

FEB 16 2005
HUMAN RESOURCES

HOUSE FILE 314
BY WILDERDYKE and FORD

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing requirements for persons contracting with the
2 state to provide services.

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

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HF 314

1 Section 1. NEW SECTION. 73.3A CONTRACT EMPLOYEE
2 SERVICES.

3 A person who contracts with a department, as defined in
4 section 8.2, or a state authority to provide administrative,
5 labor, or other services that would otherwise be provided by
6 state employees shall, as a condition of receiving the
7 contract, report all payments received under the contract to
8 the department of management. The department of management
9 shall annually prepare an analysis of the reports and provide
10 the analysis to the governor and the general assembly.

11 Sec. 2. NEW SECTION. 217.14 CONTRACTOR REQUIREMENTS.

12 1. A person contracting with the department of human
13 services to provide services shall be subject to all of the
14 requirements of this section.

15 2. In addition to the requirements of section 68B.7, a
16 person who has been employed by the department, for a period
17 of two years after the termination of the employment, shall
18 not contract with the department to provide services.
19 However, the prohibition under this subsection is not
20 applicable under any of the following circumstances:

21 a. The person is a subcontractor or is an employee of
22 another state department or an institution under the control
23 of the state board of regents.

24 b. If a person with expertise in a particular area is no
25 longer employed by the department, the department may contract
26 for a limited period of time to secure the expertise.

27 c. The department has demonstrated a good faith effort to
28 fill a position that is critical to the health and safety of
29 departmental clients from a pool of applicants that does not
30 include former departmental employees, but was unsuccessful in
31 identifying qualified candidates from the pool.

32 d. The person terminated employment with the department
33 due to a layoff or reduction in force.

34 e. The person terminated employment with the department
35 within twelve months of obtaining an advanced degree from an

1 accredited college or university and the degree qualified the
2 person to provide services that the person was not previously
3 qualified to provide.

4 3. A contractor shall have adequate liability insurance
5 for the services being performed.

6 4. A contractor shall be subject to evaluation
7 requirements, with preference given to evaluation performed by
8 an independent evaluator.

9 EXPLANATION

10 This bill establishes requirements for persons contracting
11 with the state to provide services.

12 The bill amends Code chapter 73, relating to preferences
13 for Iowa contracts and labor. The bill requires a person who
14 contracts with an executive branch department, commission,
15 board, institution, bureau, office, or other state government
16 agency, to report all payments received under the contract to
17 the department of management. The reporting requirement is
18 applied as a condition of receiving the contract. The
19 department of management is to annually provide an analysis of
20 the reports to the governor and the general assembly.

21 Iowa's ethics law in Code section 68B.7 prohibits a state
22 employee, within a period of two years after the termination
23 of employment, from appearing before the agency or receiving
24 compensation for any services rendered on behalf of any
25 person, firm, corporation, or association in relation to any
26 case, proceeding, or application with respect to which the
27 person was directly concerned and personally participated
28 during the period of employment. The bill provides a general
29 prohibition during the two-year period against a former
30 employee of the department of human services providing
31 services as a contractor, subcontractor, or employee of a
32 contractor providing services to the department. The bill
33 provides exceptions to the prohibition, allowing contracting
34 with a former employee under certain circumstances.

35 The bill requires a contractor with the department of human

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1 services to have adequate liability insurance for the service
2 being performed. A contractor is subject to evaluation
3 requirements, with preference given to evaluation performed by
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