

household appliance, television, and radio repair; jewelry and watch repair; limousine service, including driver; machine operator; machine repair of all kinds; motor repair; motorcycle, scooter, and bicycle repair; oilers and lubricators; office and business machine repair; painting, papering, and interior decorating; parking facilities; pipe fitting and plumbing; wood preparation; licensed executive search agencies; private employment agencies, excluding services for placing a person in employment where the principal place of employment of that person is to be located outside of the state; sewage services for nonresidential commercial operations; sewing and stitching; shoe repair and shoeshine; sign construction and installation; storage of household goods, mini-storage, and warehousing of raw agricultural products; swimming pool cleaning and maintenance; taxidermy services; telephone answering service; test laboratories, including mobile testing laboratories and field testing by testing laboratories, and excluding tests on humans or animals; termite, bug, roach, and pest eradicators; tin and sheet metal repair; turkish baths, massage, and reducing salons, excluding services provided by massage therapists licensed under chapter 152C; weighing; welding; well drilling; wrapping, packing, and packaging of merchandise other than processed meat, fish, fowl and vegetables; wrecking service; wrecker and towing; pay television; campgrounds; carpet and upholstery cleaning; gun and camera repair; janitorial and building maintenance or cleaning; lawn care, landscaping and tree trimming and removal; pet grooming; reflexology; security and detective services; tanning beds or salons; and water conditioning and softening.

For purposes of this subsection, gross taxable services from rental includes rents, royalties, and copyright and license fees. For purposes of this subsection, "financial institutions" means all national banks, federally chartered savings and loan associations, federally chartered savings banks, federally chartered credit unions, banks organized under chapter 524, savings and loan associations and savings banks organized under chapter 534, and credit unions organized under chapter 533.

Approved May 5, 1998

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## CHAPTER 1164

### DEPARTMENT OF GENERAL SERVICES PRACTICES AND OTHER STATE GOVERNMENT ADMINISTRATION

S.F. 518

**AN ACT** relating to the administration of state government, by providing for the practices of the department of general services, state procurement, motor vehicles, and state printing.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 2B.1, subsection 3, Code 1997, is amended to read as follows:

3. The Iowa Code and administrative code divisions are responsible for the editing, compiling, and proofreading of the publications they prepare, as provided in this chapter ~~and not withstanding section 18.76~~. The Iowa Code division is entitled to the temporary possession of the original enrolled Acts and resolutions as necessary to prepare them for publication.

Sec. 2. Section 18.1, subsection 2, Code 1997, is amended to read as follows:

2. "Competitive bidding ~~procedures~~ procedure" means the advertisement for, solicitation of, or the procurement of bids; the manner and condition in which bids are received; and the procedure by which bids are opened, accessed, accepted, ~~or rejected~~, or awarded. A "competitive bidding procedure" may include a transaction accomplished in an electronic format.

Sec. 3. Section 18.1, Code 1997, is amended by adding the following new subsection:  
NEW SUBSECTION. 7. "State buildings and grounds" excludes any building under the custody and control of the Iowa public employees' retirement system.

Sec. 4. Section 18.3, subsections 4 and 7, Code 1997, are amended to read as follows:

4. Providing for the proper maintenance of the state capitol, grounds, and equipment and all other state buildings, ~~and~~ grounds, and equipment at the seat of government, except those referred to in section 216B.3, subsection 6.

7. Providing architectural services, contracting for construction and construction oversight for state agencies except for the board of regents, department of transportation, national guard, ~~and~~ natural resource commission, ~~and the Iowa public employees' retirement system~~. Capital funding appropriated to state agencies, except the board of regents, department of transportation, national guard, ~~and~~ natural resource commission, ~~and the Iowa public employees' retirement system~~ for property management shall be transferred for administration and control to the director of the department of general services.

Sec. 5. Section 18.3, Code 1997, is amended by adding the following new subsections:

NEW SUBSECTION. 10. Developing and implementing procedures to conduct transactions, including purchasing, authorized by this chapter in an electronic format to the extent determined appropriate by the department. The department shall adopt rules establishing criteria for competitive bidding procedures involving transactions in an electronic format, including criteria for accepting or rejecting bids which are electronically transmitted to the department, and for establishing with reasonable assurance the authenticity of the bid and the bidder's identity.

NEW SUBSECTION. 11. Insuring motor vehicles owned by the state. Insurance coverage may be provided through a self-insurance program administered by the department or purchased from an insurer. If the department utilizes a self-insurance program, the department shall maintain loss and exposure data for vehicles under the jurisdiction of the state fleet administrator. Upon request, state agencies shall provide all loss and exposure information to the department.

NEW SUBSECTION. 12. Organizing the department by divisions or other subunits to promote the effective and efficient administration of the department.

Sec. 6. Section 18.6, subsections 2, 3, 4, and 9, Code 1997, are amended to read as follows:

2. The director may also exempt the purchase of an item or service from a competitive bidding procedure when the director determines that the best interests of the state will be served ~~due to an~~ by the exemption which shall be based on one of the following:

a. An immediate or emergency need existing for the item or service.

b. A need to protect the health, safety, or welfare of persons occupying or visiting a public improvement or property located adjacent to the public improvement.

3. The director shall have the power to contract for the purchase of items or services by the department. Contracts for the purchase of items shall be awarded on the basis of the lowest competent bid. Contracts not based on competitive bidding shall be awarded on the basis of bidder competence and reasonable price.

The director may enter into an agreement with the government of another state or with the federal government to provide for the cooperative purchase of an item or service of general use in this state.

4. The director may refuse all bids on any item or service and institute a new bidding procedure.

9. a. When the estimated total cost of construction, erection, demolition, alteration, or repair of a public improvement exceeds twenty-five thousand dollars, the department shall ~~advertise for solicit~~ bids on the proposed improvement by publishing an advertisement in a print format. The advertisement shall appear in two publications in a newspaper published in the county in which the work is to be done. The first advertisement for bids appearing in

a newspaper shall be not less than fifteen days prior to the date set for receiving bids. The department may publish an advertisement in an electronic format as an additional method of soliciting bids under this paragraph.

b. In awarding a contract, the department shall let the work to the lowest responsible bidder submitting a sealed proposal. However, if the department considers the bids received not to be acceptable, all bids may be rejected and new bids requested. A bid shall be accompanied, in a separate envelope, by a deposit of money or a certified check or credit union certified share draft bid bond in an amount to be named designated in the advertisement for bids as security that the bidder will enter into a contract for the doing of the work requested. The department shall fix establish the bid security in an amount equal to at least five percent, but not more than ten percent of the estimated total cost of the work. The certified checks, share drafts or deposits of money bid bonds of the unsuccessful bidders shall be returned as soon as the successful bidder is determined, and the. The certified check, share draft or deposit of money bid bond of the successful bidder shall be returned upon execution of the contract documents. This section does not apply to the construction, erection, demolition, alteration, or repair of a public improvement when the contracting procedure for the doing of the work requested is otherwise provided for in another provision of law.

Sec. 7. Section 18.6, subsection 12, Code 1997, is amended by striking the subsection.

Sec. 8. Section 18.8, unnumbered paragraph 1, Code 1997, is amended\* to read as follows:

The director shall provide necessary ~~voice or data communications, including telephone and telegraph~~ telecommunications cabling, lighting, fuel, and water services for the state buildings and grounds located at the seat of government, except the buildings and grounds referred to in section 216B.3, subsection 6.

Sec. 9. Section 18.8, unnumbered paragraph 5, Code Supplement 1997, is amended to read as follows:

Except for buildings and grounds described in section 216B.3, subsection 6, ~~and; section 2.43, unnumbered paragraph 1; and any buildings under the custody and control of the Iowa public employees' retirement system,~~ the director shall assign office space at the capitol, other state buildings and elsewhere in the city of Des Moines, for all executive and judicial state agencies. Assignments may be changed at any time. The various officers to whom rooms have been so assigned may control the same while the assignment to them is in force. Official apartments shall be used only for the purpose of conducting the business of the state. The term "capitol" or "capitol building" as used in the Code shall be descriptive of all buildings upon the capitol grounds. The capitol building itself is reserved for the operations of the general assembly, the governor and the courts and the assignment and use of physical facilities for the general assembly shall be pursuant to section 2.43.

Sec. 10. Section 18.12, subsection 8, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. The director may dispose of presses, printing equipment, printing supplies, and other machinery or equipment used in the printing operation, as provided in section 18.59.

Sec. 11. Section 18.12, subsection 9, Code 1997, is amended to read as follows:

9. a. Lease all buildings and office space necessary to carry out the provisions of this chapter or necessary for the proper functioning of any state agency at the seat of government, with the approval of the executive council if no specific appropriation has been made. The cost of any lease for which no specific appropriation has been made shall be paid from the fund provided in section 7D.29.

b. When the general assembly is not in session, the director ~~of general services~~ may request ~~funds moneys~~ from the executive council for moving state agencies located at the seat of government from one location to another. The request may include moving costs,

\* See 97 Acts, ch 210, §18, codified in 1997 Code Supplement, for identical amendment

~~telephone telecommunications~~ costs, repair costs, or any other costs relating to the move. The executive council may approve and shall pay the costs from funds provided in section 7D.29 if it determines the agency or department has no available funds for these expenses.

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

Sec. 12. Section 18.12, subsection 12, Code 1997, is amended by striking the subsection.

Sec. 13. Section 18.16, subsection 2, Code 1997, is amended to read as follows:

2. The director shall pay the lease or rental fees to the renter or lessor and submit a monthly statement to each state agency for which building and office space is rented or leased. The If the director pays the lease or rental fees on behalf of a state agency, the state agency's payment to the department shall be credited to the rent revolving fund established by this section. With the approval of the director, a state agency may pay the lease or rental cost shall be paid by the state agency to the department of general services in the same manner as other expenses of the state agency are paid and the payment shall be credited to the rent revolving fund directly to the person who is due the payment under the lease or rental agreement.

Sec. 14. Section 18.18, subsection 1, paragraphs a through c, Code 1997, are amended to read as follows:

a. ~~By July 1, 1991, one~~ One hundred percent of the purchases of inks which are used for newsprint printing services performed internally or contracted for by the department shall be soybean-based.

b. ~~By July 1, 1993, one~~ One hundred percent of the purchases of inks, other than inks which are used for newsprint printing services, and which are used internally or contracted for by the department, shall be soybean-based to the extent formulations for such inks are available.

c. ~~By July 1, 1995, a~~ A minimum of ten percent of the purchases of garbage can liners made by the department shall be plastic garbage can liners with recycled content. The percentage shall increase by ten percent annually until fifty percent of the purchases of garbage can liners are plastic garbage can liners with recycled content.

Sec. 15. Section 18.18, subsection 5, Code 1997, is amended to read as follows:

5. Information on recycled content shall be requested on all bids for paper products issued by the state and on other bids for products which could have recycled content such as oil, plastic products, including but not limited to ~~starch-based plastic products~~, compost materials, aggregate, solvents, soybean-based inks, and rubber products.

Sec. 16. Section 18.18, subsection 8, Code 1997, is amended by striking the subsection.

Sec. 17. NEW SECTION. 18.19 RECYCLING REVOLVING FUND.

A recycling revolving fund is created within the state treasury under the control of the department. The fund shall consist of any moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the department from the federal government or private sources for placement in the fund. The assets of the fund shall be used by the department only for supporting recycling operations. Moneys in the fund, which may be subject to warrants written by the director of revenue and finance, shall be drawn upon the written requisition of the director or an authorized representative of the director. The fund is subject to an annual audit by the auditor of state. Section 8.33 does not apply to any moneys in the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 18. Section 18.20, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The department in accordance with recommendations made by the department of natural resources shall require all state agencies to establish an agency wastepaper recycling program by ~~January 1, 1990~~. The director shall adopt rules which require a state agency to develop a program to ensure the recycling of the wastepaper generated by the agency. ~~Each agency shall submit a report to the general assembly meeting in January 1990, which includes a description of the program plan and the agency's efforts to use recycled products.~~ All state employees shall practice conservation of paper materials.

Sec. 19. Section 18.28, unnumbered paragraph 2, Code 1997, is amended by striking the unnumbered paragraph.

Sec. 20. Section 18.32, Code 1997, is amended to read as follows:

18.32 ADVERTISEMENTS FOR BIDS.

The director shall advertise for bids for ~~the doing of the public printing~~.

Sec. 21. Section 18.33, Code 1997, is amended to read as follows:

18.33 REQUIREMENTS.

Advertisements shall state where and how specifications and other necessary information may be obtained, the time during which the director will receive bids, and the day, hour, and place when bids will be publicly opened or accessed and the manner by which the contracts will be awarded.

Sec. 22. Section 18.36, Code 1997, is amended to read as follows:

18.36 FORM OF BIDS.

Bids must be:

1. Secured in writing, by telephone, ~~or~~ by facsimile, or in a format prescribed by the director as indicated in the bid specifications, ~~and only on the blanks furnished with the specifications.~~
2. Signed by the bidder, or if a telephone or electronic bid, confirmed in writing by the bidder in a manner prescribed by the director.
3. ~~If submitted Submitted~~ Submitted in writing, ~~submitted in a sealed envelope which shall be properly endorsed a format prescribed by the director which reasonably assures the authenticity of the bid and the bidder's identity.~~
4. ~~In the hands of the director Submitted to the department as specified by the date and time fixed established~~ Submitted to the department as specified by the date and time fixed established in the advertisements for bids.

Sec. 23. Section 18.37, Code 1997, is amended to read as follows:

18.37 DEPOSIT WITH BID OR YEARLY BOND.

~~A bidder shall deposit with the director at the time the~~ When a bidder files submits a bid to the department, the director may require the bidder to file a bid; bond or a certified check or credit union certified share draft payable to the state treasurer ~~for in~~ an amount to be fixed in the bid specifications, either covering all classes or items or services, or separate certified checks or drafts for each bid in case the bidder makes more than one bid. In lieu of ~~checks or share drafts~~ a certified check, the bidder may furnish a yearly bond in an amount to be established by the director. ~~Checks or share drafts~~ Certified checks deposited by unsuccessful bidders, and by successful bidders when they have entered into the contract, shall be returned to them.

Sec. 24. Section 18.38, Code 1997, is amended to read as follows:

18.38 OPENING AND ACCESSING OF BIDS — AWARD.

All bids shall be publicly opened or accessed and read and the contracts ~~let at the time and place fixed therefor, or on the adjourned day or days named by the director, of which adjournment all parties shall take notice~~ awarded in the manner designated in the bid specifications. In the award of ~~contracts~~ a contract, due consideration shall be given ~~not only~~ to the price bid, ~~but to the mechanical and other equipment proposed to be used by the bidder, and the financial responsibility of the bidder, and the bidder's ability and experience in the~~

performance of ~~like or~~ similar contracts, and any other factors that the department determines are relevant and that are included in the bid specifications.

Sec. 25. Section 18.43, Code 1997, is amended to read as follows:

18.43 DUTY TO ENTER INTO CONTRACT — FORFEITURE.

A ~~If the department requires a bid bond or certified check as provided in section 18.37, a~~ successful bidder shall, within ten days after the award, enter into a contract in accordance with the bid. Unless this is done, or the delay is for reasons satisfactory to the director, the ~~bid bond or certified check or credit union certified share draft~~ submitted with the bid shall be forfeited to the state. The bid specifications on which the bid is made constitute a part of the contract.

Sec. 26. Section 18.44, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The department shall enter into contracts which the department determines are reasonable. The department may ensure that the contracts shall, among other provisions, provide that for the following:

Sec. 27. Section 18.45, Code 1997, is amended to read as follows:

18.45 BOND.

~~A The department may require that a bidder provide a bond for the faithful performance of the a contract shall be required in connection with each contract, in an. The amount to of the bond shall be fixed established~~ by the director. The bond shall be filed with the department as specified and approved by the director.

Sec. 28. Section 18.46, Code 1997, is amended to read as follows:

18.46 WRITTEN AUTHORIZATION OF ORDERS.

~~No printing Printing shall not be performed under any contract except on written orders therefor, on detailed forms prescribed as authorized by the director, and signed by the director or by some person authorized by the director. Every Each order shall designate the contract under which the order is given, and the class, quantity, and kind of the required printing, the definite quantity and kind thereof, and be issued in duplicate with a stub copy preserved. A separate series of stubs and duplicates shall be used for each class of printing.~~

Sec. 29. Section 18.48, Code 1997, is amended to read as follows:

18.48 ACCEPTANCE OF PRINTING — PENALTY.

~~No printing shall be accepted as in compliance with the contract when not of the grade of skill which is usually employed by first-class printers on printing of this class, nor when the printing is not of the full quality contracted for. The director may reject or refuse delivery on printing which is not of the quality for which the contract was awarded. If immediate necessity and or lack of time to procure printing elsewhere compel compels the use of defective printing furnished by a contractor, it the defective printing shall be accepted without approval, and one-half of the contract price thereon shall be deducted as liquidated damages for breach of contract. The amount of the liquidated damages may be deducted from any payment to the contractor under any state contract.~~

Sec. 30. Section 18.49, Code 1997, is amended to read as follows:

18.49 CONTRACTS BY INSTITUTIONAL HEADS.

The director may authorize the managing board, or head, or chief executive officer of any institution or department of the state located outside ~~the city of Des Moines Polk county~~ to secure, under the specifications of the director, competitive bids for printing needed by the institution or department, and submit the bids to the director. If the director approves any of the bids, the authorized board, head, or officer may contract for the printing, but the contract shall not be valid until a duplicate copy is filed with and approved by the director approves the contract. The director shall prescribe the manner by which the director is notified of and approves the contract.

Sec. 31. Section 18.50, Code 1997, is amended to read as follows:

18.50 EMERGENCY CONTRACTS.

The director may at any time award a ~~special separate printing~~ contract or may authorize ~~assistants an assistant~~ to award a ~~special separate printing~~ contract for any work ~~or material coming and materials or printing supplies~~ within the provisions of chapter 7A and sections 18.26 to 18.103 ~~but which are not included in current printing contracts already in existence, or which cannot properly be made the subject of a general contract, if the amount of each contract shall not exceed the amount of five thousand dollars, and if special bids. A separate printing contract must have been duly solicited by the director from persons or firms vendors~~ engaged in the kind of work under consideration who have indicated a desire to bid on the class of work to be ~~done performed~~.

Sec. 32. Section 18.51, Code 1997, is amended to read as follows:

18.51 PAPER, PRINTING SUPPLIES, AND ACCOUNTING.

1. The director may contract for paper and other printing supplies as part of the a printing or contract. The director may purchase paper and other printing supplies and furnish the same them to the a contractor. All paper purchased for use of the state shall, when practicable, have a distinguishing mark or water line by which it can be identified.

2. The director shall keep an accurate account with any person doing printing for the state. The director shall charge the person the value of all paper drawn, credit the person with all paper used on behalf of the state, and compel an accounting for all paper which is not used.

Sec. 33. Section 18.59, subsection 1, Code 1997, is amended to read as follows:

1. To hold possession of possess all presses and other printing equipment, inventory all of the described equipment, and with the approval of the executive council sell the above described dispose of the machinery and equipment that is no longer necessary or is unfit for use. Receipts from the sale of presses, printing equipment, printing supplies, and other machinery or equipment used in the printing operation shall be deposited in the centralized printing revolving fund established in section 18.57.

Sec. 34. Section 18.60, Code 1997, is amended to read as follows:

18.60 COST SYSTEMS MAINTAINED BY DEPARTMENTS.

Each official, board, department, commission, or agency located outside ~~the city of Des Moines Polk county~~, who maintains printing equipment, or does any printing for the state or its departments shall likewise keep an accurate cost system and ~~make report each June 30 to the director of the amounts, and these. These reports~~ shall be included in the annual, fiscal, or calendar report of the director.

Sec. 35. Section 18.63, unnumbered paragraph 1, Code 1997, is amended to read as follows:

No A department or commission of state located in the city of Des Moines Polk county shall not expend any funds moneys for the publication or distribution of books, or pamphlets, or reports unless the publication thereof be is expressly required by law or approved by the director. A violation of this section shall constitute misfeasance in office. The state printing administrator may exempt minimal single printing projects from the requirements of this section in order to permit a state agency to timely procure printing, if a state contract is not currently available. The department shall adopt rules establishing criteria for exemption of minimal printing projects under this section.

Sec. 36. Section 18.82, Code 1997, is amended to read as follows:

18.82 CUSTODY OF DOCUMENTS AND STORAGE ROOMS.

The superintendent state printing administrator shall receive and have the custody of the Iowa documents, reports, and all other printed matter and, including all documents and reports, for which the state printing administrator is responsible under this chapter. The

state printing administrator shall make and supervise the distribution of the same printed matter in such manner as will be most economical and useful to the public. The ~~superintendent state printing administrator~~ shall have charge of the state storage building or rooms, in which the ~~superintendent~~ state printing administrator shall keep the ~~reports and documents printed matter~~.

Sec. 37. Section 18.115, Code 1997, is amended to read as follows:

18.115 ~~VEHICLE DISPATCHER STATE FLEET ADMINISTRATOR~~ — EMPLOYEES — POWERS AND DUTIES — FUEL ECONOMY REQUIREMENTS.

The director of the department of general services shall appoint a state ~~vehicle dispatcher~~ fleet administrator and other employees as necessary to administer this division. The state ~~vehicle dispatcher~~ fleet administrator shall serve at the pleasure of the director and is not governed by the merit system provisions of chapter 19A. Subject to the approval of the director, the state ~~vehicle dispatcher~~ fleet administrator has the following duties:

1. The ~~dispatcher~~ state fleet administrator shall assign to a state officer or employee or to a state office, department, bureau, or commission agency, one or more motor vehicles which may be required by the ~~state officer or employee or department state agency~~, after the ~~state officer or employee or department state agency~~ has shown the necessity for such transportation. The state ~~vehicle dispatcher~~ shall have the power to ~~fleet administrator may~~ assign a motor vehicle either for part time or full time. The ~~dispatcher shall have the right to~~ state fleet administrator may revoke the assignment at any time.

2. The state ~~vehicle dispatcher~~ fleet administrator may cause all state-owned motor vehicles to be inspected periodically. Whenever the inspection reveals that repairs have been improperly made on the motor vehicle or that the operator is not giving it the proper care, the ~~dispatcher~~ state fleet administrator shall report this fact to the head of the ~~department state agency~~ to which the motor vehicle has been assigned, together with recommendation for improvement.

3. The state ~~vehicle dispatcher~~ fleet administrator shall install a record system for the keeping of records of the total number of miles state-owned motor vehicles are driven and the per-mile cost of operation of each motor vehicle. Every state officer or employee shall keep a record book to be furnished by the state ~~vehicle dispatcher~~ fleet administrator in which the officer or employee shall enter all purchases of gasoline, lubricating oil, grease, and other incidental expense in the operation of the motor vehicle assigned to the officer or employee, giving the quantity and price of each purchase, including the cost and nature of all repairs on the motor vehicle. Each operator of a state-owned motor vehicle shall promptly prepare a report at the end of each month on forms furnished by the state ~~vehicle dispatcher~~ fleet administrator and ~~forward the same forwarded~~ to the ~~dispatcher at the statehouse~~ state fleet administrator, giving the information the state ~~vehicle dispatcher~~ fleet administrator may request in the report. ~~The~~ Each month the state ~~vehicle dispatcher~~ fleet administrator shall ~~each month~~ compile the costs and mileage of state-owned motor vehicles from the reports and keep a cost history ~~card on~~ for each motor vehicle and the costs shall be reduced to a cost-per-mile basis for each motor vehicle. ~~It shall be the duty of the~~ The state ~~vehicle dispatcher to~~ fleet administrator shall call to the attention of ~~an elected official or~~ the head of any ~~department state agency~~ to which a motor vehicle has been assigned any evidence of the mishandling or misuse of ~~any a~~ state-owned motor vehicle which is called to the ~~dispatcher's~~ state fleet administrator's attention.

PARAGRAPH DIVIDED. A motor vehicle operated under this subsection shall not operate on gasoline other than gasoline blended with at least ten percent ethanol, unless under emergency circumstances. A state-issued credit card used to purchase gasoline shall not be valid to purchase gasoline other than gasoline blended with at least ten percent ethanol, if commercially available. The motor vehicle shall also be affixed with a brightly visible sticker which notifies the traveling public that the motor vehicle is being operated on gasoline blended with ethanol. However, the sticker is not required to be affixed to an unmarked vehicle used for purposes of providing law enforcement or security.

4. ~~The state vehicle dispatcher fleet administrator shall purchase all motor vehicles for all branches of the state government, except the state department of transportation, institutions under the control of the state board of regents, the department for the blind, and any other agencies state agency exempted by law. Before purchasing any new motor vehicle the dispatcher shall make requests for public bids by advertisement and shall purchase the vehicles from the lowest responsible bidder for the type and make of motor vehicle designated. The state fleet administrator shall purchase new vehicles in accordance with competitive bidding procedures for items or services as provided in this chapter. The vehicle dispatcher state fleet administrator may purchase used or preowned vehicles at governmental or dealer auctions if the purchase is determined to be in the best interests of the state.~~

~~In conjunction with the requirements of section 18.3, subsection 1, effective January 1, 1991, the The state vehicle dispatcher fleet administrator, and any other state agency, which for purposes of this paragraph includes but is not limited to community colleges and institutions under the control of the state board of regents, or local governmental political subdivision purchasing new motor vehicles for other than law enforcement purposes, shall purchase new passenger vehicles and light trucks such so that the average fuel efficiency for the fleet of new passenger vehicles and light trucks purchased in that year by the state vehicle dispatcher or other state agency or local governmental political subdivision equals or exceeds the average fuel economy standard for the vehicles' model year as established by the United States secretary of transportation under 15 U.S.C. § 2002. This paragraph does not apply to vehicles purchased for any of the following: law enforcement purposes, school buses, or used for off-road maintenance work, or work vehicles used to pull loaded trailers. The group of comparable vehicles within the total fleet purchased by the state vehicle dispatcher, or any other state agency or local governmental political subdivision purchasing motor vehicles for other than law enforcement purposes, shall have an average fuel efficiency rating equal to or exceeding the average fuel economy rating for that model year for that class of comparable vehicles as defined in 40 C.F.R. § 315-82. As used in this paragraph, "fuel economy" means the average number of miles traveled by an automobile per gallon of gasoline consumed as determined by the United States environmental protection agency administrator in accordance with 26 U.S.C. § 4064(e). For purposes of this paragraph, "state agency" includes, but is not limited to, a community college or an institution under the control of the state board of regents.~~

~~The Not later than February 15 of each year, the state vehicle dispatcher fleet administrator shall annually report compliance with the corporate average combined fuel economy standards published by the United States secretary of transportation for all new motor vehicles purchased by classification, other than motor vehicles purchased by the state department of transportation, institutions under the control of the state board of regents, the department for the blind, and any other state agency exempted from the requirements of this subsection. The report of compliance shall classify the vehicles purchased for the current vehicle model year using the following categories: (passenger automobiles, enforcement automobiles, vans, and light trucks) no later than January 31 of each year to the department of management and the energy and geological resources division of. The state fleet administrator shall deliver a copy of the report to the department of natural resources. As used in this paragraph, "combined corporate average fuel economy" means the combined corporate average fuel economy as defined in 40 49 C.F.R. § 600-002 533.5.~~

a. ~~Effective January 1, 1993, the The state vehicle dispatcher, after consultation with the department of management and the various state agencies exempted from obtaining vehicles for use through the state vehicle dispatcher, shall adopt by rule pursuant to chapter 17A, a system of uniform standards for assigning fleet administrator shall assign motor vehicles available for use to maximize the average passenger miles per gallon of motor vehicle fuel consumed. The standards should In assigning motor vehicles, the state fleet administrator shall consider standards established by the state fleet administrator, which may include but are not limited to the number of passengers traveling to a destination, the fuel economy of and passenger capacity of vehicles available for assignment, and any other~~

relevant information, to assure assignment of the most energy efficient vehicle or combination of vehicles for a trip from those vehicles available for assignment. The standards adopted by the state vehicle dispatcher shall not apply to special work vehicles, and law enforcement vehicles. The rules when adopted standards shall apply to the following agencies:

- (1) State ~~vehicle dispatcher~~ fleet administrator.
- (2) State department of transportation.
- (3) Institutions under the control of the state board of regents.
- (4) The department for the blind.
- (5) Any other state agency exempted from obtaining vehicles for use through the state ~~vehicle dispatcher~~ fleet administrator.

b. As used in paragraph "a", "fuel economy" means the average number of miles traveled by an automobile per gallon of gasoline consumed as determined by the United States environmental protection agency administrator in accordance with 26 U.S.C. § 4064(c).

5. Of all new passenger vehicles and light pickup trucks purchased by the state ~~vehicle dispatcher~~ fleet administrator, a minimum of ten percent of all such vehicles and trucks purchased shall be equipped with engines which utilize alternative methods of propulsion including but not limited to any of the following:

a. A flexible fuel, which is any of the following:

(1) A fuel blended with not more than fifteen percent gasoline and at least eighty-five percent ethanol.

(2) A fuel which is a mixture of diesel fuel and processed soybean oil. At least twenty percent of the mixed fuel by volume must be processed soybean oil.

(3) A renewable fuel approved by the office of renewable fuels and coproducts pursuant to section 159A.2.

b. Compressed or liquefied natural gas.

c. Propane gas.

d. Solar energy.

e. Electricity.

The provisions of this subsection do not apply to vehicles and trucks purchased and directly used for law enforcement or purchased and used for off-road maintenance work or to pull loaded trailers.

~~It is the intent of the general assembly that the members of the midwest energy compact promote the development and purchase of motor vehicles equipped with engines which utilize alternative methods of propulsion.~~

6. All used motor vehicles turned in to the state ~~vehicle dispatcher~~ fleet administrator shall be disposed of by public auction, and the sales shall be advertised in a newspaper of general circulation one week in advance of sale, and the receipts from the sale shall be deposited in the depreciation fund to the credit of that ~~department or~~ state agency turning in the vehicle; except that, in the case of a used motor vehicle of special design, the state ~~vehicle dispatcher~~ fleet administrator may, with the approval of the director, instead of selling it at public auction, authorize the motor vehicle to be traded for another vehicle of similar design. If a vehicle sustains damage and the cost to repair exceeds the wholesale value of the vehicle, the state ~~vehicle dispatcher~~ fleet administrator may dispose of the motor vehicle by obtaining two or more written salvage bids and the vehicle shall be sold to the highest responsible bidder.

7. The state ~~vehicle dispatcher~~ fleet administrator may authorize the establishment of motor pools consisting of a number of state-owned motor vehicles under the ~~dispatcher's~~ state fleet administrator's supervision ~~and which the dispatcher.~~ The state fleet administrator may cause to be stored store the motor vehicles in a public or private garage. If the state fleet administrator establishes a motor pool is established by the state vehicle dispatcher, any state officer or employee desiring the use of a state-owned motor vehicle on state business shall notify the state ~~vehicle dispatcher~~ fleet administrator of the need for a vehicle within a reasonable time prior to actual use of the motor vehicle. The state ~~vehicle dis-~~

~~dispatcher~~ fleet administrator may assign a motor vehicle from the motor pool to the state officer or employee. If two or more state officers or employees desire the use of a state-owned motor vehicle for a trip to the same destination for the same length of time, the state ~~vehicle dispatcher~~ fleet administrator may assign one vehicle to make the trip.

8. The state ~~vehicle dispatcher~~ fleet administrator ~~shall cause to be marked~~ require that a sign be placed on every ~~each~~ state-owned motor vehicle ~~a sign~~ in a conspicuous place which indicates its ownership by the state ~~except cars~~. This requirement shall not apply to motor vehicles requested to be exempt by the commissioner of public safety or the director of the department of general services. All state-owned motor vehicles shall display registration plates bearing the word "official" except ~~cars~~ motor vehicles requested to be furnished with ordinary plates by the commissioner of public safety or the director of the department of general services pursuant to section 321.19. The state ~~vehicle dispatcher~~ fleet administrator shall keep an accurate record of the registration plates used on all ~~state cars~~ state-owned motor vehicles.

9. The state ~~vehicle dispatcher~~ fleet administrator ~~shall have the authority to make such~~ may adopt other rules regarding the operation of state-owned motor vehicles, with the approval of the director of the department of general services, as may be necessary to carry out the purpose of this chapter. All rules adopted by the vehicle dispatcher shall be approved by the director before becoming effective.

10. All gasoline fuel used in state-owned automobiles shall be purchased at cost from the various installations or garages of the state department of transportation, state board of regents, department of human services, or state ~~car~~ motor pools throughout the state, unless ~~such purchases are exempted by the vehicle dispatcher~~. The vehicle dispatcher shall study and determine the reasonable accessibility of these state-owned sources for the purchase of gasoline. ~~If these~~ the state-owned sources for the purchase of gasoline fuel are not reasonably accessible, If the vehicle dispatcher state fleet administrator determines that state-owned sources for the purchase of fuel are not reasonably accessible, the state fleet administrator shall authorize the purchase of gasoline fuel from other sources. The ~~vehicle dispatcher~~ state fleet administrator may prescribe a manner, other than the use of the revolving fund, in which the purchase of gasoline fuel from state-owned sources shall ~~be~~ is charged to the ~~department or~~ state agency responsible for the use of the automobile motor vehicle. The ~~vehicle dispatcher~~ state fleet administrator shall prescribe the manner in which oil and other normal automobile motor vehicle maintenance for state-owned automobiles motor vehicles may be purchased from private sources, if they cannot be reasonably obtained from a state ~~car~~ motor pool. The state ~~vehicle dispatcher~~ fleet administrator may advertise for bids and award contracts in accordance with competitive bidding procedures for items and services as provided in this chapter for the furnishing of gasoline fuel, oil, grease, and vehicle replacement parts for all state-owned motor vehicles. The state ~~vehicle dispatcher~~ fleet administrator and other state agencies, when advertising for bids for gasoline, shall also seek bids for ethanol-blended gasoline.

11. ~~The state vehicle dispatcher is responsible for insuring motor vehicles owned by the state. Insurance coverage may be through a self insurance program administered by the department or purchased from an insurer. If the determination is made to utilize a self insurance program the vehicle dispatcher shall maintain loss and exposure data for the vehicles under the dispatcher's jurisdiction. Each agency shall provide to the department all requested motor vehicle loss and loss exposure information.~~

Sec. 38. Section 18.117, Code 1997, is amended to read as follows:

18.117 PRIVATE USE PROHIBITED — RATE FOR STATE BUSINESS.

1. A state officer or employee shall not use a state-owned motor vehicle for personal private use, ~~nor shall the~~. A state officer or employee shall not be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the state vehicle dispatcher, and in fleet administrator. In that case the state officer or employee shall receive an amount to be determined by the state which may be director in consultation

with the director of the department of personnel and the director of revenue and finance. The amount shall not exceed the maximum allowable under the federal internal revenue service rules per mile, notwithstanding established mileage requirements or depreciation allowances. However, the director may authorize per mile reimbursement private motor vehicle rates in excess of the rate allowed under the federal internal revenue service rules for state business use of substantially modified or specially equipped privately owned vehicles required by persons with disabilities. A statutory provision stipulating establishing reimbursement for necessary mileage, travel, or actual expenses reimbursement to a state officer falls under the mileage reimbursement private motor vehicle mileage rate limitation provided in this section unless specifically provided otherwise. Any peace officer employed by the state as defined in section 801.4 who is required to use a private motor vehicle in the performance of official duties shall receive reimbursement for mileage expense the private vehicle mileage rate at the rate specified provided in this section. However, the state vehicle dispatcher fleet administrator may delegate authority to officials of the state, and department heads, for the use of private vehicles on state business up to a yearly mileage figure established by the director of general services. If a state motor vehicle has been assigned to a state officer or employee, the officer or employee shall not collect mileage for the use of a privately owned motor vehicle unless the state motor vehicle assigned is not usable.

2. This section Subsection 1 does not apply to officials any of the following:

a. Officials and employees of the state whose mileage is paid by other than by a state agencies and this section does not apply to elected agency.

b. Elected officers of the state, judicial,

c. Judicial officers; or court employees.

d. Members and employees of the general assembly who shall be governed by policies relating to motor vehicle travel, including but not limited to reimbursement for expenses, as established by the general assembly.

Sec. 39. Section 421.40, unnumbered paragraph 3, Code 1997, is amended to read as follows:

The departments, the general assembly, and the courts shall pay their claims in a timely manner. If a claim for services, supplies, materials, or a contract which is payable from the state treasury remains unpaid after sixty days following the receipt of the claim or the satisfactory delivery, furnishing, or performance of the services, supplies, materials, or contract, whichever date is later, the state shall pay interest at the rate of one percent per month on the unpaid amount of the claim. This paragraph does not apply to claims against the state under chapters 25 and 669 or to claims paid by federal funds. The interest shall be charged to the appropriation or fund to which the claim is certified. Departments may enter into contracts for goods or services on payment terms of less than sixty days if the state may obtain a financial benefit or incentive which would not otherwise be available from the vendor. The department of revenue and finance, in consultation with the department of general services and other affected agencies, shall develop policies to promote consistency and fiscal responsibility relating to payment terms authorized under this paragraph. The director of the department of revenue and finance shall adopt rules under chapter 17A relating to the administration of this paragraph.

Sec. 40. NAME CHANGES — DIRECTIONS TO CODE EDITOR.

1. The Iowa Code editor shall change references to “superintendent of printing” to “state printing administrator” wherever the references appear in the Code.

2. The Iowa Code editor shall change references to “state vehicle dispatcher” to “state fleet administrator” wherever the references appear in the Code.

Sec. 41. Sections 18.41, 18.52, 18.55, 18.56, 18.76, 18.77, 18.78, 18.79, and 18.118, Code 1997, are repealed.

Approved May 6, 1998