

MINUTES
SERVICE COMMITTEE OF THE LEGISLATIVE COUNCIL

November 19, 1991

PRELIMINARY BUSINESS

The November 19, 1991, meeting of the Service Committee of the Iowa Legislative Council was called to order by Senator Joseph J. Welsh, Chairperson, at 9:10 a.m., in Room 22 of the State House, Des Moines, Iowa. Members present in addition to Chairperson Welsh were:

Senator Jack Rife
Representative Kay Chapman
Representative John Connors
Representative Harold Van Maanen

Also present at the meeting were Ms. Diane Bolender, Director, Legislative Service Bureau; Mr. Dennis Prouty, Director, Legislative Fiscal Bureau; Mr. Sandy Scharf, Director, Computer Support Bureau; Mr. William Angrick, Citizens' Aide/Ombudsman.

Also present were other members of the legislative staff and other interested persons.

Chairperson Welsh asked for unanimous consent to approve the minutes of the October 16, 1991, meeting which had been previously distributed to members of the Committee. There were no objections and the minutes were approved as distributed.

PROPOSED BUDGETS OF THE CENTRAL STAFF AGENCIES

Chairperson Welsh noted that the first item on the agenda related to the approval of the 1992-1993 Fiscal Year budgets for the Central Legislative Staff Agencies. Ms. Diane Bolender, Director of the Legislative Service Bureau, noted that the information on the central staff agency budgets contained in the members' packets was the same as the Committee had previously received.

Representative Connors moved that the Committee approve the budgets of all of the central staff agencies and transmit the budgets to the Legislative Council for

final approval. Chairperson Welsh called for discussion on the motion and noted that budgets which are under discussion will take effect on July 1, 1992. Ms. Bolender added that the provisions in Chapter 2 require that the central staff agencies submit their budgets to the Legislative Council in September, which corresponds roughly with what the executive branch agencies are required to do, so that they can be approved and submitted to the Department of Management by December for inclusion in the Governor's budget.

Senator Rife noted that the proposed budget of the Legislative Service Bureau contains a 7.4 percent increase. Ms. Bolender responded that the budget figures contain moneys for a salary adjustment, which would not be used and would revert to the general fund if no salary adjustment is made, and that without that salary adjustment the Service Bureau budget contains approximately a negative 2 percent increase.

Chairperson Welsh asked what aspect of the budgets are being considered as salary adjustment moneys and Ms. Bolender replied that what she is considering to be salary adjustment moneys are merit increase moneys and aspects of the budget that may be affected by the outcome of the lawsuit that is currently pending on certain state employee pay increases. Chairperson Welsh asked whether the salary adjustment moneys would be reflected in the budgets submitted by all of the legislative agencies to the Governor, to which he received an affirmative response. Chairperson Welsh expressed concern that such salary adjustments will be reflected for legislative agencies but not for executive branch agencies. Mr. Prouty indicated that some adjustments are often made by the Governor to the legislative agencies' budgets, that normally salary adjustments in the executive branch are reflected as a lump sum, but that the Governor's Office does assume that salary adjustments for legislative employees are built into their legislative budgets, and that any executive branch lump sum adjustments will not reflect increases in legislative employee salaries incurred as a result of collective bargaining negotiations. He added, after a comment by Chairperson Welsh, that given the Governor's current position on salary increases, it is probable that salary increases would not be reflected in his new budget proposal.

Senator Rife asked what Mr. Prouty was referring to when he indicated that the legislative branch budgets were being adjusted before they are included in the Governor's budget proposal. Mr. Prouty indicated that adjustments by the executive branch were often made in at least one of the central staff agencies' budgets, usually the Fiscal Bureau's, and one or the other of the chamber's budgets, despite discussions relating to the propriety of those adjustments. Senator Rife noted that the budgets are provided for under a standing unlimited appropriation and that any adjustments in them are of no actual consequence. Senator Rife then asked whether, by expression of his concerns over the salary adjustments, Chairperson Welsh was asking the Committee to consider eliminating the salary adjustment moneys.

Chairperson Welsh responded in the negative, but noted that he was simply trying to highlight the potential objections to the proposed budgets and the likelihood that similar increases will probably not be reflected in the executive branch departmental budgets. Mr. Prouty noted that his major concern with not including the salary adjustment moneys is the potential implications on the pending lawsuit relating to the Governor's item veto of moneys appropriated by the General Assembly to fund collective bargaining agreements, especially in light of the defense's attempts to introduce decisions made recently as evidence of past budget estimates, adding that the defense had attempted recently to introduce information relating to budget decisions made during September of this year. Representative Chapman echoed the concern about creating potential problems by deleting the salary moneys from the budgets.

Senator Rife asked Mr. William Angrick, Citizens' Aide/Ombudsman, and Mr. Sandy Scharf, Director of the Legislative Computer Support Bureau, about the sources of the increases in the communications portions of their respective budgets. Mr. Angrick responded that his increase was due to an increase in the telephone rates charged to his department by the Department of General Services. Mr. Scharf indicated that his increase was a reflection of an increase in the communications rates, the fact that more lines have been run, and the increase in the number of "dial-in's" to the computer system. Representative Chapman commented that each time a legislator uses a watts modem the cost would be reflected in Mr. Scharf's communications budget. Chairperson Welsh affirmed Representative Chapman's statement.

Chairperson Welsh asked if there were additional comments on the budgets. Representative Chapman moved that the budgets be recommended to the Legislative Council. Representative Connors seconded the motion. The motion passed, without objections, on a voice vote.

ADDITIONAL BUSINESS -- POSITION RECLASSIFICATIONS

Chairperson Welsh asked if there was any additional business to come before the Committee. Representative Connors asked whether the Committee was to take up the issues of employee reclassification and salary increases for former probationary employees, which had been deferred until this meeting. Chairperson Welsh noted that the issues had been discussed at the last two Committee meetings and that representatives from all legislative staffs had met and developed a reclassification proposal. The proposal was previously distributed by mail to the Committee members. Chairperson Welsh indicated his desire that all the professional staffs meet and agree on the proposal. A copy of the proposal is on file in the Legislative Service Bureau. He added that the implementation proposal which was also distributed to Committee members, a copy of which is also on file in

the Legislative Service Bureau, is Representative Connors' proposal for implementation of the proposed reclassifications.

Senator Rife asked when the wage and employment freeze is anticipated to be lifted. There was discussion as to the probable sequence of events which would lead to the lifting of the freeze which concluded with Representative Chapman noting that, given the Governor's previous indications that he wished to treat bargaining and nonbargaining employees alike, the freeze may end when the lawsuit is over, but otherwise it would end when the Governor decides that it is over. Senator Rife noted that legislative employees are not involved in collective bargaining but acknowledged, in response to comments by Representatives Connors and Chapman, that historically the legislative branch has treated its employees in the same manner on the issue of salary increases as the executive branch employees, who have traditionally also all been treated as equals on pay raise issues. Representative Chapman noted that there is the potential probability that bargaining and nonbargaining employees will be treated differently as a result of the outcome of the pending lawsuit. Senator Rife concurred and queried whether the Committee should wait until the lawsuit is concluded before making the reclassification decision.

The Committee discussed the origin of the reclassification proposal, in terms of past Committee action, and the portion of the implementation proposal which relates to salary adjustments for former probationary employees. Representative Van Maanen noted that the issue of probationary employee salaries was based on a motion that he had made at a previous meeting and Representative Connors and Chairperson Welsh noted that the balance of the reclassification proposal was based on a provision contained in the last General Assembly and Legislative Council pay resolutions and a request by Senator Hutchins that the issue of pay reclassification be deferred until this meeting.

Representative Van Maanen reminded the Committee members that the executive branch includes more than just the members of the Governor's office and includes members of departments that are administered by other elected officials. The other Committee members confirmed that this was their understanding of what was meant by the term executive branch. Representative Van Maanen then commented that the executive branch has a contingency plan to provide funding for retrospective pay increases, should the lawsuit be lost. He then asked whether the legislative branch had made similar contingency accommodations. Chairperson Welsh and Representative Chapman commented that salary increases were built into this fiscal year's budgets and that this is part of the money which will revert to the general fund if it is not used. Representative Chapman stated that it is her understanding that the second phase of the layoffs was done to provide the funds needed for salary increases, should the lawsuit be lost.

Representative Van Maanen then asked whether the legislative branch would also be laying off employees to provide funds to accommodate any pay increases that might result from the outcome of the lawsuit. Chairperson Welsh and Representative Van Maanen also discussed the 3.25 percent budget reductions made and taken by the executive and legislative branches respectively and the potential for additional reductions by both branches during the upcoming fiscal year. Representative Chapman commented that when the Legislative Council provided for the salary increases in the budgets for this fiscal year, money was included that can be used to fund the salary increases should the freeze be lifted and that, as a consequence, the legislative branch does not find itself in the same position as the executive branch on the salary increase issue. She also noted that the legislative branch does not find itself in the same position as the executive branch because it is not bound by the court decision.

Senator Rife commented that he has received criticism relating to the state of the budgets for legislative branch agencies. The Committee then discussed the relationship between the pending lawsuit and the budgeting decisions for both the legislative and executive branch, including the various approaches taken by different departments with respect to budget cut requirements. The Committee also discussed whether additional action was needed to provide the money needed to fund any salary increases, and whether a contingency plan should be adopted for legislative staff. Senator Rife expressed concern that the numbers send the wrong message and that they may create problems.

Chairperson Welsh asked whether there was any further discussion on the motion to approve the reclassification proposal and the plan for implementation and, there being none, called for a vote. The motion failed by a vote of three ayes, one nay, and one pass.

ADJOURNMENT

Chairperson Welsh asked whether there was any additional business to come before the Committee. There was no further business indicated. The Committee then adjourned at 9:40 a.m.

Respectfully submitted,

LESLIE E. WORKMAN
Legal Counsel