

FEB 6 2001
STATE GOVERNMENT

HOUSE FILE 199
BY MILLAGE

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

A BILL FOR

1 An Act providing requirements for an itemized statement for
2 certain services provided to state agencies.

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

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HF 199

1 Section 1. NEW SECTION. 8.47 REQUIREMENTS FOR AGENCY
2 CONTRACTS -- CONSULTING AND LEGAL SERVICES.

3 1. As used in this section:

4 a. "Agency" means the same as defined in section 17A.1.

5 b. "Consulting services" means services performed by or
6 under the direction of a person for the benefit of the
7 person's client in order to improve the client's position, by
8 providing recommendations or options regarding a course of
9 action based on information collected or reviewed and analyzed
10 about the client.

11 c. "Legal services" means services involving the practice
12 of law performed by or under the direction of an attorney
13 licensed in this state for the benefit of a client in order to
14 improve the client's position.

15 d. "Service provider" means the person who is required to
16 be paid by an agency for services provided to the agency under
17 contract.

18 e. "Services" means consulting services or legal services.

19 2. This section applies to a contract in which an agency
20 that is a client of a service provider is obligated to pay the
21 service provider or another person for services provided to
22 the agency.

23 3. a. A contract, or any amendment to a contract,
24 executed by an agency receiving services shall be in writing.
25 The contract shall include the total amount due to be paid a
26 service provider for providing the services pursuant to the
27 contract. If the contract provides for payment based on an
28 hourly rate, the contract shall provide an estimate of the
29 total amount due to be paid to the service provider. The
30 agency shall withhold ten percent of the actual or estimated
31 total amount due under the contract as a condition for
32 receiving a final itemized statement of all services as
33 required in this section. This section does not prohibit an
34 agency from withholding other amounts as a condition of
35 performance.

1 b. Regardless of the terms of a contract, including the
2 basis for payment, a service provider shall deliver a final
3 itemized statement of all services, as performed under the
4 contract, to the agency. The itemized statement shall explain
5 in detail the work performed under the contract, including the
6 total number of hours of work, a summary of the work performed
7 for each hour listed, and the amount due calculated upon a per
8 hour basis.

9 EXPLANATION

10 This bill applies to all executive branch agencies and
11 provides requirements for contracts involving consulting or
12 legal services provided to the agency by a contractor
13 (referred to as a "service provider").

14 The bill provides that a contract executed by an agency
15 involving consulting or legal services must be in writing.
16 The contract must include the actual or estimated total amount
17 due to be paid, and the agency is required to withhold 10
18 percent of that amount as a condition for receiving an
19 itemized statement of all services at the end of the period of
20 service.

21 The itemized statement of services must explain in detail
22 the work performed under the contract, including the number of
23 hours of work performed, a summary of the work performed for
24 each hour listed, and the amount due calculated upon a per
25 hour basis.

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