

M I N U T E S
LEGISLATIVE COUNCIL

October 12, 1983

The eighth meeting of the 1983-1984 Iowa Legislative Council was called to order by the Chairperson, Speaker Donald Avenson, at 1:40 p.m., Wednesday, October 12, 1983, in Senate Committee Room 22 of the State House in Des Moines, Iowa. Council members present were:

Speaker Donald Avenson, Chairperson
Senator Lowell L. Junkins, Vice Chairperson
Senator James E. Briles
Senator C. Joseph Coleman
Senator Donald V. Doyle
Senator Merlin D. Hulse
Senator Calvin O. Hultman
Senator C. W. Bill Hutchins
Senator Dale Tieden
Representative Dale Cochran
Representative John H. Connors
Representative Tom Jochum
Representative Jean Lloyd-Jones
Representative Lester D. Menke
Representative Lowell Norland
Representative Delwyn Stromer
Representative Richard Welden

Also present were:

Mr. Jack Walters, Director of General Services
Mr. Wilbur Johnson, State Fire Marshal
Mr. Al Meier, Labor Commissioner
Mr. Ta-yu Yang, Civil Rights Commission
Mr. Dennis Prouty, Director of the Legislative Fiscal Bureau
Mr. Serge Garrison, Director of the Legislative Service Bureau
Mr. William Angrick, Citizens' Aide
Commissioner Michael Reagan, Commissioner of Human Services
Ms. Diane Bolender, Legislative Service Bureau

Also present were other Iowa legislative staff persons, news media representatives, and other interested individuals.

Chairperson Avenson recognized Senator Junkins who moved that the Council dispense with the roll call. The motion was adopted.

Senator Junkins moved that the minutes of the August 29, 1983 Legislative Council meeting be approved as distributed to Council members.

Representative Connors moved that the Legislative Council receive and file the Educational Leave Report, and the motion was adopted. Senator Coleman asked whether the cost of tuition for an employee receiving educational leave comes from appropriations made to the employee's state agency. Chairperson Avenson responded in the affirmative.

Chairperson Avenson called for the Report of the Space Committee. Senator Junkins noted that the Space Committee had met on both September 22, 1983 and October 12, 1983 and he moved the adoption of the Space Committee Report, a copy of which is attached and by this reference made a part of these minutes.

He asked Mr. Walters to comment upon the Capitol Space Study conducted by the architectural and consulting firm of Hanson Lind Meyer. Mr. Walters stated that the Legislative Council had authorized the expenditure of \$18,000 to conduct a study of space needs in the Capitol. He commented that the study was completed and the Space Committee is recommending adoption by the Legislative Council of a proposal known as B-1 which anticipates construction of underground offices totaling 40,000 square feet to the east of the Capitol Building. He indicated that these offices would house employees of the Legislative Service Bureau, the Legislative Fiscal Bureau, committee chairpersons, and meeting rooms for the General Assembly. He added that completion of such office space would enable all employees to leave the second and third floor mezzanine offices that have been built, and will improve fire safety and handicap access.

Mr. Walters expressed the belief that the legislators have a definite need for additional space and the addition to the Capitol will be of a long-term benefit to the citizens of the state. He expressed hope that the Legislative Council will endorse the proposal of the Space Committee and will be able to provide an appropriate number of dollars for completion of the project.

It was noted that the underground area will include two levels of construction below the ground floor and will cost approximately \$5.86 million for the new construction, landscaping and furnishing of work stations.

Mr. Walters called for comments from Mr. Yang. Mr. Yang stated that a person who is handicapped does not have access to many legislative areas, but the plan that is being proposed will meet many of the needs of handicapped persons for accessibility to legislative areas.

Mr. Walters thanked Mr. Yang and called on Mr. Meier. Mr. Meier stated that the Bureau of Labor was asked to do a survey of work hazards found in the House of Representatives and many deficiencies were found, especially in the mezzanine areas. Mr. Meier indicated that there would be a problem in assisting people from the areas in case of a fire. He expressed support for plan B-1 and stated that anything the General Assembly can do to remove people from the mezzanine areas will save lives in case of an emergency. Senator Junkins asked what the Labor Commissioner would do if the Capitol Building were a private sector building. Mr. Meier stated that the Bureau of Labor would not allow people to be officed in an area like the mezzanine area. He added that because the Capitol Building is an historical landmark, it would not be required to meet the fire codes that are necessary for private industry.

Chairperson Avenson described an incident that occurred several years ago when a spectator in the House gallery had a heart attack and it was very difficult for rescue equipment to be transported up to the gallery area and for the victim to be removed from the Capitol. Senator Briles commented that he does not recall any heart attacks occurring in the Senate gallery or chamber. Mr. Walters interjected that proposal B-1 also anticipates the installation of two elevators from the ground floor area to the galleries which would provide better access and egress.

Mr. Walters asked for comments from Mr. Johnson. Mr. Johnson stated that the State Fire Marshal's Office has been concerned for many years about the fire hazards in the Capitol. He stated that his office would like mezzanine areas removed and machines and paper removed from exit corridors. He also stated that he would like to see the cafeteria removed from the Capitol Building and would like the building retrofitted with a sprinkler system.

Chairperson Avenson asked about fire hazards as a result of recent construction of mezzanine areas and use of wallboard that contains plastic and toxic substances. Mr. Johnson responded that there is a fire hazard from plastic and toxic substances and it is impossible to prohibit their use because of industry pressure. He stated that high quality draperies and carpeting materials have been used in the Capitol Building so that toxic fumes will not result from fires of these materials.

Senator Hultman asked about the attic areas and whether they are fire hazards. Mr. Johnson responded that his office investigates the attics at least two times per year and informs the Department of General Services of materials that should be removed. Representative Connors asked about a person who spoke to the Space Committee about fire hazards and asked whether it would be possible for him to talk to employees of the Capitol Building. Mr. Johnson responded that the Fire Marshal's office is attempting to provide funds for the person to talk to state employees, not only in the Capitol Building but other buildings as well.

Representative Lloyd-Jones asked about the timeframe for completion of the project. Mr. Walters stated that he would like to have \$1 million appropriated to the Department next year in order to provide funds for design of the structure. He estimated that if funds are available for the structure, it would require 25 months to complete the new construction and an additional six months to remove the mezzanine areas. Representative Lloyd-Jones expressed the belief that the General Assembly should move ahead with the project as speedily as possible, noting that the expense is much less than constructing a new building.

Senator Junkins moved that the Legislative Council adopt the Report of the Space Committee and that the Legislative Council go on record that as soon as funds are available for completion of

Plan B-1, it will be the number one priority of the General Assembly. Representative Lloyd-Jones seconded the motion, and it carried.

Chairperson Avenson called for the Report of the Administration Committee. A copy of the Administration Committee Report is attached, and by this reference made a part of these minutes. Representative Connors gave the Report of the Administration Committee and moved its adoption by the Legislative Council, and the motion carried.

Chairperson Avenson called for the Report of the Legislative Fiscal Committee, a copy of which is attached and by this reference made a part of these minutes. Representative Jochum gave the report of the Legislative Fiscal Committee. Representative Jochum added that the Legislative Fiscal Committee will invite a representative from the Governor's Office to come to the next Fiscal Committee meeting to answer fiscal questions that were asked during the meeting, especially clarification about reductions recommended by the Governor which will take legislative approval next session. Representative Connors moved that the Fiscal Committee Report be adopted, and the motion carried.

Chairperson Avenson called for the Report of the Service Committee. Senator Hutchins read the Service Committee Report and moved its adoption. A copy of the Report of the Service Committee is attached and by this reference made a part of these minutes.

Representative Menke asked whether it is wise to consider employing a Legislative Data Processing Manager when the computer system is not yet in place. Senator Hutchins responded that the request is not to employ such a person, but to begin searching for the person who might fit the criteria. He commented that as soon as the computer system is in place, a person will be needed who is knowledgeable about both the computer system and the legislative process.

Senator Hultman asked for further information about the salary increases for employees of the Legislative Fiscal Bureau, and Mr. Prouty replied that they are position reallocations. Representative Stromer pointed out that it has been the philosophy of the House Rules and Administration Committee in recent years to start all professional legislative positions at a Pay Grade 24 and after a certain time, to move those persons to Pay Grade 26. It was noted that under the pay plan of the Legislative Fiscal Bureau, those persons who had been Pay Grade 24 have been advanced to Pay Grade 27 and beyond to Pay Grade 30. He suggested that all legislative employees should have this option. Chairperson Avenson expressed agreement with Representative Stromer's comments and suggested that it may be appropriate for the two Rules and Administration Committees to meet jointly to establish such a pay schedule, or it may be appropriate as a topic of discussion for the Legislative Procedures Subcommittee. Senator Hultman suggested

that the present salary resolution may contain enough flexibility to make these changes. The motion to adopt the Service Committee Report carried.

Chairperson Avenson called for the Report of the Studies Committee. Senator Junkins gave the Report, and a copy of it is attached and by this reference made a part of these minutes. With regard to the second request relating to approval for meetings of Appropriations Subcommittees, he indicated that the Studies Committee does not intend that the additional days granted be to visit other areas of the state as a visitation committee, but intend instead that the Appropriations Subcommittee prepare for the upcoming session. Chairperson Avenson expressed the belief that the Subcommittees should focus on problems in dealing with their agencies' budgets in light of the 2.8 percent budget reductions which took place during the current fiscal year. He added that the House of Representatives intends to reduce its budget by three percent from the State Comptroller's level and five percent from budget projections. Representative Stromer asked about whether ranking members would be included in the planning. Chairperson Avenson responded that a letter will be sent to the Subcommittee chairpersons asking them to respond about the manner in which they will spend their two days and it is anticipated that the ranking members will be consulted.

Representative Jochum expressed the belief that it is a good idea for the Appropriations Subcommittees to get together for at least two days since some of them will have special problem areas. Chairperson Avenson responded that the Studies Committee's intent is not to bring the full subcommittees together but to bring the Visitation Subcommittee's membership together for planning purposes. He added that if one or two subcommittees have significant problems in their areas, an entire subcommittee may be brought in.

Representative Cochran asked whether the Studies Committee considered any other request for studies, such as land use. Senator Junkins responded that the request for a land use study was postponed indefinitely, although the standing committees can study the problem during the next session. He indicated that many good study requests were denied. The motion to adopt the Studies Committee's Report carried.

Chairperson Avenson recognized Commissioner Reagen who had requested time before the Legislative Council to provide an update on the effect of the executive order reducing appropriations by 2.8 percent on the operations of the Department of Human Services. He distributed a chart showing the effect of the cuts on the DHS budget, information called "Coping With an Across-the-Board Cut," an executive summary of the Budget Reduction Plan prepared by the Bureau of Finance, and a letter from Commissioner Reagen on behalf of Mrs. Lipsky, Chairperson of the Council on Human Services, to Governor Branstad outlining the Department's plan to reduce its FY

1984 budget by 2.8 percent. Commissioner Reagen explained that a 2.8 percent annual budget reduction is 3.7 percent over a nine-month period. He indicated that for the Department of Human Services this means a reduction of \$10.4 million in state money and \$9.1 million dollars in matching federal money. He further commented that according to the Attorney General's Office, certain programs are operated at expenditure levels that are not totally funded (as the ADC programs) and it is necessary that the Department make contingency plans for shortfalls in revenue and the Commissioner is personally liable for the deficit.

Commissioner Reagen indicated that he has two potential surpluses within the separate appropriations made to the Department of Human Services and these include a nearly \$3 million surplus in the ADC program and a \$1.5 million surplus in the Community Services budget. He indicated that the surplus in the ADC program may be possible since the caseloads for July, August, and September are increasing but not at the level predicted by the Department. He indicated that the surplus in the Community Services budget has been possible because the number of employees has only been 2,010 and the budget contemplated full-time equivalency positions numbering 2,194. He stated that it is necessary to have 2,070 full-time equivalent employees. He indicated that there are a number of deficit budgets including Medicaid of \$800,000, state supplemental of \$372,000, foster care of \$828,000, and all other programs a deficit of \$368,186. Commissioner Reagen indicated that the Council on Human Services voted to cut each separate appropriation the required 2.8 percent amount and whenever there is a surplus remaining, the 2.8 percent will be taken from the surplus. He indicated that the Council will then ask the General Assembly through a transfer of appropriations or application of remaining surpluses, to reappropriate some of the moneys that are surplus to the deficit areas. He indicated that if this is done, the Department of Human Services anticipates a surplus balance of the close of the fiscal year of about \$10,000.

Commissioner Reagen commented that there are other problems remaining to be solved relating to funding for the Department of Human Services. He stated that for the first time, the State of Iowa faces a potential of fiscal sanctions and disallowances from the federal government. He indicated that the federal auditors are reviewing financial data from previous years and disallowing certain funds that had already been received by the Department. As a counter to this problem, former State Comptroller Ron Mosher hired a consulting firm to also review the data and see if there are areas in which additional funds could have been obtained from the federal government. He stated that he hopes the state will be successful in receiving additional funds to balance the disallowance. He indicated that members of the Iowa Congressional delegation, from both houses and both parties, have been very cooperative.

Commissioner Reagen also commented that there has been a reduction in the percentage of federal participation in a number of human services programs and there has also been a shrinking percentage of allowance for error rates. He commented that the State of Iowa may be faced with a disallowance or fiscal sanction in the food stamp programs because of the error rate.

He indicated that the Department of Human Services will have a legislative package prepared for January in order to assist in meeting its obligations. He also commented that he feels strongly that the positions in the field under the Community Services Program should be filled and that cuts that providers have had should be restored.

Chairperson Avenson asked about pending lawsuits filed by providers. Commissioner Reagen responded that he cannot comment on pending litigation but if the litigants are successful and retroactive payments are demanded, the State of Iowa would appeal.

Senator Hutchins inquired about a reduced inflation rate in payments made to intermediate care facilities. Commissioner Reagen responded that he would visit privately with Senator Hutchins and indicated that the inflation rate is being reduced to zero. Commissioner Reagen agreed that reducing the inflation factor is not a prudent means of saving funds and commented that it is also not prudent to reduce the appropriation for child support recovery. Senator Hutchins displayed a letter which had been given him that he understood was sent to intermediate care facilities' residents relating to a reduction in payments for them. Commissioner Reagen responded that he is not aware of any such letter that was sent to recipients and will attempt to find out more information about it.

Chairperson Avenson commended Commissioner Reagen for providing the Legislative Council with information about the operation of the Department of Human Services and commended Commissioner Reagen on the manner in which he approached the General Assembly on difficult decisions.

The Legislative Council will hold its next meetings on November 10 and December 7. (NOTE: The November Council meeting was subsequently scheduled for November 9, 1983.)

The Legislative Council adjourned at 3:15 p.m.

Respectfully submitted,

SERGE GARRISON
Director

DIANE BOLENDER
Senior Research Analyst