

**CHAPTER 227**

**COMPENSATION AND BENEFITS FOR PUBLIC OFFICIALS AND EMPLOYEES**

*S.F. 504*

**AN ACT** relating to the compensation and benefits for public officials and employees by specifying salary rates and ranges, by providing adjustments for salaries, by providing coverage and adjustments for health, life, disability and dental insurance, by changing retirement benefits received by certain members of the Iowa public employees' retirement system, by creating a county compensation board and specifying its duties, by making coordinating amendments to the Code, and by providing effective dates.

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

**Section 1.**

1. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1987, and the salary rates for the fiscal year beginning July 1, 1987, are effective for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the department or agency specified in this section pursuant to any Act of the general assembly or if the appropriation is not sufficient, from the salary adjustment fund.

2. The following annual salary rates shall be paid to the person holding the position indicated:

	1987-1988
	<u>Fiscal Year</u>
<b>a. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP</b>	
Salary for the secretary of agriculture .....	\$ 50,000
<b>b. DEPARTMENT OF JUSTICE</b>	
Salary for the attorney general .....	\$ 62,500
<b>c. OFFICE OF THE AUDITOR OF STATE</b>	
Salary for the auditor of state .....	\$ 50,000
<b>d. OFFICE OF THE GOVERNOR</b>	
Salary for the governor .....	\$ 70,000
<b>e. OFFICE OF THE SECRETARY OF STATE</b>	
Salary for the secretary of state .....	\$ 50,000
<b>f. OFFICE OF THE TREASURER OF STATE</b>	
Salary for the treasurer of state .....	\$ 50,000

**Sec. 2.**

1. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1987, and are effective for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the department which the person represents.

2. The following annual salary rates shall be paid to the persons holding the positions indicated:

	1987-1988
	<u>Fiscal Year</u>
a. Chief justice of the supreme court .....	\$ 70,900
b. Each justice of the supreme court .....	\$ 65,200
c. Chief judge of the court of appeals .....	\$ 63,300
d. Each associate judge of the court of appeals .....	\$ 61,900
e. Each chief judge of a judicial district .....	\$ 60,500
f. Each district court judge except the chief judge of a judicial district ..	\$ 57,800
g. Each district associate judge .....	\$ 48,000
h. Each part-time judicial magistrate .....	\$ 13,400

## Sec. 3.

1. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1987, and for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the department or agency specified in this section.

2. The following annual salary rates shall be paid to the persons holding the positions indicated:

	1987-1988 <u>Fiscal Year</u>
a. Chairperson of the public employment relations board	\$ 43,900
b. Two members of the public employment relations board	\$ 40,700

Sec. 4. Persons receiving the salary rates established under section 1, 2, or 3 of this Act shall not receive any additional salary adjustments provided by this Act.

Sec. 5. The governor shall establish a salary for appointed nonelected persons in the executive branch of state government holding a position enumerated in section 6 of this Act within the range provided by considering, among other items, the experience of the individual in the position, changes in the duties of the position, the incumbent's performance of assigned duties, and subordinate's salaries.

The governor, in establishing salaries as provided in section 6 of this Act, shall take into consideration other employee benefits which may be provided for an individual including, but not limited to, housing.

A person whose salary is established by section 6 of this Act and who is a full-time permanent employee of the state shall not receive any other remuneration from the state or from any other source for the performance of that person's duties unless the additional remuneration is first approved by the governor or authorized by law; however, this provision does not exclude necessary travel and expenses incurred in the performance of duties or fringe benefits normally provided to employees of the state.

Sec. 6. The following annual salary ranges are effective for the positions in this section and for the fiscal year indicated. The ranges for the fiscal year beginning July 1, 1987, are effective for subsequent years until otherwise provided by the general assembly. The governor shall determine the salary to be paid to the person indicated at a rate within the salary ranges indicated from funds appropriated by the general assembly for that purpose.

1. The following salary ranges are effective for the fiscal year beginning July 1, 1987, and as otherwise provided in this section:

	<u>Minimum</u>	<u>Maximum</u>
a. Range 1	\$6,200	\$18,800
b. Range 2	\$22,600	\$37,600
c. Range 3	\$31,000	\$43,800
d. Range 4	\$37,600	\$50,300
e. Range 5	\$43,800	\$56,500

2. The following are range 1 positions: part-time members of the parole board.

3. The following are range 2 positions: appellate defender, administrator of the arts division of the department of cultural affairs, administrators of the division of persons with disabilities, the division on the status of women, the division for deaf persons, the division for Spanish-speaking peoples, and the division of children, youth and families of the department of human rights, administrator of the division of professional licensure of the department of commerce, and administrators of the division of disaster services and the division of veterans affairs of the department of public defense.

4. The following are range 3 positions: superintendent of the division of savings and loan associations of the department of commerce, administrator of the library division of the department of cultural affairs, administrator of the division of community action agencies of the department of human rights, chairperson and members of the employment appeals board of the department of inspections and appeals, administrator of the division for the blind of the department of human rights, and secretary of the state fair board.

5. The following are range 4 positions: superintendent of banking, superintendent of the credit union division of the department of commerce, administrator of the alcoholic beverages division of the department of commerce, and full-time members of the parole board.

6. The following are range 5 positions: chairperson and members of the utilities board, consumer advocate, lottery commissioner, job services commissioner, labor commissioner, industrial commissioner, insurance commissioner, administrators of the historical division and the public broadcasting division of the department of cultural affairs, and administrator of the gaming division of the department of commerce.

7. The following salary ranges are effective for the fiscal year beginning July 1, 1987, and as otherwise provided in this section:

	<u>Minimum</u>	<u>Maximum</u>
<b>DEPARTMENT DIRECTOR'S SALARIES</b>		
a. Range 6	\$34,000	\$45,500
b. Range 7	\$43,500	\$57,000
c. Range 8	\$49,700	\$66,200

8. The following are department director's salary range 6 positions: department coordinator of the department of human rights, director of the civil rights commission, executive director of the college aid commission, director of the law enforcement academy, and executive director of the campaign finance disclosure commission.

9. The following are department director's range 7 positions: director of the department of cultural affairs, director of the department of personnel, director of the department of public health, director of the department of employment services, executive director of the department of elder affairs, commissioner of the department of public safety, director of the department of general services, director of the department of commerce, and director of the department of inspections and appeals.

10. The following are department director's range 8 positions: director of the department of management, commissioner of the department of education, director of the department of revenue and finance, director of the department of economic development, director of the department of human services, director of the department of transportation, executive secretary of the state board of regents, director of the department of natural resources, and director of the department of corrections.

Sec. 7. Funds appropriated to the salary adjustment fund may be expended to fund salaries established pursuant to sections 5 and 6 of this Act if funds appropriated to the agencies represented by or employing the persons holding the positions specified in section 6 of this Act are insufficient to pay salaries provided in section 6 of this Act. The governor shall report to the legislative fiscal committee the salary rates established pursuant to section 6 of this Act by September 1, 1987.

Sec. 8. The following annual salary range is effective for the position specified in this section and for the fiscal year indicated. The range for the fiscal year beginning July 1, 1987, is effective for subsequent fiscal years until otherwise provided by the general assembly. The salary shall be paid to the person indicated at a rate determined as otherwise provided by law within the salary range from funds provided for that purpose:

	<u>Minimum</u>	<u>Maximum</u>
For the court administrator	\$49,700	\$66,200

Sec. 9. The annual salary rates or ranges provided in sections 1, 2, 3, 6, and 8 of this Act become effective for the fiscal year beginning July 1, 1987, with the pay period beginning June 26, 1987.

Sec. 10. Funds appropriated to the salary adjustment fund and other funds appropriated to the various state departments and agencies shall be used to fund the following annual pay adjustments, expense reimbursements, and related benefits not in conflict with the Code.

1. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.

2. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the public safety bargaining unit.

3. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit.

4. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the technical bargaining unit.

5. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit.

6. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the University of Northern Iowa faculty bargaining unit.

7. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the clerical bargaining unit.

8. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the social services bargaining unit.

9. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the community-based corrections bargaining unit.

10. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the judicial branch of government bargaining unit.

11. The annual pay adjustments, related benefits, and expense reimbursements referred to in sections 11 and 12 of this Act for employees not covered by a collective bargaining agreement.

Sec. 11.

1. All pay plans provided for in section 19A.9, subsection 2, and section 602.1204 as they exist for the fiscal year ending June 30, 1987, shall be increased for employees who are not included in a collective bargaining agreement made final under chapter 20 by two percent for the fiscal year beginning July 1, 1987, effective with the pay period beginning June 26, 1987. The personnel department shall revise the pay plans as provided under section 19A.9, subsection 2, by increasing the salary levels for the various grades and steps within the respective plans. In addition to the increases specified above, employees may receive merit increases or the equivalent of a merit increase.

2. The pay plans for state employees who are exempt from chapter 19A and who are included in the department of revenue and finance's centralized payroll system, and the board office employees of the state board of regents shall be increased by the same percent and in the same manner included in subsection 1 of this section.

3. This section does not apply to members of the general assembly, board members, commission members, salaries of persons set by the general assembly pursuant to this Act, or set by the governor, employees designated under section 19A.3, subsection 5, and employees under the state board of regents, but subsection 2 of this section does apply to office employees of the state board of regents.

4. Each appointing authority shall determine the percentage increase for each bargaining exempt employee's salary provided for under this section and may increase the base salaries

of the bargaining exempt employees by different percentages in accordance with rules of the personnel department, but the average percentage increase for bargaining exempt employees under each appointing authority's jurisdiction made using the appropriations authorized by this section shall not exceed the average increase provided for in subsection 1 of this section. As used in this section, "bargaining exempt employee" means employees who are excluded from the collective bargaining process as defined in section 20.4, subsections 2 through 5, and 7 through 12.

5. The pay plans for the bargaining eligible employees of the state shall be increased by the same percent and in the same manner included in subsection 1 of this section. As used in this section, "bargaining eligible employee" means an employee who is eligible to organize under section 20, but has not done so.

6. The pay of employees in classes not included in a collective bargaining agreement under chapter 20 and who received a step or equivalent pay reduction following comparable worth increases implemented on March 8, 1985, shall have the step or equivalent pay reduction restored effective the pay period beginning June 26, 1987, if the employee is still employed in the same class and was not adjusted to the minimum salary provided for the class on March 8, 1985, and is not at the top of the salary range provided for the class on or before June 15, 1987.

7. The pay of employees in classes not included in a collective bargaining agreement under chapter 20, and whose class was recommended to be increased by either the comparable worth study established in 1984 Iowa Acts, chapter 1314, or the resulting appeal process provided for in 1985 Iowa Acts, chapter 152, section 3, shall receive the increase recommended in the study or by the comparable worth appeals committee. If the recommendation of the study differs from the recommendation of the appeal committee, the decision of the appeal committee shall be controlling.

8. The policies for implementation of this section shall be approved by the governor except for those policies governing the board employees of the state board of regents, employees of the legislative department, or employees of the judicial department.

Sec. 12. The funds allocated to the state board of regents for the purpose of providing increases for employees not covered by a collective bargaining agreement shall be used as follows:

1. The amount necessary to fund the fiscal year beginning July 1, 1987, an average base salary increase of two percent of the base salaries of professional and scientific staff members, except board office employees as provided for in section 10, paid during the preceding fiscal year, to be allocated to professional and scientific staff members at the discretion of the state board of regents. In addition to the increases specified above, employees may receive merit increases at the discretion of the state board of regents.

2. For employees under the state board of regents' merit system who are not included in the collective bargaining agreement made final under chapter 20, except board office employees, the amount necessary to increase the state board of regents' merit system pay plans as they exist for the fiscal year beginning July 1, 1987, by increasing the salary levels for each grade and step within the plans by two percent for the fiscal year beginning July 1, 1987. In addition to the increases specified above, employees may receive merit increases or the equivalent thereof.

3. For faculty members who are not included in the collective bargaining agreement made final under chapter 20, for the fiscal year beginning July 1, 1987, an average base salary increase to be allocated at the discretion of the state board of regents.

4. The funds allocated to the state board of regents for faculty salary adjustments at the three state universities shall be distributed based on an amount necessary to fund an eleven percent increase in the faculty salaries after funds received from increased tuition, less the amount committed to student aid, have been allocated for that purpose.

5. The collective bargaining representatives for the faculty at the University of Northern Iowa and for the University of Northern Iowa, shall determine the distribution of the University of Northern Iowa faculty's allocation of salary adjustment funds which are provided in excess of the amount necessary to fund the collective bargaining agreement negotiated pursuant to chapter 20 for employees in the University of Northern Iowa faculty bargaining unit. The distribution shall be either according to the contract in effect for the fiscal year beginning July 1, 1987, for the fiscal year beginning July 1, 1987, or according to a different procedure that is agreeable to both parties.

6. The pay of employees in classes not included in a collective bargaining agreement under chapter 20 and who received a step or equivalent pay reduction following comparable worth increases implemented on March 8, 1985, shall have the step or equivalent pay reduction restored effective the pay period beginning June 26, 1987, if the employee is still employed in the same class and was not adjusted to the minimum salary for the class on March 8, 1985, and is not at the top of the salary range provided for the class on or before June 25, 1987.

7. The pay of employees in classes not included in a collective bargaining agreement under chapter 20 and whose class was recommended to be increased by either the comparable worth study established in 1984 Iowa Acts, chapter 1314 and the resulting appeals process provided for in 1985 Iowa Acts, chapter 152, section 3, shall receive the increase recommended in the study or by the comparable worth appeal committee. If the recommendation of the study differs from the recommendation of the appeal committee, the decision of the appeal committee shall be controlling.

Sec. 13. All funds appropriated to the salary adjustment fund for the department of transportation and for state agencies paid through the department of revenue and finance's centralized payroll system shall be used to fund salary and fringe benefit expenditures for the fiscal year beginning July 1, 1987, beginning with the biweekly pay date of July 17, 1987, and ending with the biweekly pay date of July 1, 1988. However, if an earlier effective date is provided in a collective bargaining agreement negotiated under chapter 20, the earlier effective date shall prevail for employees subject to that collective bargaining agreement.

Sec. 14. Section 2.10, subsections 1 through 3, 6, and 7, Code 1987, are amended to read as follows:

1. Every member of the general assembly except the speaker of the house and majority and minority floor leaders of the senate and house shall receive an annual salary of ~~fourteen sixteen thousand six hundred dollars~~ for the year ~~1985~~ 1989 and subsequent years while serving as a member of the general assembly. The majority and minority floor leaders of the senate and house, except the senate majority leader, shall receive an annual salary of ~~seventeen twenty-two thousand one nine hundred dollars~~ for the year ~~1985~~ 1989 and subsequent years while serving in such capacity. *\*In addition, each such member shall receive the sum of ~~forty seventy-three~~ dollars per day for expenses of office, except travel, for each day the general assembly is in session commencing with the first day of a legislative session and ending with the day of final adjournment of each legislative session as indicated by the journals of the house and senate, except that in the event the length of the first regular session of the general assembly exceeds one hundred ten calendar days and the second regular session exceeds one hundred calendar days, such payments shall be made only for one hundred ten calendar days for the first session and one hundred calendar days for the second session. However, members from Polk county shall receive ~~twenty-five~~ fifty dollars per day. Travel expenses shall be paid at the rate established by section 18.117 for actual travel in going to and returning from the seat of government by the nearest traveled route for not more than one time per week during a legislative session. However, any increase from time to time in the mileage rate established by section 18.117 shall not become effective for members of the general assembly until the convening of the next general assembly following the session in which the increase is adopted; and this provision shall prevail over any inconsistent provision of any present or future statute.\**

\*Item veto see message at end of the Act

2. The lieutenant governor shall receive an annual salary of ~~twenty-one~~ twenty-three thousand nine hundred dollars for the year 1985 and subsequent years. Personal expense and travel allowances shall be the same for the lieutenant governor as for a senator. *\*The lieutenant governor while performing administrative duties of the office of lieutenant governor when the general assembly is not in session or serving as the president of the senate during special sessions of the general assembly shall receive sixty seventy-three dollars per diem and reimbursement for expenses incurred in performing such duties.* The lieutenant governor may elect to become a member of any state group insurance plan for employees of the state established under chapter 509A and the disability insurance program established under section 79.20 on the same basis as a full-time state employee. The lieutenant governor shall authorize a payroll deduction of any premium due.\* The salary, per diem, and expenses of the lieutenant governor provided for under this subsection, including office and staff expenses, shall be paid from funds appropriated to the office of the lieutenant governor by the general assembly.

3. The speaker of the house and the senate majority leader shall receive an annual salary of ~~twenty-one~~ twenty-three thousand nine hundred dollars for the year 1985 1989 and subsequent years while serving as the speaker of the house or as the senate majority leader. Expense and travel allowances shall be the same for the speaker of the house and the senate majority leader as provided for other members of the general assembly.

\*6. *In addition to the salaries and expenses authorized by this section, members of the general assembly shall be paid forty seventy-three dollars per day, except the speaker of the house who shall be paid sixty dollars per day, and necessary travel and actual expenses incurred in attending meetings for which per diem or expenses are authorized by law for members of the general assembly who serve on statutory boards, commissions, or councils, and for standing or interim committee or subcommittee meetings subject to the provisions of section 2.14, or when on authorized legislative business when the general assembly is not in session. However, if a member of the general assembly or the lieutenant governor is engaged in authorized legislative business at a location other than at the seat of government during the time the general assembly is in session, payment may be made for the actual transportation and lodging costs incurred because of the business. Such The per diem or expenses shall be paid promptly from funds appropriated pursuant to section 2.12.*

7. *If a special session of the general assembly is convened, members of the general assembly shall receive, in addition to their annual salaries, the sum of forty seventy-three dollars per day for each day the general assembly is actually in special session, and the same travel allowances and expenses as authorized by this section.\**

\*Sec. 15. Section 2.40, Code 1987, is amended to read as follows:

**2.40 MEMBERSHIP IN STATE INSURANCE PLANS.**

A member of the general assembly may elect to become a member of a any state health ~~or medical service~~ group insurance plan for employees of the state established under chapter 509A subject to the following conditions:

1. The member shall pay the total premium for the plan selected on the same basis as a full-time state employee.

2. The member shall authorize a payroll deduction of the total premium during the member's pay plan selected pursuant to subsection 5 of section 2.10.

3. The premium rate will be the same as the premium rate paid by a state employee for the plan selected except the state will provide no matching funds.

In order to implement this section a member of the general assembly may elect to become a member of a state health or medical service group insurance plan effective July 1, 1983 or as authorized in the contract of the state January 1, 1989, unless a member of the general assembly is a member of a state group insurance plan on December 31, 1988. A member of the general assembly may continue membership in a state group insurance plan without reapplication during the member's tenure as a member of consecutive general assemblies. For the purpose of electing

\*Item veto see message at end of the Act

*to become a member of the state health or medical service group insurance plan for the first time, a member of the general assembly has the status of a "new hire", full-time state employee. A member of the general assembly may change programs or coverage under the state health or medical service group insurance plan during the month of January following reelection without a statement of health, a physical examination, or a condition rider. If a member of the general assembly elected to be paid the member's total salary during each pay period during the first six months of 1983, that member may become a member of the state health or medical service group insurance plan by paying the premium due until that member's salary and payroll deductions commence.\**

Sec. 16. Section 79.1, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Salaries specifically provided for in an appropriation Act of the general assembly shall be in lieu of existing statutory salaries, for the positions provided for in the Act, and all salaries, including longevity where applicable by express provision in the Code, shall be paid according to the provisions of chapter 91A and shall be in full compensation of all services, including any service on committees, boards, commissions or similar duty for Iowa government, except for members of the general assembly. A state employee on an annual salary shall not be paid for a pay period an amount which exceeds the employee's annual salary transposed into a rate applicable to the pay period by dividing the annual salary by the number of calendar days pay periods in the fiscal year, and multiplying the result by the number of calendar days in the pay period. Salaries for state employees other than annual salaries shall be established on an hourly basis.

*\*Sec. 17. Section 79.20, subsection 4, Code 1987, is amended to read as follows:*

*4. All permanent full-time state employees shall be covered under the employees disability insurance program, except the members of the general assembly, board members and members of commissions who are not full-time state employees, and state employees who on July 1, 1974, are under another disability program financed in whole or in part by the state. For purposes of this section, members of the general assembly shall be considered full-time employees of the state during their tenure in office. Members of the general assembly serving on or after January 9, 1989, shall receive credit for the time they continuously served as members of the general assembly before January 9, 1989.\**

Sec. 18. Section 97B.41, subsection 3, paragraph b, subparagraph (1), Code 1987, is amended to read as follows:

(1) Elective officials in positions for which the compensation is on a fee basis, elective officials of school districts, elective officials of townships, and elective officials of other political subdivisions who are in part-time positions, graduate medical students while serving as interns or resident doctors in training at any hospital, or county medical examiners and deputy county medical examiners under chapter 331, division V, part 7. However, a county attorney is an employee for purposes of this chapter whether that county attorney is employed on a full-time or a part-time basis.

Sec. 19. Section 97B.50, subsection 2, Code 1987, is amended to read as follows:

2. A member who has completed thirty or more years of service who retires from the system due to disability and commences receiving disability benefits pursuant to the United States Social Security Act (42 U.S.C.), as amended to July 1, 1978, who is eligible for early retirement, but has not reached the normal retirement date, shall receive full benefits under section 97B.49 and shall not have benefits reduced upon retirement as required under subsection 1 of this section regardless of whether the member has completed thirty or more years of membership service. This section takes effect July 1, 1986 1987 for a member meeting the requirements of this subsection who retired from the system at any time between July 4, 1953 and June 30, 1978 1987.

Sec. 20. Section 97B.50, subsection 3, Code 1987, is amended by striking the subsection.

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\*Item veto see message at end of the Act



Sec. 21. NEW SECTION. 97B.73A PART-TIME COUNTY ATTORNEYS.

A part-time county attorney may elect in writing to the department to make employee contributions to the system for the county attorney's previous service as a county attorney and receive credit for membership service in the system for the period of service as a part-time county attorney for which employee contributions are made. The contributions paid by the member shall be equal to the accumulated contributions, as defined in section 97B.41, subsection 12, for that period of membership service. A member who elects to make contributions under this section shall notify the county board of supervisors of the member's election, and the county board of supervisors shall pay to the department the employer contributions that would have been contributed by the employer under section 97B.11 plus interest on the contributions that would have accrued if the county attorney had been a member of the system for that period of service.

Sec. 22. Section 97C.2, subsection 3, Code 1987, is amended to read as follows:

3. The term "employee" includes elective and appointive officials of the state or any political subdivision thereof, except elective officials in positions, the compensation for which is on a fee basis, elective officials of school districts, elective officials of townships, and elective officials of other political subdivisions who are in part-time positions; ~~provided that no.~~ However, a member of a county board of supervisors or a county attorney shall not be deemed to be an elective official in a part-time position, but every member of a county board of supervisors and every county attorney shall be deemed to be an employee within the purview of under this chapter and shall be is eligible to receive all of the benefits provided by this chapter to which the member may be entitled as an employee.

Sec. 23. Notwithstanding section 97B.41, subsection 3, if a county as an employer under chapter 97B and a part-time county attorney have made contributions under section 97B.11 prior to July 1, 1987, the part-time county attorney shall receive credit for membership service under the system for the period for which the contributions were made.

Sec. 24. Section 331.321, subsection 1, paragraph n, Code 1987, is amended to read as follows:

n. ~~One member~~ Two members of the county compensation board in accordance with section 331.905.

Sec. 25. Section 331.322, subsection 7, Code 1987, is amended to read as follows:

7. Provide necessary office facilities and the technical and clerical assistance requested by the county compensation board to accomplish the purposes of sections 331.905 ~~to and~~ 331.907.

Sec. 26. Section 331.323, subsection 1, unnumbered paragraph 5, Code 1987, is amended to read as follows:

When the duties of an officer or employee are assigned to one or more elected officers, the board shall set the initial salary for each elected officer ~~which shall not exceed the recommendation of the county compensation board. The county auditor shall call a special meeting of the county compensation board for this purpose and the county compensation board shall make a recommendation within thirty days of the call. The board may reduce the salary recommendation but not below the existing salary of the affected elective officer.~~ Thereafter, the salary shall be determined as provided in section 331.907.

Sec. 27. Section 331.502, subsection 32, Code 1987, is amended by striking the subsection.

Sec. 28. Section 331.905, subsections 1, 2, and 3, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

1. There is created in each county a county compensation board which shall be composed of seven members who are residents of the county. The members of the county compensation board shall be selected as follows:

a. Two members shall be appointed by the board of supervisors.

b. One member shall be appointed by each of the following county officers: the county auditor, county attorney, county recorder, county treasurer, and county sheriff.

2. The members of the county compensation board shall be appointed to four-year, staggered terms of office. The members of the county compensation board shall not be officers or employees of the state or a political subdivision of the state. A term shall be effective on the first of July of the year of appointment and a vacancy shall be filled for the unexpired term in the same manner as the original appointment.

Sec. 29. Section 331.907, subsections 1 and 2, Code 1987, are amended by striking the subsections and inserting in lieu thereof the following:

1. The annual compensation of the auditor, treasurer, recorder, sheriff, county attorney, and supervisors shall be determined as provided in this section. The county compensation board annually shall review the compensation paid to comparable officers in other counties of this state, other states, private enterprise, and the federal government. In setting the salary of the county sheriff, the county compensation board shall consider setting the sheriff's salary so that it is comparable to salaries paid to professional law enforcement administrators and command officers of the Iowa highway safety patrol, the division of criminal investigation of the department of public safety, and city police agencies in this state. The county compensation board shall prepare a compensation schedule for the elective county officers for the succeeding fiscal year. A recommended compensation schedule requires a majority vote of the membership of the county compensation board.

2. At the public hearing held on the county budget as provided in section 331.434, the county compensation board shall submit its recommended compensation schedule for the next fiscal year to the board of supervisors for inclusion in the county budget. The board of supervisors shall review the recommended compensation schedule for the elected county officers and determine the final compensation schedule which shall not exceed the compensation schedule recommended by the county compensation board. In determining the final compensation schedule if the board of supervisors wishes to reduce the amount of the recommended compensation schedule, the amount of salary increase proposed for each elected county officer shall be reduced an equal percentage. A copy of the final compensation schedule shall be filed with the county budget at the office of the director of the department of management. The final compensation schedule takes effect on July 1 following its adoption by the board of supervisors.

#### Sec. 30. ORIGINAL APPOINTMENTS — TRANSITION.

1. Notwithstanding section 331.905, subsection 2, which provides for four-year terms of office, the members of the county compensation board appointed under section 331.905, subsection 1, paragraph "a" and two members of the county compensation board appointed under section 331.905, subsection 1, paragraph "b", shall be appointed to a two-year term which begins on July 1, 1987 and ends on June 30, 1989. The two members shall be selected by lot. Thereafter, the members appointed initially to a two-year term shall be appointed to four-year terms of office. All other members of the county compensation board shall be appointed to four-year terms of office commencing July 1, 1987.

2. The terms of office of members of county compensation boards serving unexpired terms immediately before the effective date of this Act shall expire on June 30, 1987, and their offices are abolished on that date. Appointments made to the county compensation boards to be effective on or after July 1, 1987, except those made as provided in section 33\* of this Act, are void.

#### Sec. 31. NEW SECTION. 602.1514 JUDICIAL COMPENSATION COMMISSION.

1. A judicial compensation commission is established. The commission is composed of eight members, four of whom shall be appointed by the governor and four of whom shall be appointed by the legislative council. Members of the commission shall be appointed without regard to political affiliation and shall not be state officials or employees, employees of any state department, board, commission, or agency or of any political subdivision of the state.

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\*Section 28 apparently intended

2. Members of the commission shall serve for a term of office of four years, and for the initial commission, two members determined by lot shall be appointed by each appointing authority to a term of two years. Thereafter, all members shall be appointed to four-year terms. Vacancies on the commission shall be filled for the unexpired term in the same manner as the original appointment.

3. Members of the commission shall serve without compensation, but shall receive actual and necessary expenses, including travel at the state rate. Payment shall be made from funds available pursuant to section 2.12; however, members appointed by the governor shall be paid from funds appropriated to the office of the governor.

4. The commission shall elect its own chairperson from among its membership and shall meet on the call of the chairperson to review judicial salaries and related benefits. The commission shall review the compensation and related benefits paid to statutory judicial officers, and shall review the compensation and related benefits paid for comparable positions in other states, the federal government, and private enterprise. Based on the review and other factors deemed relevant, the commission shall make its recommendation as to judicial salaries and related benefits to the governor and the members of the general assembly. No later than February 1 of each odd-numbered year the commission shall report to the governor and to the general assembly its recommendations.

5. The governor and the general assembly shall consider the recommendations of the commission in determining judicial salaries and related benefits.

Sec. 32. Section 2A.4, Code 1987, is amended to read as follows:

2A.4 MEETINGS — DUTIES.

The commission shall elect its own chairperson from among its membership and shall meet on the call of the chairperson to review compensation and expenses received by members of the general assembly and salaries of the other elective state officials. The commission shall review compensation and expenses paid to members of the general assembly and salaries paid to other elective state officials, ~~and statutory judicial officers~~, and shall review compensation, expenses, and salaries paid for comparable positions in other states, the federal government, and private enterprise. Based on such review and other factors deemed relevant, the commission shall make its determination as to compensation and expense levels for members of the general assembly and as to salary levels for other elective state officials to be recommended to the governor and the members of the general assembly. No later than February 1, 1973, and each two years thereafter, the commission shall report to the governor and to the general assembly its recommendations for compensation and expenses for members of the general assembly and for salaries for other elective state officials.

Sec. 33. Sections 15 and 17 of this Act take effect January 1, 1989.

Sec. 34. Section 331.906, Code 1987, is repealed.

*Approved June 8, 1987, except the items which I hereby disapprove and which are designated as that portion of section 14, subsection 1 which is herein bracketed in ink and initialed by me; that portion of section 14, subsection 2 which is herein bracketed in ink and initialed by me; section 14, subsections 6 and 7 in their entirety; section 15; and section 17. My reasons for vetoing these items are delineated 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

Dear Madam Secretary:

I hereby transmit Senate File 504, an Act relating to the compensation and benefits for public officials and employees by specifying salary rates and ranges, by providing adjustments for salaries, by providing coverage and adjustments for health, life, disability and dental insurance, by changing retirement benefits received by certain members of the Iowa Public Employees' Retirement System, by creating a county compensation board and specifying its duties, by making coordinating amendments to the Code, and by providing effective dates.

Senate File 504 provides for salary and benefit increases for public officials and state employees. It ratifies the recent collective bargaining agreement and provides for a two percent scheduled increase for all state employees on July 1 of this year plus appropriate merit increases. In addition, substantial changes are made to the salaries provided for statewide elected officials, the judiciary, and members of the General Assembly.

I had recommended a 3.5 percent salary increase for elected officials and members of the General Assembly. That level of increase is consistent with the average cost of increases provided for other state employees. I am concerned that the increases provided for in Senate File 504, in some cases, greatly exceed my recommendations. Several items in Senate File 504 provide for large compensation increases for members of the General Assembly which are not reflected in their actual salaries. As a result, the average member of the General Assembly would receive a total compensation increase of approximately 30 percent if Senate File 504 were signed into law as enacted.

My recommendations reflected the fact that some salary adjustments are in order for elected officials, particularly since those salaries have been frozen for the past three years. However, I cannot accept the excessive level of compensation increases provided for members of the General Assembly in Senate File 504.

I am unable to approve that portion of Section 14, Subsection 1, which reads as follows:

In addition, each such member shall receive the sum of ~~forty seven~~ thirty-three dollars per day for expenses of office, except travel, for each day the general assembly is in session commencing with the first day of a legislative session and ending with the day of final adjournment of each legislative session as indicated by the journals of the house and senate, except that in the event the length of the first regular session of the general assembly exceeds one hundred ten calendar days and the second regular session exceeds one hundred calendar days, such payments shall be made only for one hundred ten calendar days for the first session and one hundred calendar days for the second session. However, members from Polk county shall receive ~~twenty-five~~ fifty dollars per day. Travel expenses shall be paid at the rate established by section 18.117 for actual travel in going to and returning from the seat of government by the nearest traveled route for not more than one time per week during a legislative session. However, any increase from time to time in the mileage rate established by section 18.117 shall not become effective for members of the general assembly until the convening of the next general assembly following the session in which the increase is adopted; and this provision shall prevail over any inconsistent provision of any present or future statute.

And, I am unable to approve that portion of Section 14, Subsection 2, which reads as follows:

The lieutenant governor while performing administrative duties of the office of lieutenant governor when the general assembly is not in session or serving as the president of the senate during special sessions of the general assembly shall receive ~~sixty seven~~ thirty-three dollars per diem and reimbursement for expenses incurred in performing such duties.

The lieutenant governor may elect to become a member of any state group insurance plan for employees of the state established under chapter 509A and the disability insurance program established under section 79.20 on the same basis as a full-time state employee. The lieutenant governor shall authorize a payroll deduction of any premium due.

And, I am unable to approve the item designated as Section 14, Subsections 6 and 7 in their entirety.

These items in Senate File 504 would provide Polk County members of the General Assembly with a 100 percent increase in their daily allowance during the time the legislature is in session. In addition, non-Polk County legislators would receive an 82.5 percent increase in their daily allowance during the regular and special sessions. Such an increase in the daily allowance when combined with the 13 percent salary increase already provided for in Senate File 504 would allow legislators to receive a combined compensation increase of up to 30 percent.

Clearly, inflation has not increased by 82.5 percent or 100 percent over the past three years; such a large increase in the per diem is, therefore, difficult to justify. Moreover, given the difficult economic times which have faced many Iowans over the past few years, elected officials would do well to set an appropriate example by moderating their compensation increases to those clearly provided in their salaries. By dramatically increasing the daily allowances, legislators have, in effect, provided a huge hidden compensation increase for themselves. I cannot accept this back door method of increasing legislative compensation.

I am unable to approve that item designated as Section 15, in its entirety and Section 17, in its entirety.

This item in Senate File 504 provides that a portion of the health insurance costs for members of the General Assembly will be paid for by the state and allows the members an almost unlimited ability to change insurance coverage. In addition, this item provides that members of the General Assembly shall become members of the state disability insurance program, despite the fact that legislators have, in the past, not been considered full time state employees. This special treatment for members of the General Assembly ranges beyond the restrictions included in the health and disability insurance plans provided for other state employees. If members of the General Assembly wish to be part of those plans, they should live with the same rules as other state employees. Moreover, by requiring the taxpayers to foot a portion of the health insurance coverage for members of the General Assembly, another form of a hidden increase in compensation for members of the general assembly is included in this bill. I cannot accept these well-masked attempts to increase the compensation of legislators.

I am also deeply concerned about the efforts of the General Assembly to use legal drafting devices to evade my item veto authority on compensation bills. The General Assembly has chosen to remove the appropriation from the salary bill and place it in a separate bill. In fact, that salary adjustment appropriation is made as a lump sum and is placed as a condition upon the approval of Senate File 504. I cannot accept that legislative device to clearly evade the Governor's item veto authority. (People ex rel State Board of Agriculture vs. Brady 115 NE 204)

In this case, the legislature is clearly incorporating a lump sum appropriation in a separate bill in order to evade the Governor's ability to strike specific items relating to the expenditure of that lump sum appropriation. That is clearly a legal device designed to avoid the Governor's ability to strike appropriation items and cannot be accepted.

Moreover, by tying two separate pieces of legislation together with a conditional lump sum appropriation, the legislature is attempting to greatly limit the Governor's authority to separately decide upon the merits of each appropriation item in each bill. Taken to its logical conclusion, the legislature could, in effect, eliminate the Governor's item veto authority by

providing for the authorization for expenditures in one bill and a lump sum appropriation for those purposes in another. I cannot allow such an erosion of the Governor's item veto authority to occur.

The Governor's item veto authority was designed to provide the Governor with the ability to strike appropriation items. Nothing is more clearly related to the expenditure of taxpayers money than legislation providing additional salary increases. To view the item veto authority otherwise would greatly hamstring the gubernatorial authority over appropriations and potentially emasculate this important check on state spending.

In addition, the bill does authorize payments from a standing unlimited appropriation in Chapter 2 of the Code. An authorization of payment is an appropriation by definition.

In short, I cannot accept the items in Senate File 504 which provide for an 82.5 percent to 100 percent increase in daily allowances for legislators and allow legislators to receive special health insurance coverage treatment. Taken together, these benefit increases would increase legislative compensation by over 30 percent. That is an excessive increase.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 504 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD, *Governor*