

For these reasons, I hereby disapprove these items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of Senate File 551 are hereby approved this date.

Very truly yours,

Terry E. Branstad

Terry E. Branstad
Governor

CHAPTER 196

REGULATORY, ADMINISTRATIVE AND FINANCE AGENCIES

S.F. 530

AN ACT relating to and making appropriations to various state regulatory, administrative and finance departments, boards, and commissions.

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

Section 1. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1983 and ending June 30, 1984, to the following boards the following amounts, or so much thereof as may be necessary, to be used for the following purposes:

	1983-1984 Fiscal Year
1. BOARD OF ARCHITECTURAL EXAMINERS	
For salaries, support, maintenance, and other operational purposes	\$ 45,705
2. BOARD OF LANDSCAPE ARCHITECTURAL EXAMINERS	
For salaries, support, maintenance, and other operational purposes	\$ 10,642
3. BOARD OF ACCOUNTANCY	
For salaries, support, maintenance, and other operational purposes	\$ 272,994
4. STATE BOARD OF ENGINEERING EXAMINERS	
For salaries, support, maintenance, and other operational purposes	\$ 140,570

Sec. 2. There is appropriated from the general fund of the state to the following departments and commissions for the fiscal year beginning July 1, 1983 and ending June 30, 1984, the following amounts, or so much thereof as may be necessary, to be used for the following purposes:

	1983-1984 <u>Fiscal Year</u>
1. AUDITOR OF STATE	
For salaries, support, maintenance, and miscellaneous purposes	\$ 1,533,301
In addition to the funds appropriated in this subsection, there is appropriated for the fiscal year beginning July 1, 1983 to the office of the auditor of state for the purpose of enhancing the internal and management functions of that office, coordinating auditing staff functions, centralizing staff, providing moving expenses and additional funds for salaries, support, maintenance, and miscellaneous purposes, and subject to the condition that the auditor of state's operational staff, equipment, and furnishings be moved from the state capitol building to an appropriate building located within the state capitol complex, and the use of the space vacated in the state capitol building be dedicated to the legislative branch of government, the sum of three hundred seventeen thousand six hundred sixty-three (317,663) dollars, or so much thereof as may be necessary. A ceremonial office for the auditor of state and not more than two staff members shall be established in the state capitol building.	
2. DEPARTMENT OF BANKING	
For salaries, support, maintenance, and other operational purposes	\$ 3,190,430
3. IOWA BEER AND LIQUOR CONTROL DEPARTMENT	
For salaries, support, maintenance, and other operational purposes	\$ 18,948,837
Of the money appropriated in this subsection to the Iowa beer and liquor control department, two hundred eighty-two thousand (282,000) dollars shall be spent on the establishment of six mini-stores and the optical character reader pilot project.	
4. CAMPAIGN FINANCE DISCLOSURE COMMISSION	
For salaries, support, maintenance, and other operational purposes	\$ 124,501
5. IOWA STATE COMMERCE COMMISSION	
For salaries, support, maintenance, and other operational purposes	\$ 5,774,566
It is the intent of the general assembly that three hundred seventy-four thousand eight hundred forty-four (374,844) dollars of the amount appropriated to the commerce commission be spent for computer services. The commerce commission shall report no later than March 1, 1984 to the regulatory and finance appropriations subcommittee concerning the amount so far spent during that fiscal year on computer services.	
If House File 312 introduced in the seventieth general assembly becomes law, there is appropriated for salaries, support, maintenance, and other operational purposes for the consumer advocate	
	\$ 861,476

*Item veto; see message at end of this Act

6. STATE COMPTROLLER	
a. General Office	
For salaries, support, maintenance, and other operational purposes	\$ 1,520,605
b. Division of Data Processing	
For salaries, support, maintenance, and other operational purposes	\$ 6,357,859
7. CREDIT UNION DEPARTMENT	
For salaries, support, maintenance, and other operational purposes	\$ 544,938
8. INDUSTRIAL COMMISSIONER	
For salaries, support, maintenance, and other operational purposes	\$ 1,006,657
9. INSURANCE DEPARTMENT OF IOWA	
For salaries, support, maintenance, and other operational purposes	\$ 2,728,767
<p>The insurance department may expend additional funds, if those additional expenditures are actual expenses which exceed the funds budgeted for insurance company examinations and directly result from examinations of insurance companies. Before the department expends or encumbers an amount in excess of the funds budgeted for examinations, the state comptroller shall approve the expenditure or encumbrance. Before approval is given, the state comptroller shall determine that the examination expenses exceed the funds budgeted by the general assembly to the department and that the department does not have other funds from which examination expenses can be paid. Upon approval of the state comptroller the department may expend and encumber funds for excess examination expenses. The amounts necessary to fund the excess examination expenses shall be collected from those insurance companies being examined which caused the excess expenditures and the collections shall be treated as repayment receipts as defined in section 8.2, subsection 5.</p>	
10. IOWA DEPARTMENT OF JOB SERVICE	
For salaries, support, maintenance, and other operational purposes for the administration of chapter 97 and chapter 97C and section 294.15	\$ 154,325
11. OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION	
For salaries, support, maintenance, and other operational purposes	\$ 47,034
12. PUBLIC EMPLOYMENT RELATIONS BOARD	
For salaries, support, maintenance, and other operational purposes	\$ 547,046
13. IOWA REAL ESTATE COMMISSION	
For salaries, support, maintenance, and other operational purposes	\$ 320,431
14. DEPARTMENT OF REVENUE	
a. General Administration	
For salaries, support, maintenance, and other operational purposes	\$ 15,970,057

b. Unencumbered or unobligated funds appropriated under chapter 1257, section 12, Sixty-ninth General Assembly, 1982 Session as of June 30, 1983 shall not revert to the general fund on September 30, 1983 and those funds which remain unencumbered or unobligated as of June 30, 1984 shall revert to the general fund on September 30, 1984.

c. It is the intent of the general assembly that the department of revenue place added emphasis on the enforcement of the special fuel tax law.

15. SECRETARY OF STATE

For salaries, support, maintenance, and other operational purposes \$ 1,087,823

It is the intent of the general assembly that the Iowa official register be published by April 1, if practicable.

16. TREASURER OF STATE

For salaries, support, maintenance, and miscellaneous purposes \$ 380,718

*In addition to the funds appropriated in this subsection, there is appropriated for the fiscal year beginning July 1, 1983 to the office of treasurer of state for the purpose of enhancing the internal and management functions of that office, providing adequate work space, providing moving expenses, and additional funds for salaries, support, and miscellaneous purposes, and subject to the condition that the treasurer of state's operational staff, equipment, and furnishings be moved from the state capitol building to an appropriate building located within the state capitol complex, and the use of the space vacated in the state capitol building be dedicated to the legislative branch of government, the sum of ninety-nine thousand eight hundred seventy (99,870) dollars, or so much as may be necessary. A ceremonial office for the treasurer of state and not more than two staff members shall be established in the state capitol building.

Of the money appropriated in this subsection to the treasurer of state, seventeen thousand (17,000) dollars shall be spent on an accounting technician and the leasing of a computer terminal and printer.*

Sec. 3. Chapter 79, Code 1983, is amended by adding the following new section:

NEW SECTION. 79.17 ADDITIONAL PAYROLL DEDUCTIONS.

1. For the purposes of purchasing insurance and at the request of five hundred or more state officers or employees, the state officer in charge of the payroll system shall deduct from the wages or salaries of the state officers or employees an amount specified by each of the officers or employees for payment to any insurance company authorized to do business in this state if the following conditions are met:

a. The request for the payroll deduction is made in writing to the officer in charge of the payroll system.

b. The pay period during which the deduction is made, the frequency, and the amount of the deduction are compatible with the payroll system.

c. The insurance coverage is not provided by the state.

2. The moneys deducted under this section shall be paid promptly to the insurance company designated by the state officers or employees. The deduction may be made even though the compensation paid to an officer or employee is reduced to an amount below the minimum prescribed by law. Payment to an officer or employee of compensation less the deduction shall constitute a full discharge of claims and demands for services rendered by the officer or

*Item veto; see message at end of this Act

employee during the period covered by the payment. The request for the deduction may be withdrawn at any time by filing a written notification of withdrawal with the state officer in charge of the payroll system.

Sec. 4. There is appropriated from the general fund of the state to the moneys and credits replacement fund established in section 422.100 for the fiscal year beginning July 1, 1983 and ending June 30, 1984, the following amount, or so much thereof as may be necessary, to be used for payments to counties as provided in section 422.100:

1983-1984
Fiscal Year
\$ 2,500,000

Sec. 5. There is appropriated from the general fund of the state to the county government assistance fund, established in section 334A.1, for the fiscal year beginning July 1, 1983 and ending June 30, 1984, the following amount, or so much thereof as may be necessary, to be used for state assistance to counties, with distribution in accordance with section 334A.2. The state comptroller, before making such distribution, shall credit to the county finance committee on July 1, 1983 the sum of fifty-five thousand five hundred thirty-three (55,533) dollars.

1983-1984
Fiscal Year
\$ 5,350,000

Sec. 6. There is appropriated from the general fund of the state to the municipal assistance fund, established in section 405.1, for the fiscal year beginning July 1, 1983 and ending June 30, 1984, the following amount, or so much thereof as may be necessary, to be used for state assistance to municipalities, with distribution in accordance with section 405.1. The state comptroller, before making such distribution, shall credit to the city finance committee on July 1, 1983 the sum of ten thousand eight hundred (10,800) dollars.

1983-1984
Fiscal Year
\$ 14,650,000

Sec. 7. There is appropriated from the motor vehicle fuel tax fund to the department of revenue for the fiscal year beginning July 1, 1983 and ending June 30, 1984, the following amount, or so much thereof as may be necessary, for salaries, support, maintenance, and other operational purposes for administration and enforcement of the provisions of chapter 324 and the motor vehicle use tax program:

1983-1984
Fiscal Year
\$ 786,561

It is the intent of the general assembly that of the money appropriated in this section, the department of revenue shall spend not less than three hundred fifty-six thousand (356,000) dollars for the enforcement of the motor vehicle fuel tax program.

Sec. 8. There is appropriated from the Iowa public employees' retirement system fund for the fiscal year beginning July 1, 1983 and ending June 30, 1984, to the Iowa department of job service, the following amount, or so much thereof as may be necessary, to be used for the following purposes:

1983-1984
Fiscal Year

For salaries, support, maintenance, and other operational purposes to pay the costs of administration of the Iowa public employees' retirement system	\$	2,558,143
---	----	-----------

Sec. 9. All federal grants to and the federal receipts of the agencies appropriated funds under this Act are appropriated for the purposes set forth in such federal grants or receipts unless otherwise provided by the general assembly.

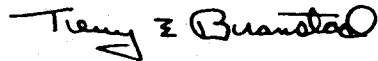
Sec. 10. Chapter 9, Code 1983, is amended by adding the following new section:

NEW SECTION. In odd-numbered years, the secretary of state shall compile for publication the Iowa official register which shall contain historical, political, and other statistics of general value, but nothing of a partisan character.

Sec. 11. Chapter 120, Code 1983, is repealed.

Sec. 12. Section 3 of this Act takes effect January 1, 1984.

Approved June 2, 1983, except the three items which I hereby disapprove and which are designated as that portion of Section 2, subsection 1, which is herein bracketed in ink and initialed by me; that portion of Section 2, subsection 3, which is herein bracketed in ink and initialed by me; and that portion of Section 2, subsection 16, which is herein bracketed in ink and initialed by me. These are all delineated with my reasons for vetoing in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.



TERRY E. BRANSTAD
Governor

The Honorable Mary Jane Odell
Secretary of State
State Capitol Building
L O C A L

Dear Madam Secretary:

I hereby transmit Senate File 530, an act relating to and making appropriations to various state regulatory, administrative and finance departments, boards, and commissions.

Senate File 530 is approved June 2, 1983, with the following exceptions which I hereby disapprove.

I am unable to approve that portion of Section 2, subsection 1, which reads as follows:

In addition to the funds appropriated in this subsection, there is appropriated for the fiscal year beginning July 1, 1983 to the office of the auditor of state for the purpose of enhancing the internal and management functions of that office, coordinating auditing staff functions, centralizing staff, providing moving expenses and additional funds for salaries, support, maintenance, and miscellaneous purposes, and subject to the condition that the auditor of state's operational staff, equipment, and furnishings be moved from the state capitol building to an appropriate building located within the state capitol complex, and the use of the space vacated in the state capitol building be dedicated to the legislative branch of government, the sum of three hundred seventeen thousand six hundred sixty-three (317,663) dollars, or so much thereof as may be necessary. A ceremonial office for the auditor of state and not more than two staff members shall be established in the state capitol building.

I am unable to approve that portion of Section 2, subsection 3, which reads as follows:

Of the money appropriated in this subsection to the Iowa beer and liquor control department, two hundred eighty-two thousand (282,000) dollars shall be spent on the establishment of six mini-stores and the optical character reader pilot project.

I am unable to approve that portion of Section 2, subsection 16, which reads as follows:

In addition to the funds appropriated in this subsection, there is appropriated for the fiscal year beginning July 1, 1983 to the office of treasurer of state for the purpose of enhancing the internal and management functions of that office, providing adequate work space, providing moving expenses, and additional funds for salaries, support, and miscellaneous purposes, and subject to the condition that the treasurer of state's operational staff, equipment, and furnishings be moved from the state capitol building to an appropriate building located within the state capitol complex, and the use of the space vacated in the state capitol building be dedicated to the legislative branch of government, the sum of ninety-nine thousand eight hundred seventy (99,870) dollars, or so much as may be necessary. A ceremonial office for the treasurer of state and not more than two staff members shall be established in the state capitol building.

Of the money appropriated in this subsection to the treasurer of state, seventeen thousand (17,000) dollars shall be spent on an accounting technician and the leasing of a computer terminal and printer.

Senate File 530 includes a separate provision requiring that \$282,000 of the \$18.9 million lump sum appropriation to the Beer and Liquor Control Department be spent on the establishment of six mini-stores in the state. The mini-stores would offer a limited selection of only the fastest-moving, high turnover wines and liquor products. They would be patterned after convenience stores in the private sector which is an experimental marketing concept for the state liquor system. The Beer and Liquor Control Department would determine the location of the mini-stores.

I am sensitive to the desire of a number of Iowa communities to secure a state liquor store. In addition, I can understand the desire of some to experiment with a new liquor marketing technique. However, I cannot approve this appropriation item because it breaks new ground in state liquor marketing at a time when the entire system is under serious review.

Specifically, on March 29 of this year I announced the formation of a task force to study Iowa's liquor system. This 14 member, bi-partisan task force is reviewing the entire state-run liquor system so that any changes proposed for the present system be done thoughtfully and carefully. This group will review four key areas of the state system: public health, safety and welfare; economic impact on the state; public convenience; and private sector competition. Since the proposed mini-store concept would directly affect each of the factors listed above, I believe it would be precipitous to approve the mini-store concept before a full analysis of its consequences is completed by the task force. Instead, I will specifically ask the task force to review this concept and include a recommendation on it in the final report to be presented to me on December 31 of this year. As a result, the next session of the legislature will also have an opportunity to review the findings of the task force and to act accordingly.

Two of the above-mentioned provisions in Senate File 530 are designed to force the Auditor's Office and the Treasurer's Office to vacate the Capitol so that the space now occupied by those two offices can be made available to the General Assembly. The Senate amendment to Senate File 530 which attempted to accomplish these purposes made the entire fiscal year 1984 appropriation to the Auditor and Treasurer contingent upon such a move to the Lucas Building, with the space vacated to be given to the legislative department. However, the House struck the Senate language on this move and instead appropriated approximately 20 percent of the recommended funding level for these offices ostensibly for miscellaneous expenses, including moving costs, on the condition that they be moved out of the Capitol to any appropriate building within the Capitol Complex, with the use of the vacated space given to the legislature. That is the language that was finally enacted by the General Assembly.

However, late in the session, in an apparent acknowledgement that the conditional 20 percent appropriation was in reality not designed to pay for the move, the legislature appropriated \$125,000 in the capitals bill to both the Treasurer and Auditor to finance the move. Thus, the legislative history of this proposal clearly indicates that the General Assembly decided to hold hostage 20 percent of the funds needed to operate the Auditor and Treasurer's Offices in order to force them to vacate the Capitol Building so that the legislature could occupy the vacated space.

Despite this threat of a cut in appropriations, both the Treasurer and Auditor have asked me to item-veto it. While I understand the legislative branch's desire for additional space, I must agree with this request for several reasons.

1) The unilateral legislative effort to secure additional space infringes on the delicate balance among the three branches of state government in Iowa. This balance among the executive, legislative and judicial branches of government has been symbolized by the Capitol, which since its dedication in 1884 has been the home of all three branches of government in Iowa. Indeed, changes in Capitol space allocation among the branches have historically been made cooperatively. The most recent change occurred in 1978 when a committee representing all branches of government jointly agreed on a revised space allocation plan. This revised plan gave the legislature two additional committee meeting rooms on the first floor of the Capitol. The agreement further recognized that adequate space within the Capitol remained a problem and the participants were urged to work together to make any further space adjustments that might become necessary.

This unilateral legislative effort to secure additional space violates the spirit of the 1978 space allocation plan. Neither the Treasurer nor the Auditor was consulted prior to this legislative action and no effort was made to resolve differences between the executive and legislative branches on this issue prior to the passage of the legislation.

Moreover, the method used by the legislature to attempt to accomplish this move — threatening a 20 percent cut in operational budgets for these offices — is inappropriate. Such an appropriation reduction could severely hamstring the operations of these two offices and could prevent them from discharging their important executive responsibilities. Certainly, this space allocation issue could have been resolved without resorting to threats to hamper executive branch operations.

2) The proposed legislative takeover of the entire Capitol space now occupied by the Auditor and the Treasurer would be an inefficient use of the Capitol. Legislative leaders have indicated to me that they would plan to make the vacated space into legislative committee rooms. If the legislature maintains the present limitation on the length of sessions, this proposed use would result in vast portions of the Capitol being vacant for up to two-thirds of every year. I believe that Iowans want their Capitol used efficiently. Indeed, I recently received a letter from a state legislator who eloquently expressed this concern, "A very beautiful and majestic State House will soon become just a sterile building if the legislature is allowed to continue the removal of the elected state officials."

3) This proposed move has not been properly planned. For example, there is no place for the Auditor or the Treasurer to move within the Capitol Complex. The Senate originally required a move to the Lucas Building because of a presumed vacancy in that building. However, one floor of the Lucas Building is vacant for good reason — it is uninhabitable since it is being completely renovated. And the Lucas Building renovation is scheduled to continue for several more years. Therefore, the House corrected this error and required a move to any place within the Capitol Complex. However, there is no sufficient space available anywhere within the Complex. Other state agencies would have to be moved to new leased space in order to accommodate the move.

Moreover, the cost of such a move is large and, it is likely that the amount appropriated in the capitals bill would be insufficient to move the two offices and to remodel their Capitol quarters for use as legislative committee rooms. Also the Treasurer's vault, which was originally built in the Capitol for his office, would have to be moved and/or replaced, as would the teller cages. Those structures are not only historically valuable, they are also quite expensive to replace.

Finally, the legislature has not carefully studied its own space needs. Indeed, a space committee was appointed by the Legislative Council in December of 1982. However, the committee has yet to meet and devise a plan identifying legislative space needs and sketching out a method to meet those needs. I understand that legislative consideration of a computer purchase has spurred this desire to locate additional space. I also understand and I can sympathize with the desire to locate all of the Legislative Fiscal Bureau employees in the Capitol. But these and other legislative space needs should be specifically delineated and a plan to meet those needs should be carefully developed prior to consideration of action to force executive branch officials out of the Capitol.

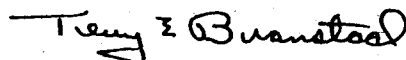
Furthermore, legislative branch space needs should be weighed against those of the executive and judicial branches and the public interest. In order to accomplish this, I suggest that a special committee be convened this summer to study Capitol space needs and to seek an agreement on the future allocation of that space. I pledge the full cooperation of the executive branch in such an effort.

In addition, I plan to instruct the Comptroller's Office to work closely with the Treasurer and Auditor to ensure the proper functioning of those offices, despite the 20 percent reduction in funding included in the legislative language at issue. Also, I will ask for a supplemental appropriation to fully fund these offices and I will urge the legislature to promptly approve that appropriation during the next session.

Finally, I am also vetoing legislative intent language in the Treasurer's appropriation which limits the allowable expenditure of \$17,000 of that appropriation. That limitation was placed in the bill at the time that the Treasurer's appropriation was increased by \$17,000. It was unintentionally kept in the bill when the House Appropriations Committee deleted the additional funds. Failure to delete that restriction would unnecessarily hamstring the Treasurer's Office.

For the above reasons, I hereby disapprove these items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of Senate File 530 are hereby approved as of this date.

Very truly yours,



Terry E. Branstad
Governor