

Senate File 2215 - Introduced

SENATE FILE 2215

BY MATHIS

A BILL FOR

1 An Act relating to bidding for purchases or public improvements
2 through a competitive bidding process by the state or
3 political subdivisions.

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

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

3 NEW SUBSECTION. 12A. If the lowest responsive bid received
4 by the state or a political subdivision for products or other
5 purchases is from an out-of-state business and totals less
6 than five hundred thousand dollars, and an Iowa-based business
7 submitted a bid which is within five percent or ten thousand
8 dollars of the price of the lowest bid, whichever is less, the
9 Iowa-based business which submitted the lowest responsive bid
10 shall be notified and shall be allowed to match the lowest bid
11 before a contract is awarded.

12 NEW SUBSECTION. 12B. A response to a request for bids or
13 proposals by the state or a political subdivision which totals
14 less than five hundred thousand dollars in value shall contain
15 the following information:

16 a. The percentage of the ownership of the submitting
17 business which is held by Iowa residents.

18 b. The percentage of the employees who will be carrying out
19 work in connection with the contract who are Iowa residents.
20 For the purposes of this paragraph, "employee" includes
21 part-time, temporary, contract, and substitute employees, and
22 includes employees of any contractors or subcontractors.

23 c. An estimate of the percentage of purchases to be made by
24 the submitting business in connection with the contract that
25 will be made from Iowa-based businesses.

26 d. The amount of tax paid by the submitting business under
27 chapter 422, division II, III, or V, on the last tax return
28 filed by the submitting business and the amount of property
29 tax paid by the submitting business during the most recently
30 completed fiscal year for which such a figure is available.

31 Sec. 2. NEW SECTION. 73.7 **Matching by Iowa bidders.**

32 1. Notwithstanding this chapter, chapter 26, chapter
33 73A, chapter 309, chapter 310, chapter 331, or chapter 384,
34 if the lowest responsive bid received for a contract for a
35 public improvement or works is from an out-of-state business

1 and totals less than five hundred thousand dollars, and an
2 Iowa-based business submitted a bid which is within five
3 percent or ten thousand dollars of the price of the lowest bid,
4 whichever is less, the Iowa-based business which submitted the
5 lowest responsive bid shall be notified and shall be allowed to
6 match the lowest bid before a contract is awarded.

7 2. This section applies to the state, its agencies, and any
8 political subdivisions of the state.

9 Sec. 3. NEW SECTION. 73.8 Responses to requests for bids or
10 proposals — in-state information.

11 A response to a request for bids or proposals by the state,
12 its agencies, or any political subdivision which totals less
13 than five hundred thousand dollars in value shall contain the
14 following information:

15 1. The percentage of the ownership of the submitting
16 business which is held by Iowa residents.

17 2. The percentage of the employees who will be carrying out
18 work in connection with the contract who are Iowa residents.
19 For the purposes of this subsection, "employee" includes
20 part-time, temporary, contract, and substitute employees, and
21 includes employees of any contractors or subcontractors.

22 3. An estimate of the percentage of purchases to be made by
23 the submitting business in connection with the contract that
24 will be made from Iowa-based businesses.

25 4. The amount of tax paid by the submitting business under
26 chapter 422, division II, III, or V, on the last tax return
27 filed by the submitting business and the amount of property
28 tax paid by the submitting business during the most recently
29 completed fiscal year for which such a figure is available.

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EXPLANATION

31 This bill provides that for purchases and public improvement
32 contracts initiated by the state or a political subdivision
33 through a competitive bidding process, if the lowest responsive
34 bid received is from an out-of-state business and totals less
35 than \$500,000, and an in-state business submitted a bid which

1 is within 5 percent or \$10,000 of the price of the lowest
2 responsive bid, whichever is less, the state or political
3 subdivision shall notify the in-state business which submitted
4 the lowest responsive bid and allow it to match the lowest
5 responsive bid from the out-of-state business before a contract
6 is awarded.

7 The bill also provides that a response to a request for bid
8 or proposal by the state or a political subdivision which is
9 less than \$500,000 in value must contain certain information.
10 The required information is the percentage of the ownership
11 of the submitting business which is held by Iowa residents;
12 the percentage of employees who will be carrying out work
13 in connection with the contract who are Iowa residents; an
14 estimate of the percentage of purchases to be made by the
15 submitting business in connection with the contract that
16 will be made from Iowa-based businesses; and the amount of
17 tax paid by the submitting business under Code chapter 422,
18 division II, III, or V, on the last tax return filed by the
19 submitting business and the amount of property tax paid by the
20 submitting business during the most recently completed fiscal
21 year for which such a figure is available. For the purposes of
22 determining how many employees carrying out work in connection
23 with the contract will be Iowa residents, "employee" includes
24 part-time, temporary, contract, and substitute employees, and
25 includes employees of any contractors or subcontractors.