

**House File 2520 - Introduced**

HOUSE FILE 2520

BY CROKEN

**A BILL FOR**

1 An Act relating to the calculation of bids for awarding  
2 contracts for public improvements.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 26.9, subsection 1, Code 2024, is amended  
2 to read as follows:

3 1. a. The contract for the public improvement must be  
4 awarded to the lowest responsive, responsible bidder. However,  
5 contracts relating to public utilities or extensions or  
6 improvements thereof, as described in sections 384.80 through  
7 384.94, may be awarded by the city as it deems to be in the best  
8 interests of the city. **This section** shall not be construed to  
9 prohibit a governmental entity in the award of a contract for a  
10 public improvement or a governing body of a city utility from  
11 providing, in the award of a contract for a public improvement,  
12 an enhancement of payments upon early completion of the public  
13 improvement if the availability of the enhancement payments is  
14 included in the notice to bidders, the enhancement payments are  
15 competitively neutral to potential bidders, the enhancement  
16 payments are considered as a separate item in the public  
17 hearing on the award of contract, and the total value of the  
18 enhancement payments does not exceed ten percent of the value  
19 of the contract.

20 b. When determining the lowest responsive bid, a county  
21 or city shall treat a bid as though the overall cost is five  
22 percent lower if the bidder's proposal contains a statement  
23 that twenty-five percent of the labor force for the work will  
24 be completed through apprenticeships. A county or city shall  
25 also treat a bid as though the overall cost is five percent  
26 lower if the general contractor has not committed a violation  
27 of the federal Occupational Safety and Health Act of 1970, 29  
28 U.S.C. §651 - 678, in the preceding two years.

29 EXPLANATION

30 The inclusion of this explanation does not constitute agreement with  
31 the explanation's substance by the members of the general assembly.

32 This bill relates to the calculation of bids for contracts  
33 for public improvements. The bill requires a county or  
34 city to reduce the cost of a bid by 5 percent for purposes  
35 of determining the lowest responsive bid for a contract for

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1 a public improvement if the bidder's proposal states that  
2 25 percent of the labor force will be completed through  
3 apprenticeships or if the general contractor has not violated  
4 the federal Occupational Safety and Health Act in the preceding  
5 two years.