

House Study Bill 198 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
ADMINISTRATIVE SERVICES
BILL)

A BILL FOR

1 An Act relating to government property and projects, including
2 competitive bidding, the location of state agencies, and
3 outstanding state warrants.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8A.311, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 1A. The department, for any purchase made
4 pursuant to a competitive bidding procedure provided under this
5 section, may require that each bidder file with the department
6 statements showing the bidder's financial standing, equipment,
7 and experience in providing the goods or services to be
8 purchased. The statements shall be on standard forms prepared
9 by the department and shall be filed with the department
10 prior to the letting at which the bidder expects to bid. The
11 department, in advance of the letting, may notify the bidder
12 as to the amount and the nature of the goods or services for
13 which the bidder is deemed qualified to bid. A bidder who is
14 prequalified by the department under this subsection shall be
15 deemed qualified for any other goods or services opportunities
16 offered by the department and need only submit proof of the
17 prequalification in a manner determined by the department to
18 submit a bid.

19 Sec. 2. Section 8A.321, subsection 6, Code 2011, is amended
20 to read as follows:

21 6. a. Lease all buildings and office space necessary to
22 carry out the provisions of this subchapter or necessary for
23 the proper functioning of any state agency ~~at the seat of~~
24 ~~government~~ wherever located throughout the state. For state
25 agencies at the seat of government, the director may lease
26 buildings and office space in Polk county or in a county
27 contiguous to Polk county. If no specific appropriation
28 has been made, the proposed lease shall be submitted to the
29 executive council for approval. The cost of any lease for
30 which no specific appropriation has been made shall be paid
31 from the fund provided in section 7D.29. The director shall
32 also develop cooperative relationships with the state board of
33 regents in order to promote the colocation of state agencies.

34 b. When the general assembly is not in session, the director
35 may request moneys from the executive council for moving

1 state agencies ~~located at the seat of government~~ from one
2 location to another. The request may include moving costs,
3 telecommunications costs, repair costs, or any other costs
4 relating to the move. The executive council may approve and
5 shall pay the costs from funds provided in section 7D.29 if it
6 determines the agency or department has no available funds for
7 these expenses.

8 ~~c. Coordinate the leasing of buildings and office space by~~
9 ~~state agencies throughout the state and develop cooperative~~
10 ~~relationships with the state board of regents in order to~~
11 ~~promote the colocation of state agencies.~~

12 Sec. 3. Section 8A.324, subsection 1, paragraph a, Code
13 2011, is amended to read as follows:

14 a. The director may dispose of unfit or unnecessary personal
15 property by sale. Proceeds ~~The net proceeds~~ from the sale of
16 personal property shall be deposited in the general fund of
17 the state. For purposes of this subsection, "net proceeds"
18 means the total revenue received as a result of the sale of the
19 personal property less the department's expenses associated
20 with the disposal of the property and the expenses incurred by
21 the state agency that disposed of the property.

22 Sec. 4. Section 8A.327, subsection 1, Code 2011, is amended
23 to read as follows:

24 1. A rent revolving fund is created in the state treasury
25 under the control of the department to be used by the
26 department to pay the lease or rental costs of all buildings
27 and office space necessary for the proper functioning of any
28 state agency ~~at the seat of state government~~ wherever located
29 throughout the state as provided in section 8A.321, subsection
30 6, except that this fund shall not be used to pay the rental
31 or lease costs of a state agency which has not received funds
32 budgeted for rental or lease purposes.

33 Sec. 5. Section 22.3A, subsection 1, paragraph e, Code 2011,
34 is amended to read as follows:

35 e. *"Data processing software"* means an ordered set of

1 instructions or statements that, when executed by a computer,
2 causes the computer to process data, and includes any program
3 or set of programs, procedures, or routines used to employ
4 and control capabilities of computer hardware. As used in
5 this paragraph, *"data processing software"* includes but is not
6 limited to an operating system, compiler, assembler, utility,
7 library resource, maintenance routine, application, ~~or~~ computer
8 networking program, or the associated documentation.

9 Sec. 6. Section 22.7, subsection 32, Code 2011, is amended
10 to read as follows:

11 32. Social security numbers of the owners of unclaimed
12 property reported to the treasurer of state pursuant to section
13 556.11, subsection 2, included on claim forms filed with the
14 treasurer of state pursuant to section 556.19, included in
15 outdated warrant reports received by the treasurer of state
16 pursuant to section 556.2C, Code 2011, or stored in record
17 systems maintained by the treasurer of state for purposes
18 of administering chapter 556, or social security numbers of
19 payees included on state warrants included in records systems
20 maintained by the department of administrative services for the
21 purpose of documenting and tracking outdated warrants pursuant
22 to section 556.2C, Code 2011.

23 Sec. 7. Section 26.3, subsection 2, Code 2011, is amended
24 to read as follows:

25 2. A governmental entity shall have an engineer licensed
26 under chapter 542B, a landscape architect licensed under
27 chapter 544B, or an architect registered under chapter 544A
28 prepare plans and specifications, and calculate the estimated
29 total cost of a proposed public improvement. A governmental
30 entity shall ensure that ~~a sufficient number of~~ paper copies
31 of the project's contract documents, including all drawings,
32 plans, specifications, and estimated total costs of the
33 proposed public improvement are made available for distribution
34 ~~at no charge~~ to prospective bidders, subcontractor bidders,
35 suppliers, and contractor plan room services. If a deposit is

1 required as part of a paper contract documents distribution
2 policy by the public owner, the deposit shall ~~not exceed two~~
3 ~~hundred fifty dollars per set which shall~~ be refunded upon
4 return of the contract documents within fourteen days after
5 award of the project. If the contract documents are not
6 returned in a timely manner and in a reusable condition, the
7 deposit shall be forfeited. The governmental entity shall
8 reimburse the landscape architect, architect, or professional
9 engineer for the actual costs of preparation and distribution
10 of plans and specifications.

11 Sec. 8. Section 73.3, Code 2011, is amended to read as
12 follows:

13 **73.3 Iowa labor.**

14 Every commission, board, committee, officer, or other
15 governing body of the state, or of any county, township, school
16 district, or city, and every person acting as contracting agent
17 for any such commission, board, committee, officer, or other
18 governing body of the state, or of any county, township, school
19 district, or city, shall give preference to Iowa labor in the
20 constructing or building of any public improvement or works,
21 and every contract entered into by any such commission, board,
22 committee, officer, or other governing body of the state for
23 the construction or building of any public improvement or works
24 shall contain a provision requiring that preference shall be
25 given to Iowa domestic labor in the constructing or building
26 of such public improvement or works. The preference to be
27 given to Iowa domestic labor pursuant to this section shall
28 only be enforced against a successful vendor whose principal
29 place of business is located in a state that requires a similar
30 preference be provided for its domestic labor.

31 Sec. 9. Section 556.2C, Code 2011, is amended to read as
32 follows:

33 **556.2C Outstanding state warrants.**

34 ~~1. a. An unpaid, outdated warrant that is canceled pursuant~~
35 ~~to section 8A.519 shall be included in a list of outstanding~~

~~1 state warrants maintained by the director of the department of
2 administrative services. On or before July 1 of each year,
3 the director of the department of administrative services
4 shall provide the office of the treasurer of state with a
5 consolidated list of such outstanding warrants that have not
6 been previously reported to the office.~~

~~7 b. The consolidated list shall be accompanied by supporting
8 information as specified by the treasurer of state. The
9 treasurer of state may include information regarding the
10 outstanding warrants in the notice published pursuant to
11 section 556.12 and on the treasurer of state's official
12 internet website.~~

~~13 c. The reporting requirements of this section do not
14 apply to outdated warrants charged to federal grants or other
15 nonstate funds for which funding is no longer available as
16 described in section 25.2.~~

~~17 2. An agreement to pay compensation to recover or assist in
18 the recovery of an outstanding warrant made within twenty-four
19 months after the date the warrant is canceled is unenforceable.
20 However, an agreement made after twenty-four months from
21 the date the warrant is canceled is valid if the fee or
22 compensation agreed upon is not more than fifteen percent of
23 the recoverable property, the agreement is in writing and
24 signed by the payee, and the writing discloses the nature and
25 value of the property and the name and address of the person in
26 possession. This subsection section does not apply to a payee
27 who has a bona fide fee contract with a practicing attorney
28 regulated under chapter 602, article 10.~~

~~29 Sec. 10. Section 556.18, subsection 2, paragraph d, Code
30 2011, is amended by striking the paragraph.~~

~~31 Sec. 11. Section 904.808, subsection 1, paragraph b, Code
32 2011, is amended to read as follows:~~

~~33 b. (1) When the state director releases, in writing, the
34 obligation of the department or agency to purchase the product
35 from Iowa state industries, after determining that Iowa state~~

1 industries is unable to meet the performance characteristics
2 of the purchase request for the product, and a copy of the
3 release is attached to the request to the director of the
4 department of administrative services for payment for a similar
5 product, or when Iowa state industries is unable to furnish
6 needed products, comparable in both quality and price to those
7 available from alternative sources, within a reasonable length
8 of time. However, a release is not required if Iowa state
9 industries is provided an invitation to bid in the same manner
10 as other vendors and either fails to submit a compliant bid or
11 is not the successful bidder.

12 (2) Any disputes arising between a purchasing department
13 or agency and Iowa state industries regarding similarity
14 of products, or comparability of quality or price, or the
15 availability of the product, shall be referred to the director
16 of the department of administrative services, whose decision
17 shall be subject to appeal as provided in section 8A.313.
18 However, if the purchasing department is the department of
19 administrative services, any matter which would be referred
20 to the director under this paragraph shall be referred to the
21 executive council in the same manner as if the matter were to
22 be heard by the director of the department of administrative
23 services. The decision of the executive council is final.

24 EXPLANATION

25 This bill relates to competitive bidding and the operations
26 of the department of administrative services.

27 The bill amends Code section 8A.311 to allow the department
28 to require each bidder to file statements of the bidder's
29 financial background, equipment, and past experience pursuant
30 to competitive bidding procedures. The department shall
31 prepare standard forms for these statements. A bidder
32 prequalified under this provision will be considered qualified
33 to bid for any goods or services opportunities offered by the
34 department by submitting appropriate proof of prequalification.

35 Currently, Code section 8A.321, subsection 6, permits the

1 director of administrative services to lease buildings and
2 office space at the seat of government and to coordinate the
3 lease of buildings and office space elsewhere throughout the
4 state. The bill expands the authority to actually lease such
5 space throughout the state.

6 A provision in Code section 8A.324, related to the
7 department director's authority to sell personal property, is
8 amended so that only the net proceeds of the sale shall be
9 deposited in the general fund. A definition of "net proceeds"
10 is provided. Current law requires that all proceeds of such
11 sales be deposited in the general fund.

12 In Code section 22.3A, the bill expands the definition of
13 "data processing software" related to the examination of public
14 records, to include all of the documentation associated with
15 the software.

16 The bill amends Code section 26.3, relating to competitive
17 bids for public improvement contracts, to allow the
18 governmental entity to begin charging prospective bidders and
19 others for copies of project documents. The bill also removes
20 a cap on the deposit which the government may charge for these
21 materials. Current law requires that sufficient documents be
22 provided free of charge, and includes a cap on deposits of
23 \$250.

24 The bill amends Code section 73.3 to limit the preference
25 given to Iowa domestic labor in the constructing or building of
26 any public improvement or works, so that it be enforced only in
27 instances where a vendor's primary place of business is located
28 in a state that enforces such a preference for its own domestic
29 labor.

30 The bill removes from the requirements for the disposition
31 of unclaimed property in Code section 556.2C, that the
32 department include a reporting of outdated or unpaid warrants
33 in a consolidated list sent annually to the office of the
34 treasurer of state. The bill makes corresponding changes in
35 Code provisions referring to the eliminated language.

1 The bill also creates an exception from the requirement
2 in Code section 904.808 that the director of the department
3 of corrections provide a written release to a department or
4 agency, in the instance that Iowa state industries either is
5 an unsuccessful bidder or fails to submit a compliant bid, so
6 long as the department of corrections is provided the same
7 invitation to bid as other vendors.