

# House File 2490 - Introduced

HOUSE FILE \_\_\_\_\_  
BY FORD

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

## A BILL FOR

1 An Act relating to requirements for service contracts with state  
2 agencies.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 6324HH 82  
5 ak/nh/14

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1 1 Section 1. NEW SECTION. 68B.8 DEPARTMENT OF HUMAN  
1 2 SERVICES == CERTAIN CONTRACTS PROHIBITED.  
1 3 1. In addition to the limitations in section 68B.7, a  
1 4 person who has been employed by the department of human  
1 5 services shall not contract with the department to provide  
1 6 services for a period of two years after the termination of  
1 7 the employment.  
1 8 2. The prohibition under subsection 1 is not applicable  
1 9 under any of the following circumstances:  
1 10 a. The person is a subcontractor or is an employee of  
1 11 another state agency or of an institution under the control of  
1 12 the state board of regents.  
1 13 b. No one with expertise in a particular area is employed  
1 14 by the department. The department may contract with a former  
1 15 departmental employee for a limited period in order to secure  
1 16 such expertise.  
1 17 c. The department has demonstrated a good faith effort to  
1 18 fill a position that is critical to the health and safety of  
1 19 departmental clients from a pool of applicants that does not  
1 20 include former departmental employees, but was unsuccessful in  
1 21 identifying qualified candidates from the pool.  
1 22 d. The person's employment with the department was  
1 23 terminated due to a layoff or reduction in force.  
1 24 e. The person terminated employment with the department  
1 25 within twelve months of obtaining an advanced degree from an  
1 26 accredited college or university and the degree qualified the  
1 27 person to provide services that the person was not previously  
1 28 qualified to provide and will provide under a contract with  
1 29 the department.  
1 30 3. The board, in consultation with the department of human  
1 31 services, shall adopt rules pursuant to chapter 17A to  
1 32 implement this section.  
1 33 Sec. 2. NEW SECTION. 73.3A CONTRACT SERVICES ==  
1 34 REQUIREMENTS.  
1 35 A person who contracts with a department, as defined in  
2 1 section 8.2, or with a state authority to provide  
2 2 administrative, labor, or other services that would otherwise  
2 3 be provided by state employees shall, as a condition of  
2 4 receiving the contract, report all payments received under the  
2 5 contract to the department of management. The department of  
2 6 management shall annually prepare an analysis of the reports  
2 7 and provide the analysis to the governor and the general  
2 8 assembly.  
2 9 Sec. 3. NEW SECTION. 217.14 CONTRACT REQUIREMENTS.  
2 10 A person contracting with the department of human services  
2 11 to provide services shall be subject to the following  
2 12 requirements as applicable:  
2 13 1. Comply with the requirements of section 68B.8.  
2 14 2. Provide adequate liability insurance for the services  
2 15 being performed.  
2 16 3. Accede to evaluation requirements, with preference  
2 17 given to an evaluation performed by an independent evaluator.  
2 18 EXPLANATION  
2 19 This bill relates to requirements for contracts for  
2 20 services with departments of the state.

2 21 New Code section 68B.8 prohibits the department of human  
2 22 services from contracting with someone who was employed with  
2 23 the department within the past two years. The Code section  
2 24 provides five exceptions: the person is a subcontractor or an  
2 25 employee of another department or regents institution; the  
2 26 person has expertise that the department would otherwise not  
2 27 have access to; the department tried but was unable to hire a  
2 28 qualified person from a field of applicants that did not  
2 29 include former employees; the person's employment ended due to  
2 30 a layoff or workforce reduction; or the person's employment  
2 31 ended within a year of the person earning an advanced degree  
2 32 that allows the person to now provide new services. The Iowa  
2 33 ethics and campaign disclosure board and the department of  
2 34 human services are to adopt rules to implement the new  
2 35 provisions.

3 1 Under new Code section 73.3A, any person who contracts with  
3 2 a department or a state authority to provide services that  
3 3 would otherwise be provided by state employees shall, as a  
3 4 condition of receiving the contract, report all payments  
3 5 received under the contract to the department of management.  
3 6 The department of management shall annually prepare an  
3 7 analysis of the reports and provide the analysis to the  
3 8 governor and the general assembly.

3 9 The third part of the bill, new Code section 217.14,  
3 10 relates to service contracts with the department of human  
3 11 services. As applicable, a person contracting with the  
3 12 department must comply with new Code section 68B.8, provide  
3 13 liability insurance for the services being performed, and  
3 14 accede to evaluation requirements.

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