing for the council,
15 takes effect upon enactment.
16 ARTICLE 3 -- PHYSICAL RESOURCES
17 Article 3 of the new Code chapter includes some of the
18 provisions currently applicable to the department of general
19 services as provided in current Code chapter 18 which is
20 repealed in this bill. Those provisions currently provided
21 for in Code chapter 18 concern purchasing and competitive
22 bidding requirements, the management of the physical resources
23 and facilities of state government, state printing and
24 document management, and state fleet administration. While
25 the purchasing and competitive bidding procedures, facility
26 management, and state fleet management functions of current
27 Code chapter 18 are not substantially altered by the bill,
28 several changes are made to the other functions of the
29 department of general services that are transferred to the new
30 department.
31 The bill eliminates the director of the department of
32 general services, the state printing administrator, and the
33 state fleet administrator as well as the delineation of
34 divisions within the department relating to these positions.
35 Two funds are eliminated by the bill, the

1 telecommunications and electric cabling fund and the art
2 restoration and preservation revolving fund. Code section
3 18.138, concerning the establishment of a governmental
4 services card, is also eliminated and not transferred to the
5 new department.
6 The bill amends the provisions governing the management of
7 the state capitol buildings and grounds to include the state
8 laboratories facility in Ankeny.
9 The bill makes significant changes to the current printing
10 and document management functions of the department of general
11 services. Current Code provisions making the department of
12 general services largely solely responsible for the printing
13 needs of state government and the maintenance and control of
14 printing machinery are eliminated. While the new Code article
15 does provide that the new department has the authority to
16 adopt print specifications and rules covering printing
17 contracts, as well as providing bidding requirements for
18 printing services, the specificity of the requirements as
19 currently provided in Code section 18.31 and Code sections
20 18.42 through 18.54 are eliminated. Specific provisions
21 concerning the providing or maintaining of paper stock (Code
22 section 18.62), departmental pamphlets (Code section 18.61),
23 reserve supplies of governmental reports (Code section 18.80),
24 and unused documents (Code section 18.81) are also eliminated.
25 The bill repeals several provisions relating to the state
26 printing administrator's responsibility relating to the
27 printing and special distribution requirements of the Iowa
28 Code and Acts, Iowa court rules, Iowa administrative code,
29 senate and house journals and bills, with respect to members
30 of the general assembly, libraries, newspapers, county
31 auditors, and the public. Instead, the bill provides that the
32 legislative branch shall assume these responsibilities.
33 ARTICLE 4 -- HUMAN RESOURCES
34 Article 4 of the new Code chapter includes most of the
35 provisions currently applicable to the department of personnel

1 as provided in current Code chapter 19A which is repealed in
2 this bill. Those provisions currently provided for in Code
3 chapter 19A include responsibility over the merit system and
4 employee benefits. The bill does, however, modify some of
5 these provisions by providing that all employees, not just
6 professional employees, of the attorney general, state public
7 defender, auditor, treasurer, public employment relations
8 board, and arts division of the department of cultural affairs
9 are exempt from the merit system. In addition, the bill
10 eliminates, unless otherwise provided by a collective
11 bargaining agreement, the 30-day limit on a disciplinary
12 suspension without pay. The bill also modifies current law by
13 providing that the new department can make the state's
14 deferred compensation program available to other nonstate
15 governmental employees. The bill eliminates the department of
16 personnel's current responsibility over the peace officers'
17 retirement system established in Code chapter 97A and the Iowa
18 public employees' retirement system established in Code
19 chapter 97B.
20 ARTICLE 5 -- FINANCIAL ADMINISTRATION
21 Article 5 of the new Code chapter transfers the financial
22 management duties of the current department of revenue and
23 finance to the new department.
24 The new department is given many of the duties previously
25 transferred to the department of revenue and finance when the
26 state comptroller position was eliminated. Other duties
27 currently performed by the department of revenue and finance
28 are also transferred to the new department. The bill provides
29 that the new department assumes the accounting functions
30 transferred to the department of revenue and finance from the
31 state comptroller's office in legislation enacted in 1986 and
32 provides that the department is responsible for establishing
33 setoff procedures concerning certain liabilities owed the
34 state. Specific setoff procedures for child support under
35 Code section 421.17, subsection 21; guaranteed student or

1 parental loans under Code chapter 261 pursuant to Code section
2 421.17, subsection 23; and liquidated debts owing the district
3 court pursuant to Code section 421.17, subsection 25, are
4 eliminated in new Code section 8A.504 but the setoff procedure
5 as provided in that new Code section, which is transferred
6 from Code section 421.17, subsection 29, is modified to
7 provide that these debts are eligible for setoff. The bill
8 also provides that the current duties of the department of
9 revenue and finance under current Code sections 421.31 through
10 421.45 are transferred to the new department. Of the duties
11 transferred, many include the responsibility for the
12 collection and payment of moneys into and from the state
13 treasury such as the payment of warrants. In addition,
14 current Code references to the responsibility of the director
15 of revenue and finance to provide for warrants is changed to
16 the director of the new department in this bill.
17 DIVISION II -- CONFORMING AND MISCELLANEOUS CHANGES
18 The bill makes several changes to the Code to conform to
19 the establishment of a new department and the elimination of
20 three departments and the renaming of the department of
21 revenue and finance to the department of revenue. In
22 addition, the bill provides that the new director of the
23 department of administrative services is responsible for
24 serving on those boards and commissions where the current
25 directors of personnel, general services, and information
26 technology are required to serve. The bill also makes the
27 following changes:
28 New Code sections 7A.15A and 7A.16A authorize the
29 legislative service bureau to set prices for publication of
30 the official versions of the Iowa Code, Iowa Code Supplement,
31 Iowa Acts, Iowa court rules, Iowa administrative bulletin, and
32 Iowa administrative code. The statutory provisions governing
33 the distribution of these official printed legal publications
34 at no cost or at a price covering distribution costs to state
35 and local public officials and offices are amended to continue

1 providing the distribution of these publications while
2 attempting to substitute more electronic publications for the
3 printed publications. The authorization to require some
4 payment for otherwise no-cost or distribution-cost copies is
5 retained for the legislative service bureau. Procurement
6 authority is provided for the legislative service bureau. The
7 bill also amends Code section 2.9 to provide that the senate
8 and house of representatives shall publish and determine
9 procurement procedures for the publication of their journals,
10 bills, and amendments, and determine their distribution.
11 Code section 8.63, concerning the innovations fund, is
12 amended to permit the state innovations fund committee to
13 approve an "enterprise loan" to a state agency if the agency
14 has a plan and the capability to use the loan to provide
15 internal services to government that meet customer needs and
16 provide value to customers and the agency expects to receive
17 payment for those services from customers to cover expenses
18 and repayment of the loan. This section of the bill takes
19 effect upon enactment.
20 Code section 8D.4, concerning the executive director of the
21 Iowa telecommunications and technology commission, is amended
22 to provide that the commission shall consult with the DAS
23 director prior to appointing the executive director.
24 Code section 19B.5 is amended to eliminate the requirement
25 that the new department shall include specific cost
26 information in the annual report the department submits on the
27 condition of affirmative action, diversity, and multicultural
28 programs in state agencies.
29 Code section 22.7 is amended to provide that information in
30 an employee's personnel records concerning investigations,
31 disciplinary actions, complaints, grievances, and appeals is
32 considered personal information and a confidential record
33 pursuant to the state's public records law.
34 The bill also strikes the June 30, 2003, repeal of the
35 years of service incentive program created in Code section

1 70A.38. The years of service incentive program permits state
2 executive branch employers the option to offer a financial
3 incentive to an employee for terminating state employment.
4 This section of the bill takes effect upon enactment.
5 Code chapter 97A, establishing the peace officers'
6 retirement, accident, and disability retirement system, is
7 amended to provide that the department of public safety, and
8 not the department of administrative services as the successor
9 to the department of personnel, is responsible for providing
10 administrative services to the retirement system's board of
11 trustees.
12 Code chapter 97B, establishing IPERS, is amended to provide
13 that the system is an independent agency within the executive
14 branch of state government and not a division of the
15 department of administrative services as the successor to the
16 department of personnel. Code section 97B.4 is amended to
17 provide that the budget program of the system shall be
18 compiled and submitted to the department of management by the
19 system and not through the new department as the successor to
20 the department of personnel.
21 The bill also includes several transition provisions
22 governing the establishment of the new department and the
23 elimination of the departments of general services, personnel,
24 and information technology. The bill provides that rules
25 adopted, or licenses or permits issued, by state agencies that
26 are altered, merged, or dissolved by this bill remain in
27 effect until the successor state agency amends, repeals or
28 supplements the

HOUSE FILE 534

AN ACT

PROVIDING FOR THE REORGANIZATION OF CERTAIN STATE DEPARTMENTS BY ESTABLISHING A DEPARTMENT OF ADMINISTRATIVE SERVICES, MAKING RELATED CHANGES, PROVIDING PENALTIES, AND PROVIDING AN EFFECTIVE DATE.

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

DIVISION I

DEPARTMENT OF ADMINISTRATIVE SERVICES

ARTICLE 1

DEPARTMENT OF ADMINISTRATIVE SERVICES

Section 1. NEW SECTION. 8A.101 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Agency" or "state agency" means a unit of state government, which is an authority, board, commission, committee, council, department, examining board, or independent agency as defined in section 7E.4, including but not limited to each principal central department enumerated in section 7E.5. However, "agency" or "state agency" does not mean any of the following:

a. The office of the governor or the office of an elective constitutional or statutory officer.

b. The general assembly, or any office or unit under its administrative authority.

c. The judicial branch, as provided in section 602.1102.

d. A political subdivision of the state or its offices or units, including but not limited to a county, city, or community college.

2. "Department" means the department of administrative services.

3. "Director" means the director of the department of administrative services or the director's designee.

4. "Governmental entity" means any unit of government in the executive, legislative, or judicial branch of government; an agency or political subdivision; any unit of another state government, including its political subdivisions; any unit of the United States government; or any association or other organization whose membership consists primarily of one or more of any of the foregoing.

5. "Governmental subdivision" means a county, city, school district, or combination thereof.

6. "Public records" means the same as defined in section 22.1.

Sec. 2. NEW SECTION. 8A.102 DEPARTMENT CREATED -- DIRECTOR APPOINTED.

1. The department of administrative services is created. The director of the department shall be appointed by the governor to serve at the pleasure of the governor and is subject to confirmation by the senate. If the office becomes vacant, the vacancy shall be filled in the same manner as provided for the original appointment.

2. The person appointed as director shall be professionally qualified by education and have no less than five years' experience in the field of management, public or private sector personnel administration, including the application of merit principles in employment, financial management, and policy development and implementation. The appointment shall be made without regard for political affiliation. The director shall not be a member of any local, state, or national committee of a political party, an officer or member of a committee in any partisan political club or organization, or hold or be a candidate for a paid elective public office. The director is subject to the restrictions on political activity provided in section 8A.416. The governor shall set the salary of the director within pay grade nine.

Sec. 3. NEW SECTION. 8A.103 DEPARTMENT -- PURPOSE -- MISSION.

The department is created for the purpose of managing and coordinating the major resources of state government including the human, financial, physical, and information resources of state government.

The mission of the department is to implement a world-class, customer-focused organization that provides a complement of valued products and services to the internal customers of state government.

Sec. 4. NEW SECTION. 8A.104 POWERS AND DUTIES OF THE DIRECTOR.

The director shall do all of the following:

1. Coordinate the internal operations of the department and develop and implement policies and procedures designed to ensure the efficient administration of the department.

2. Appoint all personnel deemed necessary for the administration of the department's functions as provided in this chapter.

3. Prepare an annual budget for the department.

4. Develop and recommend legislative proposals deemed necessary for the continued efficiency of the department's functions, and review legislative proposals generated outside the department which are related to matters within the department's purview.

5. Adopt rules deemed necessary for the administration of this chapter in accordance with chapter 17A.

6. Develop and maintain support systems within the department to provide appropriate administrative support and sufficient data for the effective and efficient operation of state government.

7. Enter into contracts for the receipt and provision of services as deemed necessary. The director and the governor may obtain and accept grants and receipts to or for the state to be used for the administration of the department's functions as provided in this chapter.

8. Establish the internal organization of the department and allocate and reallocate duties and functions not assigned by law to an officer or any subunit of the department to promote economic and efficient administration and operation of the department.

9. Install a records system for the keeping of records which are necessary for a proper audit and effective operation of the department.

10. Determine which risk exposures shall be self-insured or assumed by the state with respect to loss and loss exposures of state government.

11. Keep in the director's office a complete record containing an itemized account of all state property, including furniture and equipment, under the director's care and control, and plans and surveys of the public grounds, buildings, and underground constructions at the seat of government and of the state laboratories facility in Ankeny.

12. Serve as the chief information officer for the state.

13. Exercise and perform such other powers and duties as may be prescribed by law.

Sec. 5. NEW SECTION. 8A.105 PROHIBITED INTERESTS -- PENALTY.

The director shall not have any pecuniary interest, directly or indirectly, in any contract for supplies furnished to the state, or in any business enterprise involving any expenditure by the state. A violation of the provisions of this section shall be a serious misdemeanor, and upon conviction, the director shall be removed from office in addition to any other penalty.

Sec. 6. NEW SECTION. 8A.106 PUBLIC RECORDS.

1. The records of the department, except personal information in an employee's file if the publication of such information would serve no proper public purpose, shall be public records and shall be open to public inspection, subject to reasonable rules as to the time and manner of inspection

which may be prescribed by the director. However, the department shall not be required to release financial information, business, or product plans which if released would give advantage to competitors and serve no public purpose, relating to commercial operations conducted or intended to be conducted by the department.

2. The state agency that is the lawful custodian of a public record shall be responsible for determining whether a record is required by federal or state statute to be confidential. The transmission of a record by a state agency by use of electronic means established, maintained, or managed by the department shall not constitute a transfer of the legal custody of the record from the individual state agency to the department or to any other person or entity.

3. The department shall not have authority to determine whether an individual state agency should automate records of which the individual state agency is the lawful custodian. However, the department may encourage state agencies to implement electronic access to public records.

4. A state agency shall not limit access to a record by requiring a citizen to receive the record electronically as the only means of providing the record. A person shall have the right to examine and copy a printed form of a public record as provided in section 22.2, unless the public record is confidential.

Sec. 7. NEW SECTION. 8A.107 OATHS AND SUBPOENAS.

The director may administer oaths, subpoena witnesses, and compel the production of books and papers pertinent to any investigation or hearing authorized by this chapter. A person who fails to appear in response to a subpoena or produce books or papers pertinent to the investigation or hearing or who knowingly gives false testimony is guilty of a simple misdemeanor.

Sec. 8. NEW SECTION. 8A.108 ACCEPTANCE OF FUNDS.

The department may receive and accept donations, grants, gifts, and contributions in the form of moneys, services, materials, or otherwise, from the United States or any of its agencies, from this state or any of its agencies, or from any other person, and may use or expend such moneys, services, materials, or other contributions, or issue grants, in carrying out the operations of the department. All federal grants to and the federal receipts of the department are hereby appropriated for the purpose set forth in such federal grants or receipts.

Sec. 9. NEW SECTION. 8A.109 FEDERAL FUNDS.

1. Neither the provisions of this chapter nor rules adopted pursuant to this chapter shall apply in any situation where such provision or rule is in conflict with a governing federal regulation or where the provision or rule would jeopardize the receipt of federal funds.

2. If it is determined by the attorney general that any provision of this chapter would cause denial of funds or services from the United States government which would otherwise be available to an agency of this state, such provision shall be suspended as to such agency, but only to the extent necessary to prevent denial of such funds or services.

Sec. 10. NEW SECTION. 8A.110 STATE EMPLOYEE SUGGESTION SYSTEM.

1. There is created a state employee suggestion system for the purpose of encouraging state employees to develop and submit ideas which will reduce costs and increase efficiency in state government and which will make monetary and other awards to state employees whose cost reduction ideas are adopted under the system.

2. The department shall provide necessary personnel for the efficient operation of the system. The department shall adopt rules as necessary for the administration of the system and to establish the award policy under which the system will operate. The rules shall include:

a. Eligibility standards and restrictions for both the state employee submitting the suggestion and the suggestion being submitted. The rules shall provide that suggestions relating to academic affairs, including teaching, research, and patient care programs at a university teaching hospital, are ineligible.

b. Procedures for submitting and evaluating suggestions, including the responsibilities of each person involved in the system and providing that the final decision to implement shall be made by the director of the applicable state agency.

c. The method of presentation of awards to employees.

d. The method of promoting the suggestion program in the broadest possible manner to state employees.

e. Any other policies necessary to properly administer the system.

3. a. When a suggestion is implemented and results in a direct cost reduction within state government, the suggester shall be awarded ten percent of the first year's net savings, not exceeding ten thousand dollars, and a certificate. A cash award shall not be awarded for a suggestion which saves less than one hundred dollars during the first year of implementation. The state agency head shall approve all awards and determine the amount to be awarded. Appeals of award amounts shall be submitted to the director whose decision is final.

b. Certificates shall be awarded to suggesters of implemented suggestions that result in a direct cost reduction of less than one hundred dollars. The state agency head shall make the determination as to who will receive certificates. That decision is final.

4. An award made pursuant to this section shall be paid for out of the appropriated funds of the state agency realizing the cost savings, but the payment for awards shall not violate any state or federal contract, law, or regulation, or impair any agency contractual obligation.

5. a. A state agency shall keep records of each suggestion implemented and the cost savings resulting from the suggestion for a period of one year from the date of implementation of the suggestion.

b. The director shall file a report with the governor and the general assembly for each fiscal year, relating to the administration and implementation of the suggestion system and the benefits for the state, the state departments, and state employees.

6. The ability of employees to patent ideas submitted under this section is subject to all other agency rules and Code requirements pertaining to patents.

Sec. 11. NEW SECTION. 8A.121 FINANCING DEPARTMENT SERVICES -- CUSTOMER COUNCILS.

1. The department shall establish a process by which the department shall determine which services provided by the department shall be funded by an appropriation to the department and which services shall be funded by the governmental entity receiving the service.

2. a. For services which the department determines shall be funded by the governmental entity receiving the service, the department shall establish a process for determining whether the department shall be the sole provider of the service or not.

b. If the department determines that it shall be the sole provider of a service, the department shall establish, by rule, a customer council responsible for overseeing departmental operations with regard to the service provided to ensure that the department meets the needs of affected governmental entities and the citizens those entities serve. The rules adopted shall provide, at a minimum, for the method of appointment of members to the council by governmental entities required to receive the service from the department and for the powers and duties of the council as it relates to the service provided, which shall include the authority of

approving, on an annual basis, business plans submitted by the department for performance of the service, the procedure for resolving complaints concerning the service provided, and the procedure for setting rates for the service. In addition, if the service to be provided may also be provided to the judicial branch and legislative branch, then the rules shall provide that the chief justice of the supreme court and the legislative council may, in their discretion, each appoint a member to the applicable customer council.

3. Departmental processes required to be established pursuant to this section shall provide, at a minimum, for input from affected governmental entities as well as for a biennial review by the appropriate customer council of the decision made by the department that the department should be the sole provider of a service.

4. The department shall annually prepare a listing separately identifying services to be provided by the department and funded by an appropriation, services to be provided by the department and funded by the governmental entity receiving the service, and services which the department is authorized to provide but which governmental entities may provide on their own or obtain from another provider of the service.

Sec. 12. NEW SECTION. 8A.122 SERVICES TO GOVERNMENTAL ENTITIES.

1. The director shall enter into agreements with state agencies, and may enter into agreements with any other governmental entity, to furnish services and facilities of the department to the applicable governmental entity. The agreement shall provide for the reimbursement to the department of the reasonable cost of the services and facilities furnished. All governmental entities of this state may enter into such agreements.

2. This chapter does not affect any city civil service programs established under chapter 400.

3. The state board of regents shall not be required to obtain any service for the state board of regents or any institution under the control of the state board of regents that is provided by the department pursuant to this chapter without the consent of the state board of regents.

Sec. 13. NEW SECTION. 8A.123 DEPARTMENT INTERNAL SERVICE FUNDS.

1. Activities of the department shall be accounted for within the general fund of the state, except that the director may establish and maintain internal service funds in accordance with generally accepted accounting principles, as defined in section 8.57, subsection 4, for activities of the department which are primarily funded from billings to governmental entities for services rendered by the department. The establishment of an internal service fund is subject to the approval of the director of the department of management and the concurrence of the auditor of state. At least ninety days prior to the establishment of an internal service fund pursuant to this section, the director shall notify in writing the general assembly, including the legislative council, legislative fiscal committee, and the legislative fiscal bureau.

2. Internal service funds shall be administered by the department and shall consist of moneys collected by the department from billings issued in accordance with section 8A.125 and any other moneys obtained or accepted by the department, including but not limited to gifts, loans, donations, grants, and contributions, which are designated to support the activities of the individual internal service funds. The director may obtain loans from the innovation fund created in section 8.63 for deposit in an internal service fund established pursuant to this section to provide seed and investment capital to enhance the delivery of services provided by the department.

3. The proceeds of an internal service fund established pursuant to this section shall be used by the department for the operations of the department consistent with this chapter. The director may appoint the personnel necessary to ensure the efficient provision of services funded pursuant to an internal service fund established under this section. However, this usage requirement shall not limit or restrict the department from using proceeds from gifts, loans, donations, grants, and contributions in conformance with any conditions, directions, limitations, or instructions attached or related thereto.

4. Section 8.33 does not apply to any moneys in internal service funds established pursuant to this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in these funds shall be credited to these funds.

5. a. The director shall annually provide internal service fund service business plans and financial reports to the department of management and the general assembly. The business plans may include the recommendation that a portion of unexpended net income be periodically returned to the appropriate funding source.

b. The department shall submit an annual report not later than October 1 to the members of the general assembly and the legislative fiscal bureau of the activities funded by and expenditures made from an internal service fund established pursuant to this section during the preceding fiscal year.

Sec. 14. NEW SECTION. 8A.124 ADDITIONAL PERSONNEL.

The department may employ, upon the approval of the department of management, such additional personnel in excess of the number of full-time equivalent positions authorized by the general assembly if such additional personnel are reasonable and necessary to perform such duties as required to meet the needs of the department to provide services to other governmental entities and as authorized by this chapter. The director shall notify in writing the department of management,

the legislative fiscal committee, and the legislative fiscal bureau of any additional personnel employed pursuant to this section.

Sec. 15. NEW SECTION. 8A.125 BILLING -- CREDIT CARD PAYMENTS.

1. The director may bill a governmental entity for services rendered by the department in accordance with the duties of the department as provided in this chapter. Bills may include direct, indirect, and developmental costs which have not been funded by an appropriation to the department. The department shall periodically render a billing statement to a governmental entity outlining the cost of services provided to the governmental entity. The amount indicated on the statement shall be paid by the governmental entity and amounts received by the department shall be considered repayment receipts as defined in section 8.2, and deposited into the accounts of the department.

2. In addition to other forms of payment, a person may pay by credit card for services provided by the department, according to rules adopted by the treasurer of state. The credit card fees to be charged shall not exceed those permitted by statute. A governmental entity may adjust its payment to reflect the costs of processing as determined by the treasurer of state. The discount charged by the credit card issuer may be included in determining the fees to be paid for completing a financial transaction under this section by using a credit card. All credit card payments shall be credited to the fund used to account for the services provided.

Sec. 16. NEW SECTION. 8A.126 DEPARTMENT DEBTS AND LIABILITIES -- APPROPRIATION REQUEST.

If a service provided by the department and funded from an internal service fund established under section 8A.123 ceases to be provided and insufficient funds remain in the internal service fund to pay any outstanding debts and liabilities

relating to that service, the director shall notify the general assembly and request that moneys be appropriated from the general fund of the state to pay such debts and liabilities.

ARTICLE 2

INFORMATION TECHNOLOGY

GENERAL PROVISIONS

Sec. 17. NEW SECTION. 8A.201 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Information technology" means computing and electronics applications used to process and distribute information in digital and other forms and includes information technology devices, information technology services, and value-added services.

2. "Information technology council" means the information technology council established in section 8A.204.

3. "Information technology device" means equipment or associated software, including programs, languages, procedures, or associated documentation, used in operating the equipment which is designed for utilizing information stored in an electronic format. "Information technology device" includes but is not limited to computer systems, computer networks, and equipment used for input, output, processing, storage, display, scanning, and printing.

4. "Information technology services" means services designed to do any of the following:

a. Provide functions, maintenance, and support of information technology devices.

b. Provide services including, but not limited to, any of the following:

(1) Computer systems application development and maintenance.

(2) Systems integration and interoperability.

(3) Operating systems maintenance and design.

(4) Computer systems programming.

(5) Computer systems software support.

(6) Planning and security relating to information technology devices.

(7) Data management consultation.

(8) Information technology education and consulting.

(9) Information technology planning and standards.

(10) Establishment of local area network and workstation management standards.

5. "Participating agency" means any agency other than any of the following:

a. The state board of regents and institutions operated under the authority of the state board of regents.

b. The public broadcasting division of the department of education.

c. The state department of transportation mobile radio network.

d. The department of public safety law enforcement communications systems and capitol complex security systems in use for the legislative branch.

e. The telecommunications and technology commission established in section 8D.3, with respect to information technology that is unique to the Iowa communications network.

f. The Iowa lottery.

g. A judicial district department of correctional services established pursuant to section 905.2.

6. "Value-added services" means services that offer or provide unique, special, or enhanced value, benefits, or features to the customer or user, including, but not limited to, services in which information technology is specially designed, modified, or adapted to meet the special or requested needs of the user or customer, services involving the delivery, provision, or transmission of information or data that require or involve additional processing, formatting, enhancement, compilation or security, services

that provide the customer or user with enhanced accessibility, security or convenience, research and development services, and services that are provided to support technological or statutory requirements imposed on participating agencies and other governmental entities, businesses, and the public.

Sec. 18. NEW SECTION. 8A.202 INFORMATION TECHNOLOGY SERVICES -- MISSION -- POWERS AND DUTIES -- RESPONSIBILITIES.

1. MISSION. The mission of the department as it relates to information technology services is to provide high-quality, customer-focused information technology services and business solutions to government and to citizens.

2. POWERS AND DUTIES OF DEPARTMENT. The powers and duties of the department as it relates to information technology services shall include, but are not limited to, all of the following:

a. Providing information technology to agencies and other governmental entities.

b. Implementing the strategic information technology plan.

c. Developing and implementing a business continuity plan, as the director determines is appropriate, to be used if a disruption occurs in the provision of information technology to participating agencies and other governmental entities.

d. Prescribing standards and adopting rules relating to information technology and procurement, including but not limited to system design and systems integration and interoperability, which shall apply to all participating agencies except as otherwise provided in this chapter. The department shall implement information technology standards as established pursuant to this chapter which are applicable to information technology procurements for participating agencies.

e. Prescribing standards and adopting rules relating to standards for an electronic repository for maintaining mandated agency reports as provided in section 304.13A. Such repository shall be developed and maintained for the purpose

of providing public access to such mandated reports. The department shall prescribe such standards and adopt rules relating to such standards in consultation with the state librarian.

f. Developing and maintaining security policies and systems to ensure the integrity of the state's information resources and to prevent the disclosure of confidential records.

g. Developing and implementing effective and efficient strategies for the use and provision of information technology for participating agencies and other governmental entities.

h. Coordinating the acquisition of information technology by participating agencies in furtherance of the purposes of this chapter. The department shall institute procedures to ensure effective and efficient compliance with the applicable standards established pursuant to this article. This article shall not be construed to prohibit or limit a participating agency from entering into an agreement or contract for information technology with a qualified private entity.

i. Entering into contracts, leases, licensing agreements, royalty agreements, marketing agreements, memorandums of understanding, or other agreements as necessary and appropriate to administer this article.

j. Requesting that a participating agency provide such information as is necessary to establish and maintain an inventory of information technology used by participating agencies, and such participating agency shall provide such information to the department in a timely manner. The form and content of the information to be provided shall be determined by the department.

k. Charging reasonable fees, costs, expenses, charges, or other amounts to an agency, governmental entity, public official, or person or entity related to the provision, sale, use, or utilization of, or cost sharing with respect to, information technology and any intellectual property interests

3. RESPONSIBILITIES. The responsibilities of the department as it relates to information technology services include the following:

a. Coordinate the activities of the department in promoting, integrating, and supporting information technology in all business aspects of state government.

b. Provide for server systems, including mainframe and other server operations, desktop support, and applications integration.

c. Provide applications development, support, and training, and advice and assistance in developing and supporting business applications throughout state government.

4. INFORMATION TECHNOLOGY CHARGES. The department shall render a statement to an agency, governmental entity, public official, or other person or entity to or for whom information technology, value-added services, or other items or services have been provided by or on behalf of, or otherwise made available through, the department. Such an agency, governmental entity, public official, or other person or entity shall pay an amount indicated on such statement in a manner determined by the department.

5. DISPUTE RESOLUTION. If a dispute arises between the department and an agency for which the department provides or refuses to provide information technology, the dispute shall be resolved as provided in section 679A.19.

Sec. 19. NEW SECTION. 8A.203 DIRECTOR -- INFORMATION TECHNOLOGY SERVICES POWERS AND DUTIES.

The director shall do all of the following as it relates to information technology services:

1. Prescribe and adopt information technology standards and rules.

2. Develop and recommend legislative proposals deemed necessary for the continued efficiency of the department in performing information technology functions, and review legislative proposals generated outside of the department which are related to matters within the department's purview.

3. Provide advice to the governor on issues related to information technology.

4. Consult with agencies and other governmental entities on issues relating to information technology.

5. Work with all governmental entities in an effort to achieve the information technology goals established by the department.

Sec. 20. NEW SECTION. 8A.204 INFORMATION TECHNOLOGY COUNCIL -- MEMBERS -- POWERS AND DUTIES.

1. MEMBERSHIP.

a. The information technology council is composed of fourteen members including the following:

(1) The chairperson of the IowAccess advisory council established in section 8A.221, or the chairperson's designee.

(2) Two executive branch department heads appointed by the governor.

(3) Six persons appointed by the governor who are knowledgeable in information technology matters.

(4) One person representing the judicial branch appointed by the chief justice of the supreme court who shall serve in an ex officio, nonvoting capacity.

(5) Four members of the general assembly with not more than one member from each house being from the same political party. The two senators shall be designated by the president of the senate after consultation with the majority and minority leaders of the senate. The two representatives shall be designated by the speaker of the house of representatives after consultation with the majority and minority leaders of the house of representatives. Legislative members shall serve in an ex officio, nonvoting capacity. A legislative member is eligible for per diem and expenses as provided in section 2.10.

b. The members appointed pursuant to paragraph "a" shall serve four-year staggered terms and such appointments to the information technology council are subject to the requirements

of sections 69.16, 69.16A, and 69.19. The four-year terms of members appointed by the governor shall be staggered as designated by the governor. Members appointed by the governor are subject to senate confirmation and may also be eligible to receive compensation as provided in section 7E.6. Members shall be reimbursed for actual and necessary expenses incurred in performance of the members' duties.

c. The information technology council shall annually elect its own chairperson from among the voting members of the council. A majority of the voting members of the council constitutes a quorum.

2. DUTIES. The information technology council shall do all of the following:

a. Advise the department in the development of recommended standards for consideration with respect to the procurement of information technology by all participating agencies.

b. Appoint advisory committees as appropriate to assist the department in developing strategies for the use and provision of information technology and establishing other advisory committees as necessary to assist the information technology council in carrying out its duties under this article. The number of advisory committees and their membership shall be determined by the information technology council to assure that the public and agencies and other governmental entities have an opportunity to comment on the services provided and the service goals and objectives of the department.

c. Advise the department in the preparation and annual update of the strategic information technology plan for the use of information technology throughout state government. The plan shall promote participation in cooperative projects with other governmental entities. The plan shall establish a mission, goals, and objectives for the use of information technology, including goals for electronic access to public records, information, and services. The plan shall be submitted annually to the governor and the general assembly.

d. Review, as deemed appropriate by the information technology council, legislative proposals recommended by the director, or other legislative proposals as developed and deemed necessary by the information technology council.

e. Review the recommendations of the IowAccess advisory council regarding rates to be charged for access to and for value-added services performed through IowAccess. The information technology council shall report the establishment of a new rate or change in the level of an existing rate to the department who will then notify the department of management, and the department of management shall notify the legislative fiscal bureau regarding the rate establishment or change.

Sec. 21. NEW SECTION. 8A.205 DIGITAL GOVERNMENT.

1. The department is responsible for initiating and supporting the development of electronic commerce, electronic government, and internet applications across participating agencies and in cooperation with other governmental entities.

2. In developing the concept of digital government, the department shall do all of the following:

a. Establish standards, consistent with other state law, for the implementation of electronic commerce, including standards for digital signatures, electronic currency, and other items associated with electronic commerce.

b. Establish guidelines for the appearance and functioning of applications.

c. Establish standards for the integration of electronic data across state agencies.

d. Foster joint development of electronic commerce and electronic government involving the public and private sectors.

e. Develop customer surveys and citizen outreach and education programs and material, and provide for citizen input regarding the state's electronic commerce and electronic government applications.

f. Provide staff support for the IowAccess advisory council.

Sec. 22. NEW SECTION. 8A.206 INFORMATION TECHNOLOGY STANDARDS.

1. The department shall develop, in consultation with the information technology council, recommended standards for consideration with respect to the procurement of information technology by all participating agencies. It is the intent of the general assembly that information technology standards be established for the purpose of guiding such procurements. Such standards, unless waived by the department, shall apply to all information technology procurements for participating agencies.

2. The office of the governor or the office of an elective constitutional or statutory officer shall consult with the department prior to procuring information technology and consider the standards recommended by the department, and provide a written report to the department relating to the office's decision regarding such acquisitions.

Sec. 23. NEW SECTION. 8A.207 PROCUREMENT OF INFORMATION TECHNOLOGY.

1. Standards established by the department, unless waived by the department, shall apply to all information technology procurements for participating agencies.

2. The department shall institute procedures to ensure effective and efficient compliance with standards established by the department.

3. The department, by rule, may implement a prequalification procedure for contractors with which the department has entered or intends to enter into agreements regarding the procurement of information technology.

4. Notwithstanding the provisions governing purchasing as provided in article 3, the department may procure information technology as provided in this section. The department may cooperate with other governmental entities in the procurement

of information technology in an effort to make such procurements in a cost-effective, efficient manner as provided in this section. The department, as deemed appropriate and cost-effective, may procure information technology using any of the following methods:

a. Cooperative procurement agreement. The department may enter into a cooperative procurement agreement with another governmental entity relating to the procurement of information technology, whether such information technology is for the use of the department or other governmental entities. The cooperative procurement agreement shall clearly specify the purpose of the agreement and the method by which such purpose will be accomplished. Any power exercised under such agreement shall not exceed the power granted to any party to the agreement.

b. Negotiated contract. The department may enter into an agreement for the purchase of information technology if any of the following applies:

(1) The contract price, terms, and conditions are pursuant to the current federal supply contract, and the purchase order adequately identifies the federal supply contract under which the procurement is to be made.

(2) The contract price, terms, and conditions are no less favorable than the contractor's current federal supply contract price, terms, and conditions; the contractor has indicated in writing a willingness to extend such price, terms, and conditions to the department; and the purchase order adequately identifies the contract relied upon.

(3) The contract is with a vendor which has a current exclusive or nonexclusive price agreement with the state for the information technology to be procured, and such information technology meets the same standards and specifications as the items to be procured and both of the following apply:

(a) The quantity purchased does not exceed the quantity which may be purchased under the applicable price agreement.

(b) The purchase order adequately identifies the price agreement relied upon.

c. Contracts let by another governmental entity. The department, on its own behalf or on the behalf of another participating agency or governmental entity, may procure information technology under a contract let by another agency or other governmental entity, or approve such procurement in the same manner by a participating agency or governmental entity.

d. Reverse auction.

(1) The department may enter into an agreement for the purchase of information technology utilizing a reverse auction process. Such process shall result in the purchase of information technology from the vendor submitting the lowest responsible bid amount for the information technology to be acquired. The department, in establishing a reverse auction process, shall do all of the following:

(a) Determine the specifications and requirements of the information technology to be acquired.

(b) Identify and provide notice to potential vendors concerning the proposed acquisition.

(c) Establish prequalification requirements to be met by a vendor to be eligible to participate in the reverse auction.

(d) Conduct the reverse auction in a manner as deemed appropriate by the department, and consistent with rules adopted by the department.

(2) Prior to conducting a reverse auction, the department shall establish a threshold amount which shall be the maximum amount which the department is willing to pay for the information technology to be acquired.

(3) The department shall enter into an agreement with a vendor who is the lowest responsible bidder which meets the specifications or description of the information technology to

be procured, or the department may reject all bids and begin the process again. In determining the lowest responsible bidder, the department may consider various factors, including, but not limited to, the past performance of the vendor relative to quality of product or service, the past experience of the department in relation to the product or service, the relative quality of products or services, the proposed terms of delivery, and the best interest of the state.

e. Competitive bidding. The department may enter into an agreement for the procurement or acquisition of information technology in the same manner as provided under article III for the purchasing of service.

f. Other agreements. In addition to the competitive bidding procedure provided for under paragraph "e", the department may enter into an agreement for the purchase, disposal, or other disposition of information technology in the same manner and subject to the same limitations as otherwise provided in this chapter. The department, by rule, shall provide for such procedures.

5. The department shall adopt rules pursuant to chapter 17A to implement the procurement methods and procedures provided for in subsections 2 through 4.

IOWACCESS

Sec. 24. NEW SECTION. 8A.221 IOWACCESS ADVISORY COUNCIL ESTABLISHED -- DUTIES -- MEMBERSHIP.

1. ADVISORY COUNCIL ESTABLISHED. An IowAccess advisory council is established within the department for the purpose of creating and providing a service to the citizens of this state that is the gateway for one-stop electronic access to government information and transactions, whether federal, state, or local. Except as provided in this section, IowAccess shall be a state-funded service providing access to government information and transactions. The department, in establishing the fees for value-added services, shall consider

the reasonable cost of creating and organizing such government information through IowAccess.

2. DUTIES.

a. The advisory council shall do all of the following:

(1) Recommend to the information technology council rates to be charged for access to and for value-added services performed through IowAccess.

(2) Recommend to the director the priority of projects associated with IowAccess.

(3) Recommend to the director expected outcomes and effects of the use of IowAccess and determine the manner in which such outcomes are to be measured and evaluated.

(4) Review and recommend to the director the IowAccess total budget request and ensure that such request reflects the priorities and goals of IowAccess as established by the advisory council.

(5) Review and recommend to the director all rules to be adopted by the department that are related to IowAccess.

(6) Advocate for access to government information and services through IowAccess and for data privacy protection, information ethics, accuracy, and security in IowAccess programs and services.

(7) Receive status and operations reports associated with IowAccess.

(8) Other duties as assigned by the director.

b. The advisory council shall also advise the director with respect to the operation of IowAccess and encourage and implement access to government and its public records by the citizens of this state.

c. The advisory council shall serve as a link between the users of public records, the lawful custodians of such public records, and the citizens of this state who are the owners of such public records.

d. The advisory council shall ensure that IowAccess gives priority to serving the needs of the citizens of this state.

3. MEMBERSHIP.

a. The advisory council shall be composed of nineteen members including the following:

(1) Five persons appointed by the governor representing the primary customers of IowAccess.

(2) Six persons representing lawful custodians as follows:

(a) One person representing the legislative branch, who shall not be a member of the general assembly, to be appointed jointly by the president of the senate, after consultation with the majority and minority leaders of the senate, and by the speaker of the house of representatives, after consultation with the majority and minority leaders of the house of representatives.

(b) One person representing the judicial branch as designated by the chief justice of the supreme court.

(c) One person representing the executive branch as designated by the governor.

(d) One person to be appointed by the governor representing cities who shall be actively engaged in the administration of a city.

(e) One person to be appointed by the governor representing counties who shall be actively engaged in the administration of a county.

(f) One person to be appointed by the governor representing the federal government.

(3) Four members to be appointed by the governor representing a cross section of the citizens of the state.

(4) Four members of the general assembly, two from the senate and two from the house of representatives, with not more than one member from each chamber being from the same political party. The two senators shall be designated by the president of the senate after consultation with the majority and minority leaders of the senate. The two representatives shall be designated by the speaker of the house of representatives after consultation with the majority and minority leaders of the house of representatives. Legislative

members shall serve in an ex officio, nonvoting capacity. A legislative member is eligible for per diem and expenses as provided in section 2.10.

b. Members appointed by the governor are subject to confirmation by the senate and shall serve four-year staggered terms as designated by the governor. The advisory council shall annually elect its own chairperson from among the voting members of the board. Members appointed by the governor are subject to the requirements of sections 69.16, 69.16A, and 69.19. Members appointed by the governor shall be reimbursed for actual and necessary expenses incurred in performance of their duties. Such members may also be eligible to receive compensation as provided in section 7E.6.

4. This section shall not be construed to impair the right of a person to contract to purchase information or data from the Iowa court information system or any other governmental entity. This section shall not be construed to affect a data purchase agreement or contract in existence on April 25, 2000.

Sec. 25. NEW SECTION. 8A.222 FINANCIAL TRANSACTIONS.

1. Moneys paid to a participating agency from persons who complete an electronic financial transaction with the agency by accessing IowAccess shall be transferred to the treasurer of state for deposit in the general fund of the state, unless the disposition of the moneys is specifically provided for under other law. The moneys may include all of the following:

a. Fees required to obtain an electronic public record as provided in section 22.3A.

b. Fees required to process an application or file a document, including but not limited to fees required to obtain a license issued by a licensing authority.

c. Moneys owed to a governmental entity by a person accessing IowAccess in order to satisfy a liability arising from the operation of law, including the payment of assessments, taxes, fines, and civil penalties.

2. Moneys transferred using IowAccess may include amounts owed by a governmental entity to a person accessing IowAccess in order to satisfy a liability of the governmental entity. The moneys may include the payment of tax refunds, and the disbursement of support payments as defined in section 252D.16 or 598.1 as required for orders issued pursuant to section 252B.14.

3. In addition to other forms of payment, credit cards shall be accepted in payment for moneys owed to or fees imposed by a governmental entity in the same manner as provided in section 8A.125.

4. Notwithstanding any other provision of this section, the department may establish for the fiscal years beginning July 1, 2003, and ending June 30, 2005, a pilot project for fee collection. Fees shall be collected based on the ability to access court information from remote locations.

Sec. 26. NEW SECTION. 8A.223 AUDITS REQUIRED.

A technology audit of the electronic transmission system by which government records are transmitted electronically to the public shall be conducted not less than once annually for the purpose of determining that government records and other electronic data are not misappropriated or misused by the department or a contractor of the department.

Sec. 27. NEW SECTION. 8A.224 IOWACCESS REVOLVING FUND.

An IowAccess revolving fund is created in the state treasury. The revolving fund shall be administered by the department and shall consist of moneys collected by the department as fees, moneys appropriated by the general assembly, and any other moneys obtained or accepted by the department for deposit in the revolving fund. The proceeds of the revolving fund are appropriated to and shall be used by the department to maintain, develop, operate, and expand IowAccess consistent with this article. The department shall submit an annual report not later than January 31 to the members of the general assembly and the legislative fiscal

bureau, of the activities funded by and expenditures made from the revolving fund during the preceding fiscal year. Section 8.33 does not apply to any moneys in the revolving fund and, notwithstanding section 12C.7, subsection 2, earnings or interest on moneys deposited in the revolving fund shall be credited to the revolving fund.

ARTICLE 3

PHYSICAL RESOURCES

GENERAL PROVISIONS

Sec. 28. NEW SECTION. 8A.301 DEFINITIONS.

When used in this article, unless the context otherwise requires:

1. "Bid specification" means the standards or qualities which must be met before a contract to purchase will be awarded and any terms which the director has set as a condition precedent to the awarding of a contract.

2. "Competitive bidding procedure" means the advertisement for, solicitation of, or the procurement of bids; the manner and condition in which bids are received; and the procedure by which bids are opened, accessed, accepted, rejected, or awarded. A "competitive bidding procedure" may include a transaction accomplished in an electronic format.

3. "Life cycle cost" means the expected total cost of ownership during the life of a product.

4. "Printing" means, as used in chapter 7A and this article, the reproduction of an image from a printing surface made generally by a contact impression that causes a transfer of ink, 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.

5. "State buildings and grounds" excludes any building under the custody and control of the Iowa public employees' retirement system.

Sec. 29. NEW SECTION. 8A.302 DEPARTMENTAL DUTIES -- PHYSICAL RESOURCES.

The duties of the department as it relates to the physical resources of state government shall include but not necessarily be limited to the following:

1. Providing a system of uniform standards and specifications for purchasing. When the system is developed, all items of general use shall be purchased by state agencies through the department, except items used by the state department of transportation, institutions under the control of the state board of regents, the department for the blind, and any other agencies exempted by law. However, items of general use may be purchased through the department by any governmental entity.

2. Providing for the proper maintenance of the state capitol, grounds, and equipment, and all other state buildings and grounds, and equipment at the seat of government, and of the state laboratories facility in Ankeny, except those referred to in section 216B.3, subsection 6.

3. Providing for mail services for all state officials, agencies, and departments located at the seat of government. However, postage shall not be furnished to the general assembly, its members, officers, employees, or committees.

4. Providing architectural services, contracting for construction and construction oversight for state agencies except for the state board of regents, department of transportation, national guard, natural resource commission, and the Iowa public employees' retirement system. Capital funding appropriated to state agencies, except to the state board of regents, department of transportation, national guard, natural resource commission, and the Iowa public employees' retirement system, for property management shall be

transferred for administration to the director of the department of administrative services.

5. Developing and implementing procedures to conduct transactions, including purchasing, authorized by this article in an electronic format to the extent determined appropriate by the department. The director shall adopt rules establishing criteria for competitive bidding procedures involving transactions in an electronic format, including criteria for accepting or rejecting bids which are electronically transmitted to the department, and for establishing with reasonable assurance the authenticity of the bid and the bidder's identity.

6. Providing insurance for motor vehicles owned by the state.

PURCHASING

Sec. 30. NEW SECTION. 8A.311 COMPETITIVE BIDDING -- PREFERENCES -- RECIPROCAL APPLICATION -- DIRECT PURCHASING.

The director shall adopt rules establishing competitive bidding procedures.

1. All equipment, supplies, or services procured by the department shall be purchased by a competitive bidding procedure. However, the director may exempt by rule purchases of noncompetitive items and purchases in lots or quantities too small to be effectively purchased by competitive bidding. Preference shall be given to purchasing Iowa products and purchases from Iowa-based businesses if the Iowa-based business bids submitted are comparable in price to bids submitted by out-of-state businesses and otherwise meet the required specifications. If the laws of another state mandate a percentage preference for businesses or products from that state and the effect of the preference is that bids of Iowa businesses or products that are otherwise low and responsive are not selected in the other state, the same percentage preference shall be applied to Iowa businesses and products when businesses or products from that other state are bid to supply Iowa requirements.

2. The director may also exempt the purchase of an item or service from a competitive bidding procedure when the director determines that the best interests of the state will be served by the exemption which shall be based on one of the following:

a. An immediate or emergency need existing for the item or service.

b. A need to protect the health, safety, or welfare of persons occupying or visiting a public improvement or property located adjacent to the public improvement.

3. a. The director may contract for the purchase of items or services by the department. Contracts for the purchase of items or services shall be awarded on the basis of the lowest competent bid. Contracts not based on competitive bidding shall be awarded on the basis of bidder competence and reasonable price.

b. Architectural and engineering services shall be procured in a reasonable manner, as the director by rule may determine, on the basis of competence and qualification for the type of services required and for a fair and reasonable price.

4. The director may refuse all bids on any item or service and request new bids.

5. The director shall establish by rule the amount of security, if any, to accompany a bid or as a condition precedent to the awarding of any contract and the circumstances under which a security will be returned to the bidder or forfeited to the state.

6. The director shall adopt rules providing a method for the various state agencies to file with the department a list of those supplies, equipment, machines, and all items needed to properly perform their governmental duties and functions.

7. The director shall furnish a list of specifications, prices, and discounts of contract items to any governmental subdivision which shall be responsible for payment to the vendor under the terms and conditions outlined in the state contract.

8. The director shall adopt rules providing that any state agency may, upon request, purchase directly from a vendor if the direct purchasing is as economical or more economical than purchasing through the department, or upon a showing that direct purchasing by the state agency would be in the best interests of the state due to an immediate or emergency need. The rules shall include a provision permitting a state agency to purchase directly from a vendor, on the agency's own authority, if the purchase will not exceed five thousand dollars and the purchase will contribute to the agency complying with or exceeding the targeted small business procurement goals under sections 73.15 through 73.21.

Any member of the executive council may bring before the executive council for review a decision of the director granting a state agency request for direct purchasing. The executive council shall hear and review the director's decision in the same manner as an appeal filed by an aggrieved bidder, except that the three-day period for filing for review shall not apply.

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

b. In awarding a contract under this subsection, 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 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 subsection 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.

10. The state and its political subdivisions shall give preference to purchasing Iowa products and purchasing from Iowa-based businesses if the bids submitted are comparable in price to those submitted by other bidders and meet the required specifications.

11. The director shall adopt rules which require that each bid received for the purchase of items purchased by the department includes a product content statement which provides the percentage of the content of the item which is reclaimed material.

12. The director shall review and, where necessary, revise specifications used by state agencies to procure products in order to ensure all of the following:

a. The procurement of products containing recovered materials, including but not limited to lubricating oils, retread tires, building insulation materials, and recovered materials from waste tires. The specifications shall be revised if they restrict the use of alternative materials, exclude recovered materials, or require performance standards which exclude products containing recovered materials unless

the agency seeking the product can document that the use of recovered materials will hamper the intended use of the product.

b. The procurement by state agencies of bio-based hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans in accordance with the requirements of section 8A.316.

13. A bidder awarded a state construction contract shall disclose the names of all subcontractors, who will work on the project being bid, within forty-eight hours after the award of the contract.

If a subcontractor named by a bidder awarded a state construction contract is replaced, or if the cost of work to be done by a subcontractor is reduced, the bidder shall disclose the name of the new subcontractor or the amount of the reduced cost.

14. A state agency shall make every effort to purchase those products produced for sale by sheltered workshops, work activity centers, and other special programs funded in whole or in part by public moneys that employ persons with mental retardation or other developmental disabilities or mental illness if the products meet the required specifications.

15. A state agency shall make every effort to purchase products produced for sale by employers of persons in supported employment.

16. The department shall not award a contract to a bidder for a construction, reconstruction, demolition, or repair project or improvement with an estimated cost that exceeds twenty-five thousand dollars in which the bid requires the use of inmate labor supplied by the department of corrections, but not employed by private industry pursuant to section 904.809, to perform the project or improvement.

17. This section does not apply to Iowa technology center contracts in support of activities performed for another governmental entity, either state or federal. The Iowa

technology center is an entity created by a chapter 28E agreement entered into by the department of public defense.

18. Life cycle cost and energy efficiency shall be included in the criteria used by the department, institutions under the control of the state board of regents, the department of transportation, the department for the blind, and other state agencies in developing standards and specifications for purchasing energy-consuming products. For purposes of this subsection, the life cycle costs of American motor vehicles shall be reduced by five percent in order to determine if the motor vehicle is comparable to foreign-made motor vehicles. "American motor vehicles" includes those vehicles manufactured in this state and those vehicles in which at least seventy percent of the value of the motor vehicle was manufactured in the United States or Canada and at least fifty percent of the motor vehicle sales of the manufacturer are in the United States or Canada. In determining the life cycle costs of a motor vehicle, the costs shall be determined on the basis of the bid price, the resale value, and the operating costs based upon a useable life of five years or seventy-five thousand miles, whichever occurs first.

19. Preference shall be given to purchasing American-made products and purchases from American-based businesses if the life cycle costs are comparable to those products of foreign businesses and which most adequately fulfill the department's need.

Sec. 31. NEW SECTION. 8A.312 COOPERATIVE PURCHASING.

The director may purchase items through the department of transportation, institutions under the control of the state board of regents, and any other agency exempted by law from centralized purchasing. These state agencies shall upon request furnish the director with a list of and specifications for all items of office equipment, furniture, fixtures, motor vehicles, heavy equipment, and other related items to be

purchased during the next quarter and the date by which the director must file with the agency the quantity of items to be purchased by the state agency for the department. The department shall be liable to the state agency for the proportionate costs the items purchased for the department bear to the total purchase price. When items purchased have been delivered, the state agency shall notify the director and after receipt of the purchase price shall release the items to the director or upon the director's order.

Sec. 32. NEW SECTION. 8A.313 DISPUTES INVOLVING PURCHASING FROM IOWA STATE INDUSTRIES.

Disputes arising between the department of corrections and a purchasing department or agency over the procurement of products from Iowa state industries as described in section 904.808 shall be referred to the director. The decision of the director is final unless a written appeal is filed with the executive council within five days of receipt of the decision of the director, excluding Saturdays, Sundays, and legal holidays. If an appeal is filed, the executive council shall hear and determine the appeal within thirty days. The decision of the executive council is final.

Sec. 33. NEW SECTION. 8A.314 PURCHASING REVOLVING FUND.

1. A purchasing revolving fund is established within the department. The director shall keep an accurate itemized account for each state agency purchasing through the department, using services provided for by the department, and using postage supplied by the department.

2. At the end of each month the director shall render a statement to each state agency for the actual cost of items purchased through the department, and the actual cost of services and postage used by the agency. The monthly statement shall also include a fair proportion of the administrative costs of the department during the month. The portion of administrative costs shall be determined by the director subject to review by the executive council upon complaint from any state agency adversely affected.

3. Statements rendered to the various state agencies shall be paid by the state agencies in the manner determined by the department. When the statements are paid the sums shall be credited to the purchasing revolving fund. If any funds accrue to the revolving fund in excess of two hundred twenty-five thousand dollars and there is no anticipated need or use for such funds, the governor shall order the excess funds credited to the general fund of the state.

Sec. 34. NEW SECTION. 8A.315 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 subsection, "recycled content" means that the content of the product contains a minimum of thirty percent postconsumer material.

2. a. Except as otherwise provided in this section, the department shall purchase and use recycled printing and writing paper so that ninety percent 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.

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.

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.

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, 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 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 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, in conjunction with the department of natural resources, shall adopt rules to administer this section.

7. All state agencies shall fully cooperate with the department and with the department of 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. 35. NEW SECTION. 8A.316 LUBRICANTS AND OILS -- PREFERENCES.

The department shall do all of the following:

1. Revise its procedures and specifications for the purchase of lubricating oil and industrial oil to eliminate exclusion of recycled oils and any requirement that oils be manufactured from virgin materials.

2. Require that purchases of lubricating oil and industrial oil be made from the seller whose oil product contains the greatest percentage of recycled oil, unless one of the following circumstances regarding a specific oil product containing recycled oil exists:

a. The product is not available within a reasonable period of time or in quantities necessary or in container sizes appropriate to meet a state agency's needs.

b. The product does not meet the performance requirements or standards recommended by the equipment or vehicle manufacturer, including any warranty requirements.

c. The product is available only at a cost greater than one hundred five percent of the cost of comparable virgin oil products.

3. Establish and maintain a preference program for procuring oils containing the maximum content of recycled oil. The preference program shall include but is not limited to all of the following:

a. The inclusion of the preferences for recycled oil products in publications used to solicit bids from suppliers.

b. The provision of a description of the recycled oil procurement program at bidders' conferences.

c. Discussion of the preference program in lubricating oil and industrial oil procurement solicitations or invitations to bid.

d. Efforts to inform industry trade associations about the preference program.

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 bio-based hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans.

b. 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 subsection, unless the context otherwise requires:

(1) "Bio-based hydraulic fluids, greases, and other industrial lubricants" means the same 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.

PHYSICAL RESOURCES AND FACILITY MANAGEMENT

Sec. 36. NEW SECTION. 8A.321 PHYSICAL RESOURCES AND FACILITY MANAGEMENT -- DIRECTOR DUTIES -- APPROPRIATION.

In managing the physical resources of government, the director shall perform all of the following duties:

1. Provide for supervision over the custodians, and other employees of the department in and about the capitol and other state buildings, and the state laboratories facility in Ankeny, except the buildings and grounds referred to in section 216B.3, subsection 6, at the seat of government.

2. Institute, in the name of the state, and with the advice and consent of the attorney general, civil and criminal proceedings against any person for injury or threatened injury to any public property, including but not limited to intangible and intellectual property, under the person's control.

3. Under the direction of the governor, provide, furnish, and pay for public utilities service, heat, maintenance, minor repairs, and equipment in operating and maintaining the official residence of the governor of Iowa.

4. Contract, with the approval of the executive council, for the repair, remodeling, or, if the condition warrants, demolition of all buildings and grounds of the state at the seat of government, at the state laboratories facility in Ankeny, and the institutions of the department of human services and the department of corrections for which no specific appropriation has been made, if the cost of repair, remodeling, or demolition will not exceed one hundred thousand

dollars when completed. The cost of repair projects for which no specific appropriation has been made shall be paid from the fund provided in section 7D.29.

5. Dispose of all personal property of the state under the director's control as provided by section 8A.324 when it becomes unnecessary or unfit for further use by the state. If the director concludes that the personal property is contaminated, contains hazardous waste, or is hazardous waste, the director may charge the state agency responsible for the property for removal and disposal of the personal property. The director shall adopt rules establishing the procedures for inspecting, selecting, and removing personal property from state agencies or from state storage.

6. a. Lease all buildings and office space necessary to carry out the provisions of this article or necessary for the proper functioning of any state agency at the seat of government. 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.

b. When the general assembly is not in session, the director may request moneys from the executive council for moving state agencies located at the seat of government from one location to another. The request may include moving costs, telecommunications costs, repair costs, or any other costs relating to the move. The executive council may approve and shall pay the costs from funds provided in section 7D.29 if it determines the agency or department has no available funds for these expenses.

c. Coordinate the leasing of buildings and office space by state agencies throughout the state and develop cooperative relationships with the state board of regents in order to promote the colocation of state agencies.

7. Unless otherwise provided by law, coordinate the location, design, plans and specifications, construction, and ultimate use of the real or personal property to be purchased by a state agency for whose benefit and use the property is being obtained. If the purchase of real or personal property is to be financed pursuant to section 12.28, the department shall cooperate with the treasurer of state in providing the information necessary to complete the financing of the property.

A contract for acquisition, construction, erection, demolition, alteration, or repair by a private person of real or personal property to be lease-purchased by the treasurer of state pursuant to section 12.28 is exempt from section 8A.311, subsections 1 and 9, unless the lease-purchase contract is funded in advance by a deposit of the lessor's moneys to be administered by the treasurer of state under a lease-purchase contract which requires rent payments to commence upon delivery of the lessor's moneys to the lessee.

8. With the authorization of a constitutional majority of each house of the general assembly and approval by the governor, dispose of real property belonging to the state and its state agencies upon terms, conditions, and consideration as the director may recommend. If real property subject to sale under this subsection has been purchased or acquired from appropriated funds, the proceeds of the sale shall be deposited with the treasurer of state and credited to the general fund of the state or other fund from which appropriated. There is appropriated from that same fund, with the prior approval of the executive council and in cooperation with the director, a sum equal to the proceeds so deposited and credited to the state agency to which the disposed real property belonged or by which it was used, for purposes of the state agency.

9. Subject to the selection procedures of section 12.30, employ financial consultants, banks, insurers, underwriters,

accountants, attorneys, and other advisors or consultants necessary to implement the provisions of subsection 7.

10. Prepare annual status reports for all ongoing capital projects of all state agencies, as defined in section 8.3A, and submit the status reports to the legislative capital projects committee.

11. Call upon any state agency, as defined in section 8.3A, for assistance the director may require in performing the director's duties under subsection 10 regarding capital project status reports. All state agencies, upon the request of the director and with the approval of the director of the department of management, shall assist the director and are authorized to make available to the director any existing studies, surveys, plans, data, and other materials in the possession of the state agencies which are relevant to the director's duties.

12. In carrying out the requirements of section 64.6, purchase an individual or a blanket surety bond insuring the fidelity of state officers. The department may self-assume or self-insure fidelity exposures for state officials and employees. A state official is deemed to have furnished surety if the official has been covered by a program of insurance or self-insurance established by the department. To the extent possible, all bonded state employees shall be covered under one or more blanket bonds or position schedule bonds.

13. Review the management of state property loss exposures and state liability risk exposures for the capitol complex. Insurance coverage may include self-insurance or any type of insurance protection sold by insurers, including, but not limited to, full coverage, partial coverage, coinsurance, reinsurance, and deductible insurance coverage.

14. Establish a monument maintenance account in the state treasury under the control of the department. Funds for the maintenance of a state monument, whether received by gift,

devise, bequest, or otherwise, shall be deposited in the account. Funds in the account shall be deposited in an interest-bearing account. Notwithstanding section 12C.7, interest earned on the account shall be deposited in the account and shall be used to maintain the designated monument. Any maintenance funds for a state monument held by the state and interest earned on the funds shall be used to maintain the designated monument. Notwithstanding section 8.33, funds in the monument maintenance account at the end of a fiscal year shall not revert to the general fund of the state.

Sec. 37. NEW SECTION. 8A.322 BUILDINGS AND GROUNDS -- SERVICES -- PUBLIC USE.

1. The director shall provide necessary lighting, fuel, and water services for the state buildings and grounds located at the seat of government, and for the state laboratories facility in Ankeny, except the buildings and grounds referred to in section 216B.3, subsection 6.

2. Except for buildings and grounds described in section 216B.3, subsection 6; section 2.43, unnumbered paragraph 1; and any buildings under the custody and control of the Iowa public employees' retirement system, the director shall assign office space at the capitol, other state buildings, and elsewhere in the city of Des Moines, and the state laboratories facility in Ankeny, for all executive and judicial state agencies. Assignments may be changed at any time. The various officers to whom rooms have been so assigned may control the same while the assignment to them is in force. Official apartments shall be used only for the purpose of conducting the business of the state. The term "capitol" or "capitol building" as used in the Code shall be descriptive of all buildings upon the capitol grounds. The capitol building itself is reserved for the operations of the general assembly, the governor, and the courts and the assignment and use of physical facilities for the general assembly shall be pursuant to section 2.43.

3. The director shall establish, publish, and enforce rules regulating and restricting the use by the public of the capitol buildings and grounds and of the state laboratories facility in Ankeny. The rules when established shall be posted in conspicuous places about the capitol buildings and grounds and the state laboratories facility, as applicable. Any person violating any rule, except a parking regulation, shall be guilty of a simple misdemeanor.

Sec. 38. NEW SECTION. 8A.323 PARKING REGULATIONS.

1. The director shall establish, publish, and enforce rules regulating, restricting, or prohibiting the use by state officials, state employees, and the public, of motor vehicle parking facilities at the state capitol complex and at the state laboratories facility in Ankeny. The assignment of legislative parking spaces shall be under the control of the legislative council. The rules established by the director may establish fines for violations and a procedure for payment of the fines. The director may order payment of a fine and enforce the order in the district court.

2. Motor vehicles parked in violation of the rules may be removed without the owner's or operator's consent and at the owner's or operator's expense. Motor vehicles removed and not claimed within thirty days of their removal or vehicles abandoned within the capitol grounds may be disposed of in accordance with the provisions of sections 321.85 through 321.91.

3. The parking rules established shall be posted in conspicuous places at the capitol complex and at the state laboratories facility in Ankeny, as applicable. Copies of the rules shall be made available to all state officials and employees and any other person who requests a copy of the rules.

4. All fines collected by the department shall be forwarded to the treasurer of state and deposited in the general fund of the state.

Sec. 39. NEW SECTION. 8A.324 DISPOSAL OF PERSONAL PROPERTY.

The director may dispose of personal property of the state under the director's control by any of the following means:

1. The director may dispose of unfit or unnecessary personal property by sale. Proceeds from the sale of personal property shall be deposited in the general fund of the state.

2. If the director concludes that the personal property has little or no value, the director may enter into an agreement with a not-for-profit organization or governmental agency to dispose of the personal property. The not-for-profit organization or governmental agency may charge the state agency in control of the property with the cost of removing and transporting the property. Title to the personal property shall transfer when the personal property is in the possession of the not-for-profit organization or governmental agency. If a governmental agency adds value to the property transferred to it and sells it, the proceeds from the sale shall be deposited with the governmental agency and not in the general fund of the state.

3. The director may dispose of presses, printing equipment, printing supplies, and other machinery or equipment used in the printing operation.

Sec. 40. NEW SECTION. 8A.325 SERVICES AND COMMODITIES ACCEPTED.

The director may accept services, commodities, and surplus property and make provision for warehousing and distribution to various departments and governmental subdivisions of the state, and such other agencies, institutions, and authorized recipients within the state as may be from time to time designated in federal statutes and rules.

Sec. 41. NEW SECTION. 8A.326 TERRACE HILL COMMISSION.

1. The Terrace Hill commission is created consisting of nine persons, appointed by the governor, who are knowledgeable in business management and historic preservation and

renovation. The governor shall appoint the chairperson. The terms of the commission members are for three years beginning on July 1 and ending on June 30.

2. The Terrace Hill commission may consult with the Terrace Hill society, Terrace Hill foundation, the executive and legislative branches of this state, and other persons interested in the property.

3. The Terrace Hill commission may enter into contracts, subject to this chapter, to execute its purposes.

4. The commission may adopt rules to administer the programs of the commission. The decision of the commission is final agency action under chapter 17A.

Sec. 42. NEW SECTION. 8A.327 RENT REVOLVING FUND CREATED -- PURPOSE.

1. A rent revolving fund is created in the state treasury under the control of the department to be used by the department to pay the lease or rental costs of all buildings and office space necessary for the proper functioning of any state agency at the seat of state government as provided in section 8A.321, subsection 6, except that this fund shall not be used to pay the rental or lease costs of a state agency which has not received funds budgeted for rental or lease purposes.

2. The director shall pay the lease or rental fees to the renter or lessor and submit a monthly statement to each state agency for which building and office space is rented or leased. If the director pays the lease or rental fees on behalf of a state agency, the state agency's payment to the department shall be credited to the rent revolving fund established by this section. With the approval of the director, a state agency may pay the lease or rental cost directly to the person who is due the payment under the lease or rental agreement.

Sec. 43. NEW SECTION. 8A.328 RECYCLING REVOLVING FUND.

A recycling revolving fund is created within the state treasury under the control of the department. The fund shall consist of any moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the department from the federal government or private sources for placement in the fund. The assets of the fund shall be used by the department only for supporting recycling operations. Moneys in the fund shall be drawn upon the written requisition of the director or an authorized representative of the director. The fund is subject to an annual audit by the auditor of state. Section 8.33 does not apply to any moneys in the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 44. NEW SECTION. 8A.329 WASTEPAPER RECYCLING PROGRAM.

1. The department in accordance with recommendations made by the department of natural resources shall require all state agencies to establish an agency wastepaper recycling program. The director shall adopt rules which require a state agency to develop a program to ensure the recycling of the wastepaper generated by the agency. All state employees shall practice conservation of paper materials.

2. For the purposes of this section, "agency wastepaper" means wastepaper or wastepaper products generated by the agency.

3. The rules adopted by the director shall provide for the continuation of existing state agency contracts which provide for alternative waste management not including incineration or land burial of agency wastepaper.

PRINTING

Sec. 45. NEW SECTION. 8A.341 STATE PRINTING -- DUTIES.

The director shall do all of the following as it relates to printing:

1. Provide general supervision of all matters pertaining to public printing, including the enforcement of contracts for printing, except as otherwise provided by law. The supervision shall include providing guidelines for the letting of contracts for printing, the manner, form, style, and quantity of public printing, and the specifications and advertisements for public printing. In addition, the director shall have charge of office equipment and supplies and of the stock, if any, required in connection with printing contracts.

2. If money is appropriated for this purpose, by November 1 of each year supply a report which contains the name, gender, county, or city of residence when possible, official title, salary received during the previous fiscal year, base salary as computed on July 1 of the current fiscal year, and traveling and subsistence expense of the personnel of each of the departments, boards, and commissions of the state government except personnel who receive an annual salary of less than one thousand dollars. The number of the personnel and the total amount received by them shall be shown for each department in the report. All employees who have drawn salaries, fees, or expense allowances from more than one department or subdivision shall be listed separately under the proper departmental heading. On the request of the director, the head of each department, board, or commission shall furnish the data covering that agency. The report shall be distributed upon request without charge to each caucus of the general assembly, the legislative service bureau, the legislative fiscal bureau, the chief clerk of the house of representatives, and the secretary of the senate. Copies of the report shall be made available to other persons in both print or electronic medium upon payment of a fee, which shall not exceed the cost of providing the copy of the report. Sections 22.2 through 22.6 apply to the report. All funds from the sale of the report shall be deposited in the printing revolving fund established in section 8A.345. Requests for

print publications shall be handled only upon receipt of postage by the director.

3. Deposit receipts from the sale of presses, printing equipment, printing supplies, and other machinery or equipment used in the printing operation in the printing revolving fund established in section 8A.345.

Sec. 46. NEW SECTION. 8A.342 CONTRACTS WITH STATE INSTITUTIONS.

The director may, without advertising for bids, enter into contracts or make provision for doing any of the work coming under the provisions of chapter 7A and this article at any school or institution under the ownership or control of the state. The work shall be done under conditions substantially the same as those provided for in the case of contracts with individuals and the same standard of quality or product shall be required.

Sec. 47. NEW SECTION. 8A.343 SPECIFICATIONS AND REQUIREMENTS.

The director shall, from time to time, adopt and print specifications and requirements covering all matters relating to printing that are the subject of contracts.

Sec. 48. NEW SECTION. 8A.344 PUBLIC PRINTING -- BIDDING PROCEDURES.

1. The director shall advertise for bids for public printing. Advertisements shall state where and how specifications and other necessary information may be obtained, the time during which the director will receive bids, and the day, hour, and place when bids will be publicly opened or accessed, and the manner by which the contracts will be awarded.

2. The director shall supply prospective bidders and others on request with the specifications and requirements, blank forms for bids, samples of printing so far as possible, and all other information pertaining to the subject.

3. The specifications shall be kept on file in the office of the director, open to public inspection, together with samples so far as possible, of the work to be done or the material to be furnished.

4. Bids submitted must be:

a. Secured in writing, by telephone, by facsimile, or in a format prescribed by the director as indicated in the bid specifications.

b. Signed by the bidder, or if a telephone or electronic bid, confirmed by the bidder in a manner prescribed by the director.

c. Submitted in a format prescribed by the director which reasonably assures the authenticity of the bid and the bidder's identity.

d. Submitted to the department as specified by the date and time established in the advertisements for bids.

5. 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 treasurer of state 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.

6. All bids shall be publicly opened or accessed and read and the contracts awarded in the manner designated in the bid specifications. In the award of a contract, due consideration shall be given to the price bid, mechanical and other equipment proposed to be used by the bidder, the financial responsibility of the bidder, the bidder's ability and experience in the performance of similar contracts, and any

other factors that the department determines are relevant and that are included in the bid specifications.

7. The director shall have the right to reject any or all bids, and in case of rejection or because of failure of a bidder to enter into a contract, the director may advertise for and secure new bids.

8. When the director is satisfied that bidders have presented bids pursuant to an agreement, understanding, or combination to prevent free competition, the director shall reject all of them and readvertise for bids as in the first instance.

Sec. 49. NEW SECTION. 8A.345 PRINTING REVOLVING FUND.

A revolving fund is created in the state treasury under the control of the department and may be used in making payments for supplying paper stock, offset printing, copy preparation, binding, distribution costs, and original payment of printing and binding claims for any of the state departments, bureaus, commissions, or institutions. All salaries and expenses properly chargeable to the fund shall be paid from the fund. The director may also use the fund for the purchase of replacement or additional equipment, if a sufficient balance will remain in the fund to enable the continued operation of the printing operations of the department.

DOCUMENT MANAGEMENT

Sec. 50. NEW SECTION. 8A.351 DISTRIBUTION OF DOCUMENTS -- GENERAL PROVISIONS.

If money is appropriated for this purpose, the director shall do all of the following:

1. The director shall require from officials or heads of departments mailing lists, or addressed labels or envelopes, for use in distribution of reports and documents. The director shall revise such lists, eliminating duplications and adding to the lists libraries, institutions, public officials, and persons having actual use for the material. The director shall arrange the lists so as to reduce to the minimum the

postage or other cost for delivery. Requests for publications shall be handled only upon receipt of postage by the director from the requesting agency or department.

2. The director shall furnish the various officials and departments with copies of their reports needed for office use or to be distributed to persons requesting the reports. Requests for publications shall be handled only upon receipt of postage by the director.

3. The director may send additional copies of publications to other state officials, individuals, institutions, libraries, or societies that may request them. Requests for publications shall be handled only upon receipt of postage by the director.

FLEET MANAGEMENT

Sec. 51. NEW SECTION. 8A.361 VEHICLE ASSIGNMENT -- AUTHORITY IN DEPARTMENT.

The department shall provide for the assignment of all state-owned motor vehicles to all state officers and employees, and to all state offices, departments, bureaus, and commissions, except the department of transportation, institutions under the control of the state board of regents, the department for the blind, and any other agencies exempted by law.

Sec. 52. NEW SECTION. 8A.362 FLEET MANAGEMENT -- POWERS AND DUTIES -- FUEL ECONOMY REQUIREMENTS.

1. The director may provide for the assignment to a state officer or employee or to a state agency, of one or more motor vehicles which may be required by the state officer or employee or state agency, after the state officer or employee or state agency has shown the necessity for such transportation. The director may assign a motor vehicle either for part-time or full-time use. The director may revoke the assignment at any time.

2. The director may cause all state-owned motor vehicles to be inspected periodically. Whenever the inspection reveals

that repairs have been improperly made on the motor vehicle or that the operator is not giving the motor vehicle the proper care, the director shall report this fact to the head of the state agency to which the motor vehicle has been assigned, together with recommendation for improvement.

3. The director shall provide for a record system for the keeping of records of the total number of miles state-owned motor vehicles are driven and the per-mile cost of operation of each motor vehicle. Every state officer or employee shall keep a record book to be furnished by the director in which the officer or employee shall enter all purchases of gasoline, lubricating oil, grease, and other incidental expense in the operation of the motor vehicle assigned to the officer or employee, giving the quantity and price of each purchase, including the cost and nature of all repairs on the motor vehicle. Each operator of a state-owned motor vehicle shall promptly prepare a report at the end of each month on forms furnished by the director and forwarded to the director, giving the information the director may request in the report. Each month the director shall compile the costs and mileage of state-owned motor vehicles from the reports and keep a cost history for each motor vehicle and the costs shall be reduced to a cost-per-mile basis for each motor vehicle. The director shall call to the attention of an elected official or the head of any state agency to which a motor vehicle has been assigned any evidence of the mishandling or misuse of a state-owned motor vehicle which is called to the director's attention.

A motor vehicle operated under this subsection shall not operate on gasoline other than gasoline blended with at least ten percent ethanol, unless under emergency circumstances. A state-issued credit card used to purchase gasoline shall not be valid to purchase gasoline other than gasoline blended with at least ten percent ethanol, if commercially available. The motor vehicle shall also be affixed with a brightly visible sticker which notifies the traveling public that the motor

vehicle is being operated on gasoline blended with ethanol. However, the sticker is not required to be affixed to an unmarked vehicle used for purposes of providing law enforcement or security.

4. a. The director shall provide for the purchase of all motor vehicles for all branches of the state government, except the department of transportation, institutions under the control of the state board of regents, the department for the blind, and any other state agency exempted by law. The director shall purchase new vehicles in accordance with competitive bidding procedures for items or services as provided in this article. The director may purchase used or preowned vehicles at governmental or dealer auctions if the purchase is determined to be in the best interests of the state.

b. The director, and any other state agency, which for purposes of this subsection includes but is not limited to community colleges and institutions under the control of the state board of regents, or local governmental subdivisions purchasing new motor vehicles, shall purchase new passenger vehicles and light trucks so that the average fuel efficiency for the fleet of new passenger vehicles and light trucks purchased in that year equals or exceeds the average fuel economy standard for the vehicles' model year as established by the United States secretary of transportation under 15 U.S.C. § 2002. This paragraph does not apply to vehicles purchased for law enforcement purposes or used for off-road maintenance work, or work vehicles used to pull loaded trailers.

c. Not later than February 15 of each year, the director shall report compliance with the corporate average fuel economy standards published by the United States secretary of transportation for new motor vehicles, other than motor vehicles purchased by the department of transportation, institutions under the control of the state board of regents,

the department for the blind, and any other state agency exempted from the requirements of this subsection. The report of compliance shall classify the vehicles purchased for the current vehicle model year using the following categories: passenger automobiles, enforcement automobiles, vans, and light trucks. The director shall deliver a copy of the report to the department of natural resources. As used in this paragraph, "corporate average fuel economy" means the corporate average fuel economy as defined in 49 C.F.R. § 533.5.

d. The director shall assign motor vehicles available for use to maximize the average passenger miles per gallon of motor vehicle fuel consumed. In assigning motor vehicles, the director shall consider standards established by the director, which may include but are not limited to the number of passengers traveling to a destination, the fuel economy of and passenger capacity of vehicles available for assignment, and any other relevant information, to assure assignment of the most energy-efficient vehicle or combination of vehicles for a trip from those vehicles available for assignment. The standards shall not apply to special work vehicles and law enforcement vehicles. The standards shall apply to the following agencies:

(1) Department of transportation.

(2) Institutions under the control of the state board of regents.

(3) Department for the blind.

(4) Any other state agency exempted from obtaining vehicles for use through the department.

e. As used in paragraph "d", "fuel economy" means the average number of miles traveled by an automobile per gallon of gasoline consumed as determined by the United States environmental protection agency administrator in accordance with 26 U.S.C. § 4064(c).

5. Of all new passenger vehicles and light pickup trucks purchased by the director, a minimum of ten percent of all such vehicles and trucks purchased shall be equipped with engines which utilize alternative methods of propulsion including but not limited to any of the following:

a. A flexible fuel, which is any of the following:

(1) A fuel blended with not more than fifteen percent gasoline and at least eighty-five percent ethanol.

(2) A fuel which is a mixture of diesel fuel and processed soybean oil. At least twenty percent of the mixed fuel by volume must be processed soybean oil.

(3) A renewable fuel approved by the office of renewable fuels and coproducts pursuant to section 159A.3.

b. Compressed or liquefied natural gas.

c. Propane gas.

d. Solar energy.

e. Electricity.

This subsection does not apply to vehicles and trucks purchased and directly used for law enforcement or purchased and used for off-road maintenance work or to pull loaded trailers.

6. All used motor vehicles turned in to the director shall be disposed of by public auction, and the sales shall be advertised in a newspaper of general circulation one week in advance of sale, and the receipts from the sale shall be deposited in the depreciation fund to the credit of the state agency turning in the vehicle; except that, in the case of a used motor vehicle of special design, the director may, instead of selling it at public auction, authorize the motor vehicle to be traded for another vehicle of similar design. If a vehicle sustains damage and the cost to repair exceeds the wholesale value of the vehicle, the director may dispose of the motor vehicle by obtaining two or more written salvage bids and the vehicle shall be sold to the highest responsible bidder.

7. The director may authorize the establishment of motor pools consisting of a number of state-owned motor vehicles under the director's supervision. The director may store the motor vehicles in a public or private garage. If the director establishes a motor pool, any state officer or employee desiring the use of a state-owned motor vehicle on state business shall notify the director of the need for a vehicle within a reasonable time prior to actual use of the motor vehicle. The director may assign a motor vehicle from the motor pool to the state officer or employee. If two or more state officers or employees desire the use of a state-owned motor vehicle for a trip to the same destination for the same length of time, the director may assign one vehicle to make the trip.

8. The director shall require that a sign be placed on each state-owned motor vehicle in a conspicuous place which indicates its ownership by the state. This requirement shall not apply to motor vehicles requested to be exempt by the director or by the commissioner of public safety. All state-owned motor vehicles shall display registration plates bearing the word "official" except motor vehicles requested to be furnished with ordinary plates by the director or by the commissioner of public safety pursuant to section 321.19. The director shall keep an accurate record of the registration plates used on all state-owned motor vehicles.

9. All fuel used in state-owned automobiles shall be purchased at cost from the various installations or garages of the department of transportation, state board of regents, department of human services, or state motor pools throughout the state, unless the state-owned sources for the purchase of fuel are not reasonably accessible. If the director determines that state-owned sources for the purchase of fuel are not reasonably accessible, the director shall authorize the purchase of fuel from other sources. The director may prescribe a manner, other than the use of the revolving fund,

in which the purchase of fuel from state-owned sources is charged to the state agency responsible for the use of the motor vehicle. The director shall prescribe the manner in which oil and other normal motor vehicle maintenance for state-owned motor vehicles may be purchased from private sources, if they cannot be reasonably obtained from a state motor pool. The director may advertise for bids and award contracts in accordance with competitive bidding procedures for items and services as provided in this article for furnishing fuel, oil, grease, and vehicle replacement parts for all state-owned motor vehicles. The director and other state agencies, when advertising for bids for gasoline, shall also seek bids for ethanol blended gasoline.

Sec. 53. NEW SECTION. 8A.363 PRIVATE USE PROHIBITED -- RATE FOR STATE BUSINESS.

1. A state officer or employee shall not use a state-owned motor vehicle for personal private use. A state officer or employee shall not be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the director. In that case the state officer or employee shall receive an amount to be determined by the director. The amount shall not exceed the maximum allowable under the federal internal revenue service rules per mile, notwithstanding established mileage requirements or depreciation allowances. However, the director may authorize private motor vehicle rates in excess of the rate allowed under the federal internal revenue service rules for state business use of substantially modified or specially equipped privately owned vehicles required by persons with disabilities. A statutory provision establishing reimbursement for necessary mileage, travel, or actual expenses to a state officer falls under the private motor vehicle mileage rate limitation provided in this section unless specifically provided otherwise. Any peace officer employed by the state as defined in section 801.4 who is

required to use a private motor vehicle in the performance of official duties shall receive the private vehicle mileage rate at the rate provided in this section. However, the director may delegate authority to officials of the state, and department heads, for the use of private vehicles on state business up to a yearly mileage figure established by the director. If a state motor vehicle has been assigned to a state officer or employee, the officer or employee shall not collect mileage for the use of a privately owned motor vehicle unless the state motor vehicle assigned is not useable.

2. This section does not apply to any of the following:

a. Officials and employees of the state whose mileage is paid other than by a state agency.

b. Elected officers of the state.

c. Judicial officers or court employees.

d. Members and employees of the general assembly who shall be governed by policies relating to motor vehicle travel, including but not limited to reimbursement for expenses, if such policies are otherwise established by the general assembly.

Sec. 54. NEW SECTION. 8A.364 FLEET MANAGEMENT REVOLVING FUND -- REPLENISHMENT.

1. A fleet management revolving fund is created in the state treasury under the control of the department. There is appropriated from moneys in the state treasury not otherwise appropriated the sum of twenty-five thousand dollars to the revolving fund. All purchases of gasoline, oil, tires, repairs, and all other general expenses incurred in the operation of state-owned motor vehicles, and all salaries and expenses of employees providing fleet management services shall be paid from this fund.

2. At the end of each month the director shall render a statement to each state department or agency for the actual cost of operation of all motor vehicles assigned to such department or agency, together with a fair proportion of the

administrative costs for providing fleet management services during such month, as determined by the director, all subject to review by the executive council upon complaint of any state department or agency adversely affected. Such expenses shall be paid by the state departments or agencies in the same manner as other expenses of such department are paid, and when such expenses are paid, such sums shall be credited to the fleet management revolving fund. If any surplus accrues to the revolving fund in excess of twenty-five thousand dollars for which there is no anticipated need or use, the governor may order such surplus transferred to the general fund of the state.

Sec. 55. NEW SECTION. 8A.365 VEHICLE REPLACEMENT -- DEPRECIATION FUND.

1. The director shall maintain a depreciation fund for the purchase of replacement motor vehicles and additions to the fleet. The director's records shall show the total funds deposited by and credited to each department or agency. At the end of each month, the director shall render a statement to each state department or agency for additions to the fleet and total depreciation credited to that department or agency. Such depreciation expense shall be paid by the state departments or agencies in the same manner as other expenses are paid, and shall be deposited in the depreciation fund to the credit of the department or agency. The funds credited to each department or agency shall remain the property of the department or agency. However, at the end of each biennium, the director shall cause to revert to the fund from which it accumulated any unassigned depreciation.

2. The department of corrections is not obligated to pay the depreciation expense otherwise required by this section.

Sec. 56. NEW SECTION. 8A.366 VIOLATIONS -- WITHDRAWING USE OF VEHICLE.

If any state officer or employee violates any of the provisions of sections 8A.361 through 8A.365, the director may

withdraw the assignment of any state-owned motor vehicle to any such state officer or employee.

ARTICLE 4

HUMAN RESOURCES

STATE HUMAN RESOURCE MANAGEMENT -- OPERATIONS

Sec. 57. NEW SECTION. 8A.401 DEFINITIONS.

As used in this article, unless the context otherwise requires:

1. "Appointing authority" means the chairperson or person in charge of any state agency including, but not limited to, boards, bureaus, commissions, and departments, or an employee designated to act for an appointing authority.

2. "Merit system" means the merit system established under this article.

Sec. 58. NEW SECTION. 8A.402 STATE HUMAN RESOURCE MANAGEMENT -- RESPONSIBILITIES.

1. The department is the central agency responsible for state human resource management, including the following:

a. Policy and program development, workforce planning, and research.

b. Employment activities and transactions, including recruitment, examination, and certification of personnel seeking employment or promotion.

c. Compensation and benefits, including position classification, wages and salaries, and employee benefits. Employee benefits include, but are not limited to, group medical, dental, life, and long-term disability insurance, workers' compensation, unemployment benefits, sick leave, deferred compensation, holidays and vacations, tuition reimbursement, and educational leaves.

d. Equal employment opportunity, affirmative action, and workforce diversity programs.

e. Education, training, and workforce development programs.

f. Personnel records and administration, including the audit of all personnel-related documents.

g. Employment relations, including the negotiation and administration of collective bargaining agreements on behalf of the executive branch of the state and its departments and agencies as provided in chapter 20. However, the state board of regents, for the purposes of implementing and administering collective bargaining pursuant to chapter 20, shall act as the exclusive representative of the state with respect to its faculty, scientific, and other professional staff.

h. The coordination and management of the state's human resource information system, except as otherwise required for those employees governed by chapter 262.

2. The department, as it relates to the human resources of state government, shall do the following:

a. Establish and maintain a list of all employees in the executive branch of state government and set forth, as to each employee, the class title, pay, status, and other pertinent data. For employees governed by chapter 262, the director shall work collaboratively with the state board of regents to collect such information.

b. Foster and develop, in cooperation with appointing authorities and others, programs for the improvement of employee effectiveness, including training, safety, health, counseling, and welfare.

c. Encourage and exercise leadership in the development of effective personnel administration within the several state agencies, and to make available the facilities of the department to this end.

d. The director may delegate any or all aspects of the recruitment, examination, and selection processes to an agency in the executive branch upon request by that agency. The director shall oversee all activities delegated to that agency.

e. Utilize appropriate persons, including officers and employees in the executive branch, to assist in the recruitment and examination of applicants for employment. These officers and employees are not entitled to extra pay for their services, but shall be paid their necessary traveling and other expenses.

3. The human resource management powers and duties of the department do not extend to the legislative branch or the judicial branch of state government, except for functions related to administering compensation and benefit programs.

MERIT SYSTEM

Sec. 59. NEW SECTION. 8A.411 MERIT SYSTEM ESTABLISHED -- COLLECTIVE BARGAINING -- APPLICABILITY.

1. The general purpose of this article is to establish for the state of Iowa a system of human resource administration based on merit principles and scientific methods to govern the appointment, compensation, promotion, welfare, development, transfer, layoff, removal, and discipline of its civil employees, and other incidents of state employment.

2. It is also the purpose of this article to promote the coordination of personnel rules and policies with collective bargaining agreements negotiated under chapter 20.

3. All appointments and promotions to positions covered by the state merit system shall be made solely on the basis of merit and fitness, to be ascertained by examinations or other appropriate screening methods, except as otherwise specified in this article.

4. Provisions of this article pertaining to qualifications, examination, certification, probation, and just cause apply only to employees covered by the merit system.

Sec. 60. NEW SECTION. 8A.412 MERIT SYSTEM -- APPLICABILITY -- EXCEPTIONS.

The merit system shall apply to all employees of the state and to all positions in state government now existing or

hereafter established. In addition, the director shall negotiate an agreement with the director of the department for the blind concerning the applicability of the merit system to the professional employees of the department for the blind. However, the merit system shall not apply to the following:

1. The general assembly, employees of the general assembly, other officers elected by popular vote, and persons appointed to fill vacancies in elective offices.

2. All judicial officers and court employees.

3. The staff of the governor.

4. All board members and commissioners whose appointments are provided for by the Code.

5. All presidents, deans, directors, teachers, professional and scientific personnel, and student employees under the jurisdiction of the state board of regents. The state board of regents shall adopt rules not inconsistent with the objectives of this chapter for all of its employees not cited specifically in this subsection. The rules are subject to approval by the director. If at any time the director determines that the state board of regents merit system rules do not comply with the intent of this chapter, the director may direct the board to correct the rules. The rules of the board are not in compliance until the corrections are made.

6. All appointments which are by law made by the governor.

7. All personnel of the armed services under state jurisdiction.

8. Persons who are paid a fee on a contract-for-services basis.

9. Seasonal employees appointed during a state agency's designated six-month seasonal employment period during the same annual twelve-month period, as approved by the director.

10. Residents, patients, or inmates working in state institutions, or persons on parole working in work experience programs.

11. Professional employees under the supervision of the attorney general, the state public defender, the auditor of state, the treasurer of state, and the public employment relations board. However, employees of the consumer advocate division of the department of justice, other than the consumer advocate, are subject to the merit system.

12. Production and engineering personnel under the jurisdiction of the Iowa public broadcasting board.

13. Members of the Iowa state patrol and other peace officers employed by the department of public safety. The commissioner of public safety shall adopt rules not inconsistent with the objectives of this article for the persons described in this subsection.

14. Professional employees of the arts division of the department of cultural affairs.

15. The chief deputy administrative officer and each division administrator of each state agency not otherwise specifically provided for in this section, and physicians not otherwise specifically provided for in this section. As used in this subsection, "division administrator" means a principal administrative or policymaking position designated by a chief administrative officer and approved by the director or as specified by law.

16. All confidential employees.

17. Other employees specifically exempted by law.

18. The administrator and the deputy administrator of the credit union division of the department of commerce, all members of the credit union review board, and all employees of the credit union division.

19. The superintendent and the deputy superintendent of the banking division of the department of commerce, all members of the state banking board, and all employees of the banking division.

20. Chief deputy industrial commissioners.

21. The appointee serving as the coordinator of the office of renewable fuels and coproducts, as provided in section 159A.3.

22. All employees of the Iowa state fair authority.

23. Up to six nonprofessional employees designated at the discretion of each statewide elected official.

24. The position classifications of employees of statewide elected officials that were exempt from the merit system as of June 30, 1994, shall remain exempt and any employees subsequently hired to fill any exempt position vacancies shall be classified as exempt employees.

Sec. 61. NEW SECTION. 8A.413 STATE HUMAN RESOURCE MANAGEMENT -- RULES.

The department shall adopt rules for the administration of this article pursuant to chapter 17A. Rulemaking shall be carried out with due regard to the terms of collective bargaining agreements. A rule shall not supersede a provision of a collective bargaining agreement negotiated under chapter 20. The rules shall provide:

1. For the preparation, maintenance, and revision of a job classification plan that encompasses each job in the executive branch, excluding job classifications under the state board of regents, based upon assigned duties and responsibilities, so that the same general qualifications may reasonably be required for and the same pay plan may be equitably applied to all jobs in the same job classification. The director shall classify the position of every employee in the executive branch, excluding employees of the state board of regents, into one of the classes in the plan. An appointing authority or employee adversely affected by a classification or reclassification decision may file an appeal with the director. Appeals of a classification or reclassification decision shall be exempt from the provisions of section 17A.11 and shall be heard by a committee appointed by the director. The classification or reclassification of a position that

would cause the expenditure of additional salary funds shall not become effective if the expenditure of funds would be in excess of the total amount budgeted for the department of the appointing authority until budgetary approval has been obtained from the director of the department of management.

When the public interest requires a decrease or increase of employees in any position or type of employment not otherwise provided by law, or the creation or abolishment of any position or type of employment, the director, acting in good faith, shall so notify the governor. Thereafter, the position or type of employment shall stand abolished or created and the number of employees therein reduced or increased.

2. For pay plans covering all employees in the executive branch, excluding employees of the state board of regents, after consultation with the governor and appointing authorities, and consistent with the terms of collective bargaining agreements negotiated under chapter 20.

3. For examinations to determine the relative fitness of applicants for employment. Such examinations shall be practical in character and shall relate to such matters as will fairly assess the ability of the applicant to discharge the duties of the position to which appointment is sought.

Where the Code of Iowa establishes certification, registration, or licensing provisions, such documents shall be considered prima facie evidence of basic skills accomplishment and such persons shall be exempt from further basic skills examination.

Vacancies shall be announced publicly at least ten days in advance of the date fixed for the filing of applications for the vacancies, and shall be advertised through the communications media. The director may, however, in the director's discretion, continue to receive applications and examine candidates for a period adequate to assure a sufficient number of eligibles to meet the needs of the system, and may add the names of successful candidates to existing eligible lists.

4. For promotions which shall give appropriate consideration to the applicant's qualifications, record of performance, and conduct. A promotion means a change in the status of an employee from a position in one class to a position in another class having a higher pay grade.

5. For the establishment of lists for appointment and promotion, upon which lists shall be placed the names of successful candidates.

6. For the rejection of applicants who fail to meet reasonable requirements.

7. For the appointment by the appointing authority of a person on the appropriate list to fill a vacancy.

8. For a probation period of six months, excluding educational or training leave, before appointment may be made complete, and during which period a probationer may be discharged or reduced in class or pay. If the employee's services are unsatisfactory, the employee shall be dropped from the payroll on or before the expiration of the probation period. If satisfactory, the appointment shall be deemed permanent. The determination of the appointing authority shall be final and conclusive.

9. For temporary employment for not more than seven hundred eighty hours in a fiscal year.

10. For provisional employment when there is no appropriate list available. Such provisional employment shall not continue longer than one hundred eighty calendar days.

11. For transfer from a position in one state agency to a similar position in the same state agency or another state agency involving similar qualifications, duties, responsibilities, and salary ranges. Whenever an employee transfers or is transferred from one state agency to another state agency, the employee's seniority rights, any accumulated sick leave, and accumulated vacation time, as provided in the law, shall be transferred to the new place of employment and credited to the employee. Employees who are subject to

contracts negotiated under chapter 20 which include transfer provisions shall be governed by the contract provisions.

12. For reinstatement of persons who have attained permanent status and who resign in good standing or who are laid off from their positions without fault or delinquency on their part.

13. For establishing in cooperation with the appointing authorities a performance management system for all employees in the executive branch, excluding employees of the state board of regents, which shall be considered in determining salary increases; as a factor in promotions; as a factor in determining the order of layoffs and in reinstatement; as a factor in demotions, discharges, and transfers; and for the regular evaluation, at least annually, of the qualifications and performance of those employees.

14. For layoffs by reason of lack of funds or work, or reorganization, and for the recall of employees so laid off, giving consideration in layoffs to the employee's performance record and length of service. An employee who has been laid off may be on a recall list for one year, which list shall be exhausted by the organizational unit enforcing the layoff before selection of an employee may be made from the promotional or nonpromotional list in the employee's classification. Employees who are subject to contracts negotiated under chapter 20 which include layoff and recall provisions shall be governed by the contract provisions.

15. For imposition, as a disciplinary measure, of a suspension from service without pay.

16. For discharge, suspension, or reduction in job classification or pay grade for any of the following causes: failure to perform assigned duties; inadequacy in performing assigned duties; negligence; inefficiency; incompetence; insubordination; unrehabilitated alcoholism or narcotics addiction; dishonesty; unlawful discrimination; failure to maintain a license, certificate, or qualification necessary

for a job classification or position; any act or conduct which adversely affects the employee's performance or the employing agency; or any other good cause for discharge, suspension, or reduction. The person discharged, suspended, or reduced shall be given a written statement of the reasons for the discharge, suspension, or reduction within twenty-four hours after the discharge, suspension, or reduction. All persons concerned with the administration of this article shall use their best efforts to ensure that this article and the rules adopted pursuant to this article shall not be a means of protecting or retaining unqualified or unsatisfactory employees, and shall discharge, suspend, or reduce in job classification or pay grade all employees who should be discharged, suspended, or reduced for any of the causes stated in this subsection.

17. For establishment of a uniform plan for resolving employee grievances and complaints. Employees who are subject to contracts negotiated under chapter 20 which include grievance and complaint provisions shall be governed by the contract provisions.

18. For attendance regulations, and special leaves of absence, with or without pay, or reduced pay, in the various classes of positions in the executive branch, excluding positions under the state board of regents. Employees who are subject to contracts negotiated under chapter 20 which include leave of absence provisions shall be governed by the contract provisions. Annual sick leave and vacation time shall be granted in accordance with section 70A.1.

19. For the development and operation of programs to improve the work effectiveness and morale of employees in the executive branch, excluding employees of the state board of regents, including training, safety, health, welfare, counseling, recreation, and employee relations.

20. Notwithstanding any provisions to the contrary, a rule or regulation shall not be adopted by the department which would deprive the state of Iowa, or any of its agencies or

institutions, of federal grants or other forms of financial assistance.

21. For veterans preference through a provision that veterans, as defined in section 35.1, shall have five points added to the grade or score attained in qualifying examinations for appointment to jobs.

Veterans who have a service-connected disability or are receiving compensation, disability benefits, or pension under laws administered by the veterans administration shall have ten points added to the grades attained in qualifying examinations. A veteran who has been awarded the purple heart for disabilities incurred in action shall be considered to have a service-connected disability.

22. For acceptance of the qualifications, requirements, regulations, and general provisions established under other sections of the Code pertaining to professional registration, certification, and licensing.

Sec. 62. NEW SECTION. 8A.414 EXPERIMENTAL RESEARCH PROJECTS.

The director may conduct experimental or research personnel-related projects of limited duration designed to improve the quality of the employment system. The provisions of section 8A.413 or administrative rules adopted pursuant to that section are waived for the purposes of such projects. Projects adopted under this authority shall not violate existing collective bargaining agreements. Any projects that relate to issues covered by such agreements or issues that are mandatory subjects of collective bargaining are subject to negotiations as applicable. The director shall notify the chairpersons of the standing committees on appropriations of the senate and the house of representatives and the chairpersons of the appropriate subcommittees of those committees of the proposed projects. The notice from the director shall include the purpose of the project, a description of the project, and how the project will be

evaluated. Chairpersons notified shall be given at least two weeks to review and comment on the proposal before the project is implemented. The director shall report the results of the experimental research projects conducted in the preceding fiscal year to the legislative council by September 30 of each year.

Sec. 63. NEW SECTION. 8A.415 GRIEVANCES AND DISCIPLINE RESOLUTION.

1. GRIEVANCES. An employee, except an employee covered by a collective bargaining agreement which provides otherwise, who has exhausted the available agency steps in the uniform grievance procedure provided for in the department rules may, within seven calendar days following the date a decision was received or should have been received at the second step of the grievance procedure, file the grievance at the third step with the director. The director shall respond within thirty calendar days following receipt of the third step grievance.

If not satisfied, the employee may, within thirty calendar days following the director's response, file an appeal with the public employment relations board. The hearing shall be conducted in accordance with the rules of the public employment relations board and the Iowa administrative procedure Act, chapter 17A. Decisions rendered shall be based upon a standard of substantial compliance with this article and the rules of the department. Decisions by the public employment relations board constitute final agency action.

For purposes of this subsection, "uniform grievance procedure" does not include procedures for discipline and discharge.

2. DISCIPLINE RESOLUTION. A merit system employee, except an employee covered by a collective bargaining agreement, who is discharged, suspended, demoted, or otherwise reduced in pay, except during the employee's probationary period, may bypass steps one and two of the grievance procedure and appeal the disciplinary action to the director within seven calendar

days following the effective date of the action. The director shall respond within thirty calendar days following receipt of the appeal.

If not satisfied, the employee may, within thirty calendar days following the director's response, file an appeal with the public employment relations board. The employee has the right to a hearing closed to the public, unless a public hearing is requested by the employee. The hearing shall otherwise be conducted in accordance with the rules of the public employment relations board and the Iowa administrative procedure Act, chapter 17A. If the public employment relations board finds that the action taken by the appointing authority was for political, religious, racial, national origin, sex, age, or other reasons not constituting just cause, the employee may be reinstated without loss of pay or benefits for the elapsed period, or the public employment relations board may provide other appropriate remedies. Decisions by the public employment relations board constitute final agency action.

Sec. 64. NEW SECTION. 8A.416 DISCRIMINATION, POLITICAL ACTIVITY, USE OF OFFICIAL INFLUENCE PROHIBITED.

1. A person shall not be appointed or promoted to, or demoted or discharged from, any position in the merit system, or in any way favored or discriminated against with respect to employment in the merit system because of the person's political or religious opinions or affiliations or race or national origin or sex, or age.

2. A person holding a position in the classified service shall not, during the person's working hours or when performing the person's duties or when using state equipment or at any time on state property, take part in any way in soliciting any contribution for any political party or any person seeking political office, and such employee shall not engage in any political activity that will impair the employee's efficiency during working hours or cause the

employee to be tardy or absent from work. This section does not preclude any employee from holding any office for which no pay is received or any office for which only token pay is received.

3. A person shall not seek or attempt to use any political endorsement in connection with any appointment to a position in the merit system.

4. A person shall not use or promise to use, directly or indirectly, any official authority or influence, whether possessed or anticipated, to secure or attempt to secure for any person an appointment or advantage in appointment to a position in the merit system, or an increase in pay or other advantage in employment in any such position, for the purpose of influencing the vote or political action of any person or for any consideration.

5. An employee shall not use the employee's official authority or influence for the purpose of interfering with an election or affecting the results thereof.

6. Any officer or employee who violates this section shall be subject to suspension, dismissal, or demotion subject to the right of appeal provided in this article.

7. The director shall adopt any rules necessary for further restricting political activities of employees in the executive branch, but only to the extent necessary to comply with federal standards. Employees retain the right to vote as they please and to express their opinions on all subjects.

Sec. 65. NEW SECTION. 8A.417 PROHIBITED ACTIONS.

1. A person shall not make any false statement, certificate, mark, rating, or report with regard to any examination or appointment made under this article or in any manner commit or attempt to commit any fraud preventing the impartial execution of this article and the rules adopted pursuant to this article.

2. A person shall not, directly or indirectly, give, render, pay, offer, solicit, or accept any money, service, or

other valuable consideration for or on account of any appointment, proposed appointment, promotion, or proposed promotion to, or any advantage in, a position in the merit system.

3. An employee of the department or any other person shall not defeat, deceive, or obstruct any person in the person's right to examination or appointment under this article, or furnish to any person any special or secret information for the purpose of affecting the rights or prospects of any person with respect to employment in the merit system.

4. A person shall not discharge an employee from or take or fail to take action regarding an employee's appointment or proposed appointment to, promotion or proposed promotion to, or any advantage in, a position in a merit system administered by, or subject to approval of, the director as a reprisal for a failure by that employee to inform the person that the employee made a disclosure of information permitted by this section, or for a disclosure of any information by that employee to a member or employee of the general assembly, or for a disclosure of information to any other public official or law enforcement agency if the employee reasonably believes the information evidences a violation of law or rule, mismanagement, a gross abuse of funds, an abuse of authority, or a substantial and specific danger to public health or safety. However, an employee may be required to inform the person that the employee made a disclosure of information permitted by this section if the employee represented that the disclosure was the official position of the employee's immediate supervisor or employer. This subsection does not apply if the disclosure of the information is prohibited by statute.

Sec. 66. NEW SECTION. 8A.418 FEDERAL PROGRAMS EXEMPTION EXCEPTIONS -- PENALTY.

1. Notwithstanding the provisions of this article to the contrary, a person employed under a temporary, emergency

employment utilization program funded by the federal government which program does not exceed one year and which program is not subject to merit system standards by federal law, shall be exempt from this article except as provided in this section.

2. A person employed as provided in this section shall be subject to the provisions of section 8A.416 relating to political activity and the civil penalties contained in such section and, consistent with subsection 1, the provisions of section 8A.417 relating to prohibited actions.

3. A person violating this section shall be subject to the penalty provided for in section 8A.458.

EMPLOYEE BENEFITS

Sec. 67. NEW SECTION. 8A.431 IOWA MANAGEMENT TRAINING SYSTEM -- TRAINING REVOLVING FUND.

1. The department shall establish and administer an Iowa management training system for the state.

2. A training revolving fund is created in the state treasury under the control of the department. The moneys credited to the fund shall be used for the purpose of paying actual and necessary expenses incurred by the department in administering the training system. All fees, grants, or specific appropriations for this purpose shall be credited to the fund. The fees for the training system courses shall be set by the director to cover the costs of course development, training materials, facilities and equipment, professional instructors, and administration. The fees shall be paid to the department by the state agency sending the employees for training and the payment shall be credited to the training revolving fund. Notwithstanding section 8.33, moneys in the revolving fund shall not revert. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 68. NEW SECTION. 8A.432 COMBINED CHARITABLE CAMPAIGN PROGRAM, FEES, REVOLVING FUND.

1. The department shall establish and administer a combined charitable campaign program for state employees.

2. A combined charitable campaign revolving fund is created in the state treasury under the control of the department. The moneys credited to the fund shall be used for the purpose of paying actual and necessary expenses incurred by the department in administering the program. Administrative expenses shall not exceed five percent of the contributions pledged the previous year. All fees, grants, or specific appropriations for this purpose shall be credited to the fund. The fees for the program shall be set by the director to cover only the cost of administration and materials and shall not cover salaries of state employees involved in the administration of the program. The fees shall be paid to the department from the voluntary employee contributions and the payment shall be credited to the revolving fund. Notwithstanding section 8.33, any moneys in the fund shall not revert. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 69. NEW SECTION. 8A.433 DEFERRED COMPENSATION PLAN.

The department shall make available to eligible state employees the option of utilizing mutual funds as an investment alternative to the state's deferred compensation plan established under section 509A.12. Participating employees shall, to the extent permitted by law, be allowed to transfer moneys deferred under the plan to a mutual fund offered pursuant to section 509A.12. The department may make the deferred compensation plan established pursuant to this section available to governmental employees of a public entity authorized to establish a deferred compensation program pursuant to section 509A.12.

Sec. 70. NEW SECTION. 8A.434 IOWA STATE EMPLOYEE DEFERRED COMPENSATION TRUST FUND.

1. A separate, special Iowa state employee deferred compensation trust fund is created in the state treasury under the control of the department. The fund shall consist of all moneys deposited in the fund pursuant to this section, any other assets that must be held in trust for the exclusive benefit of participants in the state's deferred compensation program as required by section 457 of the federal Internal Revenue Code, and interest and earnings thereon, and shall be used for the exclusive benefit of participants in a deferred compensation program established by the state under section 509A.12.

2. The director is the trustee of the fund and shall administer the fund. Any loss to the fund shall be charged against the fund and the director shall not be personally liable for such loss. In addition, the director is the trustee of any trusts referenced in section 457(g) of the federal Internal Revenue Code. Any loss to the trusts shall be charged against the trusts and the director shall not be personally liable for such loss.

3. Any compensation or portion of compensation reduced by a participant in conjunction with a deferred compensation program established by the state under section 509A.12 and any earnings or income thereon shall be held in trust and used for the exclusive benefit of the participant or the participant's beneficiary as provided by section 457 of the federal Internal Revenue Code.

4. For purposes of this section, custodial accounts, annuity contracts, and any other contracts referenced in section 457(g) of the federal Internal Revenue Code shall be treated as trusts for purposes of section 457 of the federal Internal Revenue Code.

5. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

Sec. 71. NEW SECTION. 8A.435 STATE EMPLOYEE DEFERRED COMPENSATION MATCH TRUST FUND.

1. A separate, special Iowa state employee deferred compensation match trust fund is created in the state treasury under the control of the department. The trust fund shall consist of all moneys deposited in the fund, and other assets that must be held in trust for the exclusive benefit of participants in the state's deferred compensation match program as required by section 401(a) of the federal Internal Revenue Code, and interest and earnings thereon, and shall be used for the exclusive benefit of participants and their beneficiaries in a deferred compensation match program established by the state under section 509A.12.

2. The director is the trustee of the fund and shall administer the fund. Any loss to the fund shall be charged against the trust and the director shall not be personally liable for such loss.

3. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

Sec. 72. NEW SECTION. 8A.436 STATE EMPLOYEE DEPENDENT CARE SPENDING ACCOUNT TRUST FUND.

1. A separate, special Iowa state employee dependent care spending account trust fund is created in the state treasury under the control of the department. The trust fund consists of all moneys, including monthly administrative charges paid by a state department or agency as authorized by section 8A.451, held in trust for the exclusive benefit of participants in the state's dependent care spending account plan. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest and earnings from moneys in the trust fund shall be credited to the trust fund and shall be used exclusively for the benefit of plan participants.

2. The director shall serve as trustee of the trust fund and shall administer the fund as required by sections 125 and 129 of the federal Internal Revenue Code. Any loss to the fund shall be charged against the fund and the director shall not be personally liable for such loss. The director has the authority to direct expenditures as deemed appropriate to the exclusive benefit of the plan participants.

Sec. 73. NEW SECTION. 8A.437 STATE EMPLOYEE HEALTH FLEXIBLE SPENDING ACCOUNT TRUST FUND.

1. The director shall establish for state employees a health flexible spending account plan which offers multiple benefits to state employees. The state's health flexible spending account plan shall be established to meet the conditions of section 125 of the Internal Revenue Code of 1986.

2. A separate, special Iowa state employee health flexible spending account trust fund is created in the state treasury under the control of the department. The trust fund consists of all moneys appropriated to the fund, all monthly administrative charges paid by a state department or agency as authorized by section 8A.451, and any other assets directed to be held in trust for the exclusive benefit of participants in the state's health flexible spending account plan. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest and earnings from moneys in the trust fund shall be credited to the trust fund and shall be used exclusively for the benefit of plan participants.

3. The director shall serve as trustee of the trust fund and has the authority to direct expenditures as deemed appropriate to the exclusive benefit of the plan participants.

Sec. 74. NEW SECTION. 8A.438 ANNUITY CONTRACTS.

1. At the request of an employee of a state agency through contractual agreement, the director may arrange for the purchase of group or individual annuity contracts for any of the employees of that agency, which annuity contracts are

issued by a nonprofit corporation issuing retirement annuities exclusively for educational institutions and their employees or are purchased from any company the employee chooses that is authorized to do business in this state or through an Iowa-licensed salesperson that the employee selects, on a group or individual basis, for retirement or other purposes, and may make payroll deductions in accordance with the arrangements for the purpose of paying the entire premium due and to become due under the contract. The deductions shall be made in the manner which will qualify the annuity premiums for the benefits afforded under section 403(b) of the Internal Revenue Code, as defined in section 422.3. The employee's rights under the annuity contract are nonforfeitable except for the failure to pay premiums. As used in this section, unless the context otherwise requires, "annuity contract" includes any custodial account which meets the requirements of section 403(b)(7) of the Internal Revenue Code, as defined in section 422.3.

2. Whenever an existing tax-sheltered annuity contract is to be replaced by a new contract, the agent or representative of the company shall send a letter of intent by registered mail at least thirty days prior to any action to the company being replaced, to the commissioner of insurance of this state, to the agent's own company, and to the director. The letter of intent shall contain the policy number and description of the contract being replaced and a description of the replacement contract.

Sec. 75. NEW SECTION. 8A.439 LONGEVITY PAY PROHIBITED -- EXCEPTION.

A state employee subject to the provisions of this article shall not be entitled to longevity pay except for those employees granted longevity pay pursuant to section 307.48.

STATE HUMAN RESOURCE MANAGEMENT OPERATIONS

MISCELLANEOUS PROVISIONS

Sec. 76. NEW SECTION. 8A.451 HUMAN RESOURCES ADMINISTRATIVE COSTS.

1. The department may quarterly render a statement to each department or agency which operates in whole or in part from other than general fund appropriations for a pro rata share of the cost of administration of the department, or a portion thereof, as it relates to the state human resources management duties of the department pursuant to this article. The expense shall be paid by the state department or agency in the same manner as other expenses of that department or agency are paid and all moneys received shall be deposited in the general fund of the state.

2. The department shall render monthly a statement to each state department or agency for a pro rata share of the cost of administration of the state employee flexible spending accounts. The expense shall be paid by the state department or agency in the same manner as other expenses of that state department or agency are paid and all moneys received for administration costs shall be deposited in the appropriate fund.

Sec. 77. NEW SECTION. 8A.452 USE OF PUBLIC BUILDINGS.

All officers and employees of the state and of political subdivisions of the state shall allow the department the reasonable use of public buildings under their control, and furnish heat, light, and furniture for any examination, hearing, or investigation authorized by this article. The department shall pay to a political subdivision the reasonable cost of any such facilities furnished.

Sec. 78. NEW SECTION. 8A.453 AID BY STATE EMPLOYEES -- RECORDS AND INFORMATION.

1. All officers and employees of the state shall comply with and aid in all proper ways in carrying out the provisions of this article and the rules and orders under this article. All officers and employees shall furnish any records or information which the director requires for any purpose of

this article. The director may institute and maintain any action or proceeding at law or in equity that the director considers necessary or appropriate to secure compliance with this article and the rules and orders under this article.

2. The director may delegate to a person in any department, agency, board, commission, or office, located away from the seat of government, any of the duties imposed by this article upon the director.

Sec. 79. NEW SECTION. 8A.454 HEALTH INSURANCE ADMINISTRATION FUND.

1. A separate, special Iowa state health insurance administration fund is created in the state treasury under the control of the department. The fund shall consist of all moneys deposited in the fund from proceeds of a monthly per contract administrative charge assessed and collected by the department. Moneys deposited in the fund shall be expended by the department for health insurance program administration costs. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

2. A monthly per contract administrative charge shall be assessed by the department on all health insurance plans administered by the department in which the contract holder has a state employer to pay the charge. The amount of the administrative charge shall be established by the general assembly. The department shall collect the administrative charge from each department utilizing the centralized payroll system and shall deposit the proceeds in the fund. In addition, the state board of regents, all library service areas, the state fair board, the state department of transportation, and each judicial district department of correctional services shall remit the administrative charge on a monthly basis to the department and shall submit a report to the department containing the number and type of health insurance contracts held by each of its employees whose health insurance is administered by the department.

3. The expenditure of moneys from the fund in any fiscal year shall not exceed the amount of the monthly charge established by the general assembly multiplied by the number of health insurance contracts in effect at the beginning of the same fiscal year in which the expenditures shall be made. Any unencumbered or unobligated moneys in the fund at the end of the fiscal year shall not revert but shall be transferred to the health insurance premium reserve fund established pursuant to section 509A.5.

4. This section is repealed July 1, 2007.

Sec. 80. NEW SECTION. 8A.455 CERTIFICATION OF PAYROLLS -- ACTIONS.

1. A state disbursing or auditing officer shall not make or approve or take part in making or approving a payment for personnel services to any person unless the payroll voucher or account of the pay bears the certification of the director, or of the director's authorized agent, that the persons named have been appointed and employed in accordance with this article and the rules and orders under this article, and that funds are available for the payment of the persons.

2. The director may, for proper cause, withhold certification from an entire payroll or from any specific item or items on a payroll. The director may, however, provide that certification of payrolls may be made once every year, and such certification shall remain in effect except in the case of any officer or employee whose status has changed after the last certification of the officer's or employee's payroll. In the latter case a voucher for payment of salary to such employee shall not be issued or payment of salary shall not be made without further certification by the director.

3. Any citizen may maintain an action in accordance with chapter 17A to restrain a disbursing officer from making any payment in contravention of this article, or rule or order under this article. Any sum paid contrary to this article or any rule or order under this article may be recovered in an

action in accordance with chapter 17A maintained by any citizen, from any officer who made, approved, or authorized such payment or who signed or countersigned a voucher, payroll, check, or warrant for such payment, or from the sureties on the official bond of any such officer. All moneys recovered in any such action shall be paid into the state treasury.

4. Any person appointed or employed in contravention of this article or of any rule or order under this article who performs service for which the person is not paid may maintain an action in accordance with chapter 17A against the officer or officers who purported so to appoint or employ the person to recover the agreed pay for such services or the reasonable value of the services if no pay was agreed upon. An officer shall not be reimbursed by the state at any time for any sum paid to such person on account of such services.

5. If the director wrongfully withholds certification of the payroll voucher or account of any employee, such employee may maintain a proceeding in accordance with chapter 17A in the courts to compel the director to certify such a payroll voucher or account.

Sec. 81. NEW SECTION. 8A.456 ACCESS TO RECORDS.

1. An employee subject to the provisions of this article shall have access to the employee's personal file.

2. An applicant for a position subject to the provisions of this article shall be permitted to review, in accordance with such rules as the director may prescribe, any evaluation resulting from the application for employment.

Sec. 82. NEW SECTION. 8A.457 WORKERS' COMPENSATION CLAIMS.

The director shall employ appropriate staff to handle and adjust claims of state employees for workers' compensation benefits pursuant to chapters 85, 85A, 85B, and 86, or with the approval of the executive council contract for the services or purchase workers' compensation insurance coverage

for state employees or selected groups of state employees. A state employee workers' compensation fund is created in the state treasury under the control of the department to pay state employee workers' compensation claims and administrative costs. The department shall establish a rating formula and assess premiums to all agencies, departments, and divisions of the state including those which have not received an appropriation for the payment of workers' compensation insurance and which operate from moneys other than from the general fund of the state. The department shall collect the premiums and deposit them into the state employee workers' compensation fund. Notwithstanding section 8.33, moneys deposited in the state employee workers' compensation fund shall not revert to the general fund of the state at the end of any fiscal year, but shall remain in the state employee workers' compensation fund and be continuously available to pay state employee workers' compensation claims. The director may, to the extent practicable, contract with a private organization to handle the processing and payment of claims and services rendered under the provisions of this section.

Sec. 83. NEW SECTION. 8A.458 PENALTY.

A person who willfully violates this article or any rules adopted pursuant to this article, where no other penalty is prescribed, is guilty of a simple misdemeanor.

ARTICLE 5

FINANCIAL ADMINISTRATION

Sec. 84. NEW SECTION. 8A.502 FINANCIAL ADMINISTRATION DUTIES.

The department shall provide for the efficient management and administration of the financial resources of state government and shall have and assume the following powers and duties:

1. CENTRALIZED ACCOUNTING SYSTEM. To assume the responsibilities related to a centralized accounting system for state government.

2. SETOFF PROCEDURES. To establish and maintain a setoff procedure as provided in section 8A.504.

3. COST ALLOCATION SYSTEM. To establish a cost allocation system as provided in section 8A.505.

4. COLLECTION AND PAYMENT OF FUNDS -- MONTHLY PAYMENTS. To control the payment of all moneys into the state treasury, and all payments from the state treasury by the preparation of appropriate warrants, or warrant checks, directing such collections and payment, and to advise the treasurer of state monthly in writing of the amount of public funds not currently needed for operating expenses. Whenever the state treasury includes state funds that require distribution to counties, cities, or other political subdivisions of this state, and the counties, cities, and other political subdivisions certify to the director that warrants will be stamped for lack of funds within the thirty-day period following certification, the director may partially distribute the funds on a monthly basis. Whenever the law requires that any funds be paid by a specific date, the director shall prepare a final accounting and shall make a final distribution of any remaining funds prior to that date.

5. PREAUDIT SYSTEM. To establish and fix a reasonable imprest cash fund for each state department and institution for disbursement purposes where needed. These revolving funds shall be reimbursed only upon vouchers approved by the director. It is the purpose of this subsection to establish a preaudit system of settling all claims against the state, but the preaudit system is not applicable to any of the following:

a. Institutions under the control of the state board of regents.

b. The state fair board as established in chapter 173.

c. The Iowa dairy industry commission as established in chapter 179, the Iowa beef cattle producers association as established in chapter 181, the Iowa pork producers council as established in chapter 183A, the Iowa egg council as

established in chapter 184, the Iowa turkey marketing council as established in chapter 184A, the Iowa soybean promotion board as established in chapter 185, and the Iowa corn promotion board as established in chapter 185C.

6. AUDIT OF CLAIMS. To set rules and procedures for the preaudit of claims by individual agencies or organizations. The director reserves the right to refuse to accept incomplete or incorrect claims and to review, preaudit, or audit claims as determined by the director.

7. CONTRACTS. To certify, record, and encumber all formal contracts to prevent overcommitment of appropriations and allotments.

8. ACCOUNTS. To keep the central budget and proprietary control accounts of the general fund of the state and special funds, as defined in section 8.2, of the state government. Upon elimination of the state deficit under generally accepted accounting principles, including the payment of items budgeted in a subsequent fiscal year which under generally accepted accounting principles should be budgeted in the current fiscal year, the recognition of revenues received and expenditures paid and transfers received and paid within the time period required pursuant to section 8.33 shall be in accordance with generally accepted accounting principles. Budget accounts are those accounts maintained to control the receipt and disposition of all funds, appropriations, and allotments. Proprietary accounts are those accounts relating to assets, liabilities, income, and expense. For each fiscal year, the financial position and results of operations of the state shall be reported in a comprehensive annual financial report prepared in accordance with generally accepted accounting principles, as established by the governmental accounting standards board.

9. FAIR BOARD AND BOARD OF REGENTS. To control the financial operations of the state fair board and the institutions under the state board of regents:

a. By charging all warrants issued to the respective educational institutions and the state fair board to an advance account to be further accounted for and not as an expense which requires no further accounting.

b. By charging all collections made by the educational institutions and state fair board to the respective advance accounts of the institutions and state fair board, and by crediting all such repayment collections to the respective appropriations and special funds.

c. By charging all disbursements made to the respective allotment accounts of each educational institution or state fair board and by crediting all such disbursements to the respective advance and inventory accounts.

d. By requiring a monthly abstract of all receipts and of all disbursements, both money and stores, and a complete account current each month from each educational institution and the state fair board.

10. ENTITIES REPRESENTING AGRICULTURAL PRODUCERS. To control the financial operations of the Iowa dairy industry commission as provided in chapter 179, the Iowa beef cattle producers association as provided in chapter 181, the Iowa pork producers council as provided in chapter 183A, the Iowa egg council as provided in chapter 184, the Iowa turkey marketing council as provided in chapter 184A, the Iowa soybean promotion board as provided in chapter 185, and the Iowa corn promotion board as provided in chapter 185C.

11. CUSTODY OF RECORDS. To have the custody of all books, papers, records, documents, vouchers, conveyances, leases, mortgages, bonds, and other securities appertaining to the fiscal affairs and property of the state, which are not required to be kept in some other office.

12. INTEREST OF THE PERMANENT SCHOOL FUND. To transfer the interest of the permanent school fund to the credit of the interest for Iowa schools fund.

13. FORMS. To prescribe all accounting and business forms and the system of accounts and reports of financial transactions by all departments and agencies of the state government other than those of the legislative branch.

14. FEDERAL CASH MANAGEMENT AND IMPROVEMENT ACT ADMINISTRATOR. To serve as administrator for state actions relating to the federal Cash Management and Improvement Act of 1990, Pub. L. No. 101-453, as codified in 31 U.S.C. § 6503. The director shall perform the following duties relating to the federal law:

a. Act as the designated representative of the state in the negotiation and administration of contracts between the state and federal government relating to the federal law.

b. Modify the centralized statewide accounting system and develop, or require to be developed by the appropriate departments of state government, the necessary reports and procedures necessary to complete the managerial and financial reports required to comply with the federal law.

There is annually appropriated from the general fund of the state to the department an amount sufficient to pay interest costs that may be due the federal government as a result of implementation of the federal law. This paragraph does not authorize the payment of interest from the general fund of the state for any departmental revolving, trust, or special fund where monthly interest earnings accrue to the credit of the departmental revolving, trust, or special fund. For any departmental revolving, trust, or special fund where monthly interest is accrued to the credit of the fund, the director may authorize a supplemental expenditure to pay interest costs from the individual fund which are due the federal government as a result of implementation of the federal law.

Sec. 85. NEW SECTION. 8A.503 RULES -- DEPOSIT OF DEPARTMENTAL MONEYS.

The director shall prescribe by rule the manner and methods by which all departments and agencies of the state who collect

money for and on behalf of the state shall cause the money to be deposited with the treasurer of state or in a depository designated by the treasurer of state. All such moneys collected shall be deposited at such times and in such depositories to permit the state of Iowa to deposit the funds in a manner consistent with the state's investment policies. All such moneys shall be promptly deposited, as directed, even though the individual amount remitted may not be correct. If any individual amount remitted is in excess of the amount required, the department or agency receiving the same shall refund the excess amount. If the individual amount remitted is insufficient, the person, firm, or corporation concerned shall be immediately billed for the amount of the deficiency.

Sec. 86. NEW SECTION. 8A.504 SETOFF PROCEDURES.

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

a. "Collection entity" means the department of administrative services and any other state agency that maintains a separate accounting system and elects to establish a debt collection setoff procedure for collection of debts owed to the state or its agencies.

b. "Person" does not include a state agency.

c. "Qualifying debt" includes, but is not limited to, the following:

(1) Any debt, which is assigned to the department of human services, or which the child support recovery unit is otherwise attempting to collect, or which the foster care recovery unit of the department of human services is attempting to collect on behalf of a child receiving foster care provided by the department of human services.

(2) An amount that is due because of a default on a guaranteed student or parental loan under chapter 261.

(3) Any debt which is in the form of a liquidated sum due, owing, and payable to the clerk of the district court.

d. "State agency" means a board, commission, department, including the department of administrative services, or other administrative office or unit of the state of Iowa or any other state entity reported in the Iowa comprehensive annual financial report. "State agency" does include the clerk of the district court as it relates to the collection of a qualifying debt. "State agency" does not include the general assembly, the governor, or any political subdivision of the state, or its offices and units.

2. SETOFF PROCEDURE. The collection entity shall establish and maintain a procedure to set off against any claim owed to a person by a state agency any liability of that person owed to a state agency, a support debt being enforced by the child support recovery unit pursuant to chapter 252B, or such other qualifying debt. The procedure shall only apply when at the discretion of the director it is feasible. The procedure shall meet the following conditions:

a. Before setoff, a person's liability to a state agency and the person's claim on a state agency shall be in the form of a liquidated sum due, owing, and payable.

b. Before setoff, the state agency shall obtain and forward to the collection entity the full name and social security number of the person liable to it or to whom a claim is owing who is a natural person. If the person is not a natural person, before setoff, the state agency shall forward to the collection entity the information concerning the person as the collection entity shall, by rule, require. The collection entity shall cooperate with other state agencies in the exchange of information relevant to the identification of persons liable to or claimants of state agencies. However, the collection entity shall provide only relevant information required by a state agency. The information shall be held in confidence and used for the purpose of setoff only. Section 422.72, subsection 1, does not apply to this paragraph.

c. Before setoff, a state agency shall, at least annually, submit to the collection entity the information required by paragraph "b" along with the amount of each person's liability to and the amount of each claim on the state agency. The collection entity may, by rule, require more frequent submissions.

d. Before setoff, the amount of a person's claim on a state agency and the amount of a person's liability to a state agency shall constitute a minimum amount set by rule of the collection entity.

e. Upon submission of an allegation of liability by a state agency, the collection entity shall notify the state agency whether the person allegedly liable is entitled to payment from a state agency, and, if so entitled, shall notify the state agency of the amount of the person's entitlement and of the person's last address known to the collection entity. Section 422.72, subsection 1, does not apply to this paragraph.

f. Upon notice of entitlement to a payment, the state agency shall send written notification to that person of the state agency's assertion of its rights to all or a portion of the payment and of the state agency's entitlement to recover the liability through the setoff procedure, the basis of the assertion, the opportunity to request that a jointly or commonly owned right to payment be divided among owners, and the person's opportunity to give written notice of intent to contest the amount of the allegation. The state agency shall send a copy of the notice to the collection entity. A state agency subject to chapter 17A shall give notice, conduct hearings, and allow appeals in conformity with chapter 17A.

However, upon submission of an allegation of the liability of a person which is owing and payable to the clerk of the district court and upon the determination by the collection entity that the person allegedly liable is entitled to payment from a state agency, the collection entity shall send written

notification to the person which states the assertion by the clerk of the district court of rights to all or a portion of the payment, the clerk's entitlement to recover the liability through the setoff procedure, the basis of the assertions, the person's opportunity to request within fifteen days of the mailing of the notice that the collection entity divide a jointly or commonly owned right to payment between owners, the opportunity to contest the liability to the clerk by written application to the clerk within fifteen days of the mailing of the notice, and the person's opportunity to contest the collection entity's setoff procedure.

g. Upon the timely request of a person liable to a state agency or of the spouse of that person and upon receipt of the full name and social security number of the person's spouse, a state agency shall notify the collection entity of the request to divide a jointly or commonly owned right to payment. Any jointly or commonly owned right to payment is rebuttably presumed to be owned in equal portions by its joint or common owners.

h. The collection entity shall, after the state agency has sent notice to the person liable or, if the liability is owing and payable to the clerk of the district court, the collection entity has sent notice to the person liable, set off the amount owed to the agency against any amount which a state agency owes that person. The collection entity shall refund any balance of the amount to the person. The collection entity shall periodically transfer amounts set off to the state agencies entitled to them. If a person liable to a state agency gives written notice of intent to contest an allegation, a state agency shall hold a refund or rebate until final disposition of the allegation. Upon completion of the setoff, a state agency shall notify in writing the person who was liable or, if the liability is owing and payable to the clerk of the district court, shall comply with the procedures as provided in paragraph "j".

i. The department of revenue and finance's existing right to credit against tax due or to become due under section 422.73 is not to be impaired by a right granted to or a duty imposed upon the collection entity or other state agency by this section. This section is not intended to impose upon the collection entity or the department of revenue and finance any additional requirement of notice, hearing, or appeal concerning the right to credit against tax due under section 422.73.

j. If the alleged liability is owing and payable to the clerk of the district court and setoff as provided in this section is sought, all of the following shall apply:

(1) The judicial branch shall prescribe procedures to permit a person to contest the amount of the person's liability to the clerk of the district court.

(2) The collection entity shall, except for the procedures described in subparagraph (1), prescribe any other applicable procedures concerning setoff as provided in this subsection.

(3) Upon completion of the setoff, the collection entity shall file, at least monthly, with the clerk of the district court a notice of satisfaction of each obligation to the full extent of all moneys collected in satisfaction of the obligation. The clerk shall record the notice and enter a satisfaction for the amounts collected and a separate written notice is not required.

3. In the case of multiple claims to payments filed under this section, priority shall be given to claims filed by the child support recovery unit or the foster care recovery unit, next priority shall be given to claims filed by the college student aid commission, next priority shall be given to claims filed by the investigations division of the department of inspections and appeals, next priority shall be given to claims filed by a clerk of the district court, and last priority shall be given to claims filed by other state agencies. In the case of multiple claims in which the

priority is not otherwise provided by this subsection, priority shall be determined in accordance with rules to be established by the director.

4. The director shall have the authority to enter into reciprocal agreements with the departments of revenue of other states that have enacted legislation that is substantially equivalent to the setoff procedure provided in this section for the recovery of an amount due because of a default on a guaranteed student or parental loan under chapter 261. A reciprocal agreement shall also be approved by the college student aid commission. The agreement shall authorize the department to provide by rule for the setoff of state income tax refunds or rebates of defaulters from states with which Iowa has a reciprocal agreement and to provide for sending lists of names of Iowa defaulters to the states with which Iowa has a reciprocal agreement for setoff of that state's income tax refunds.

5. Under substantive rules established by the director, the department shall seek reimbursement from other state agencies to recover its costs for setting off liabilities.

Sec. 87. NEW SECTION. 8A.505 COST ALLOCATION SYSTEM.

The department shall develop and administer an indirect cost allocation system for state agencies. The system shall be based upon standard cost accounting methodologies and shall be used to allocate both direct and indirect costs of state agencies or state agency functions in providing centralized services to other state agencies. A cost that is allocated to a state agency pursuant to this system shall be billed to the state agency and the cost is payable to the general fund of the state. The source of payment for the billed cost shall be any revenue source except for the general fund of the state. If a state agency is authorized by law to bill and recover direct expenses, the state agency shall recover indirect costs in the same manner.

Sec. 88. NEW SECTION. 8A.506 ACCOUNTING.

The director may at any time require any person receiving money, securities, or property belonging to the state, or having the management, disbursement, or other disposition of them, an account of which is kept in the department, to render statements of them and information in reference to them.

Sec. 89. NEW SECTION. 8A.507 STATING ACCOUNT.

If an officer who is accountable to the state treasury for any money or property neglects to render an account to the director within the time prescribed by law, or, if no time is so prescribed, within twenty days after being required to do so by the director, the director shall state an account against the officer from the books of the officer's office, charging ten percent damages on the whole sum appearing due, and interest at the rate of six percent per annum on the aggregate from the time when the account should have been rendered; all of which may be recovered by action brought on the account, or on the official bond of the officer.

Sec. 90. NEW SECTION. 8A.508 COMPELLING PAYMENT.

If an officer fails to pay into the state treasury the amount received by the officer within the time prescribed by law, or, having settled with the director, fails to pay the amount found due, the director shall charge the officer with twenty percent damages on the amount due, with interest on the aggregate from the time the amount became due at the rate of six percent per annum, and the whole may be recovered by an action brought on the account, or on the official bond of the officer, and the officer shall forfeit the officer's commission.

Sec. 91. NEW SECTION. 8A.509 DEFENSE TO CLAIM.

The penal provisions in sections 8A.507 and 8A.508 are subject to any legal defense which the officer may have against the account as stated by the director, but judgment for costs shall be rendered against the officer in the action, whatever its result, unless the officer rendered an account within the time named in those sections.

Sec. 92. NEW SECTION. 8A.510 REQUESTED CREDITS -- OATH REQUIRED.

When a county treasurer or other receiver of public money seeks to obtain credit on the books of the department for payment made to the county treasurer, before giving such credit the director shall require that person to take and subscribe an oath that the person has not used, loaned, or appropriated any of the public money for the person's private benefit, nor for the benefit of any other person.

Sec. 93. NEW SECTION. 8A.511 REQUISITION FOR INFORMATION.

In those cases where the director is authorized to call upon persons or officers for information, or statements, or accounts, the director may issue a requisition therefor in writing to the person or officer called upon, allowing reasonable time, which, having been served and return made to the director, as a notice in a civil action, is evidence of the making of the requisition.

Sec. 94. NEW SECTION. 8A.512 LIMITS ON CLAIMS.

The director is limited in authorizing the payment of claims, as follows:

1. FUNDING LIMIT.

a. A claim shall not be allowed by the department if the appropriation or fund of certification available for paying the claim has been exhausted or proves insufficient.

b. The authority of the director is subject to the following exceptions:

(1) Claims by state employees for benefits pursuant to chapters 85, 85A, 85B, and 86 are subject to limitations provided in those chapters.

(2) Claims for medical assistance payments authorized under chapter 249A are subject to the time limits imposed by rule adopted by the department of human services.

(3) Claims approved by an agency according to the provisions of sections 25.1 and 25.2.

2. CONVENTION EXPENSES. Claims for expenses in attending conventions, meetings, conferences, or gatherings of members of an association or society organized and existing as a quasi-public association or society outside the state of Iowa shall not be allowed at public expense, unless authorized by the executive council; and claims for these expenses outside of the state shall not be allowed unless the voucher is accompanied by the portion of the minutes of the executive council, certified to by its secretary, showing that the expense was authorized by the council. This section does not apply to claims in favor of the governor, attorney general, utilities board members, or to trips referred to in sections 97B.7A and 217.20.

3. PAYMENT FROM FEES. Claims for per diem and expenses payable from fees shall not be approved for payment in excess of those fees if the law provides that such expenditures are limited to the special funds collected and deposited in the state treasury.

Sec. 95. NEW SECTION. 8A.513 CLAIMS -- APPROVAL.

The director before approving a claim on behalf of the department shall determine:

1. That the creation of the claim is clearly authorized by law. Statutes authorizing the expenditure may be referenced through account coding authorized by the director.

2. That the claim has been authorized by an officer or official body having legal authority to so authorize and that the fact of authorization has been certified to the director by such officer or official body.

3. That all legal requirements have been observed, including notice and opportunity for competition, if required by law.

4. That the claim is in proper form as the director may provide.

5. That the charges are reasonable, proper, and correct and no part of the claim has been paid.

Sec. 96. NEW SECTION. 8A.514 VOUCHERS -- INTEREST -- PAYMENT OF CLAIMS.

1. Before a warrant or its equivalent is issued for a claim payable from the state treasury, the department shall file an itemized voucher showing in detail the items of service, expense, item furnished, or contract for which payment is sought. However, the director may authorize the prepayment of claims when the best interests of the state are served under rules adopted by the director. The claimant's original invoice shall be attached to a department's approved voucher. The director shall adopt rules specifying the form and contents for invoices submitted by a vendor to a department. The requirements apply to acceptance of an invoice by a department. A department shall not impose additional or different requirements on submission of invoices than those contained in rules of the director unless the director exempts the department from the invoice requirements or a part of the requirements upon a finding that compliance would result in poor accounting or management practices.

2. Vouchers for postage, stamped envelopes, and postal cards may be audited as soon as an order for them is entered.

3. The departments, the general assembly, and the courts shall pay their claims in a timely manner. If a claim for services, supplies, materials, or a contract which is payable from the state treasury remains unpaid after sixty days following the receipt of the claim or the satisfactory delivery, furnishing, or performance of the services, supplies, materials, or contract, whichever date is later, the state shall pay interest at the rate of one percent per month on the unpaid amount of the claim. This subsection does not apply to claims against the state under chapters 25 and 669 or to claims paid by federal funds. The interest shall be charged to the appropriation or fund to which the claim is certified. Departments may enter into contracts for goods or services on payment terms of less than sixty days if the state

may obtain a financial benefit or incentive which would not otherwise be available from the vendor. The department, in consultation with other affected departments, shall develop policies to promote consistency and fiscal responsibility relating to payment terms authorized under this subsection. The director shall adopt rules under chapter 17A relating to the administration of this subsection.

Sec. 97. NEW SECTION. 8A.515 WARRANTS -- FORM.

A warrant shall bear on its face the signature of the director or its facsimile, or the signature of an assistant or its facsimile in case of a vacancy in the office of the director; a proper number, date, amount, and name of payee; a reference to the law under which it is drawn; whether for salaries or wages, services, or supplies, and what kind of supplies; and from what office or department, or for what other general or special purposes; or in lieu thereof, a coding system may be used, which particulars shall be entered in a warrant register kept for that purpose in the order of issuance; and as soon as practicable after issuing a warrant register, the director shall certify a duplicate of it to the treasurer of state.

Sec. 98. NEW SECTION. 8A.516 REQUIRED PAYEE.

All warrants shall be drawn to the order of the person entitled to payment or compensation, except that when goods or materials are purchased in foreign countries, warrants may be drawn upon the treasurer of state, payable to the bearer for the net amount of invoice and current exchange, and the treasurer of state shall furnish a foreign draft payable to the order of the person from whom purchase is made.

Sec. 99. NEW SECTION. 8A.517 PROHIBITED PAYEE.

In no case shall warrants be drawn in the name of the certifying office, department, board, or institution, or in the name of an employee, except for personal service rendered or expense incurred by the employee, unless express statutory authority exists therefor.

Sec. 100. NEW SECTION. 8A.518 CLAIMS EXCEEDING APPROPRIATIONS.

A claim shall not be allowed when the claim will exceed the amount specifically appropriated for the claim.

Sec. 101. NEW SECTION. 8A.519 CANCELLATION OF STATE WARRANTS.

On the last business day of each month, the director shall cancel and request the treasurer of state to stop payment on all state warrants which have been outstanding and unredeemed by the treasurer of state for six months or longer.

DIVISION II

CONFORMING AND MISCELLANEOUS CHANGES

Sec. 102. Section 2.9, Code 2003, is amended to read as follows:

2.9 JOURNALS -- BILLS AND AMENDMENTS.

1. a. The senate and house of representatives shall each publish a daily journal of the transactions of their respective bodies. The secretary of the senate and the chief clerk of the house shall each determine the format and manner of the journal's publication, the procurement procedures for the journal's publication, and the journal's distribution for their respective bodies.

b. The secretary of the senate and the clerk of the house of representatives shall each preserve copies of the printed daily journals of their respective bodies, as corrected, certify to their correctness, and file them with the secretary of state at the adjournment of each session of the general assembly. The secretary of state shall ~~cause the journals to be bound and preserved as~~ preserve the original journals of the senate and the house in the manner specified by the majority leader of the senate and speaker of the house.

2. a. The senate and house of representatives shall each publish bills and amendments of their respective bodies. The secretary of the senate and the chief clerk of the house shall each determine the procurement procedures for the publication

of the bills and amendments and the distribution of the bills and amendments for their respective bodies.

b. A bill that seeks to legalize the acts of any official or board or other official body, in regard to any matter of public nature or for any person or persons, company, or corporation, shall not be considered by the senate or house of representatives until the bill is published and distributed to members of the general assembly, and the publication shall be without expense to the state. The senate and house shall not order any such bill published until the secretary of the senate or chief clerk of the house has received a deposit to cover the cost of the publication. The newspaper publication of such bill shall be without expense to the state, and the bill shall not be published in a newspaper until the costs of the newspaper publication has been paid to the secretary of state.

Sec. 103. Section 2.10, subsection 1, Code 2003, is amended to read as follows:

1. Every member of the general assembly except the presiding officer of the senate, the speaker of the house, the majority and minority floor leader of each house, and the president pro tempore of the senate and speaker pro tempore of the house, shall receive an annual salary of twenty thousand one hundred twenty dollars for the year 1997 and subsequent years while serving as a member of the general assembly. In addition, each such member shall receive the sum of eighty-six dollars per day for expenses of office, except travel, for each day the general assembly is in session commencing with the first day of a legislative session and ending with the day of final adjournment of each legislative session as indicated by the journals of the house and senate, except that if the length of the first regular session of the general assembly exceeds one hundred ten calendar days and the second regular session exceeds one hundred calendar days, the payments shall be made only for one hundred ten calendar days for the first

session and one hundred calendar days for the second session. Members from Polk county shall receive sixty-five dollars per day. Each member shall receive a two hundred dollar per month allowance for legislative district constituency postage, travel, telephone costs, and other expenses. Travel expenses shall be paid at the rate established by section ~~18.117~~ 8A.363 for actual travel in going to and returning from the seat of government by the nearest traveled route for not more than one time per week during a legislative session unless the general assembly otherwise provides.

Sec. 104. Section 2.43, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The legislative council in cooperation with the officers of the senate and house shall have the duty and responsibility for preparing for each session of the general assembly. Pursuant to such duty and responsibility, the legislative council shall assign the use of areas in the state capitol except for the areas used by the governor as of January 1, 1986, and by the courts as of ~~November 17, 2002~~ July 1, 2003, and, in consultation with the director of the department of general services and the capitol planning commission, may assign areas in other state office buildings for use of the general assembly or legislative agencies. The legislative council may authorize the renovation, remodeling and preparation of the physical facilities used or to be used by the general assembly or legislative agencies subject to the jurisdiction of the legislative council and award contracts pursuant to such authority to carry out such preparation. The legislative council may purchase supplies and equipment deemed necessary for the proper functioning of the legislative branch of government.

Sec. 105. Section 2.47A, subsection 1, paragraph c, Code 2003, is amended to read as follows:

c. Receive annual status reports for all ongoing capital projects of state agencies, pursuant to section ~~18.12~~ 8A.321, subsection ~~14~~ 10.

Sec. 106. Section 7A.1, unnumbered paragraph 4, Code 2003, is amended to read as follows:

This section shall not be construed as depriving the ~~state printing administrator~~ director of the department of administrative services of the right to edit and revise said report.

Sec. 107. Section 7A.2, unnumbered paragraph 2, Code 2003, is amended to read as follows:

Reports after being filed with the governor and considered by the governor shall be delivered to the ~~state-printing administrator~~ director of the department of administrative services.

Sec. 108. Section 7A.3, subsection 1, Code 2003, is amended to read as follows:

1. Director of ~~revenue-and-finance~~ the department of administrative services on the fiscal condition of the state.

Sec. 109. Section 7A.3, subsection 6, Code 2003, is amended by striking the subsection.

Sec. 110. Section 7A.3, subsection 10, Code 2003, is amended to read as follows:

10. Department of ~~general~~ administrative services.

Sec. 111. Section 7A.14, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The annual and biennial reports shall be published, printed, and bound in such number as the ~~state-printing administrator~~ director of the department of administrative services may order. The officials and heads of departments shall furnish the ~~administrator~~ director with information necessary to determine the number of copies to be printed.

Sec. 112. Section 7A.23, Code 2003, is amended to read as follows:

7A.23 PRICE OF DEPARTMENTAL REPORTS.

The ~~state-printing-administrator~~ director of the department of administrative services shall establish and fix a selling price for all state departmental reports and any other state

publications the ~~administrator~~ director may designate, which price per volume shall be the amount charged any person, other than public officials, who purchases the publication. The price shall cover the cost of printing and distribution. The ~~administrator~~ director may distribute gratis to state or local public officials or offices, as the ~~administrator~~ director deems necessary, copies of departmental annual reports.

Sec. 113. Section 7A.27, Code 2003, is amended to read as follows:

7A.27 OTHER NECESSARY PUBLICATIONS -- WHEN NECESSARY TO SELL.

~~There may be published other~~ Other miscellaneous documents, reports, bulletins, books, and booklets may be published that are needed for the use of the various officials and departments of state, or are of value for the information of the general assembly or the public, in form and number most useful and convenient, to be determined by the ~~state printing administrator~~ director of the department of administrative services.

When such publications, except supplements to the Iowa administrative code, paid for by public funds furnished by the state, contain reprints of statutes or rules, or both, they shall be sold and distributed at cost by the department ordering ~~same~~ the publication if the cost per publication is one dollar or more, unless a central library or depository is established. Such publications shall be obtained from the ~~state printing administrator~~ director of the department of administrative services on requisition by the department ordering the publication and the selling price, if any, shall be determined by the ~~administrator~~ director of the department of administrative services by dividing the total cost of printing, paper, distribution, and binding by the number printed. ~~Said~~ The price shall be set at the nearest multiple of ten to the quotient thus obtained. Distribution of such publications shall be made by the ~~administrator~~ director

gratis to public officers, purchasers of licenses from state departments required by statute and departments. Funds from the sale of such publications shall be deposited monthly in the general fund of the state except the cost of distribution shall be deposited in the ~~permanent~~ printing revolving fund established in section ~~18.57~~ 8A.345.

Sec. 114. Section 7A.28, Code 2003, is amended to read as follows:

7A.28 GOVERNOR MAY FIX FILING DATE.

The governor shall have the right to fix a date for the completion of or filing of any copy or manuscript for any miscellaneous document or other publication, or for any portion of the manuscript, and to compel compliance with such orders the same as in the case of the official reports. The ~~state printing administrator~~ director of the department of administrative services shall report to the governor any failure to furnish manuscript or other delay affecting any publication.

Sec. 115. Section 7A.29, Code 2003, is amended to read as follows:

7A.29 TITLE PAGES -- COMPLIMENTARY INSERTIONS.

The ~~state printing administrator~~ director of the department of administrative services shall provide the necessary printer's copy for a suitable title page for each publication requiring such title which shall contain the name of the author, but ~~no~~ such title shall not have written or printed thereon or attached thereto the words "Compliments of" followed by the name of the author, nor any other words of similar import.

Sec. 116. Section 7E.5, subsection 1, paragraph b, Code 2003, is amended to read as follows:

b. The department of ~~personnel~~ administrative services, created in section ~~19A.1~~ 8A.102, which has primary responsibility for ~~personnel~~ the management and coordination of the major resources of state government.

Sec. 117. Section 7E.5, subsection 1, paragraph c, Code 2003, is amended by striking the paragraph.

Sec. 118. Section 7E.5, subsection 1, paragraph d, Code 2003, is amended to read as follows:

d. The department of revenue ~~and finance~~, created in section 421.2, which has primary responsibility for revenue collection and revenue law compliance, ~~financial management and assistance,~~ and the Iowa lottery.

Sec. 119. Section 7E.5, subsection 1, paragraph x, Code 2003, is amended by striking the paragraph.

Sec. 120. Section 7F.1, subsection 3, Code 2003, is amended to read as follows:

3. OFFICE ESTABLISHED. A state-federal relations office is established as an independent agency. The office shall be located in Washington D.C. and shall be administered by the director of the office who is appointed by the governor, subject to confirmation by the senate, and who serves at the pleasure of the governor. The office and its personnel are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 121. Section 8.31, unnumbered paragraph 6, Code 2003, is amended to read as follows:

The procedure to be employed in controlling the expenditures and receipts of the state fair board and the institutions under the state board of regents, whose collections are not deposited in the state treasury, is that outlined in section ~~421.31~~ 8A.502, subsection ~~6~~ 9.

Sec. 122. Section 8.36A, Code 2003, is amended to read as follows:

8.36A FULL-TIME EQUIVALENT ~~POSITION~~ POSITIONS.

1. For purposes of making appropriations and financial reports and as used in appropriations statutes, "full-time equivalent position" means a budgeting and monitoring unit that equates the aggregate of full-time positions, part-time positions, a vacancy and turnover factor, and other

Sec. 117. Section 7E.5, subsection 1, paragraph c, Code 2003, is amended by striking the paragraph.

Sec. 118. Section 7E.5, subsection 1, paragraph d, Code 2003, is amended to read as follows:

d. The department of revenue ~~and finance~~, created in section 421.2, which has primary responsibility for revenue collection and revenue law compliance, ~~financial management and assistance,~~ and the Iowa lottery.

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The procedure to be employed in controlling the expenditures and receipts of the state fair board and the institutions under the state board of regents, whose collections are not deposited in the state treasury, is that outlined in section ~~421.31~~ 8A.502, subsection ~~6~~ 9.

Sec. 122. Section 8.36A, Code 2003, is amended to read as follows:

8.36A FULL-TIME EQUIVALENT ~~POSITION~~ POSITIONS.

1. For purposes of making appropriations and financial reports and as used in appropriations statutes, "full-time equivalent position" means a budgeting and monitoring unit that equates the aggregate of full-time positions, part-time positions, a vacancy and turnover factor, and other

adjustments. One full-time equivalent position represents two thousand eighty working hours, which is the regular number of hours one full-time person works in one fiscal year. The number of full-time equivalent positions shall be calculated by totaling the regular number of hours that could be annually worked by persons in all authorized positions, reducing those hours by a vacancy and turnover factor and dividing that amount by two thousand eighty hours. In order to achieve the full-time equivalent position level, the number of filled positions may exceed the number of full-time equivalent positions during parts of the fiscal year to compensate for time periods when the number of filled positions is below the authorized number of full-time equivalent positions.

2. If a department or establishment has reached or anticipates reaching the full-time equivalent position level authorized for the department but determines that conversion of a contract position to a full-time equivalent position would result in cost savings while providing comparable or better services, the department or establishment may request the director of the department of management to approve the conversion and addition of the full-time equivalent position. The request shall be accompanied by evidence demonstrating how the cost savings and service quality will be achieved through the conversion. If approved by the director of the department of management, the department's or establishment's authorized full-time equivalent position level shall be increased accordingly and the revised level shall be reported to the fiscal committee of the legislative council and the legislative fiscal bureau.

Sec. 123. Section 8.47, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The department of ~~general~~ administrative services, in cooperation with the office of attorney general~~,~~ and the department of management, ~~the department of personnel, and the department of revenue and finance,~~ shall adopt uniform terms

and conditions for service contracts executed by a department or establishment benefiting from service contracts. The terms and conditions shall include but are not limited to all of the following:

Sec. 124. Section 8.47, subsection 2, Code 2003, is amended to read as follows:

2. Departments or establishments, with the approval of the department of management acting in cooperation with the office of attorney general~~,-the-department-of-general-services,-the department-of-personnel,~~ and the department of ~~revenue-and finance~~ administrative services, may adopt special terms and conditions for use by the departments or establishments in their service contracts.

Sec. 125. Section 8.63, Code 2003, is amended to read as follows:

8.63 INNOVATIONS FUND.

1. An innovations fund is created in the state treasury under the control of the department of management for the purpose of stimulating and encouraging innovation and entrepreneurship in state government by the awarding of repayable loans to state agencies.

2. The director of the department of management shall establish an eight-member committee to be called the state innovations fund committee. The committee shall review all requests for funds and approve loans of funds if the committee determines that the loan meets the requirements for a project loan or an enterprise loan as provided in this section.

3. A project loan can be funded if the committee determines that an agency request would result in cost savings or added revenue to the general fund of the state. Eligible projects are projects which cannot be funded from an agency's operating budget without adversely affecting the agency's normal service levels. Projects may include, but are not limited to, purchase of advanced technology, contracting for expert services, and acquisition of equipment or supplies.

4. An enterprise loan can be funded if the committee determines that the agency or business unit has a viable business plan and the capability to use the loan to provide internal services to government. The enterprise is expected to receive payment for services from its customers and use those payments to cover its expenses, including repayment of the loan.

~~3.~~ 5. A state agency seeking a loan from the innovations fund shall complete an application form designed by the state innovations fund committee which employs, for projects, a return on investment concept and demonstrates how state general fund expenditures will be reduced or how state general fund revenues will increase, or, for enterprises, a business plan that shows how the enterprise will meet customer needs, provide value to customers, and demonstrate financial viability. Minimum loan requirements for state agency requests shall be determined by the committee. As an incentive to increase state general fund revenues, an agency may retain up to fifty percent of savings realized in connection with a project loan from the innovations fund. The amount retained shall be determined by the innovations fund committee.

~~4.~~ 6. a. In order for the innovations fund to be self-supporting, the innovations fund committee shall establish repayment schedules for each ~~innovation~~ innovations fund loan awarded. Agencies shall repay the funds over a period not to exceed five years with interest, at a rate to be determined by the innovations fund committee.

b. If the department of management and the department of revenue ~~and finance~~ certify that the savings from a proposed innovations fund project will result in a net increase in the balance of the general fund of the state without a corresponding cost savings to the requesting agency, and if the requesting agency meets all other eligibility requirements, the innovations fund committee may approve the

loan for the project and not require repayment by the requesting agency. There is appropriated from the general fund of the state to the department of ~~revenue and finance~~ management for deposit in the innovations fund an amount sufficient to repay the loan amount.

~~5.~~ 7. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the innovations fund shall be credited to the innovations fund. Notwithstanding section 8.33, moneys remaining in the innovations fund at the end of a fiscal year shall not revert to the general fund of the state.

Sec. 126. Section 8D.4, Code 2003, is amended to read as follows:

8D.4 EXECUTIVE DIRECTOR APPOINTED.

The commission, in consultation with the director of the department of administrative services shall appoint an executive director of the commission, subject to confirmation by the senate. Such individual shall not serve as a member of the commission. The executive director shall serve at the pleasure of the commission. The executive director shall be selected primarily for administrative ability and knowledge in the field, without regard to political affiliation. The governor shall establish the salary of the executive director within range nine as established by the general assembly. The salary and support of the executive director shall be paid from funds deposited in the Iowa communications network fund.

Sec. 127. Section 9.3, Code 2003, is amended to read as follows:

9.3 COMMISSIONS.

All commissions issued by the governor shall be countersigned by the secretary, who shall register each commission in a book to be kept for that purpose, specifying the office, name of officer, date of commission, and tenure of office, and forthwith forward to the directors of the departments of management and of ~~revenue and finance~~ administrative services copies of the registration.

Sec. 128. Section 10A.104, subsection 2, Code 2003, is amended to read as follows:

2. Appoint the administrators of the divisions within the department and all other personnel deemed necessary for the administration of this chapter, except the state public defender, assistant state public defenders, administrator of the racing and gaming commission, members of the employment appeal board, and administrator of the child advocacy board created in section 237.16. All persons appointed and employed in the department are covered by the provisions of chapter ~~19A~~ 8A, article 4, but persons not appointed by the director are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 129. Section 10A.601, subsections 1 and 7, Code 2003, are amended to read as follows:

1. A full-time employment appeal board is created within the department of inspections and appeals to hear and decide contested cases under chapter 8A, article 4, and chapters ~~19A,~~ 80, 88, 89A, 91C, 96, and 97B.

7. An application for rehearing before the appeal board shall be filed pursuant to section 17A.16, unless otherwise provided in chapter ~~19A,~~ 8A, article 4, or chapter 80, 88, 89A, 91C, 96, or 97B. A petition for judicial review of a decision of the appeal board shall be filed pursuant to section 17A.19. The appeal board may be represented in any such judicial review by an attorney who is a regular salaried employee of the appeal board or who has been designated by the appeal board for that purpose, or at the appeal board's request, by the attorney general. Notwithstanding the petitioner's residency requirement in section 17A.19, subsection 2, a petition for judicial review may be filed in the district court of the county in which the petitioner was last employed or resides, provided that if the petitioner does not reside in this state, the action shall be brought in the district court of Polk county, Iowa, and any other party to

the proceeding before the appeal board shall be named in the petition. Notwithstanding the thirty-day requirement in section 17A.19, subsection 6, the appeal board shall, within sixty days after filing of the petition for judicial review or within a longer period of time allowed by the court, transmit to the reviewing court the original or a certified copy of the entire records of a contested case. The appeal board may also certify to the court, questions of law involved in any decision by the appeal board. Petitions for judicial review and the questions so certified shall be given precedence over all other civil cases except cases arising under the workers' compensation law of this state. No bond shall be required for entering an appeal from any final order, judgment, or decree of the district court to the supreme court.

Sec. 130. Section 10A.801, subsection 3, paragraph a, Code 2003, is amended to read as follows:

a. The department shall employ a sufficient number of administrative law judges to conduct proceedings for which agencies are required, by section 17A.11 or any other provision of law, to use an administrative law judge employed by the division. An administrative law judge employed by the division shall not perform duties inconsistent with the judge's duties and responsibilities as an administrative law judge and shall be located in an office that is separated from the offices of the agencies for which that person acts as a presiding officer. Administrative law judges shall be covered by the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 131. Section 11.2, subsection 1, unnumbered paragraph 3, Code 2003, is amended to read as follows:

Provided further, that a preliminary audit of the educational institutions and the state fair board shall be made periodically, at least quarterly, to check the monthly reports submitted to the director of ~~revenue and finance~~ the department of administrative services as required by section ~~421.31~~ 8A.502, subsection ~~4~~ 9, and that a final audit of such state agencies shall be made at the close of each fiscal year.

Sec. 132. Section 12E.8, subsection 2, Code 2003, is amended to read as follows:

2. The authority is exempt from the requirements of chapter ~~18~~ 8A, article 3.

Sec. 133. Section 13.13, subsection 2, Code 2003, is amended to read as follows:

2. The farm assistance program coordinator shall contract with a nonprofit organization chartered in this state to provide mediation services as provided in chapters 654A, 654B, and 654C. The contract may be terminated by the coordinator upon written notice and for good cause. The organization awarded the contract is designated as the farm mediation service for the duration of the contract. The organization may, upon approval by the coordinator, provide mediation services other than as provided by law. The farm mediation service is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20, and 669.

Sec. 134. Section 13.22, subsection 6, Code 2003, is amended to read as follows:

6. Cooperate to the fullest extent feasible with the existing informational and referral networks among farmers, farmer advocates, and others concerned with the economic crisis in agricultural areas. The legal services provider is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20, and 669.

Sec. 135. Section 13.34, subsection 4, Code 2003, is amended to read as follows:

4. The contracting nonprofit organization is not a state agency for the purposes of chapter 8A, article 4, and chapters ~~19A,~~ 20, and 669.

Sec. 136. Section 13B.5, Code 2003, is amended to read as follows:

13B.5 STAFF.

The state public defender may appoint assistant state public defenders who, subject to the direction of the state

public defender, shall have the same duties as the state public defender and shall not engage in the private practice of law. The salaries of the staff shall be fixed by the state public defender. The state public defender and the state public defender's staff shall receive actual and necessary expenses, including travel at the state rate set forth in section ~~18.117~~ 8A.363.

Sec. 137. Section 15.106, subsection 2, Code 2003, is amended to read as follows:

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with the merit system provisions of chapter ~~19A~~ 8A, article 4, for nonprofessional employees. Professional staff of the department are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 138. Section 15.108, subsection 9, paragraph c, Code 2003, is amended to read as follows:

c. Except as otherwise provided in sections ~~7D.33~~ 8A.110, 260C.14, and 262.9, provide that an inventor whose research is funded in whole or in part by the state shall assign to the state a proportionate part of the inventor's rights to a letter patent resulting from that research. Royalties or earnings derived from a letter patent shall be paid to the treasurer of state and credited by the treasurer to the general fund of the state. However, the department in conjunction with other state agencies, including the board of regents, shall provide incentives to inventors whose research is funded in whole or in part by the state for having their products produced in the state. These incentives may include taking a smaller portion of the inventor's royalties or earnings than would otherwise occur under this paragraph or other provisions of the law.

Sec. 139. Section 16.2, subsection 1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

A title guaranty division is created within the authority. The powers of the division relating to the issuance of title guaranties are vested in and shall be exercised by a division board of five members appointed by the governor subject to confirmation by the senate. The membership of the board shall include an attorney, an abstractor, a real estate broker, a representative of a mortgage-lender, and a representative of the housing development industry. The executive director of the authority shall appoint an attorney as director of the title guaranty division who shall serve as an ex officio member of the board. The appointment of and compensation for the division director are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 140. Section 16A.5, subsection 2, Code 2003, is amended to read as follows:

2. The executive director is a nonvoting ex officio member of the board, and shall advise the authority on matters relating to finance, carry out all directives from the authority, and hire and supervise the authority's staff pursuant to its directions and under the merit system provisions of chapter ~~19A~~ 8A, article 4, except that principal administrative assistants with responsibilities in operating loan programs, accounting, and processing of applications for interest reduction are exempt from the merit system.

Sec. 141. Section 17A.6, subsection 5, Code 2003, is amended to read as follows:

5. The Iowa administrative code, its supplements, and the Iowa administrative bulletin shall be made available upon request to all persons who subscribe to any of them ~~through the state printing division. Copies of this code so made available shall be kept current by the division.~~

Sec. 142. Section 19B.5, subsection 2, Code 2003, is amended to read as follows:

2. The department of ~~personnel~~ administrative services shall submit a report on the condition of affirmative action,

diversity, and multicultural programs in state agencies covered by subsection 1 by September 30 of each year to the governor and the general assembly. ~~The report shall include information identifying funding sources and itemized costs, including administrative costs, for these programs.~~

Sec. 143. Section 19B.12, subsection 4, Code 2003, is amended to read as follows:

4. The department of ~~personnel~~ administrative services for all state agencies, and the state board of regents for its institutions, shall adopt rules and appropriate internal, confidential grievance procedures to implement this section, and shall adopt procedures for determining violations of this section and for ordering appropriate dispositions that may include, but are not limited to, discharge, suspension, or reduction in rank or grade as defined in section ~~19A.9~~ 8A.413, subsection 16.

Sec. 144. Section 20.5, subsection 4, Code 2003, is amended to read as follows:

4. The board may employ such persons as are necessary for the performance of its functions. Personnel of the board shall be employed pursuant to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 145. Section 20.18, unnumbered paragraph 2, Code 2003, is amended to read as follows:

Public employees of the state or public employees covered by civil service shall follow either the grievance procedures provided in a collective bargaining agreement, or in the event that grievance procedures are not provided, shall follow grievance procedures established pursuant to chapter ~~19A~~ 8A, article 4, or chapter 400, as applicable.

Sec. 146. Section 23A.2, subsection 10, paragraph o, Code 2003, is amended to read as follows:

o. The performance of an activity authorized pursuant to section ~~14B.102~~ 8A.202, subsection 2, paragraph ~~"1"~~ "k".

Sec. 147. Section 29A.13, Code 2003, is amended to read as follows:

29A.13 APPROPRIATED FUNDS.

Operating expenses for the national guard including the purchase of land, maintenance of facilities, improvement of state military reservations, installations, and weapons firing ranges owned or leased by the state of Iowa or the United States shall be paid from funds appropriated for the support and maintenance of the national guard. Claims for payment of such expenses shall be subject to the approval of the adjutant general. Upon approval of the adjutant general the claim shall be submitted to the director of ~~revenue-and-finance-in accordance-with-the-procedures-established-by-the-director-of revenue-and-finance-under-chapter-421~~ the department of administrative services.

Payment for personnel compensation and authorized benefits shall be approved by the adjutant general prior to submission to the director of ~~revenue-and-finance~~ the department of administrative services for payment.

Sec. 148. Section 35A.8, subsection 3, Code 2003, is amended to read as follows:

3. Except for the employment duties and responsibilities assigned to the commandant for the Iowa veterans home, the executive director shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commission. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 149. Section 35A.10, Code 2003, is amended to read as follows:

35A.10 MULTIYEAR CONSTRUCTION PROGRAM -- CONSTRUCTION, REPAIR, AND IMPROVEMENT PROJECTS.

1. The commission shall work with the department of ~~general~~ administrative services to prepare and submit to the

director of the department of management, as provided in section 8.23, a multiyear construction program including estimates of the expenditure requirements for the construction, repair, or improvement of buildings, grounds, or equipment at the commission of veterans affairs building at Camp Dodge and the Iowa veterans home in Marshalltown.

2. The commandant and the commission shall have plans and specifications prepared by the department of ~~general~~ administrative services for authorized construction, repair, or improvement projects in excess of twenty-five thousand dollars. An appropriation for a project shall not be expended until the department of ~~general~~ administrative services has adopted plans and specifications and has completed a detailed estimate of the cost of the project, prepared under the supervision of a registered architect or registered professional engineer.

3. The director of the department of ~~general~~ administrative services shall, in writing, let all contracts for authorized improvements in excess of twenty-five thousand dollars in accordance with chapter ~~18~~ 8A, article 3. The director of the department of ~~general~~ administrative services shall not authorize payment for construction purposes until satisfactory proof has been furnished by the proper officer or supervising architect that the parties have complied with the contract.

Sec. 150. Section 35D.14, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The commandant or the commandant's designee shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the commandant. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 151. Section 42.1, subsection 5, paragraph b, Code 2003, is amended to read as follows:

b. An elective office in the executive or legislative branch of the government of this state, or an office which is filled by appointment and is exempt from the merit system under section ~~19A.3~~ 8A.412.

Sec. 152. Section 47.8, subsection 3, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The commission may authorize the registrar to employ such additional staff personnel as it deems necessary to permit the duties of the registrar's office to be adequately and promptly discharged. Such personnel shall be employed pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 153. Section 55.1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

A leave of absence for a person regularly employed pursuant to chapter ~~19A~~ 8A, article 4, is subject to section ~~19A.18~~ 8A.416.

Sec. 154. Section 55.4, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Any public employee who becomes a candidate for any elective public office shall, upon request of the employee and commencing any time within thirty days prior to a contested primary, special, or general election and continuing until after the day following that election, automatically be given a period of leave. If the employee is under chapter ~~19A~~ 8A, article 4, the employee may choose to use accrued vacation leave, accrued compensatory leave or leave without pay to cover these periods. The appointing authority may authorize other employees to use accrued vacation leave or accrued compensatory leave instead of leave without pay to cover these periods. An employee who is a candidate for any elective public office shall not campaign while on duty as an employee.

Sec. 155. Section 68B.32, subsection 5, Code 2003, is amended to read as follows:

5. The board shall employ a full-time executive director who shall be the board's chief administrative officer. The board shall employ or contract for the employment of legal counsel notwithstanding section 13.7, and any other personnel as may be necessary to carry out the duties of the board. The board's legal counsel shall be the chief legal officer of the board, and shall advise the board on all legal matters relating to the administration of this chapter and chapter 56. The state may be represented by the board's legal counsel in any civil action regarding the enforcement of this chapter or chapter 56, or, at the board's request, the state may be represented by the office of the attorney general. Notwithstanding section ~~19A.3~~ 8A.412, all of the board's employees, except for the executive director and legal counsel, shall be employed subject to the merit system provisions of chapter ~~19A~~ 8A, article 4. The salary of the executive director shall be fixed by the board, within the range established by the general assembly. The salary of the legal counsel shall be fixed by the board, within a salary range established by the department of personnel for a position requiring similar qualifications and experience.

Sec. 156. Section 70A.38, subsection 8, Code 2003, is amended to read as follows:

8. This section is repealed June 30, ~~2003~~ 2008.

Sec. 157. Section 84A.7, subsection 5, Code 2003, is amended to read as follows:

5. PARTICIPANT ELIGIBILITY. Notwithstanding any contrary provision of ~~chapters 19A~~ chapter 8A, article 4, and chapter 96, a person employed through an Iowa conservation corps program shall be exempt from merit system requirements and shall not be eligible to receive unemployment compensation benefits.

Sec. 158. Section 86.2, subsection 1, Code 2003, is amended to read as follows:

1. Chief deputy workers' compensation commissioners for whose acts the commissioner is responsible, who are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4, and who shall serve at the pleasure of the commissioner.

Sec. 159. Section 88.2, subsection 3, Code 2003, is amended to read as follows:

3. Personnel administering the chapter shall be employed pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 160. Section 88A.6, Code 2003, is amended to read as follows:

88A.6 PERSONNEL.

The commissioner may employ inspectors and any other personnel deemed necessary to carry out the provisions of this chapter, subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 161. Section 89.1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The labor commissioner shall enforce the provisions of this chapter and may employ qualified personnel under the provisions of chapter ~~19A~~ 8A, article 4, to administer the provisions of this chapter.

Sec. 162. Section 89A.4, Code 2003, is amended to read as follows:

89A.4 COMMISSIONER'S DUTIES AND PERSONNEL.

The commissioner shall enforce the provisions of this chapter. The commissioner shall employ personnel for the administration of this chapter pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 163. Section 91A.9, subsection 3, Code 2003, is amended to read as follows:

3. The commissioner may employ such qualified personnel as are necessary for the enforcement of this chapter. Such personnel shall be employed pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 164. Section 96.11, subsection 16, Code 2003, is amended to read as follows:

16. Reimbursement of setoff costs. The department shall include in the amount set off in accordance with section ~~421.17, subsection 29~~ 8A.504, for the collection of an overpayment created pursuant to section 96.3, subsection 7, or section 96.16, subsection 4, an additional amount for the reimbursement of setoff costs incurred by the department of ~~revenue and finance~~ administrative services.

Sec. 165. Section 97.51, subsection 1, Code 2003, is amended to read as follows:

1. The treasurer of state is the custodian and trustee of this fund and shall administer the fund in accordance with the directions of the ~~department of personnel~~ Iowa public employees' retirement system created in section 97B.1. It is the duty of the trustee:

a. To hold said trust funds.

b. Under the direction of the department and as designated by the department, invest such portion of said trust funds as are not needed for current payment of benefits, in interest-bearing securities issued by the United States, or interest-bearing bonds issued by the state of Iowa, or bonds issued by counties, school districts or general obligations or limited levy bonds issued by municipal corporations in this state as authorized by law; also to sell and dispose of same when needed for the payment of benefits.

c. To disburse the trust funds upon warrants drawn by the director of revenue and finance pursuant to the order of the ~~department of personnel~~ Iowa public employees' retirement system created in section 97B.1.

Sec. 166. Section 97.51, subsection 3, Code 2003, is amended to read as follows:

3. The ~~department of personnel~~ Iowa public employees' retirement system created in section 97B.1 shall administer the Iowa old-age and survivors' insurance liquidation fund and shall also administer all other provisions of this chapter.

Sec. 167. Section 97.52, Code 2003, is amended to read as follows:

97.52 ADMINISTRATION AGREEMENTS.

The ~~department of personnel~~ Iowa public employees' retirement system created in section 97B.1 may enter into agreements whereby services performed by the ~~department~~ system and its employees under chapters 97, 97B, and 97C shall be equitably apportioned among the funds provided for the administration of those chapters. The money spent for personnel, rentals, supplies, and equipment used by the ~~department~~ system in administering the chapters shall be equitably apportioned and charged against the funds.

Sec. 168. Section 97A.5, subsections 5 and 6, Code 2003, are amended to read as follows:

5. STAFF. The department of ~~personnel~~ public safety shall provide administrative services to the board of trustees. Investments shall be administered through the office of the treasurer of state.

6. DATA -- RECORDS -- REPORTS.

a. The department of ~~personnel~~ public safety shall keep in convenient form the data necessary for actuarial valuation of the various funds of the system and for checking the expense of the system. The ~~director of the department~~ commissioner of ~~personnel~~ public safety shall keep a record of all the acts and proceedings of the board, which records shall be open to public inspection. The board of trustees shall biennially make a report to the general assembly showing the fiscal transactions of the system for the preceding biennium, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the system.

b. The ~~director of the department~~ commissioner of ~~personnel~~ public safety shall maintain records, including but not limited to names, addresses, ages, and lengths of service,

salaries and wages, contributions, designated beneficiaries, benefit amounts, if applicable, and other information pertaining to members as necessary in the administration of this chapter, as well as the names, addresses, and benefit amounts of beneficiaries. For the purpose of obtaining these facts, the ~~director~~ commissioner of ~~personnel~~ public safety shall have access to the records of the various departments of the state and the departments shall provide such information upon request. Member and beneficiary records containing personal information are not public records for the purposes of chapter 22. However, summary information concerning the demographics of the members and general statistical information concerning the system is subject to chapter 22, as well as aggregate information by category.

Sec. 169. Section 97A.7, subsection 4, Code 2003, is amended to read as follows:

4. A member of the board of trustees or an employee of the department of ~~personnel~~ public safety shall not have a direct interest in the gains or profits of any investment made by the board of trustees. A trustee shall not receive any pay or emolument for the trustee's services. A trustee or employee of the department of ~~personnel~~ public safety shall not directly or indirectly use the assets of the system except to make current and necessary payments as authorized by the board of trustees, nor shall a trustee or employee of the department of ~~personnel~~ public safety become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the board of trustees.

Sec. 170. Section 97B.1, Code 2003, is amended to read as follows:

97B.1 SYSTEM CREATED -- ORGANIZATIONAL DEFINITIONS.

1. The "Iowa Public Employees' Retirement System" is ~~created~~ established as an independent agency within the executive branch of state government. The Iowa public employees' retirement system ~~division, a separate and distinct~~

~~division-within-the-department-of-personnel,~~ shall administer the retirement system established under this chapter.

2. As used in this chapter, unless the context requires otherwise:

a. "Board" means the investment board created by section 97B.8A.

b. "Chief executive officer" means the chief executive officer of the Iowa public employees' retirement system ~~division,-notwithstanding-section-7E.2,-subsection-3, paragraph-"c",-subparagraph-(1)~~.

c. "Committee" means the benefits advisory committee created by section 97B.8B.

~~d.--"Division"-means-the-Iowa-public-employees'-retirement system-division.~~

~~e.~~ d. "System" means the Iowa public employees' retirement system.

Sec. 171. Section 97B.1A, subsection 23, Code 2003, is amended to read as follows:

~~23.~~ 19A. ~~"System"~~ "Retirement system" means the retirement plan as contained ~~herein~~ in this chapter or as duly amended.

Sec. 172. Section 97B.4, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. In administering this chapter, the ~~division-shall~~ system may enter into a biennial agreement with the department of ~~personnel~~ administrative services concerning the sharing of resources between the ~~division~~ system and department which are of benefit to each and which are consistent with the mission of the ~~division~~ system and the department. The budget program for the ~~division~~ system shall be established by the chief executive officer in consultation with the board and other staff of the ~~division~~ system and shall be compiled ~~by-the department-of-personnel-in-collaboration-with-the-division~~ and submitted ~~on-behalf-of-the-division~~ by the ~~department~~ system pursuant to section 8.23.

Sec. 173. Section 97B.4, subsection 3, paragraphs a, b, c, and d, Code 2003, are amended to read as follows:

a. CHIEF INVESTMENT OFFICER. The chief executive officer, following consultation with the board, shall employ a chief investment officer who shall be appointed pursuant to chapter ~~19A~~ 8A, article 4, and shall be responsible for administering the investment program for the retirement fund pursuant to the investment policies of the board.

b. CHIEF BENEFITS OFFICER. The chief executive officer, following consultation with the benefits advisory committee, shall employ a chief benefits officer who shall be appointed pursuant to chapter ~~19A~~ 8A, article 4, and shall be responsible for administering the benefits and other services provided under the retirement system.

c. ACTUARY. The ~~division~~ system shall employ an actuary who shall be selected by the board and shall serve at the pleasure of the board. The actuary shall be the technical advisor for the system on matters regarding the operation of the retirement fund.

d. ~~DIVISION~~ SYSTEM EMPLOYEES. Subject to other provisions of this chapter, the ~~division~~ system may employ all other personnel as necessary for the administration of the retirement system. The maximum number of full-time equivalent employees specified by the general assembly for the ~~division~~ system for administration of the retirement system for a fiscal year shall not be reduced by any authority other than the general assembly. The personnel of the ~~division~~ system shall be appointed pursuant to chapter ~~19A~~ 8A, article 4. The ~~division~~ system shall not appoint or employ a person who is an officer or committee member of a political party organization or who holds or is a candidate for a partisan elective public office.

Sec. 174. Section 97B.7A, subsection 5, Code 2003, is amended to read as follows:

5. TRAVEL. In the administration of the investment of moneys in the retirement fund, employees of the ~~division~~ system and members of the board may travel outside the state for the purpose of meeting with investment firms and consultants and attending conferences and meetings to fulfill their fiduciary responsibilities. This travel is not subject to section ~~421.38~~ 8A.512, subsection 2.

Sec. 175. Section 97B.43, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Each member in service on July 4, 1953, who made contributions under the abolished system, and who has not applied for and qualified for benefit payments under the abolished system, shall receive credit for years of prior service in the determination of retirement allowance payments under this chapter, if the member elects to become a member on or before October 1, 1953, the member has not made application for a refund of the part of the member's contributions under the abolished system which are payable under sections 97.50 to 97.53, and the member gives written authorization prior to October 1, 1953, to the commission to credit to the retirement fund the amount of the member's contribution which would be subject to a claim for refund. The amount so credited shall, after transfer, be considered as a contribution to the retirement system made as of July 4, 1953, by the member and shall be included in the determination of the amount of moneys payable under this chapter. However, an employee who was under a contract of employment as a teacher in the public schools of the state of Iowa at the end of the school year 1952-1953, or any person covered by section 97B.1A, subsection 20, paragraph "c" or "d", shall be considered as in service as of July 4, 1953, if they were members of the abolished system.

Sec. 176. Section 97B.49B, subsection 1, paragraph e, subparagraph (3), Code 2003, is amended to read as follows:

(3) A correctional officer or correctional supervisor employed by the Iowa department of corrections, and any other

employee of that department whose primary purpose is, through ongoing direct inmate contact, to enforce and maintain discipline, safety, and security within a correctional facility. The Iowa department of corrections and the ~~personnel division of the~~ department of ~~personnel~~ administrative services shall jointly determine which job classifications are covered under this subparagraph.

Sec. 177. Section 97B.49B, subsection 1, paragraph e, subparagraph (7), Code 2003, is amended to read as follows:

(7) An employee covered by the merit system as provided in chapter ~~19A~~ 8A, article 4, whose primary duty is providing airport security and who carries or is licensed to carry a firearm while performing those duties.

Sec. 178. Section 97B.49F, subsection 2, paragraph c, subparagraph (5), Code 2003, is amended to read as follows:

(5) As used in this paragraph, "favorable actuarial experience" means the difference, if positive, between the anticipated and actual experience of the retirement system's actuarial assets and liabilities as measured by the system's actuary in the most recent annual actuarial valuation of the retirement system pursuant to rules adopted by the ~~division~~ system.

Sec. 179. Section 97B.50, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. A vested member who terminated service due to a disability, who has been issued payment for a refund pursuant to section 97B.53, and who subsequently commences receiving disability benefits as a result of that disability pursuant to the federal Social Security Act, 42 U.S.C. § 423 et seq. or the federal Railroad Retirement Act, 45 U.S.C. § 231 et seq., may receive credit for membership service for the period covered by the refund payment, upon repayment to the ~~division~~ system of the actuarial cost of receiving service credit for the period covered by the refund payment, as determined by the ~~division~~ system. For purposes of this paragraph, the

actuarial cost of the service purchase shall be determined as provided in section 97B.74. The payment to the ~~division~~ system as provided in this paragraph shall be made within ninety days after July 1, 2000, or the date federal disability payments commenced, whichever occurs later. For purposes of this paragraph, the date federal disability payments commence shall be the date that the member actually receives the first such payment, regardless of any retroactive payments included in that payment. A member who repurchases service credit under this paragraph and applies for retirement benefits shall have the member's monthly allowance, including retroactive adjustment payments, determined in the same manner as provided in paragraph "a" or "b", as applicable. This paragraph shall not be implemented until the system has received a determination letter from the federal internal revenue service approving the system's plan's qualified status under Internal Revenue Code section 401(a).

Sec. 180. Section 97B.64, Code 2003, is amended to read as follows:

97B.64 INSURANCE LAWS NOT APPLICABLE.

None of the laws of this state regulating insurance or insurance companies shall apply to the ~~division~~ system or to the ~~Iowa public employees'~~ retirement system or any of its funds.

Sec. 181. Section 97C.2, subsection 8, Code 2003, is amended to read as follows:

8. The term "state agency" means the ~~department of personnel~~ Iowa public employees' retirement system created in section 97B.1.

Sec. 182. Section 99E.3, subsection 3, Code 2003, is amended to read as follows:

3. The commissioner may employ, with the approval of the director, clerks, stenographers, inspectors, agents, and other employees pursuant to chapter ~~19A~~ 8A, article 4, as necessary to carry out this chapter, except as provided in section

99E.14. The commissioner may require a background investigation to be conducted in connection with the employment of lottery employees. The board shall define, by rule, the employment categories subject to investigation. The background investigation by the division of criminal investigation of the department of public safety may include a national criminal history record check through the federal bureau of investigation. The screening of lottery employees through the federal bureau of investigation shall be conducted by submission of fingerprints through the state criminal history record repository to the federal bureau of investigation.

Sec. 183. Section 99E.14, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The commissioner shall designate three administrative positions within the division which require specific areas of expertise relating to the operation of the lottery. These three administrative positions are exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4. The commissioner shall designate one of these three administrators to serve as acting commissioner in the commissioner's absence.

Sec. 184. Section 103A.6, Code 2003, is amended to read as follows:

103A.6 MERIT SYSTEM.

Employees of the commissioner, if required by federal statutes, are covered by the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 185. Section 123.20, subsection 4, Code 2003, is amended to read as follows:

4. To appoint clerks, agents, or other employees required for carrying out the provisions of this chapter; to dismiss employees for cause; to assign employees to bureaus as created by the administrator within the division; and to designate their title, duties, and powers. All employees of the division are subject to chapter ~~19A~~ 8A, article 4, unless exempt under section ~~19A.3~~ 8A.412.

Sec. 186. Section 135.2, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The governor shall appoint the director of the department, subject to confirmation by the senate. The director shall serve at the pleasure of the governor. The director is exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4. The governor shall set the salary of the director within the range established by the general assembly.

Sec. 187. Section 135C.16, subsection 1, Code 2003, is amended to read as follows:

1. In addition to the inspections required by sections 135C.9 and 135C.38, the department shall make or cause to be made such further unannounced inspections as it deems necessary to adequately enforce this chapter. At least one general unannounced inspection shall be conducted for each health care facility within a thirty-month period. The inspector shall show identification to the person in charge of the facility and state that an inspection is to be made before beginning the inspection. An employee of the department who gives unauthorized advance notice of an inspection made or planned to be made under this subsection or section 135C.38 shall be disciplined as determined by the director, except that if the employee is employed pursuant to the merit system provisions of chapter ~~19A~~ 8A, article 4, the discipline shall not exceed the discipline authorized pursuant to that ~~chapter~~ article.

Sec. 188. Section 135C.18, Code 2003, is amended to read as follows:

135C.18 EMPLOYEES.

The department may employ, pursuant to chapter ~~19A~~ 8A, article 4, such assistants and inspectors as may be necessary to administer and enforce the provisions of this chapter.

Sec. 189. Section 137.6, subsection 4, Code 2003, is amended to read as follows:

4. Employ persons as necessary for the efficient discharge of its duties. Employment practices shall meet the requirements of chapter ~~19A~~ 8A, article 4, or any civil service provision adopted under chapter 400.

Sec. 190. Section 142A.5, subsection 1, paragraph b, Code 2003, is amended to read as follows:

b. Employ a division administrator who shall be responsible for the administration and oversight of the division. The division administrator shall report to and shall serve at the pleasure of the director. The administrator shall be exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4.

Sec. 191. Section 142A.6, subsection 5, Code 2003, is amended to read as follows:

5. Procurement of goods and services necessary to implement the initiative is subject to approval of the commission. Notwithstanding chapter ~~18~~ 8A, article 3, or any other provision of law to the contrary, such procurement may be accomplished by the commission under its own competitive bidding process which shall provide for consideration of such factors as price, bidder competence, and expediency in procurement.

Sec. 192. Section 147.98, Code 2003, is amended to read as follows:

147.98 SECRETARY OF PHARMACY EXAMINERS.

The pharmacy examiners shall have the right to employ a full-time secretary, who shall not be a member of the examining board, at such compensation as may be fixed pursuant to chapter ~~19A~~ 8A, article 4, but the provisions of section 147.22 providing for a secretary for each examining board shall not apply to the pharmacy examiners.

Sec. 193. Section 147.102, Code 2003, is amended to read as follows:

147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.

Notwithstanding the provisions of this subtitle, every application for a license to practice psychology, chiropractic, or dentistry shall be made directly to the chairperson, executive director, or secretary of the examining board of such profession, and every reciprocal agreement for the recognition of any such license issued in another state shall be negotiated by the examining board for such profession. All examination, license, and renewal fees received from persons licensed to practice any of such professions shall be paid to and collected by the chairperson, executive director, or secretary of the examining board of such profession, who shall transmit the fees to the treasurer of state for deposit into the general fund of the state. The salary of the secretary shall be established by the governor with the approval of the executive council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt positions in the executive branch of government.

Sec. 194. Section 147.103, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The board of physician assistant examiners may appoint investigators, who shall not be members of the examining board, to administer and aid in the enforcement of the provisions of law relating to physician assistants. The amount of compensation for the investigators shall be determined pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 195. Section 147.103A, subsections 3 and 4, Code 2003, are amended to read as follows:

3. The board may appoint investigators, who shall not be members of the examining board, and whose compensation shall be determined pursuant to chapter ~~19A~~ 8A, article 4. Investigators appointed by the board have the powers and status of peace officers when enforcing this chapter and chapters 148, 150, 150A, and 272C.

4. Applications for a license shall be made to the chairperson, executive director, or secretary of the board. All

examination, license, and renewal fees shall be paid to and collected by the chairperson, executive director, or secretary of the board, who shall transmit the fees to the treasurer of state for deposit in the general fund of the state. The salary of the executive director of the board shall be established by the governor with approval of the executive council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt positions in the executive branch of government.

Sec. 196. Section 147.114, Code 2003, is amended to read as follows:

147.114 INSPECTOR.

An inspector may be appointed by the board of dental examiners pursuant to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 197. Section 152.2, Code 2003, is amended to read as follows:

152.2 EXECUTIVE DIRECTOR -- ASSISTANTS.

The board shall appoint a full-time executive director. The executive director shall be a registered nurse and shall not be a member of the board. The governor, with the approval of the executive council pursuant to section ~~19A.9~~ 8A.413, subsection 2, under the pay plan for exempt positions in the executive branch of government, shall set the salary of the executive director.

Sec. 198. Section 152.3, subsection 6, Code 2003, is amended to read as follows:

6. To appoint assistants to the director and persons necessary to administer this ~~Act~~ chapter. Any appointments shall be merit appointments made pursuant to chapter ~~19A~~ 8A, article 4.

Sec. 199. Section 152.11, Code 2003, is amended to read as follows:

152.11 INVESTIGATORS FOR NURSES.

The board of nursing may appoint investigators, who shall not be members of the board, to administer and aid in the enforcement of the provisions of law related to those licensed to practice nursing. The amount of compensation for the investigators shall be determined pursuant to chapter ~~19A~~ 8A, article 4. Investigators authorized by the board of nursing have the powers and status of peace officers when enforcing this chapter and chapters 147 and 272C.

Sec. 200. Section 153.33, subsection 2, Code 2003, is amended to read as follows:

2. To appoint investigators, who shall not be members of the examining board, to administer and aid in the enforcement of the provisions of law relating to those persons licensed to practice dentistry and dental hygiene, and persons registered as dental assistants. The amount of compensation for the investigators shall be determined pursuant to chapter ~~19A~~ 8A, article 4. Investigators authorized by the board of dental examiners have the powers and status of peace officers when enforcing this chapter and chapters 147 and 272C.

Sec. 201. Section 157.7, Code 2003, is amended to read as follows:

157.7 INSPECTORS AND CLERICAL ASSISTANTS.

The department of inspections and appeals shall employ personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to perform duties related to inspection functions under this chapter. The department of inspections and appeals shall, when possible, integrate inspection efforts under this chapter with inspections conducted under chapter 158.

The Iowa department of public health may employ clerical assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to administer and enforce this chapter. The costs and expenses of the clerical assistants shall be paid from funds appropriated to the department of public health.

Sec. 202. Section 158.6, Code 2003, is amended to read as follows:

158.6 INSPECTORS AND CLERICAL ASSISTANTS.

The department of inspections and appeals shall employ personnel ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to perform duties related to inspection functions under this chapter. The department of inspections and appeals shall, when possible, integrate inspection efforts under this chapter with inspections conducted under chapter 157.

The Iowa department of public health may employ clerical assistants ~~under~~ pursuant to chapter ~~19A~~ 8A, article 4, to administer and enforce this chapter. The costs and expenses of the clerical assistants shall be paid from funds appropriated to the department of public health.

Sec. 203. Section 175.7, subsection 3, Code 2003, is amended to read as follows:

3. The executive director shall advise the authority on matters relating to agricultural land and property and agricultural finance, and carry out all directives from the authority, and shall hire and supervise the authority's staff pursuant to its directions and under the merit system provisions of chapter ~~19A~~ 8A, article 4, except that principal administrative assistants with responsibilities in beginning farm loan programs, accounting, mortgage loan processing, and investment portfolio management are exempt from the merit system.

Sec. 204. Section 189.2, subsection 4, Code 2003, is amended to read as follows:

4. Issue from time to time, bulletins showing the results of inspections, analyses, and prosecutions under this subtitle, excluding chapters 203, 203A, 203C, 203D, 207, and 208. These bulletins shall be printed in such numbers as may be approved by the ~~state printing administrator~~ director of the department of administrative services and shall be distributed to the newspapers of the state and to all interested persons.

Sec. 205. Section 216A.2, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The governor shall appoint the administrators of each of the divisions subject to confirmation by the senate. Each administrator shall serve at the pleasure of the governor and is exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4. The governor shall set the salary of the division administrators within the ranges set by the general assembly.

Sec. 206. Section 216A.145, Code 2003, is amended to read as follows:

216A.145 EMPLOYEES AND RESPONSIBILITY.

The administrator shall be the administrative officer of the division and shall be responsible for implementing policies and programs. The administrator may employ, in accordance with chapter ~~19A~~ 8A, article 4, other persons necessary to carry out the programs of the division.

Sec. 207. Section 216B.3, subsections 14 and 17, Code 2003, are amended to read as follows:

14. Purchase and use recycled printing and writing paper in accordance with the schedule established in section ~~18.18~~ 8A.315; 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~~ 8A.329; and, in accordance with section ~~18.6~~ 8A.311, require product content statements and compliance with requirements regarding contract bidding.

17. Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section ~~18.22~~ 8A.316.

Sec. 208. Section 217.23, subsection 1, Code 2003, is amended to read as follows:

1. The director of human services or the director's designee, shall employ such personnel as are necessary for the performance of the duties and responsibilities assigned to the department. All employees shall be selected on a basis of fitness for the work to be performed with due regard to training and experience and shall be subject to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 209. Section 217.34, Code 2003, is amended to read as follows:

217.34 DEBT SETOFF.

The investigations division of the department of inspections and appeals and the department of human services shall provide assistance to set off against a person's or provider's income tax refund or rebate any debt which has accrued through written contract, subrogation, departmental recoupment procedures, or court judgment and which is in the form of a liquidated sum due and owing the department of human services. The department of inspections and appeals, with approval of the department of human services, shall adopt rules under chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the setoff under section ~~421.17, subsection 2~~ 8A.504 in regard to money owed to the state for public assistance overpayments. The department of human services shall adopt rules under chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the setoff under section ~~421.17, subsection 2~~ 8A.504, in regard to collections by the child support recovery unit and the foster care recovery unit.

Sec. 210. Section 218.10, Code 2003, is amended to read as follows:

218.10 SUBORDINATE OFFICERS AND EMPLOYEES.

The administrator in charge of a particular institution, with the consent and approval of the director of human services, shall determine the number of subordinate officers and employees for the institution. Subject to this chapter, the officers and employees shall be appointed and discharged by the superintendent or business manager pursuant to chapter ~~19A~~ 8A, article 4. The superintendent shall keep, in the record of each subordinate officer and employee, the date of employment, the compensation, and the date of each discharge, and the reasons for discharge.

Sec. 211. Section 218.58, subsections 3 and 5, Code 2003, are amended to read as follows:

3. The department of ~~general~~ administrative services shall let all contracts under chapter ~~18~~ 8A, article 3, for authorized construction, repair, or improvement of departmental buildings, grounds, or equipment.

5. A claim for payment relating to a project shall be itemized on a voucher form pursuant to section ~~421.40~~ 8A.514, certified by the claimant and the architect or engineer in charge, and audited and approved by the department of ~~general~~ administrative services. Upon approval by the department of ~~general~~ administrative services, the ~~voucher shall be forwarded to the~~ director of ~~revenue and finance, who~~ the department of administrative services shall draw a warrant to be paid by the treasurer of state from funds appropriated for the project. A partial payment made before completion of the project does not constitute final acceptance of the work or a waiver of any defect in the work.

Sec. 212. Section 218.85, Code 2003, is amended to read as follows:

218.85 UNIFORM SYSTEM OF ACCOUNTS.

The director of human services through the administrators in control of the institutions shall install in all the institutions the most modern, complete, and uniform system of accounts, records, and reports possible. The system shall be prescribed by the director of ~~revenue and finance~~ the department of administrative services as authorized in section ~~421.31~~ 8A.502, subsection ~~10~~ 13, and, among other matters, shall clearly show the detailed facts relative to the handling and uses of all purchases.

Sec. 213. Section 218.100, Code 2003, is amended to read as follows:

218.100 CENTRAL WAREHOUSE AND SUPPLY DEPOT.

The department of human services shall establish a fund for maintaining and operating a central warehouse as a supply

depot and distribution facility for surplus government products, carload canned goods, paper products, other staples and such other items as determined by the department. The fund shall be permanent and shall be composed of the receipts from the sales of merchandise, recovery of handling, operating and delivery charges of such merchandise and from the funds contributed by the institutions now in a contingent fund being used for this purpose. All claims for purchases of merchandise, operating and salary expenses shall be subject to the provisions of sections 218.86 to ~~218.89~~ 218.88.

Sec. 214. Section 231.22, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The governor, subject to confirmation by the senate, shall appoint a director of the department of elder affairs who shall, subject to chapter ~~19A~~ 8A, article 4, employ and direct staff as necessary to carry out the powers and duties created by this chapter. The director shall serve at the pleasure of the governor. However, the director is subject to reconfirmation by the senate as provided in section 2.32, subsection 8. The governor shall set the salary for the director within the range set by the general assembly.

Sec. 215. Section 231.58, subsection 4, paragraph d, Code 2003, is amended to read as follows:

d. Develop procedures for coordination at the local and state level among the providers of long-term care, including when possible co-campusing of services. The director of the department of ~~general~~ administrative services shall give particular attention to this section when arranging for office space pursuant to section ~~18.12~~ 8A.321 for these three departments.

Sec. 216. Section 234.8, Code 2003, is amended to read as follows:

234.8 FEES FOR CHILD WELFARE SERVICES.

The department of human services may charge a fee for child welfare services to a person liable for the cost of the

services. The fee shall not exceed the reasonable cost of the services. The fee shall be based upon the person's ability to pay and consideration of the fee's impact upon the liable person's family and the goals identified in the case permanency plan. The department may assess the liable person for the fee and the means of recovery shall include a setoff against an amount owed by a state agency to the person assessed pursuant to section ~~421.17, subsection 29~~ 8A.504. In addition the department may establish an administrative process to recover the assessment through automatic income withholding. The department shall adopt rules pursuant to chapter 17A to implement the provisions of this section. This section does not apply to court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141 and services for which the department has established a support obligation pursuant to section 234.39.

Sec. 217. Section 235A.15, subsection 5, Code 2003, is amended to read as follows:

5. Access to disposition data subject to placement in the central registry pursuant to section 232.71D is authorized to the department of personnel or to the personnel office of a public employer, as defined in section 20.3, as necessary for presentation in grievance or arbitration procedures provided for in sections ~~19A.14~~ 8A.415 and 20.18. Disposition data introduced into a grievance or arbitration proceeding shall not be considered a part of the public record of a case.

Sec. 218. Section 236.15B, unnumbered paragraph 5, Code 2003, is amended to read as follows:

The department of ~~revenue and finance~~ administrative services shall consult the crime victim assistance board concerning the adoption of rules to implement this section. However, before a checkoff pursuant to this section shall be permitted, all liabilities on the books of the department of ~~revenue and finance~~ administrative services and accounts identified as owing under section ~~421.17~~ 8A.504 and the

political contribution allowed under section 56.18 shall be satisfied.

Sec. 219. Section 252B.5, subsection 4, Code 2003, is amended to read as follows:

4. Assistance to set off against a debtor's income tax refund or rebate any support debt, which is assigned to the department of human services or which the child support recovery unit is attempting to collect on behalf of any individual not eligible as a public assistance recipient, which has accrued through written contract, subrogation, or court judgment, and which is in the form of a liquidated sum due and owing for the care, support, or maintenance of a child. Unless the periodic payment plan provisions for a retroactive modification pursuant to section 598.21, subsection 8, apply, the entire amount of a judgment for accrued support, notwithstanding compliance with a periodic payment plan or regardless of the date of entry of the judgment, is due and owing as of the date of entry of the judgment and is delinquent for the purposes of setoff, including for setoff against a debtor's federal income tax refund or other federal nontax payment. The department of human services shall adopt rules pursuant to chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the child support setoff as established under section ~~421.17, subsection 2~~ 8A.504.

Sec. 220. Section 252B.5, subsection 8, Code 2003, is amended to read as follows:

8. a. Assistance, in consultation with the department of ~~revenue-and-finance~~ administrative services, in identifying and taking action against self-employed individuals as identified by the following conditions:

(1) The individual owes support pursuant to a court or administrative order being enforced by the unit and is delinquent in an amount equal to or greater than the support obligation amount assessed for one month.

(2) The individual has filed a state income tax return in the preceding twelve months.

(3) The individual has no reported tax withholding amount on the most recent state income tax return.

(4) The individual has failed to enter into or comply with a formalized repayment plan with the unit.

(5) The individual has failed to make either all current support payments in accordance with the court or administrative order or to make payments against any delinquency in each of the preceding twelve months.

b. Notwithstanding section 252B.9, the unit may forward information to the department of ~~revenue-and-finance~~ administrative services as necessary to implement this subsection, including but not limited to both of the following:

(1) The name and social security number of the individual.

(2) Support obligation information in the specific case, including the amount of the delinquency.

Sec. 221. Section 255.27, Code 2003, is amended to read as follows:

255.27 FACULTY TO PREPARE BLANKS -- PRINTING.

The medical faculty of the state university hospital shall from time to time prepare blanks containing questions and requiring information that it finds necessary and proper to be obtained by the physician who examines a patient under order of court. The blanks shall be printed by the state, and a sufficient supply shall be furnished by the ~~state-printing administrator~~ director of the department of administrative services to the clerk of each juvenile court in the state. The cost of printing the blanks shall be audited, allowed, and paid in the same manner as other bills for public printing.

Sec. 222. Section 256.9, subsection 4, Code 2003, is amended to read as follows:

4. Employ personnel and assign duties and responsibilities of the department. The director shall appoint a deputy

director and division administrators deemed necessary. They shall be appointed on the basis of their professional qualifications, experience in administration, and background. Members of the professional staff are not subject to the merit system provisions of chapter ~~19A~~ 8A, article 4, and are subject to section 256.10.

Sec. 223. Section 256.52, subsection 3, paragraph d, Code 2003, is amended to read as follows:

d. Appoint and approve the technical, professional, excepting the medical librarian and the law librarian, secretarial, and clerical staff necessary to accomplish the purposes of the division subject to chapter ~~19A~~ 8A, article 4.

Sec. 224. Section 256.54, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The medical library shall be administered by a medical librarian, appointed by the director subject to chapter ~~19A~~ 8A, article 4, who shall do all of the following:

Sec. 225. Section 256.54, subsection 2, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The law library shall be administered by a law librarian appointed by the director subject to chapter ~~19A~~ 8A, article 4, who shall do all of the following:

Sec. 226. Section 257C.6, subsection 11, Code 2003, is amended to read as follows:

11. The authority is exempt from chapter ~~18~~ 8A, article 3.

Sec. 227. Section 260C.19B, Code 2003, is amended to read as follows:

260C.19B PURCHASE OF 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 bio-based hydraulic fluids, greases, and other industrial lubricants as provided pursuant to section ~~18.22~~ 8A.316.

Sec. 228. Section 261.37, subsection 7, Code 2003, is amended to read as follows:

7. To establish an effective system for the collection of delinquent loans, including the adoption of an agreement with the ~~Iowa~~ department of ~~revenue-and-finance~~ administrative services to set off against a defaulter's income tax refund or rebate the amount that is due because of a default on a guaranteed or parental loan made under this division. The commission shall adopt rules under chapter 17A necessary to assist the department of ~~revenue-and-finance~~ administrative services in the implementation of the student loan setoff program as established under section ~~421.17,-subsection-23~~ 8A.504.

Sec. 229. Section 261A.6, subsection 10, Code 2003, is amended to read as follows:

10. All employees of the authority are exempt from ~~chapters-19A~~ chapter 8A, article 4, and chapter 97B.

Sec. 230. Section 262.9, subsection 6, Code 2003, is amended to read as follows:

6. 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~~ 8A.315; 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~~ 8A.329; shall, in accordance with the requirements of section ~~18.6~~ 8A.311, require product content statements 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~~ 8A.316.

Sec. 231. Section 262.25A, subsection 1, Code 2003, is amended to read as follows:

1. Institutions under the control of the state board of regents shall purchase only new automobiles which have at least the fuel economy required for purchase of new automobiles by the ~~state fleet administrator~~ director of the department of administrative services under section ~~18.115~~ 8A.362, subsection 4. This subsection does not apply to automobiles purchased for law enforcement purposes.

Sec. 232. Section 262.25B, Code 2003, is amended to read as follows:

262.25B PURCHASE OF 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 bio-based hydraulic fluids, greases, and other industrial lubricants as provided in section ~~18.22~~ 8A.316.

Sec. 233. Section 272C.7, subsection 1, Code 2003, is amended to read as follows:

1. As an alternative to authority contained elsewhere in this chapter, a licensing board may employ within the limits of available funds an executive secretary, one or more inspectors, and such clerical personnel as may be necessary for the administration of the duties of the board. Employees of the board shall be employed subject to chapter ~~19A~~ 8A, article 4. The qualifications of the executive secretary shall be determined by the board.

Sec. 234. Section 298.14, Code 2003, is amended to read as follows:

298.14 SCHOOL DISTRICT INCOME SURTAXES.

For each fiscal year, the cumulative total of the percents of surtax approved by the board of directors of a school district and collected by the department of revenue ~~and finance~~ under sections 257.21, 257.29, and 298.2, and the enrichment surtax under section 442.15, Code 1989, and an income surtax collected by a political subdivision under chapter 422D, shall not exceed twenty percent.

A school district income surtax fund is created in the office of treasurer of state. Income surtaxes collected by the department of revenue ~~and finance~~ under sections 257.21, 257.29, and 298.2 and section 442.15, Code 1989, shall be deposited in the school district income surtax fund to the credit of each school district. A separate accounting of each surtax, by school district, shall be maintained.

The director of ~~revenue and finance~~ the department of administrative services shall draw warrants in payment of the surtaxes collected in each school district. Warrants shall be payable in two installments to be paid on approximately the first day of December and the first day of February following collection of the taxes and shall be delivered to the respective school districts.

Sec. 235. Section 303.1A, subsection 5, Code 2003, is amended to read as follows:

5. Appoint and approve the technical, professional, secretarial, and clerical staff necessary to accomplish the purposes of the department subject to chapter ~~19A~~ 8A, article 4.

Sec. 236. Section 303.2, subsection 2, paragraph i, Code 2003, is amended to read as follows:

i. Buy or receive by other means historical materials including, but not limited to, artifacts, art, books, manuscripts, and images. Such materials are not personal property under ~~section 18.12~~ sections 8A.321 and 8A.324 and shall be received and cared for under the rules of the department. The historical division may sell or otherwise dispose of those materials according to the rules of the department and be credited for any revenues credited by the disposal less the costs incurred.

Sec. 237. Section 303.9, subsection 2, Code 2003, is amended to read as follows:

2. The department may sell mementos and other items relating to Iowa history and historic sites on the premises of

property under control of the department and at the state capitol. Notwithstanding sections ~~18.12~~ 8A.321 and ~~18.16~~ 8A.327, the department may directly and independently enter into rental and lease agreements with private vendors for the purpose of selling mementos. All fees and income produced by the sales and rental or lease agreements shall be credited to the account of the department. The mementos and other items sold by the department or vendors under this subsection are exempt from section ~~18.6~~ 8A.311. The department is not a retailer under chapter 422 and the sale of such mementos and other items by the department is not a retail sale under chapter 422 and is exempt from the sales tax.

Sec. 238. Section 304.3, subsections 8 and 9, Code 2003, are amended to read as follows:

8. The director of the department of ~~general~~ administrative services.

~~9.--The director of the information technology department.~~

Sec. 239. Section 307.12, subsection 2, Code 2003, is amended to read as follows:

2. Employ personnel as necessary to carry out the duties and responsibilities of the department, consistent with chapter ~~19A~~ 8A, article 4.

Sec. 240. Section 307.12, unnumbered paragraph 2, Code 2003, is amended to read as follows:

If in the interest of the state, the director may allow a subsistence expense to an employee under the supervision of the department's administrator for highways for continuous stay in one location while on duty away from established headquarters and place of domicile for a period not to exceed forty-five days; and allow automobile expenses in accordance with section ~~18.117~~ 8A.363, for moving an employee and the employee's family from place of present domicile to new domicile, and actual transportation expense for moving of household goods. The household goods for which transportation expense is allowed shall not include pets or animals.

Sec. 241. Section 307.21, subsection 4, paragraphs a and b, Code 2003, are amended to read as follows:

a. Provide centralized purchasing services for the department, in cooperation with the department of ~~general~~ administrative services. The administrator shall, when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and plastic products with recycled content, including but not limited to plastic garbage can liners, and shall purchase these items in accordance with the schedule established in section ~~18.18~~ 8A.315. However, the administrator need not purchase garbage can liners in accordance with the schedule if the liners are utilized by a facility approved by the environmental protection commission created under section 455A.6, for purposes of recycling. For purposes of this subsection, "recycled content" means that the content of the product contains a minimum of thirty percent postconsumer material.

b. The administrator shall do all of the following:

(1) Purchase and use recycled printing and writing paper in accordance with the schedule established in section ~~18.18~~ 8A.315.

(2) Establish a wastepaper recycling program ~~by January 1, 1990,~~ in accordance with recommendations made by the department of natural resources and the requirements of section ~~18.20~~ 8A.329.

(3) Require in accordance with section ~~18.6~~ 8A.311 product content statements and compliance with requirements regarding procurement specifications.

(4) Comply with the requirements for the purchase of lubricating oils, industrial oils, greases, and hydraulic fluids as established pursuant to section ~~18.22~~ 8A.316.

Sec. 242. Section 307.21, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The administrator of administrative services may purchase items from the department of ~~general~~ administrative services

and may cooperate with the director of ~~general~~ the department of administrative services by providing ~~centralized~~ purchasing services for the department of ~~general~~ administrative services.

Sec. 243. Section 313.4, subsection 3, Code 2003, is amended to read as follows:

3. There is appropriated from funds appropriated to the department which would otherwise revert to the primary road fund pursuant to the provisions of the Act appropriating the funds or chapter 8, an amount sufficient to pay the increase in salaries, which increase is not otherwise provided for by the general assembly in an appropriation bill, resulting from the annual review of the merit pay plan as provided in ~~subsection 2 of~~ section ~~19A.~~9 8A.413, subsection 2. The appropriation herein provided shall be in effect from the effective date of the revised pay plan to the end of the fiscal biennium in which it becomes effective.

Sec. 244. Section 321.19, subsection 1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The department shall furnish, on application, free of charge, distinguishing plates for vehicles thus exempted, which plates except plates on Iowa state patrol vehicles shall bear the word "official" and the department shall keep a separate record. Registration plates issued for Iowa state patrol vehicles, except unmarked patrol vehicles, shall bear two red stars on a yellow background, one before and one following the registration number on the plate, which registration number shall be the officer's badge number. Registration plates issued for county sheriff's patrol vehicles shall display one seven-pointed gold star followed by the letter "S" and the call number of the vehicle. However, the director of ~~general~~ the department of administrative services or the director of transportation may order the issuance of regular registration plates for any exempted vehicle used by peace officers in the enforcement of the law,

persons enforcing chapter 124 and other laws relating to controlled substances, persons in the department of justice, the alcoholic beverages division of the department of commerce, disease investigators of the Iowa department of public health, the department of inspections and appeals, and the department of revenue ~~and finance~~, who are regularly assigned to conduct investigations which cannot reasonably be conducted with a vehicle displaying "official" state registration plates, persons in the lottery division of the department of revenue and finance whose regularly assigned duties relating to security or the carrying of lottery tickets cannot reasonably be conducted with a vehicle displaying "official" registration plates, and persons in the department of economic development who are regularly assigned duties relating to existing industry expansion or business attraction. For purposes of sale of exempted vehicles, the exempted governmental body, upon the sale of the exempted vehicle, may issue for in-transit purposes a pasteboard card bearing the words "Vehicle in Transit", the name of the official body from which the vehicle was purchased, together with the date of the purchase plainly marked in at least one-inch letters, and other information required by the department. The in-transit card is valid for use only within forty-eight hours after the purchase date as indicated on the bill of sale which shall be carried by the driver.

Sec. 245. Section 321.30, subsection 13, Code 2003, is amended to read as follows:

13. The department or the county treasurer knows that an applicant for renewal of a registration has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state, from information received pursuant to ~~section~~ sections 421.17 and 8A.504. An applicant may contest this action by requesting a contested case proceeding from the agency that referred the debt for collection pursuant to section ~~421.17~~ 8A.504. This subsection

shall apply only to a renewal of registration and shall not apply to the issuance of an original registration or to the issuance of a certificate of title.

Sec. 246. Section 321.31, subsection 1, unnumbered paragraph 3, Code 2003, is amended to read as follows:

The director shall maintain a records system of delinquent accounts owed to the state using information provided through the computerized data bank established in section 421.17. The department and county treasurers shall use the information maintained in the records system to determine if applicants for renewal of registration have delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to or being collected by the state as provided pursuant to section ~~421.17~~ 8A.504. The director, the director of the department of administrative services, and the director of revenue ~~and finance~~ shall establish procedures for updating the delinquent accounts records to add and remove accounts, as applicable.

Sec. 247. Section 321.35, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The department shall not enter into any contract requiring an expenditure of at least five hundred thousand dollars for the manufacture of motor vehicle registration plates to be reissued to owners under this chapter unless competitive bidding procedures as provided in chapter ~~18~~ 8A, article 3, are followed.

Sec. 248. Section 321.40, unnumbered paragraph 6, Code 2003, is amended to read as follows:

The county treasurer shall refuse to renew the registration of a vehicle registered to the applicant if the county treasurer knows that the applicant has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state, from information provided pursuant to ~~section~~ sections 8A.504 and 421.17. An applicant may contest this action by requesting a contested case proceeding from the agency that referred the debt for collection pursuant to section ~~421.17~~ 8A.504.

Sec. 249. Section 321.149, Code 2003, is amended to read as follows:

321.149 BLANKS.

The department shall not later than November 15 of each year prepare and furnish the treasurer of each county all blank books, blank forms, and all supplies required for the administration of this chapter, including applications for registration and transfer of vehicles, quintuple receipts, and original remittance sheets to be used in remitting fees to the department, in such form as the department may prescribe. Contracts for the blank books, blank forms, and supplies shall be awarded by the ~~state printing administrator~~ director of the department of administrative services to persons, firms, partnerships, or corporations engaged in the business of printing in Iowa unless, or through them, the persons, firms, partnerships or corporations cannot provide the required printing set forth in this section. In lieu of purchasing under competitive bids the ~~state printing administrator~~ director of the department of administrative services shall have authority to arrange with the director of the department of corrections to furnish the supplies as can be made in the state institutions.

Sec. 250. Section 321.210B, Code 2003, is amended to read as follows:

321.210B NONRENEWAL OR SUSPENSION FOR FAILURE TO PAY INDEBTEDNESS OWED TO THE STATE.

The department shall suspend or refuse to renew the driver's license of a person who has a delinquent account owed to the state according to records provided by the department of revenue ~~and finance~~ pursuant to section 421.17. A license shall be suspended or shall not be renewed until such time as the department of ~~revenue and finance~~ administrative services notifies the state department of transportation that the licensee has made arrangements for payment of the debt with the agency which is owed or is collecting the debt. This

section is only applicable to those persons residing in a county which is participating in the driver's license indebtedness clearance pilot project.

Sec. 251. Section 331.502, subsection 3, Code 2003, is amended by striking the subsection.

Sec. 252. Section 331.552, subsection 5, Code 2003, is amended to read as follows:

5. Account for, report, and pay into the state treasury any money, property, or securities received on behalf of the state as provided in sections ~~421.32~~ 8A.506 to ~~421.34~~ 8A.508.

Sec. 253. Section 405A.10, Code 2003, is amended to read as follows:

405A.10 FRANCHISE TAX REVENUE ALLOCATION.

For the fiscal year beginning July 1, 1997, and each subsequent fiscal year, there is appropriated from the general fund of the state to the department of revenue and finance the sum of eight million eight hundred thousand dollars which shall be paid quarterly on warrants by the director of the department of administrative services as allocated pursuant to section 422.65.

Sec. 254. Section 421.17, subsections 21, 23, 24, 25, 26, 28, 29, 30, and 33, Code 2003, are amended by striking the subsections.

Sec. 255. Section 422.12A, subsection 2, Code 2003, is amended to read as follows:

2. The director of revenue ~~and finance~~ shall draft the income tax form to allow the designation of contributions to the keep Iowa beautiful fund on the tax return. The department of revenue ~~and finance~~, on or before January 31, shall certify the total amount designated on the tax return forms due in the preceding calendar year and shall report the amount to the treasurer of state. The treasurer of state shall credit the amount to the keep Iowa beautiful fund. However, before a checkoff pursuant to this section shall be permitted, all liabilities on the books of the department of

revenue ~~and finance~~ and accounts identified as owing under section 421.17 and the political contribution allowed under section 56.18 shall be satisfied.

Sec. 256. Section 422.20, subsection 3, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Unless otherwise expressly permitted by section 8A.504, section 421.17, subsections ~~21,~~ 22, 22A, ~~23,~~ ~~25,~~ ~~29,~~ and 32, sections 252B.9, 421.19, 421.28, 422.72, and 452A.63, and this section, a tax return, return information, or investigative or audit information shall not be divulged to any person or entity, other than the taxpayer, the department, or internal revenue service for use in a matter unrelated to tax administration.

Sec. 257. Section 422.72, subsection 3, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Unless otherwise expressly permitted by section 8A.504, section 421.17, subsections ~~21,~~ 22, 22A, ~~23,~~ ~~25,~~ ~~29,~~ and 32, sections 252B.9, 421.19, 421.28, 422.20, and 452A.63, and this section, a tax return, return information, or investigative or audit information shall not be divulged to any person or entity, other than the taxpayer, the department, or internal revenue service for use in a matter unrelated to tax administration.

Sec. 258. Section 425.1, subsection 1, Code 2003, is amended to read as follows:

1. A homestead credit fund is created. There is appropriated annually from the general fund of the state to the department of revenue ~~and finance~~ to be credited to the homestead credit fund, an amount sufficient to implement this chapter.

The director of ~~revenue and finance~~ the department of administrative services shall issue warrants on the homestead credit fund payable to the county treasurers of the several counties of the state under this chapter.

Sec. 259. Section 432.13, unnumbered paragraph 2, Code 2003, is amended to read as follows:

Premiums received for benefits acquired by the department of ~~personnel~~ administrative services on behalf of state employees pursuant to section ~~19A.1~~ 8A.402, subsection ~~2~~ 1, are exempt from premium tax.

Sec. 260. Section 450.84, Code 2003, is amended to read as follows:

450.84 COSTS CHARGED AGAINST ESTATE -- EXCEPTIONS.

If an estate or interest in an estate passes so as to be liable to taxation under this chapter, all costs of the proceedings for the assessment of the tax are chargeable to the estate as other costs in probate proceedings and, to discharge the lien, all costs as well as the taxes must be paid. In all other cases the costs are to be paid as ordered by the court. When a decision adverse to the state has been rendered, with an order that the state pay the costs, the clerk of the court in which the action was pending shall certify the amount of the costs to the director of revenue ~~and finance~~, who shall, if the costs are correctly certified and the case has been finally terminated and the tax, if any is due, has been paid, audit the claim and direct the department of administrative services to issue a warrant on the treasurer of state in payment of the costs.

Sec. 261. Section 452A.77, unnumbered paragraph 1, Code 2003, is amended to read as follows:

All fees, taxes, interest and penalties imposed under this chapter must be paid to the department of revenue ~~and finance~~ or the state department of transportation, whichever is responsible for the collection. The appropriate state agency shall transmit each payment daily to the treasurer of state. Such payments shall be deposited by the treasurer of state in a fund, hereby created, within the state treasury which shall be known as the "motor fuel tax fund," the net proceeds of which fund, after deductions by lawful transfers and refunds,

shall be known as the "motor vehicle fuel tax fund". The department of revenue ~~and finance~~ and the state department of transportation shall certify monthly to the director of ~~revenue and finance~~ the department of administrative services amounts of refunds of tax approved during each month, and the director of ~~revenue and finance~~ the department of administrative services shall draw warrants in such amounts on the motor fuel tax fund and transmit them. There is hereby appropriated out of the money received under the provisions of this chapter and deposited in the motor fuel tax fund sufficient funds to pay such refunds as may be authorized in this chapter.

Sec. 262. Section 455A.4, subsection 1, paragraph e, Code 2003, is amended to read as follows:

e. Employ personnel as necessary to carry out the functions vested in the department consistent with chapter ~~19A~~ 8A, article 4, unless the positions are exempt from that ~~chapter~~ article.

Sec. 263. Section 455G.3, subsection 5, Code 2003, is amended to read as follows:

5. For purposes of payment of refunds of the environmental protection charge under section 424.15 by the department of revenue ~~and finance~~, the treasurer of state shall allocate to the department of ~~revenue and finance~~ administrative services the total amount budgeted by the fund's board for environmental protection charge refunds. Any unused funds shall be remitted to the treasurer of state.

Sec. 264. Section 459.505, subsection 2, paragraph b, Code 2003, is amended to read as follows:

b. Obtain a lower fixed amount bid for the work from another qualified person, other than a governmental entity, and pay the amount of the claim required in this section, based on the fixed amount in this bid upon completion of the work. The department is not required to comply with section ~~18.6~~ 8A.311 in implementing this section.

Sec. 265. Section 474.1, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The utilities board shall organize by appointing an executive secretary, who shall take the same oath as the members. The board shall set the salary of the executive secretary within the limits of the pay plan for exempt positions provided for in section ~~19A.9~~ 8A.413, subsection 2, unless otherwise provided by the general assembly. The board may employ additional personnel as it finds necessary. Subject to confirmation by the senate, the governor shall appoint a member as the chairperson of the board. The chairperson shall be the administrator of the utilities division. The appointment as chairperson shall be for a two-year term which begins and ends as provided in section 69.19.

Sec. 266. Section 474.10, Code 2003, is amended to read as follows:

474.10 GENERAL COUNSEL.

The board shall employ a competent attorney to serve as its general counsel, and assistants to the general counsel as it finds necessary for the full and efficient discharge of its duties. The general counsel is the attorney for, and legal advisor of, the board and is exempt from the merit system provisions of chapter ~~19A~~ 8A, article 4. Assistants to the general counsel are subject to the merit system provisions of chapter ~~19A~~ 8A, article 4. The general counsel or an assistant to the general counsel shall provide the necessary legal advice to the board in all matters and represent the board in all actions instituted in a state or federal court challenging the validity of a rule or order of the board. The existence of a fact which disqualifies a person from election or from acting as a utilities board member disqualifies the person from employment as general counsel or assistant general counsel. The general counsel shall devote full time to the duties of the office. During employment the counsel shall not be a member of a political committee, contribute to a

political campaign fund other than through the income tax checkoff for contributions to the Iowa election campaign fund and the presidential election campaign fund, participate in a political campaign, or be a candidate for a political office.

Sec. 267. Section 475A.3, subsection 2, Code 2003, is amended to read as follows:

2. EMPLOYEES. The consumer advocate may employ attorneys, legal assistants, secretaries, clerks, and other employees the consumer advocate finds necessary for the full and efficient discharge of the duties and responsibilities of the office. The consumer advocate may employ consultants as expert witnesses or technical advisors pursuant to contract as the consumer advocate finds necessary for the full and efficient discharge of the duties of the office. Employees of the consumer advocate division, other than the consumer advocate, are subject to merit employment, except as provided in section ~~19A.3~~ 8A.412.

Sec. 268. Section 502.601, subsection 1, Code 2003, is amended to read as follows:

1. This chapter shall be administered by the commissioner of insurance of the state of Iowa. The administrator shall appoint a deputy administrator who shall be exempt from the merit system provided for in chapter ~~19A~~ 8A, article 4. The deputy administrator is the principal operations officer of the securities bureau and is responsible to the administrator for the routine administration of the chapter and the management of the securities bureau. In the absence of the administrator, whether because of vacancy in the office, by reason of absence, physical disability, or other cause, the deputy administrator shall be the acting administrator and shall, for the time being, have and exercise the authority conferred upon the administrator. The administrator may by order from time to time delegate to the deputy administrator any or all of the functions assigned to the administrator in this chapter. The administrator shall employ officers,

attorneys, accountants, and other employees as needed for the administration of the chapter.

Sec. 269. Section 505.4, unnumbered paragraph 2, Code 2003, is amended to read as follows:

The commissioner may appoint a deputy commissioner for supervision whom the commissioner may appoint as supervisory or special deputy pursuant to chapter 507C and who shall perform such other duties as may be assigned by the commissioner. The deputy commissioner for supervision shall receive a salary to be fixed by the commissioner. The deputy commissioner for supervision shall be ~~an~~ exempt ~~employee~~ from the merit system provisions of chapter 8A, article 4, under section ~~19A.3~~ 8A.412, subsection 17.

Sec. 270. Section 507.5, Code 2003, is amended to read as follows:

507.5 CHIEF EXAMINER.

The commissioner may appoint a chief examiner who shall supervise insurance company examinations and perform such other duties as may be assigned by the commissioner. The chief examiner shall receive a salary to be fixed by the commissioner. The chief examiner shall be ~~an~~ exempt ~~employee~~ from the merit system provisions of chapter 8A, article 4, under section ~~19A.3~~ 8A.412, subsection 17.

Sec. 271. Section 602.1204, subsection 3, Code 2003, is amended to read as follows:

3. The supreme court shall compile and publish all procedures and directives relating to the supervision and administration of the internal affairs of the judicial branch, and shall distribute a copy of the compilation and all amendments to each operating component of the judicial branch. ~~Copies also shall be distributed to agencies referred to in section 18.97 upon request.~~

Sec. 272. Section 602.8102, subsection 58A, Code 2003, is amended to read as follows:

58A. Assist the department of ~~revenue-and-finance~~ administrative services in setting off against debtors' income tax refunds or rebates under section ~~421.17,-subsection-25~~ 8A.504, debts which are due, owing, and payable to the clerk of the district court as criminal fines, civil penalties, surcharges, or court costs.

Sec. 273. Section 602.8107, subsection 4, unnumbered paragraph 2, Code 2003, is amended to read as follows:

This subsection does not apply to amounts collected for victim restitution, the victim compensation fund, criminal penalty surcharge, law enforcement initiative surcharge, amounts collected as a result of procedures initiated under subsection 5 or under section ~~421.17,-subsection-25~~ 8A.504, or sheriff's room and board fees.

Sec. 274. Section 618.11, Code 2003, is amended to read as follows:

618.11 FEES FOR PUBLICATION.

The compensation, when not otherwise fixed, for the publication in a newspaper of any notice, order, citation, or other publication required or allowed by law shall be at a rate of thirty-four cents for one insertion and twenty-three cents for each subsequent insertion for each line of eight point type two inches in length, or its equivalent. Beginning June 1, 2001, and each June 1 thereafter, the ~~state-printing administrator~~ director of the department of administrative services shall calculate a new rate for the following fiscal year as prescribed in this section, and shall publish this rate as a notice in the Iowa administrative bulletin prior to the first day of the following calendar month. The new rate shall be effective on the first day of the calendar month following its publication. The rate shall be calculated by applying the percentage change in the consumer price index for all urban consumers for the last available twelve-month period published in the federal register by the federal department of labor, bureau of labor statistics, to the existing rate as an

increase or decrease in the rate rounded to the nearest one-tenth of a cent. The calculation and publication of the rate by the ~~state printing administrator~~ director of the department of administrative services shall be exempt from the provisions of chapters 17A and 25B.

Sec. 275. Section 625.29, subsection 1, paragraph g, Code 2003, is amended to read as follows:

g. The proceeding involved the department of ~~personnel under~~ administrative services under chapter ~~19A~~ 8A, article 4.

Sec. 276. Section 691.1, Code 2003, is amended to read as follows:

691.1 LABORATORY CREATED.

There is hereby created under the control, direction and supervision of the commissioner of public safety a state criminalistics laboratory. The commissioner of public safety may assign the criminalistics laboratory to a division or bureau within the public safety department. The laboratory shall, within its capabilities, conduct analyses, comparative studies, fingerprint identification, firearms identification, questioned documents studies, and other studies normally performed by a criminalistics laboratory when requested by a county attorney, medical examiner, or law enforcement agency of this state to aid in any criminal investigation. Agents of the division of criminal investigation and bureau of identification may be assigned to the criminalistics laboratory by the commissioner. New employees shall be appointed pursuant to chapter ~~19A~~ 8A, article 4, and need not qualify as agents for the division of criminal investigation and bureau of identification, and shall not participate in the peace officers' retirement plan established pursuant to chapter 97A.

Sec. 277. Section 809A.17, subsection 4, Code 2003, is amended to read as follows:

4. Forfeited property which is not used by the department of justice in the enforcement of the law may be requisitioned

by the department of public safety or any law enforcement agency within the state for use in enforcing the criminal laws of this state. Forfeited property not requisitioned may be delivered to the director of the department of general services to be disposed of in the same manner as property received pursuant to section ~~18.15~~ 8A.325.

Sec. 278. Section 904.108, subsection 1, paragraph e, Code 2003, is amended to read as follows:

e. Employ, assign, and reassign personnel as necessary for the performance of duties and responsibilities assigned to the department. Employees shall be selected on the basis of fitness for work to be performed with due regard to training and experience and are subject to chapter ~~19A~~ 8A, article 4.

Sec. 279. Section 904.108, subsection 3, Code 2003, is amended to read as follows:

3. The director may establish a sales bonus system for the sales representatives for prison industry products. If a sales bonus system is established, the system shall not affect the status of the sales representatives under chapter ~~19A~~ 8A, article 4.

Sec. 280. Section 904.303, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The director shall determine the number and compensation of subordinate officers and employees for each institution subject to chapter ~~19A~~ 8A, article 4. Subject to this chapter, the officers and employees shall be appointed and discharged by the superintendent who shall keep in the record of each subordinate officer and employee, the date of employment, the compensation, and the date of and the reasons for each discharge.

Sec. 281. Section 904.312B, Code 2003, is amended to read as follows:

904.312B PURCHASE OF 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 bio-based hydraulic fluids, greases, and other industrial lubricants as provided in section ~~18.22~~ 8A.316.

Sec. 282. Section 904.315, unnumbered paragraph 1, Code 2003, is amended to read as follows:

The director of the department of ~~general~~ administrative services shall, in writing, let all contracts for authorized improvements costing in excess of twenty-five thousand dollars under chapter ~~18~~ 8A, article 3. Upon prior authorization by the director, improvements costing five thousand dollars or less may be made by the superintendent of any institution.

Sec. 283. Section 904.706, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A revolving farm fund is created in the state treasury in which the department shall deposit receipts from agricultural products, nursery stock, agricultural land rentals, and the sale of livestock. However, before any agricultural operation is phased out, the department which proposes to discontinue this operation shall notify the governor, chairpersons and ranking members of the house and senate appropriations committees, and cochairpersons and ranking members of the subcommittee in the senate and house of representatives which has handled the appropriation for this department in the past session of the general assembly. Before the department sells farmland under the control of the department, the director shall notify the governor, chairpersons and ranking members of the house and senate appropriations committees, and cochairpersons and ranking members of the joint appropriations subcommittee that handled the appropriation for the department during the past session of the general assembly. The department may pay from the fund for the operation, maintenance, and improvement of farms and agricultural or nursery property under the control of the department. A purchase order for five thousand dollars or less payable from

the fund is exempt from the general purchasing requirements of chapter ~~18~~ 8A, article 3. Notwithstanding section 8.33, unencumbered or unobligated receipts in the revolving farm fund at the end of a fiscal year shall not revert to the general fund of the state.

Sec. 284. Section 904.808, subsection 1, paragraph b, Code 2003, is amended to read as follows:

b. When the state director releases, in writing, the obligation of the department or agency to purchase the product from Iowa state industries, after determining that Iowa state industries is unable to meet the performance characteristics of the purchase request for the product, and a copy of the release is attached to the request to the director of ~~revenue and finance~~ the department of administrative services for payment for a similar product, or when Iowa state industries is unable to furnish needed products, comparable in both quality and price to those available from alternative sources, within a reasonable length of time. Any disputes arising between a purchasing department or agency and Iowa state industries regarding similarity of products, or comparability of quality or price, or the availability of the product, shall be referred to the director of the department of ~~general~~ administrative services, whose decision shall be subject to appeal as provided in section ~~18.7~~ 8A.313. However, if the purchasing department is the department of ~~general~~ administrative services, any matter which would be referred to the director under this paragraph shall be referred to the executive council in the same manner as if the matter were to be heard by the director of the department of ~~general~~ administrative services. The decision of the executive council is final.

Sec. 285. Section 904A.4B, subsection 3, Code 2003, is amended to read as follows:

3. Hire and supervise all of the board's staff pursuant to the provisions of chapter ~~19A~~ 8A, article 4.

Sec. 286. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO CODE EDITOR. Except as otherwise provided in this Act:

1. a. The Iowa Code editor is directed to strike the words "information technology department" and insert the words "department of administrative services" wherever the words "information technology department" appear in the Iowa Code unless a contrary intent is clearly evident.

b. The Iowa Code editor is directed to strike the words "director of the information technology department" or "information technology department director" and insert the words "director of the department of administrative services" wherever the words "director of the information technology department" or "information technology department director" appear in the Iowa Code unless a contrary intent is clearly evident.

2. a. The Iowa Code editor is directed to strike the words "department of general services" and insert the words "department of administrative services" wherever the words "department of general services" appear in the Iowa Code unless a contrary intent is clearly evident.

b. The Iowa Code editor is directed to strike the words "director of the department of general services" or "general services department director" and insert the words "director of the department of administrative services" wherever the words "director of the department of general services" or "general services department director" appear in the Iowa Code unless a contrary intent is clearly evident.

3. a. The Iowa Code editor is directed to strike the words "department of personnel" and insert the words "department of administrative services" wherever the words "department of personnel" appear in the Iowa Code unless a contrary intent is clearly evident.

b. The Iowa Code editor is directed to strike the words "director of the department of personnel" or "personnel department director" and insert the words "director of the

department of administrative services" wherever the words "director of the department of personnel" or "personnel department director" appear in the Iowa Code unless a contrary intent is clearly evident.

4. a. Sections 1.15, 2.10, subsection 4, 2.12, 2.13, 2B.10, subsection 4, 7.13, 7D.13, 7D.14, 8.35A, 11.20, 12.3, 12.4, 12.5, 12.6, 12.8, 12.15, 12.26, 12B.16, 12B.17, 12B.18, 15.354, 15E.112, 15E.117, 16.31, 17A.4, 25.2, 29C.14, 35.10, 49A.9, 53.50, 56.3A, 56.22, 56.23, 74.9, 96.7, subsection 7, 96.9, 96.14, 97.51, 97A.8, 97A.11, 97B.7, 97B.33, 100B.11, 123.53, 152.3, 159.21, 159.23, 159A.7, 161.7, 161C.5, 169A.13A, 175.22, subsection 3, 179.5, 186.5, 218.50, 218.57, 218.86, 218.87, 225.22, 225.23, 225.28, 225.30, 225C.12, 227.7, 229.35, 233B.14, 234.6, 249.8, 251.5, 255.24, 255.26, 257B.11, 257B.18, 257B.35, 257B.37, 257B.39, 257B.40, 257B.42, 257C.9, subsection 3, 261.4, 262.22, 262.29, 270.5, 270.6, 270.7, 272.11, 272C.7, 298.11, 304A.29, 310.7, 313.18, 313.19, 313.20, 313.28, 314.3, 315.7, 324A.5, 331.555, 452A.72, 455B.107, 455B.183A, 455B.246, 456A.19, 456A.21, 459.401, 459.501, 460.303, 473.11, 504A.63, 515.129, 518B.2, 518B.5, 524.209, 533.62, 534.403, 546.10, 568.16, 568.20, 568.24, 569.4, 602.1304, 602.9109, 641.5, 663.44, 679B.7, 820.24, and 904.311, Code 2003, are amended by striking from the applicable section or subsection the words "director of revenue and finance" and inserting in lieu thereof the following: "director of the department of administrative services".

b. Sections 2.49, subsection 5, 8.34, 8.61, 8D.13, subsection 11, 11.28, 12.6, 12.14, 12.28, 12B.2, 12B.17, 16.31, 16A.13, 22.7, subsection 32, 25.6, 74.9, 100B.11, 175.22, 179.5, 181.13, 183A.7, 184.13, 184A.4, 185.26, 185C.26, 252B.22, 255.24A, 256.12, 256.19, 256.20, 256D.4, 257.32, 257B.1B, 257C.9, subsection 4, 260C.18B, subsection 4, 260C.24, 282.28, 282.31, 283.1, 285.2, 294A.6, 294A.9, 294A.22, 303.14, 313.7, 405A.9, 455G.5, 541A.3, 541A.5,

602.8102, subsection 4, 602.9104, 633.545, 804.28, and 904.507A, Code 2003, are amended by striking from the sections the words "department of revenue and finance" and inserting in lieu thereof the following: "department of administrative services".

c. Except as otherwise provided in this Act, the Iowa Code editor is directed to strike the words "revenue and finance" and insert the word "revenue" wherever the words "revenue and finance" appear in the Iowa Code and the reference to "revenue and finance" means the department of revenue and finance or the director of revenue and finance unless a contrary intent is clearly evident.

5. a. Except as otherwise provided in this Act, the Iowa Code editor is directed to strike the words "division" and "division's" and insert the words "system" and "system's" wherever the words "division" and "division's" appear in chapter 97B of the Iowa Code and the reference means the Iowa public employee's retirement system division of the department of personnel unless a contrary intent is clearly evident.

b. Except as otherwise provided in this Act, the Iowa Code editor is directed to strike the word "system" and insert the words "retirement system" in the following sections wherever "system" but not "retirement system" appears in chapter 97B of the Iowa Code and the reference means the retirement plan established under chapter 97B:

Sections 97B.1A, subsections 3, 7, 9, 11, 14, 26; 97B.4; 97B.7A, subsection 1; 97B.8A, subsection 3, paragraph "b", 97B.8A, subsections 4 and 5; 97B.8B; 97B.11; 97B.17; 97B.42A, subsections 3, 4, and 5; 97B.49F; 97B.49G; 97B.49H; 97B.50; 97B.50A, subsections 2 and 3; 97B.52A, subsection 3; 97B.53, unnumbered paragraph 1; 97B.65; 97B.66; 97B.72; 97B.72A; 97B.73; 97B.73A; 97B.74; 97B.80; 97B.80A; 97B.80B; 97B.80C; 97B.81; 97B.82.

Sec. 287. ADMINISTRATIVE RULES -- TRANSITION PROVISIONS.

1. Any rule, regulation, form, order, or directive promulgated by any state agency mentioned in this Act, including any agency abolished, merged, or altered in this Act, and in effect on the effective date of this Act shall continue in full force and effect until amended, repealed, or supplemented by affirmative action of the appropriate state agency under the duties and powers of state agencies as established in this Act and under the procedure established in subsection 2.

Any license or permit issued by any state agency mentioned in this Act, including any agency abolished, merged, or altered in this Act, and in effect on the effective date of this Act shall continue in full force and effect until expiration or renewal.

2. In regard to updating references and format in the Iowa administrative code in order to correspond to the restructuring of state government as established in this Act, the administrative rules coordinator and the administrative rules review committee, in consultation with the administrative code editor, shall jointly develop a schedule for the necessary updating of the Iowa administrative code.

Sec. 288. MISCELLANEOUS TRANSITION PROVISIONS.

1. Any personnel in the state merit system of employment who are mandatorily transferred due to the effect of this Act shall be so transferred without any loss in salary, benefits, or accrued years of service.

2. Any funds in any account or fund of a department eliminated due to the effect of this Act shall be transferred to the comparable fund or account as provided by this Act.

3. Any cause of action or statute of limitation relating to a department or division transferred to another department or division as provided by this Act shall not be affected as a result of the transfer and such cause or statute of limitation shall apply to the successor department or division.

4. Any replacement of signs, logos, stationery, insignia, uniforms, and related items that is made due to the effect of this Act should be done as part of the normal replacement cycle for such items.

Sec. 289. DEPARTMENT PROGRESS REPORTS. The department of administrative services shall report to the committees on government oversight of the senate and house of representatives on or before each July 31 and January 31 between July 1, 2003, and February 1, 2006, regarding the activities of the department in implementing the requirements of this Act, including but not limited to the department's decisions concerning which services should be provided solely by the department and which services should be available from a variety of providers.

Sec. 290. STATE ADMINISTRATIVE SERVICES -- MISCELLANEOUS PROVISIONS.

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

a. "Agency" or "state agency" means as defined in section 8A.101. "Agency" includes the state board of regents subject to the requirements of section 8A.122.

b. "Designated state service" means one of the following services provided to state agencies: printing, information technology, mail, human resource benefits and payroll, financial accounting, property management, fleet management, and purchasing services.

c. "Managed competition" means a process that allows both state agencies and other entities to submit competitive bids to provide designated state services, which process takes into account the true cost-accounting costs for state agencies. Managed competition may result in multiple providers, which may be state agencies or nongovernmental entities, of the same designated state service to state agencies. The use of managed competition shall not preclude the use of other entrepreneurial steps in any area.

2. The following duties relating to state administrative services shall be performed, subject to the requirements of chapter 8A, as provided by this subsection:

a. (1) The department of administrative services shall, pursuant to the requirements of this section, select a designated state service and conduct a pilot project to determine the feasibility of conducting a managed competition for delivery of the service and shall submit a report, with its findings and recommendations, to the legislative fiscal bureau and the committees on government oversight of the senate and house of representatives by July 1, 2005.

(2) In addition, the department of administrative services may, pursuant to the requirements of this section, determine how the designated state services of all executive branch agencies, community-based corrections districts, and other state governmental entities shall be delivered.

b. By July 1, 2005, the department of administrative services shall submit a request for proposals for a managed competition for printing services unless more efficient results can be obtained through the use of other entrepreneurial methods as authorized by chapter 8A. The request for proposals shall allow for the awarding of all or parts of printing services to the department or another governmental agency or nongovernmental entity.

c. By September 1, 2004, the department of administrative services, with the assistance of the department of management, shall conduct a comprehensive study of the impact of transferring all state agency employees delivering information technology services to the department of administrative services and of the impact of physically merging the data centers of the department, the state department of transportation, and the department of workforce development, into one data center. The study shall include an assessment of advantages and disadvantages, economies of scale, cost, and space availability, and shall solicit input from outside

vendors, both public and private. The department shall report to the legislative fiscal bureau and the committees on government oversight of the senate and house of representatives on the department's findings and recommendations by November 1, 2004.

d. The department of administrative services may limit unified fleet management responsibilities to cars and small trucks. By July 1, 2005, the fleet management operations shall be subject to a managed competition process conducted by the department of administrative services unless more efficient results can be obtained through the use of other entrepreneurial methods as authorized by chapter 8A. The request for proposals shall allow for the awarding of all or parts of fleet management to the department of administrative services, other governmental agencies, or nongovernmental entities.

3. The auditor of state shall be consulted regarding the process for issuance of requests for proposals for managed competition. The role of the auditor of state is to provide advice as to whether an approach offers the best opportunity for reducing state government costs.

Sec. 291.

1. Sections 7A.15, 7A.16, 7A.17, 7A.18, 7A.19, 7A.21, 7A.22, 7A.25, 7A.26, 7D.33, 218.89, 421.6, 421.31, 421.32, 421.33, 421.34, 421.35, 421.36, 421.37, 421.38, 421.39, 421.40, 421.41, 421.42, 421.43, 421.44, 421.45, Code 2003, are repealed.

2. Chapters 14B, 18, and 19A, Code 2003, are repealed.

Sec. 292. PREVAILING PROVISIONS. The provisions of House File 636 relating to legislative branch consolidation of functions, or a similar bill enacted by the Eightieth General Assembly, 2003 Regular Session, which provisions relate to official legal and other publications, procurements, special distribution of legal publications, and restrictions on free distributions by the legislative service bureau or its

successor agency, shall prevail over any conflicting provisions of this Act.

Sec. 293. EFFECTIVE DATE. The sections of this Act amending sections 8.63 and 70A.38, and enacting section 8A.204, being deemed of immediate importance, take effect upon enactment.

CHRISTOPHER C. RANTS
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 534, Eightieth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved _____, 2003

THOMAS J. VILSACK
Governor