

FEB 1 2 2001
STATE GOVERNMENT

HOUSE FILE 237
BY DOTZLER and JENKINS

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

A BILL FOR

1 An Act relating to the purchase or lease of items of general use
2 by the department of general services.

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

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1 Section 1. Section 18.3, subsections 1, 10, and 11, Code
2 2001, are amended to read as follows:

3 1. Establishing and developing, in co-operation with the
4 various state agencies, a system of uniform standards and
5 specifications for purchasing or leasing. When the system is
6 developed, all items of general use shall be purchased or
7 leased through the department, except items used by the state
8 department of transportation, institutions under the control
9 of the board of regents, the department for the blind, and any
10 other agencies exempted by law.

11 Life cycle cost and energy efficiency shall be included in
12 the criteria used by the department of general services,
13 institutions under the state board of regents, the state
14 department of transportation, the department for the blind and
15 other state agencies in developing standards and
16 specifications for purchasing or leasing energy consuming
17 products. As used in this paragraph "life cycle cost" means
18 the expected total cost of ownership or leasing during the
19 life of a product.

20 For purposes of this section, the life cycle costs of
21 American motor vehicles or motorized maintenance vehicles
22 shall be reduced by five percent in order to determine if the
23 motor vehicle or motorized maintenance vehicle is comparable
24 to foreign made motor vehicles or motorized maintenance
25 vehicles. "American motor vehicles or motorized maintenance
26 vehicles" includes those vehicles manufactured in this state
27 and those vehicles in which at least seventy percent of the
28 value of the motor vehicle or motorized maintenance vehicle
29 was manufactured in the United States or Canada and at least
30 fifty percent of the motor vehicle or motorized maintenance
31 vehicle sales or leases of the manufacturer are in the United
32 States or Canada. In determining the life cycle costs of a
33 motor vehicle or a motorized maintenance vehicle, the costs
34 shall be determined on the basis of the bid price, the resale
35 value, the fuel efficiency, and the operating costs based upon

1 a useable life of five years or seventy-five thousand miles,
2 whichever occurs first.

3 Preference shall be given to purchasing or leasing American
4 made products and purchases or leases from American based
5 businesses if the life cycle costs are comparable to those
6 products of foreign businesses and which most adequately
7 fulfill the department's need.

8 The director may purchase or lease items through the state
9 department of transportation, institutions under the control
10 of the board of regents, and any other agency exempted by law
11 from centralized purchasing. These state agencies shall upon
12 request furnish the director with a list of and specifications
13 for all items of office equipment, furniture, fixtures, motor
14 vehicles, heavy equipment and other related items to be
15 purchased or leased during the next quarter and the date by
16 which the director must file with the agency the quantity of
17 items to be purchased or leased by the state agency for the
18 department of general services. The department of general
19 services shall be liable to the state agency for the
20 proportionate costs the items purchased or leased for it bear
21 to the total purchase or lease price. When items purchased or
22 leased have been delivered, the state agency shall notify the
23 director and after receipt of the purchase or lease price
24 shall release the items to the director or upon the director's
25 order.

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

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

9 EXPLANATION

10 This bill provides that the department of general services
11 shall establish uniform standards for leasing as well as
12 purchasing all items of general use through the department.

13 The bill also provides that the department of general
14 services shall purchase or lease motor vehicles and motorized
15 maintenance vehicles by considering the life cycle costs of a
16 motor vehicle or motorized maintenance vehicle including fuel
17 efficiency. Current law does not apply to leased vehicles.

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