

**Senate File 297 - Reprinted**

SENATE FILE 297  
BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1090)

(As Amended and Passed by the Senate April 21, 2025)

**A BILL FOR**

1 An Act relating to contracts entered into by state agencies and  
2 including applicability provisions.

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

unofficial

1 Section 1. NEW SECTION. **8A.311C State purchasing contracts**  
2 **— prohibited terms.**

3 The provisions set forth in this section are void as a matter  
4 of law as contrary to public policy if included in a contract  
5 for the procurement of goods or services entered into by the  
6 department or any other state agency pursuant to this part.

7 A state agency's contract that includes any of the following  
8 provisions shall be interpreted as if the contract did not  
9 include the void provision:

10 1. A provision that requires the state or its agencies to  
11 defend, indemnify, hold harmless another person, or otherwise  
12 assume the debt or liability of another person in violation of  
13 Article VII, section 1, of the Constitution of the State of Iowa.

14 2. A provision that seeks to impose vendor terms that  
15 are unknown at the time of signing the contract or can be  
16 unilaterally changed by the vendor.

17 3. A provision that violates chapter 13 by not allowing  
18 a state agency to participate in its own defense through  
19 representation by the attorney general.

20 4. A provision that grants to any person other than the  
21 attorney general the authority to convey to a court or litigant  
22 the state's consent to any settlement of a suit involving the  
23 contract when such settlement could impose liability on the  
24 state.

25 5. A provision that specifies that the contract is governed  
26 by the laws of a foreign state or nation.

27 6. A provision that claims blanket confidentiality of the  
28 contract's terms.

29 7. A provision that claims that payment terms, including but  
30 not limited to cost proposals or other pricing information, of  
31 the contract are confidential.

32 8. A provision that authorizes or requires a venue for  
33 litigation other than an appropriate state or federal court  
34 sitting in Iowa.

35 9. A provision that requires a state agency to pay attorney

1 fees, court costs, or other litigation expenses in the event of a  
2 contractual dispute.

3 10. A provision that imposes on the state or its agencies  
4 binding arbitration or another binding extrajudicial dispute  
5 resolution process in which the final resolution is not  
6 determined by the state.

7 11. A provision that waives a state agency's right to a jury  
8 trial.

9 12. A provision that obligates a state agency to pay a  
10 late payment charge not consistent with section 8A.514, interest  
11 greater than allowed under section 8A.514 or other applicable  
12 law, or any cancellation charge, as such charges constitute  
13 pledges of the state's credit.

14 13. A provision that obligates a state agency to pay a tax.

15 14. A provision that imposes a prior notice obligation on  
16 a state agency as a condition for the automatic renewal of a  
17 software license. A state agency may provide notice of its  
18 intent to terminate a software license at any time before the  
19 renewal date established in the contract.

20 15. A provision that obligates a state agency to accept risk  
21 of loss before the receipt of items or goods.

22 16. A provision that obligates a state agency to have  
23 commercial insurance.

24 17. A provision that obligates a state agency to grant a  
25 contractor full or partial ownership of intellectual property  
26 developed pursuant to a state agency contract when the  
27 intellectual property is developed in whole or in part using  
28 federal funding.

29 18. A provision that limits the time in which the state or  
30 its agencies may bring a legal claim under the contract to a  
31 period shorter than that provided by Iowa law.

32 19. A boilerplate provision included in a vendor's  
33 transactional documents, including but not limited to ordering  
34 documents and quotations, that seeks to alter the terms of a  
35 state agency's contract or to impose new terms in the contract.

1     Sec. 2. NEW SECTION.   **8A.311D State purchasing contracts —**  
2 **required terms.**

3     All of the following provisions shall be deemed to be included  
4 in a state agency vendor contract:

5     1. *Governing law.* The contract shall be governed by the laws  
6 of the state of Iowa, without giving effect to any conflict of  
7 laws principles of Iowa law that may require the application of  
8 another jurisdiction's law.

9     2. *Venue.* Any litigation commenced in connection with the  
10 contract shall be brought and maintained in an appropriate state  
11 or federal court sitting in Iowa.

12    Sec. 3. NEW SECTION.   **8A.311E State purchasing contracts —**  
13 **waiver.**

14    If the director determines that a necessary good or service  
15 is impossible to procure due to a requirement of section 8A.311C  
16 or 8A.311D, the director may waive the requirement to the  
17 extent necessary to obtain the good or service. A state agency  
18 requesting a waiver shall, at a minimum, provide sufficient  
19 evidence showing that the state will suffer an interruption  
20 in business operations or other irreparable harm if the state  
21 agency cannot procure the good or service, and that the state  
22 agency has exhausted all reasonable steps to prevent such harm,  
23 including attempting to procure substitute goods or services.  
24 The director may require the submission of additional evidence  
25 at the director's discretion. A waiver must be as narrow as  
26 possible to allow the procurement of the necessary good or  
27 service.

28    Sec. 4. **APPLICABILITY.** This Act applies to contracts entered  
29 into or renewed on or after the effective date of this Act.