

FILED APR 25 1980

SENATE FILE 2385

By COMMITTEE ON APPROPRIATIONS
Approved 4/25 (g. 1779)
(FORMER SSB) 2312

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

A BILL FOR

1 An Act appropriating funds for reclassification and upgrading
2 of employee positions, providing for salary increases,
3 and transferring funds in the military service tax
4 credit fund to the general fund and funding such credit
5 from the general fund.

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

- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

S.F. 2385

5946
5975
1 Section 1. There is appropriated from the general fund
2 of the state for the fiscal year beginning July 1, 1980 and
3 ending June 30, 1981, to the state comptroller the sum of
4 two million two hundred thousand (2,200,000) dollars, or so
5 much thereof as is necessary, for reclassification and up-
6 grading of the pay plan and providing for salary increases
7 for all state employees who are included in the state
8 comptroller's centralized payroll system and state department
9 of transportation payroll system in order that salary levels
10 paid by the state remain competitive.

5946
5975
11 Sec. 2. There is appropriated from the general fund of
12 the state to the state board of regents for the fiscal year
13 beginning July 1, 1980 and ending June 30, 1981, the sum of
14 one million five hundred fifty thousand (1,550,000) dollars,
15 or so much thereof as is necessary, for the purpose of
16 reclassification or upgrading of positions and providing
17 salary increases of personnel employed at institutions under
18 the control of the state board of regents in order that salary
19 levels paid by the state board of regents will be comparable
20 or competitive with salary levels paid by similar institutions
21 to those under the control of the state board of regents.

5946
5975
22 Sec. 3. There is appropriated from the general fund of
23 the state for the fiscal year beginning July 1, 1980 and
24 ending June 30, 1981 to the state comptroller through the
25 state board of public instruction the sum of four hundred
26 fifty thousand (450,000) dollars, or so much thereof as is
27 necessary, for allocation as additional general state financial
28 aid for supplementary adjustment purposes of merged area
29 school personnel in order that salary levels paid by the
30 merged area schools will be comparable or competitive with
31 salary levels paid by similar institutions or schools.

5946
5959
5960
32 Sec. 4. Section one hundred twenty-three point fifty-three
33 (123.53), Code 1979, is amended by striking subsection seven
34 (7).

35 Sec. 5. Section four hundred twenty-six A point one

1 (426A.1), Code 1979, is amended to read as follows:

2 426A.1 MILITARY SERVICE TAX CREDIT FUND. There is hereby
 3 appropriated from any moneys in the state treasury not
 4 otherwise appropriated, ~~the a sum of eight-hundred-thousand~~
 5 ~~dollars-to-establish-a-fund-to-be-known-as-"the-military~~
 6 ~~service-tax-credit-fund"~~, ~~in-which-fund-shall-also-be-included~~
 7 ~~the-amounts-credited-to-the-military-service-tax-fund-provided~~
 8 ~~by-section-123-53, sub-section-7~~ sufficient to pay the military
 9 service tax credits in the manner provided in this chapter.

10 Sec. 6. Section four hundred twenty-six A point two
 11 (426A.2), Code 1979, is amended to read as follows:

12 426A.2 WHERE CREDIT GIVEN. The military service tax
 13 credit ~~fund~~ shall be ~~apportioned~~ paid each year as hereinafter
 14 provided so as to replace all or a portion of the tax on
 15 property eligible for military service tax exemption in the
 16 state, were such property subject to taxation the amount of
 17 such credit to be equal to not more than six dollars and
 18 seventy-five cents per thousand dollars of assessed value
 19 upon the valuation of property subject to the tax which, but
 20 for military service tax exemption, would be payable upon
 21 such property in the taxing district to which such property
 22 is located.

23 Sec. 7. Section four hundred twenty-six A point four
 24 (426A.4), Code 1979, is amended to read as follows:

25 426A.4 CERTIFICATION BY DIRECTOR OF REVENUE. Sums
 26 distributable ~~from~~ for the military service tax credit ~~fund~~
 27 shall be allocated every six months to the several counties
 28 of the state. On March 25 and September 25 annually the
 29 director of revenue shall certify to the comptroller the total
 30 credits claimed by each county. Upon receipt of the
 31 certification from the director of revenue, the comptroller
 32 shall draw warrants to the treasurer of each county payable
 33 from the ~~military-tax-service-credit~~ general fund in the
 34 amount claimed, ~~provided-that-if-the-amount-of-money-in-said~~
 35 ~~fund-is-insufficient-to-pay-the-credits-claimed-in-full,-then~~

1 ~~in-that-event-they-shall-be-paid-on-a-pre-rata-basis.~~

2 Sec. 8. Section four hundred twenty-six A point six
3 (426A.6), Code 1979, is amended to read as follows:

4 426A.6 SETTING ASIDE ALLOWANCE. Should the director of
5 revenue determine, upon investigation, that any claim for
6 military service tax exemption has been allowed by any board
7 of supervisors which is not justifiable under the law and
8 not substantiated by proper facts, the director may, at any
9 time within twenty-four months from July 1 of the year in
10 which the claim is filed, set aside such allowance. Notice
11 of such disallowance shall be given to the county auditor
12 of the county in which such claim has been improperly granted
13 and a written notice of such disallowance shall also be
14 addressed to the claimant at his last known address. Such
15 claimant, or the board of supervisors, may seek judicial
16 review of the action of the director of revenue in accordance
17 with the terms of the Iowa administrative procedure Act.
18 In any case, where a claim is so disallowed by the director
19 of revenue and no petition for judicial review is filed with
20 respect to such disallowance, any amounts of credits allowed
21 and paid ~~from-the-military-service-tax-credit-fund~~ shall
22 become a lien upon the property on which said credit was
23 originally granted, if still in the hands of the claimant,
24 and not in the hands of a bona fide purchaser, and any amount
25 so erroneously paid shall be collected by the county treasurer
26 in the same manner as other taxes and such collections shall
27 be returned to the department of revenue and credited to the
28 ~~military-service-tax-credit~~ general fund. The director of
29 revenue shall also have the authority to institute legal
30 proceedings against a military service tax exemption claimant
31 for the collection of all payments made on such disallowed
32 exemptions.

33 Sec. 9. Section four hundred twenty-six A point eight
34 (426A.8), Code 1979, is amended to read as follows:

35 426A.8 EXCESS REMITTED--APPEALS. If the amount of credit

1 apportioned to any property eligible to military service tax
2 exemption under the provisions of this chapter in any year
3 shall exceed the total tax, exclusive of any special
4 assessments levied against such property eligible for military
5 service tax exemption then such excess shall be remitted by
6 the county treasurer to the department of revenue to be
7 ~~redeposited in the military-service-tax-credit~~ general fund
8 ~~and-reallocated-the-following-year-by-the-department-as~~
9 ~~provided-hereunder.~~

10 In the event any claim for exemption made hereunder has
11 been denied by the board of supervisors, and such action is
12 subsequently reversed on appeal, the same credit shall be
13 allowed on the assessed valuation, not to exceed the amount
14 of the military service tax exemption involved in said appeal,
15 as was allowed on other military service tax exemption
16 valuations for the year or years in question, and the director
17 of revenue, the county auditor, and the county treasurer are
18 hereby authorized and directed to make such credit and to
19 change their books and records accordingly.

20 In the event the appealing taxpayer has paid one or both
21 of the installments of the tax payable in the year or years
22 in question on such military service tax exemption valuation,
23 remittance shall be made to the county treasurer in the amount
24 of such credit.

25 The amount of such credit shall be allocated and paid from
26 the ~~surplus-redeposited-in-the-military-tax-credit-fund~~
27 ~~provided-for-in-the-first-paragraph-of-this-section~~ general
28 fund.

29 Sec. 10. Section four hundred twenty-six A point nine
30 (426A.9), Code 1979, is amended to read as follows:

31 426A.9 ERRONEOUS CREDITS. In the event any claim is
32 allowed, and subsequently reversed on appeal, any credit made
33 thereunder shall be void, and the amount of such credit shall
34 be charged against the property in question, and the director
35 of revenue, the county auditor and the county treasurer are

1 authorized and directed to correct their books and records
2 accordingly. The amount of such erroneous credit, when
3 collected, shall be returned by the county treasurer to the
4 ~~military-service-tax-credit~~ general fund ~~to-be-reallocated~~
5 ~~the-following-year-as-provided-herein~~ of the state.

5950 6 Sec. 11. Section four hundred twenty-six A point ten
7 (426A.10), Code 1979, is repealed.

8 Sec. 12. Funds deposited in the military service tax
9 credit fund on June 30, 1980 shall be transferred to the
10 general fund of the state on July 1, 1980.

5945
5961 11 EXPLANATION

12 This bill appropriates funds for reclassification and
13 upgrading of employees' positions and for salary increases
14 on the centralized payroll system. It does the same for board
15 of regents employees and merged area school employees. It
16 changes the military service tax credit law by placing funds
17 in the military service tax credit fund into the general fund
18 which affects the cash flow for such program and results in
19 more funds being placed into the general fund.

20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

S-5950

1 Amend Senate File 2385 as follows:

2 1. Page 5, by inserting after line 5 the following:

3 "Sec. ____ . REDUCTION OF NUMBER OF STATE EMPLOYEES.

4 1. The number of employees in the executive branch
5 of state government, except employees whose positions
6 are not funded in whole or in part from the general
7 fund or trust funds of the state, shall be reduced
8 by three percent or more each fiscal year between
9 July 1, 1980, and June 30, 1983, for a total nine
10 percent reduction, as follows:

11 a. The state comptroller shall determine the
12 authorized full-time equivalent positions filled in
13 each department and agency of the executive branch,
14 except employees of the state board of regents, on
15 July 1, 1980, July 1, 1981 and July 1, 1982.

16 b. The state board of regents shall categorize
17 all positions within its jurisdiction as part-time,
18 intermittent or full-time, and determine the total
19 authorized budgeted positions filled within each
20 category, on July 1, 1980, July 1, 1981 and July 1,
21 1982.

22 c. The state comptroller and the board of regents
23 shall report the total number of filled, authorized,
24 full-time equivalent and budgeted positions determined
25 in paragraphs a and b of this subsection to the
26 legislative council on July 1, 1980, July 1, 1981
27 and July 1, 1982.

28 d. Each department and agency, and the state board
29 of regents, shall leave vacancies unfilled as they
30 occur, except for vacant positions which must be
31 filled to maintain the essential functions of the
32 department, agency, or regents institution, to achieve
33 a three percent or more reduction in the number of
34 filled, authorized, full-time equivalent and budgeted
35 positions each fiscal year between July 1, 1980 and
36 June 30, 1983, for a total nine percent reduction.

37 2. The number of authorized full-time equivalent
38 positions within the executive branch, and the number
39 of authorized budgeted positions within the board
40 of regents, actually filled on June 30, 1981, June
41 30, 1982 and June 30, 1983, shall be at least three
42 percent less than the number of authorized full-time
43 equivalent positions and authorized budgeted positions
44 filled on the previous July first. However, no more
45 than one-fourth of the total reduction of budgeted
46 positions within the board of regents shall be faculty
47 positions, and emphasis shall be placed upon the
48 reduction of administrative positions in each category.

49 3. This section does not apply to positions held
50 by inmates, patients, or students at any state

SENATE 25
APRIL 26, 1980

S-5950
PAGE 2

1 institution.
2 4. The state comptroller and the president of
3 the board of regents shall report the number,
4 classification, and salary level of authorized, full-
5 time equivalent and budgeted positions unfilled to
6 the legislative council and the chairpersons of the
7 senate and house appropriations committees on January
8 second, March first and June thirtieth of each fiscal
9 year period between July 1, 1980 and June 30, 1983."
10 2. Renumber sections in accordance with this
11 amendment.

S-5950 FILED
APRIL 25, 1980

BY STEPHEN BISENIUS

SENATE FILE 2385

S-5945

1 Amend Senate File 2385 as follows:
2 1. Page 5, by inserting after line 10 the
3 following:
4 "Sec. 13. The appropriation of funds in sections
5 one (1), two (2) and three (3) of this Act is
6 contingent upon both the state comptroller and the
7 director of the legislative fiscal bureau being in
8 agreement on June 30, 1980 that the appropriation
9 of those funds from the general fund will not cause
10 the unobligated state general balance to fall below
11 sixty million dollars as required for computation of
12 the annual inflation factor under Acts of the Sixty-
13 eighth General Assembly, 1979 Session, chapter ninety-
14 three (93), section one (1), paragraph e of the new
15 subsection."

S-5945 FILED
APRIL 25, 1980

BY RAY TAYLOR

SENATE FILE 2385

S-5959

1 Amend Senate File 2385 as follows:
2 1. Page 1, by inserting after line 31, the following
3 new section:
4 "Sec. _____. Adjustments authorized by this Act
5 shall be provided equitably so that the percentage
6 adjustment for employees who are subject to the
7 provisions of an agreement negotiated pursuant to
8 chapter twenty (20) of the Code shall not be less
9 than the percentage adjustment for similarly classified
10 employees who are not subject to such agreements."

S-5959 FILED
APRIL 25, 1980

BY WILLARD HANSEN

APRIL 26, 1980

SENATE FILE 2385

S-5960

1 Amend Senate File 2385 as follows:

2 1. Page 1, by inserting after line 31 the
3 following:

4 "Sec. 4. Section two point ten (2.10), subsections
5 one (1), two (2) and three (3), Code 1979, as amended
6 by Acts of the Sixty-eighth General Assembly, 1979
7 Session, chapter two (2), section nineteen (19), are
8 amended to read as follows:

9 1. Every member of the general assembly except
10 the speaker of the house and majority and minority
11 floor leaders of the senate and house shall receive
12 an annual salary of twelve thousand ~~eight-hundred~~
13 dollars for the year 1981 and ~~thirteen-thousand-seven~~
14 hundred twelve thousand eight hundred dollars for
15 the year 1982 while serving as a member of the general
16 assembly. The majority and minority floor leaders
17 of the senate and house shall receive an annual salary
18 of ~~fifteen~~ fourteen thousand dollars for the year
19 1981 and ~~sixteen~~ fifteen thousand dollars for the
20 year 1982 while serving in such capacity. In addition,
21 each such member shall receive the sum of thirty
22 dollars per day for expenses of office, except travel,
23 for each day the general assembly is in session
24 commencing with the first day of a legislative session
25 and ending with the day of final adjournment of each
26 legislative session as indicated by the journals of
27 the house and senate, except that in the event the
28 length of the first regular session of the general
29 assembly exceeds one hundred twenty calendar days
30 and the second regular session exceeds one hundred
31 calendar days, such payments shall be made only for
32 one hundred twenty calendar days for the first session
33 and one hundred calendar days for the second session.
34 However, members from Polk county shall receive fifteen
35 dollars per day. Travel expenses shall be paid at
36 the rate established by section 18.117 for actual
37 travel in going to and returning from the seat of
38 government by the nearest traveled route for not more
39 than one time per week during a legislative session.
40 However, any increase from time to time in the mileage
41 rate established by section 18.117 shall not become
42 effective for members of the general assembly until
43 the convening of the next general assembly following
44 the session in which the increase is adopted; and
45 this provision shall prevail over any inconsistent
46 provision of any present or future statute.

47 2. The lieutenant governor shall receive an annual
48 salary of ~~nineteen~~ eighteen thousand ~~two-hundred~~
49 dollars for the year 1981 and ~~twenty-thousand-five~~
50 hundred nineteen thousand dollars for the year 1982.

S-5960
Page 2

1 Personal expense and travel allowances shall be the
2 same for the lieutenant governor as for a senator.
3 The lieutenant governor while performing administrative
4 duties of the office of lieutenant governor when the
5 general assembly is not in session or serving as the
6 president of the senate during special sessions of
7 the general assembly shall receive sixty dollars per
8 diem and reimbursement for expenses incurred in
9 performing such duties. The salary, per diem, and
10 expenses of the lieutenant governor provided for under
11 this subsection, including office and staff expenses,
12 shall be paid from funds appropriated to the office
13 of the lieutenant governor by the general assembly.
14 3. The speaker of the house shall receive an
15 annual salary of ~~nineteen~~ eighteen thousand ~~two-hundred~~
16 ~~dollars~~ for the year 1981 and ~~twenty-thousand-five~~
17 ~~hundred~~ nineteen thousand dollars for the year 1982
18 while serving as the speaker of the house. Expense
19 and travel allowances shall be the same for the speaker
20 of the house as provided for other members of the
21 general assembly."
22 2. By renumbering and correcting internal
23 references to conform with this amendment.

S-5960 FILED
APRIL 25, 1980

BY RAY TAYLOR
STEPHEN W. BISENIUS
DALE L. TIEDEN GARY L. BAUGHER
JOHN W. JENSEN ARNE WALDSTEIN

SENATE FILE 2385

S-5961

1 Amend Senate File 2385 as follows:

2 1. Page 5, by inserting after line 10 the
3 following:

4 "Sec. . . . NEW SECTION. DISCHARGE OR LAYOFF
5 OF CERTAIN EMPLOYEES.

6 "1. No department or agency of this state shall
7 discharge or lay off an employee, under circumstances
8 involving no fault or delinquency on the part of the
9 employee, with intent that work which that employee
10 has been performing shall instead be obtained by
11 contract with a nonstate entity, at the time the
12 employee is discharged or laid off or at any time
13 thereafter, unless the department or agency has first
14 complied with the requirements of this subsection.

15 a. Before discharging or laying off employees
16 under the circumstances described in this subsection,
17 the department or agency shall certify in writing
18 to the chairpersons of the standing committees on
19 appropriations of the senate and house of
20 representatives that the discharge or lay off of those
21 employees will enable the department or agency to
22 deliver services of at least as high a quality as
23 those performed by the employees being discharged
24 or laid off, while effecting a net saving in the cost
25 of those services.

26 b. Employees shall not be discharged or laid off,
27 under the circumstances described in this subsection,
28 with less than ninety days notice of intent to take
29 such action.

30 2. It is the intent of the general assembly that
31 any individual who is or formerly was an employee
32 of a department or agency of this state, and who has
33 been or has received notice that he or she will be
34 discharged or laid off under the circumstances
35 described in subsection one (1) of this section, shall
36 have five points added to the grade or score attained
37 in qualifying examinations for appointment to jobs
38 classified under the merit employment system of this
39 state, any provisions of chapter nineteen A (19A)
40 of the Code or of any other statute to the contrary
41 notwithstanding."

S-5961 FILED
APRIL 25, 1980

BY SUE YENGER
BOB CARR

SENATE FILE 2385

S-5948

1 Amend Senate File 2385 as follows:

2 1. Page 1, by striking lines 4 through 7 and
3 inserting in lieu thereof the words "four million
4 seven hundred thousand (4,700,000) dollars, or so
5 much thereof as is necessary, for the purpose of
6 providing an annual pay adjustment of two percent
7 for the fiscal year beginning July 1, 1980 and for
8 reclassification and upgrading of the pay plan for
9 all state employees who are included in the state".

10 2. Page 1, by striking lines 14 through 17 and
11 inserting in lieu thereof the words "three million
12 two hundred thousand (3,200,000) dollars, or so much
13 thereof as is necessary, for the purpose of providing
14 an annual pay adjustment of two percent for the fiscal
15 year beginning July 1, 1980 and for reclassification
16 and upgrading of personnel employed at institutions
17 under".

18 3. Page 1, by striking lines 25 through 28 and
19 inserting in lieu thereof the words "state board of
20 public instruction the sum of one million three hundred
21 thousand (1,300,000) dollars, or so much thereof as
22 is necessary, for the purpose of providing an annual
23 pay adjustment of two percent for the fiscal year
24 beginning July 1, 1980 and for supplementary adjustment
25 purposes of merged area".

26 4. Page 1, by inserting after line 31 the
27 following:

28 "Sec. 4. The funds appropriated by sections one
29 (1), two (2), and three (3) of this Act shall first
30 be used to fund the two percent salary adjustment
31 for the employees affected and remaining funds shall
32 be used for the other purposes specified. Such funds
33 are in addition to funds appropriated by Acts of the
34 Sixty-eighth General Assembly, 1979 Session, chapter
35 two (2) and shall be paid in the same manner, as a
36 combined adjustment, as specified in that Act for
37 the employees designated. The state board of regents
38 may adjust the percentages specified in the Acts of
39 the Sixty-eighth General Assembly, 1979 Session,
40 chapter two (2), as in its discretion it determines
41 will provide equitable salary adjustments and meet
42 the purposes of this Act. Employees covered under
43 section twenty-three (23) and twenty-four (24) of
44 the Acts of the Sixty-eighth General Assembly, 1979
45 Session, chapter two (2), are eligible to receive
46 the two percent pay adjustment provided in this Act
47 but from funds appropriated by that Act."

48 5. Renumber as required.

S-5948 FILED
APRIL 25, 1980

BY ARTHUR A. SMALL, JR.
TOM SLATER
BOB CARR
LOWELL JUNKINS

Senate
HOUSE FILE 2385

S-5974

1 Amend the Small, et al, amendment S-5948 to Senate
2 File 2385, as follows:

3 1. Page 1, by inserting after line 47 the
4 following:

5 "Sec. _____. NEW SECTION. DISCHARGE OR LAYOFF
6 OF CERTAIN EMPLOYEES.

7 1. No department or agency of this state shall
8 discharge or lay off an employee, under circumstances
9 involving no fault or delinquency on the part of the
10 employee, with intent that work which that employee
11 has been performing shall instead be obtained by
12 contract with a nonstate entity, at the time the
13 employee is discharged or laid off or at any time
14 thereafter, unless the department or agency has first
15 complied with the requirements of this subsection.

16 a. Before discharging or laying off employees
17 under the circumstances described in this subsection,
18 the department or agency shall certify in writing
19 to the chairpersons of the standing committees on
20 appropriations of the senate and house of
21 representatives that the discharge or lay off of those
22 employees will enable the department or agency to
23 deliver services of at least as high a quality as
24 those performed by the employees being discharged
25 or laid off, while effecting a net saving in the cost
26 of those services.

27 b. Employees shall not be discharged or laid off,
28 under the circumstances described in this subsection,
29 with less than ninety days notice of intent to take
30 such action.

31 2. It is the intent of the general assembly that
32 any individual who is or formerly was an employee
33 of a department or agency of this state, and who has
34 been or has received notice that he or she will be
35 discharged or laid off under the circumstances
36 described in subsection one (1) of this section, shall
37 have five points added to the grade or score attained
38 in qualifying examinations for appointment to jobs
39 classified under the merit employment system of this
40 state, any provisions of chapter nineteen A (19A)
41 of the Code or of any other statute to the contrary
42 notwithstanding."

S-5974 FILED
APRIL 26, 1980

BY SUE YENGER
BOB CARR

SENATE FILE 2385

S-5975

1 Amend Senate File 2385 as follows:

2 1. Page 1, line 4, by striking the words and figure
3 "two million two hundred thousand (2,200,000)" and inserting
4 in lieu thereof the words and figure "two million eight
5 hundred thousand (2,800,000)".

6 2. Page 1, line 10, by inserting after the period
7 the following: "Salary adjustments or increases under this
8 section shall be made in such a way as to eliminate the
9 discrimination, if any, between the merit pay plan as it
10 applies to employees covered by collective bargaining
11 agreements and the merit pay plan for employees not
12 covered by collective bargaining agreements."

13 3. Page 1, line 14, by striking the words and figure
14 "one million five hundred fifty thousand (1,550,000)" and
15 inserting in lieu thereof the words and figure "two million
16 fifty thousand (2,050,000)".

17 4. Page 1, line 21, by inserting after the period
18 the following: "Salary adjustments or increases under this
19 section shall be made in such a way as to eliminate the
20 discrimination, if any, between the merit pay plan as it
21 applies to employees covered by collective bargaining
22 agreements and the merit pay plan for employees not
23 covered by collective bargaining agreements."

24 5. Page 1, lines 25 and 26, by striking the words and
25 figure "four hundred fifty thousand (450,000)" and inserting
26 in lieu thereof the words and figure "six hundred thousand
27 (600,000)".

28 6. Page 1, line 31, by inserting after the period
29 the following: "Salary adjustments or increases under this
30 section shall be made in such a way as to eliminate the
31 discrimination, if any, between the merit pay plan as it
32 applies to employees covered by collective bargaining
33 agreements and the merit pay plan for employees not
34 covered by collective bargaining agreements."

S-5975 FILED
APRIL 26, 1980

BY JOHN S. MURRAY