

House Study Bill 123 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON FORRISTALL)

A BILL FOR

1 An Act relating to public construction bidding requirements
2 for public school corporation improvements and including
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 26.9, Code 2011, is amended to read as
2 follows:

3 **26.9 Award of contract.**

4 1. The contract for the public improvement must be awarded
5 to the lowest responsive, responsible bidder. However,
6 contracts relating to public utilities or extensions or
7 improvements thereof, as described in sections 384.80 through
8 384.94, may be awarded by the city as it deems to be in the
9 best interests of the city. In no case shall a governmental
10 entity that is a public school corporation award or enter into
11 a contract for the construction of a public improvement that
12 is or includes the new construction of a school building if
13 the cost per square foot of the school building, excluding the
14 cost of land but including any enhancement of payments, exceeds
15 the national average cost per square foot for a similar school
16 building, as determined by the state board of education under
17 section 256.7, subsection 31. For purposes of this section,
18 "school building" means a schoolhouse, attendance center,
19 or other building or structure owned by the public school
20 corporation and used for instructional purposes or for the
21 operation of the public school corporation.

22 2. This section shall not be construed to prohibit a
23 governmental entity in the award of a contract for a public
24 improvement or a governing body of a city utility from
25 providing, in the award of a contract for a public improvement,
26 an enhancement of payments upon early completion of the public
27 improvement if the availability of the enhancement payments is
28 included in the notice to bidders, the enhancement payments are
29 competitively neutral to potential bidders, the enhancement
30 payments are considered as a separate item in the public
31 hearing on the award of contract, and the total value of the
32 enhancement payments does not exceed ten percent of the value
33 of the contract.

34 Sec. 2. Section 256.7, Code 2011, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 31. a. Adopt rules pursuant to chapter
2 17A not later than June 30 of each year stating the national
3 average cost per square foot of new construction school
4 buildings, excluding the cost of land, in several categories
5 based on both the number of students served by the school
6 building and the level or type of education or activity
7 provided in the school building. For purposes of this
8 subsection, "*school building*" means as defined in section 26.9.
9 b. The rules adopted under paragraph "a" shall utilize the
10 most recent reliable data available to the state board.

11 Sec. 3. APPLICABILITY. This Act applies to public projects
12 noticed for proposed bids under section 26.7 by a public school
13 corporation on or after July 1, 2011.

14 EXPLANATION

15 This bill amends Code chapter 26 relating to public
16 construction bidding requirements by prohibiting a governmental
17 entity that is a public school corporation from awarding or
18 entering into a contract for the construction of a public
19 improvement that is or includes the new construction of a
20 school building, as defined in the bill, if the cost per square
21 foot of the school building, excluding the cost of land but
22 including any enhancement of payments, exceeds the national
23 average cost per square foot for a similar school building, as
24 determined by the state board of education. The bill requires
25 the state board of education to adopt rules not later than
26 June 30 of each year stating the national average cost per
27 square foot of new construction school buildings, excluding
28 the cost of land, in several categories based on the number of
29 students served by the school building and the level or type of
30 education or activity provided in the school building.

31 The bill applies to public projects noticed for proposed
32 bids by a public school corporation on or after July 1, 2011.