

MAR 9 2005
STATE GOVERNMENT

HOUSE FILE 691
BY FORD

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

A BILL FOR

1 An Act relating to state purchasing preferences and goals for
2 minority-owned targeted small business.

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

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HF 691

1 Section 1. Section 8A.311, subsection 1, Code 2005, is
2 amended to read as follows:

3 1. All equipment, supplies, or services procured by the
4 department shall be purchased by a competitive bidding
5 procedure. However, the director may exempt by rule purchases
6 of noncompetitive items and purchases in lots or quantities
7 too small to be effectively purchased by competitive bidding.
8 Preference shall be given to purchasing Iowa products and
9 purchases from Iowa-based businesses if the Iowa-based
10 business bids submitted are comparable in price to bids
11 submitted by out-of-state businesses and otherwise meet the
12 required specifications. The department shall also give
13 preference to a small business and a targeted small business
14 owned by a minority person as defined in section 15.102,
15 subsection 5, paragraph "b", if the bids are comparable in
16 price to other bids submitted and otherwise meet the required
17 specifications. If the laws of another state mandate a
18 percentage preference for businesses or products from that
19 state and the effect of the preference is that bids of Iowa
20 businesses or products that are otherwise low and responsive
21 are not selected in the other state, the same percentage
22 preference shall be applied to Iowa businesses and products
23 when businesses or products from that other state are bid to
24 supply Iowa requirements.

25 Sec. 2. Section 73.16, subsection 2, unnumbered paragraph
26 1, Code 2005, is amended to read as follows:

27 The director of each agency or department of state
28 government having purchasing authority shall establish a
29 procurement goal from certified targeted small businesses or
30 from targeted small businesses owned by minority persons, as
31 defined in section 15.102, subsection 5, paragraph "b",
32 identified pursuant to section 10A.104, subsection 8, of at
33 least ~~ten~~ fifty percent of the value of anticipated
34 procurements of goods and services, including construction,
35 but not including utility services, each fiscal year. The

1 director of each department and agency of state government
2 shall cooperate with the director of the department of
3 inspections and appeals, the director of the department of
4 economic development, and the director of the department of
5 management and do all acts necessary to carry out the
6 provisions of this division.

7 EXPLANATION

8 This bill establishes a state government purchasing
9 preference for small businesses and minority-owned targeted
10 small businesses. The bill also establishes a state
11 government purchasing goal for small businesses and minority-
12 owned targeted small businesses of 50 percent of the total
13 value of state purchases. Current law provides for a 10
14 percent goal for all small business purchases.

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