

M I N U T E S

IOWA LEGISLATIVE COUNCIL

June 19, 1985

The fourth meeting of the 1985-1986 Iowa Legislative Council was called to order at 2:04 p.m. by the Chairman, Senator Lowell L. Junkins, on Wednesday, June 19, 1985 in Committee Room 22 of the State House, Des Moines, Iowa. Members present in addition to the Chairman were:

Speaker Donald D. Avenson, Vice-Chairman
Senator C. Joseph Coleman
Senator Donald Doyle
Senator Lee Holt
Senator Calvin Hultman
Senator C. W. (Bill) Hutchins
Senator David Readinger
Senator Norman Rodgers
Senator Joe Welsh
Representative Bob Arnould
Representative Dorothy Carpenter
Representative Dale Cochran
Representative John Connors
Representative William Harbor
Representative Lowell Norland
Representative Delwyn Stromer
Representative Richard Welden

Also present were:

Mr. Burnette Koebernick, Acting Director, Legislative Service Bureau
Mr. Dennis Prouty, Director, Legislative Fiscal Bureau
Mr. Bill Angrick, Citizens' Aide
Mr. Joseph O'Hern, Chief Clerk, House of Representatives
Ms. Marie Thayer, Secretary of the Senate
Ms. Diane Bolender, Senior Research Analyst, Legislative Service Bureau
Mr. Thane R. Johnson, Senior Research Analyst, Legislative Service Bureau

Also present were other legislative staff persons, representatives of the new media, and other interested persons.

Chairman Junkins recognized Senator Welsh who moved that the minutes of the meeting of May 30 be approved as submitted. The motion was adopted.

Representative Connors moved that the Legislative Council receive and file the Educational Leave Report, and the motion was adopted.

Senator Coleman commented that the Educational Leave Report represents a substantial expenditure of state funds for the education of state employees who supposedly are already qualified for the jobs which they hold. He noted that the news media does not report these considerable expenditures, but the media will report at length concerning attendance at the Annual Meeting of the National Conference on State Legislatures which provides a forum for members of the General Assembly to exchange information, receive new ideas and expertise and to join with other state legislators in influencing the actions of Congress and the federal administration. He concluded by stating that balanced reporting is needed.

Chairman Junkins announced a change in the membership of the Computer Outreach Committee. He recommended that Senator Rodgers replace Senator Doyle as a member of the Computer Outreach Committee. There being no comment, Senator Hultman moved that the Council approve the change of membership. The motion was adopted.

Chairman Junkins next recognized Ms. Gail Garfield Schwartz, Garfield Schwartz Associates, Incorporated, Consultant to the Economic Development Study Committee for a progress report. Ms. Schwartz stated that she wished to briefly review two reports which have been presented to the study committee. The first report relates to Regional/Local Delivery Systems and the second report relates to the Cost and Quality of Production Factors-Labor. Copies of the studies are on file with the Legislative Service Bureau. Concerning the research on the cost and quality of production factors, Ms. Garfield Schwartz stated that the research shows that Iowans are ready to work, very productive, and work for bargain wages except in the area of manufacturing where two-year old figures show a higher than average wage. This, she continued has probably been reduced in the succeeding two years. Concerning unemployment compensation, she stated that if taxable wages are used as the basis of comparison, Iowa ranks seventh lowest in the Midwest region. She added that the contribution/wage ratio is 3.2, below the regional average of 3.38. She added that if total wages are used as the base, Iowa falls to fifth place with a contribution/wage ratio of 1.7 barely more than the median of 1.65. She continued that concerning the cost of the state's workers' compensation insurance, Iowa has the third lowest factor value in the eleven state region according to a 1983 study completed by the Insurance Technology and Actuarial Consultants Corporation. Concerning the prime working age population in Iowa which includes persons between the ages of 25 and 44, Iowa is the only state in the nation to have registered a loss in its labor force for the period 1978 to 1983. Ms. Garfield

Schwartz said that the educational levels of the labor force are very high in the K-12 educational system, but the high standards are not retained for persons in the labor force who have completed college degree. She stated that 14% of Iowa's population have completed four years of college compared to the national average of 16% and a north-central average of 15%. Concerning vocational education, Ms. Garfield Schwartz stated the system is very good in Iowa because the programs are broad in application and more adaptive to the needs of business and industry. Concerning the regional/local delivery system for economic growth, Ms. Garfield Schwartz stated that concentration must be on growth centers or areas where facilities and services are already located. She added that the growth-center approach, which involves multi-county municipalities in planning for development, transportation, infrastructure, and finance, provides an alternative to ad hoc regional development. She added that regions should be established on issues and assets indigenous to particular areas. As an example, she continued, Minnesota's regional planning structure, regional development commissions, can serve as an example of a local economic development structure.

In reply to a question by Senator Coleman, Ms. Garfield Schwartz stated that she does not have statistics showing the number of out-of-state and in-state students being graduated from the universities and colleges in Iowa. Senator Coleman commented that the fact that only 14% of the labor force over 25 years of age are college graduates does not mean that Iowa does not have an excellent post-secondary educational system. He added that he believes that college graduates are the biggest export that Iowa has.

In reply to a question by Representative Stromer, Ms. Garfield Schwartz stated that the ranking of Iowa as the eleventh in the nation relates to elementary and secondary education. She added that only the K-12 system was compared with the other states. Representative Stromer commented that if post-secondary education is included, the ranking of Iowa would probably be much higher. Ms. Garfield Schwartz responded by stating that research has shown that the quality of the state and local educational systems is very important as a factor in the location of new industry.

In reply to a question by Senator Holt relating to how smaller cities or county seats can become growth centers, Ms. Garfield Schwartz stated that she has come to no conclusions on this point. She added that the Minnesota approach toward regional development programs should be considered among other alternatives.

In reply to a question by Representative Welden, Ms. Garfield Schwartz stated that she has been unable to obtain figures from the State Board of Regents concerning a number of bachelor degrees received by Iowa students. She added that the figure she has includes out-of-state students. In reply to another question by

Representative Welden, Ms. Garfield Schwartz stated that areas of the state which need a new growth center include north of Route 20 on Route 71 in northwest Iowa, south of Route 20 in the Dennison area, south of Interstate 80 near Highway 169 and north of Waterloo and northwest of Dubuque.

In reply to a comment by Senator Hutchins, Ms. Garfield Schwartz stated that there is a need in Iowa for component manufacturers. She stated that her research has shown that many major Iowa manufacturers are buying components from out-of-state suppliers.

In reply to a question by Senator Readinger, Ms. Garfield Schwartz stated that there are three more reports plus a comprehensive final report to be completed. She added that one report will cover energy costs, one on land and infrastructure, one on finance and banking, and the comprehensive final report.

In reply to a question by Representative Norland, Ms. Garfield Schwartz stated that the Final Report will give recognition to the 1985 legislation which was enacted to effect and promote economic growth and it will also include recommendations for additional legislation.

Ms. Garfield Schwartz noted that her research relating to the farm dependency index shows no correlation between areas of the state with a high dependency on the farm economy and high unemployment. Similarly, she added, there is no correlation between farm dependency and low earnings.

There being no further questions of Ms. Garfield Schwartz, Chairman Junkins thanked her for her presentation and response to questions.

Chairman Junkins next recognized Senator Art Small who introduced Mr. Bill Eginton, Iowa Information Network. Mr. Eginton stated that the Iowa Information Network is an electronic information distribution system which provides information services to government, business, and educational agencies. He stated that the company which he represents is unique in this state as well as in the United States and includes among its clients the Des Moines Register and the Ringsted Dispatch. Mr. Eginton stated that the company is located in Iowa City and has created five new jobs during the last calendar year.

Chairman Junkins recognized Speaker Avenson who reviewed the recommendations of the Studies Committee relating to eleven additional interim studies. A copy of the Report of the Study Committee is attached to and by this reference made a part of these minutes. Speaker Avenson also moved an amendment to the Report for an additional study relating to the Alternative Incarceration of OWI violators. Representative Carpenter asked

whether the new subject should be a separate study or added to the OWI Study requested under House Concurrent Resolution 42. Speaker Avenson responded that he believes the study should be separate. In response to a question by Representative Welden, Speaker Avenson recommended that the membership for the additional study include three senate members, three house members and that the study be authorized two meeting days.

In reply a question by Representative Stromer, Speaker Avenson stated that the Substance Abuse Treatment and Prevention Study is designed to examine the programs and funding mechanisms in substance abuse. In reply to another question by Representative Stromer, Speaker Avenson stated that there is a need to reach some type of consensus on the agenda and goals for the education study. He added that he agrees that there may be too many issues involved in the education area, but there is a need for the House, Senate, and educators to decide what the study emphasis should be. Representative Stromer responded that there is also a need to study post-secondary educational systems including the area education agencies which have not been reviewed recently.

In reply to a question by Representative Harbor, Senator Hutchins stated that the Livestock Industry Study includes six citizen members who will cover various interest groups in the livestock industry. The citizen members will include a veterinarian, a banker, a packing house operator, an auctioneer, a cow-calf operator, and a feeder operator. In reply to another question by Representative Harbor, Speaker Avenson stated that the Pensions Study will include the judicial retirement system.

There being no further questions, Speaker Avenson moved the adoption of the report of the Studies Committee as amended. The motion was seconded by Senator Hutchins and adopted. A copy of the report of the Studies Committee is attached to, and by this reference made part of these minutes.

Concerning the mandated studies deferred at the last meeting of the Legislative Council, Speaker Avenson stated that the study relating to the Phase-In of Interest Payments, relates to the amount of interest payments required to be made by debtor during a moratorium. In reply to a question by Representative Cochran, Speaker Avenson stated that the mandated study relating to alternative crops and livestock will be a separate study committee and not included with the Livestock Industry Study. In reply to a question by Senator Rodgers, Speaker Avenson stated there is a need for the study of the infrastructure for drinking water and sewage systems, but it is not included in this interim study package.

Concerning the peace studies survey to be conducted by the Legislative Extended Assistance Groups, Speaker Avenson moved that the LEAG be authorized a \$1,000 stipend to conduct the survey. The motion was adopted.

In reply to a question by Senator Welsh, Speaker Avenson stated that he believes the citizen members of the studies committees should be authorized reimbursement for expenses but not a per diem. Representative Stromer commented that some citizen members may not need reimbursement because the organizations which they represent already will pay their expenses. There being no further comments, Speaker Avenson moved that the citizen members of the study committees be authorized reimbursement for actual and necessary expenses incurred as members of the respective studies committees. The motion was adopted.

Representative Carpenter commented that in light of the number of interim committees being established she believes that leadership should require that the studies are concluded in a timely fashion so that the legislative agencies are not overburdened with committee work while trying to prepare for the 1986 Session.

Chairman Junkins next recognized Representative Connors for the Report of the Service Committee. Representative Connors briefly reviewed the recommendations of the Service Committee. In reply to a question by Senator Hultman relating to salary increases, Representative Connors replied that the salary increases for legislative employees are comparable to those authorized by the General Assembly for other state employees. In reply to a question by Representative Stromer, Mr. Koebernick responded that he does not know whether the 1% and 4% cost of living adjustments for January 1, 1986 and January 1, 1987 apply to the heads of legislative agencies.

Senator Hultman moved that the report of the Service Committee be amended by striking item 5 which relates to the commencement of legal proceedings concerning the authority of the governor to item veto a portion of a bill that is not an appropriation bill. Representative Stromer raised a point of order that the Legislative Council should reconsider its action of the May 30 meeting. He argued that striking item 5 of the report of the Service Committee would not override the authorization adopted by the Legislative Council at its May 30 meeting. After review of the minutes of the May 30 meeting, Chairman Junkins ruled that Representative Stromer's point of order was not well taken and that adopting Senator Hultman's motion to strike item 5 would halt further legal proceedings on the item veto.

In response to a comment by Representative Stromer that House Legal Counsel stated that the Legislative Council as entity cannot sue the Governor, Representative Connors stated that the House Legal Counsel only raised the question that there is a possibility the Legislative Council, as an entity, cannot sue the Governor. He stated that House Legal Counsel asked that both the Council and individual members of the Council be included on the petition.

Representative Welden suggested that Speaker Avenson and Senator Junkins be included on the petition without reference to their positions as Chairman and Vice-chairman of the Council.

After further discussion, Senator Hultman withdrew his motion and Representative Connors moved that item 5 be amended to remove the words "The Chairman and the Vice-chairman of the Legislative Council" and insert in lieu thereof the names "Senator Lowell L. Junkins and Speaker of the House Donald Avenson". The motion was adopted.

After further discussion, Senator Hultman again moved to strike item 5 of the report as amended. The motion was defeated by a roll call vote of five ayes and twelve nays. Those voting aye were Senators Holt, Hultman, and Readinger and Representatives Carpenter and Stromer. Those voting nay were Senators Junkins, Coleman, Doyle, Hutchins, Rodgers, Welsh, and Representatives Avenson, Arnould, Cochran, Connors, Harbor and Welden.

There being no further comments, Representative Connors moved the adoption of the Report of the Service Committee, as amended. The motion was adopted. A copy of the report of the Service Committee as amended is attached to and by this reference made a part of these minutes.

Chairman Junkins next recognized Senator Donald Doyle for the report of the Administration Committee. Senator Doyle reported that at its previous meeting the Administration Committee had deferred action on the recommendation of the State Department of Health to eliminate the "Doctor of the Day" program. The Committee had requested the State Department of Health to contact the Iowa Academy of Family Physicians and have a representative attend the next meeting of the Committee and present the Academy's position concerning the "Doctor of the Day" program. Senator Doyle stated that the Administration Committee received a letter from Ms. Isabelle Wandling, Executive Vice President of the Iowa Academy of Family Physicians stating that the Academy wishes to discontinue the "Doctor of the Day" program. Senator Doyle concluded by stating that the Committee received the letter from the Iowa Academy of Family Physicians and took no further action in light of the Academy's decision to discontinue the program. There being no further comment, Senator Doyle moved the adoption of the Report of the Administration Committee.

Chairman Junkins recognized Mr. Koebernick to report on the rules for prefiling individually sponsored and departmental bills. A copy of the rules are attached to and by this reference made a part of these minutes. There being no other comment, Speaker Avenson moved the adoption of the report. The motion was adopted.

Chairman Junkins scheduled the next meeting of the Legislative Council for Wednesday, July 17, 1985.

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There being no further business to come before the Council,
Senator Rodgers moved to adjourn at 3:41 p.m. The motion was
adopted.

Respectfully submitted,

BURNETTE E. KOEBERNICK
Acting Director

THANE R. JOHNSON
Senior Research Analyst