

M I N U T E S
LEGISLATIVE COUNCIL

December 21, 1982

The twenty-first meeting of the 1981-1982 Legislative Council was called to order at 11:10 a.m., Tuesday, December 21, 1982, in Committee Room 22 of the State House, Des Moines. Council members present were:

Senator Calvin O. Hultman, Chairperson
Speaker Delwyn Stromer, Vice Chairperson
Senator Gary L. Baugher
Senator James E. Briles
Senator C. Joseph Coleman
Senator C. W. Hutchins
Senator John W. Jensen
Senator Lowell L. Junkins
Senator William D. Palmer
Senator Ray Taylor
Representative Robert T. Anderson
Representative Donald B. Avenson
Representative Richard L. Byerly
Representative John H. Clark
Representative John H. Connors
Representative Ingwer L. Hansen
Representative Lester B. Menke
Representative Larry Pope
Representative Richard W. Welden.

Other persons present for the meeting were:

Dr. William Farrell, Legislative Extended Assistance Group
Dr. John W. Fuller, Legislative Extended Assistance Group
Senator Edgar Holden
Senator Jack Nystrom
Representative Ned Chiodo
Representative Laverne Schroeder
Representative Hugo Schneklath
Mr. Dennis Prouty, Director, Legislative Fiscal Bureau
Mr. Serge Garrison, Director, Legislative Service Bureau
Mr. Burnette Koebernick, Legislative Service Bureau
Ms. Diane Bolender, Legislative Service Bureau

Also present were a number of other Iowa legislative staff persons, news media representatives, and other interested individuals. Senator Briles moved that the minutes of the November 11 meeting be approved as mailed to Council members, and the motion was adopted. Representative Connors moved that the Legislative Council receive the Educational Leave Report, and the motion was adopted.

Chairperson Hultman called for reports of interim studies. Copies of the reports presented in the course of the meeting were

distributed to Council members attending the meeting and to other interested persons who were present. Some additional copies are available from the Legislative Service Bureau.

Chairperson Hultman recognized Senator Holden, Co-chairperson of the Health Care Costs Joint Subcommittee of the Senate and House Standing Committees on Commerce, for a presentation of the Subcommittee's final report. Senator Holden reviewed the rapid increases in health care costs, listing the use of expensive diagnostic tools, the expensive education of the practitioners, and malpractice concerns as contributing factors. He also stated that there is an excess capacity of hospital beds. He indicated that it may not be possible for the General Assembly to curtail health care costs.

Following a listing of the Subcommittee's recommendations, Senator Coleman commented with regard to the Subcommittee's recommendations that the Legislative Council direct the Legislative Fiscal Bureau to review the state indigent patient fund in Chapter 255 of the Code, and stated that some indigent patients may prefer to be treated in their hometown rather than being sent to Iowa City to the University Hospitals. Senator Holden responded that approximately \$22 million is appropriated annually through the Education Appropriations Subcommittees for indigent patient care. Senator Coleman moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Senator Holden, Co-chairperson of the Joint Subcommittee on Equal Pay of the Senate and House Standing Committees on State Government for a presentation of the Subcommittee's final report. Senator Holden noted that there was not a quorum present among the Senate members at the Subcommittee's final meeting, and the Senate Subcommittee made no recommendations. Senator Briles moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Senator Briles, a member of the Joint Water Study Subcommittee of the Senate and House Standing Committees on Natural Resources, for a presentation of the Subcommittee's final report. Following presentation of the report Senator Briles moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Senator Baugher, Co-chairperson of the Department of Corrections Subcommittee of the Senate Standing Committee on Judiciary and Appropriations Subcommittee on Corrections and Mental Health and the House Standing Committee on Judiciary and Law Enforcement and Appropriations Subcommittee on Corrections and Mental Health, for a presentation of the Subcommittee's final report. Senator Baugher indicated that fiscal notes prepared on the costs of establishing a separate Iowa Department of Corrections ranged from a cost of \$300,000 to a cost of \$700,000. Representative Menke asked about the recommendations

made by the various persons making presentations to the Subcommittee. Senator Baugher indicated that a majority of those persons testifying before the Subcommittee recommended that corrections remain in the Department of Social Services, although several correctional experts recommended the establishment of a separate department, as did the joint subcommittee. Senator Baugher moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman, Chairperson of the Legislative Procedures Study Committee, presented the Study Committee's report, indicating that the Study Committee had only held one of the three meetings it was authorized, but a number of ideas were presented during that meeting that are being proposed as rule changes for the Seventieth General Assembly. He commented that these include a revision of the fiscal note process, a revision of the process for study bills so that bills passed out of subcommittee must have been drafted by the Legislative Service Bureau, and an attempt to strengthen the committee process. Chairperson Hultman moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Mr. Richard Johnson of the Legislative Service Bureau, staff person assigned to the Court Reform Joint Subcommittee of the Senate Standing Committee on Judiciary and the House Standing Committee on Judiciary and Law Enforcement, for a presentation of the Subcommittee's final report. Mr. Johnson commented that the Subcommittee had approved an amendment to implement the court reorganization by components over a five-year period. Chairperson Hultman asked about the Subcommittee's action relating to the appointment rather than election of Clerks of Court. Mr. Johnson responded that no changes were made in Senate File 2233 relating to this subject.

Representative Connors asked whether there is a residency requirement for these officials in the bill. Mr. Johnson responded that the person must be a resident at the time of application, but is not required to be a resident during the entire time the person serves.

Senator Coleman moved that the Legislative Council receive the report, and the motion was adopted.

Speaker Stromer thanked Chairperson Hultman for service as Chairperson of the 1981-1982 Legislative Council and presented him with a plaque commemorating his service.

The Legislative Council recessed for lunch at 12:00 noon and reconvened at 1:15 p.m.

Chairperson Hultman recognized Dr. Farrell for a report on the activities of the Legislative Extended Assistance Group (LEAG). Dr. Farrell noted that the Legislative Council in June, 1982 had approved studies of the following seven areas, for which reports are now being completed:

1. Interstate cooperation in water resources management.
2. Plant closings.
3. Economic development potential.
4. Energy price increases.
5. Local option taxes.
6. County land use regulation.
7. Impacts of AFDC change.

Dr. Farrell distributed copies of reports from studies 1, 5, and 7. He briefly reviewed the major points of the reports that were distributed and indicated that the other four reports will be completed by January, 1983. Chairperson Hultman commented that the reports are timely and appear to be very good.

Dr. Farrell stated that LEAG had been funded by means of program grants from private foundations and matching state funds. He indicated that the studies completed for calendar year 1982 have been completed on an equal matching basis between foundation moneys and state moneys. Dr. Farrell stated that the anticipated agreement for 1983 was that \$44,000 would be provided by state funds with a \$22,000 foundation match.

Dr. Farrell explained that during the last legislative session, an amendment was offered to provide the \$44,000 state money for 1983 studies, but was withdrawn before a vote in the Appropriations Committee. Dr. Farrell indicated that the budgets allocated for each of the seven studies were reduced and funds were used from a prior grant in order that \$44,000, including funds that were previously authorized by the Legislative Council for 1982 would not be expended and could be used for the 1983 studies. It would then be possible for the General Assembly meeting in 1983 to appropriate funds for the 1984 studies and the program would then be funded through the appropriations process, rather than authorization from the Legislative Council.

Representative Welden expressed the belief that it is not possible for the Legislative Council to approve using funds allocated by the Legislative Council for 1982 in 1983 when the General Assembly refused to fund LEAG for 1983. He expressed the belief that the Legislative Council cannot authorize the expenditure of moneys that the General Assembly refused to fund.

Representative Anderson disagreed with Representative Welden, commenting that the dollar amounts have already been approved and the LEAG reports have been very valuable for the General Assembly.

Representative Byerly asked whether the amount of state funds carried over equals \$44,000. Dr. Farrell responded in the affirmative, commenting that none of the funds allocated by the Legislative Council were expended.

Senator Jensen moved that the Legislative Council authorize LEAG to expend the funds previously granted to them by the Legislative Council for 1982 during the 1983 calendar year. Representative Welden expressed opposition.

In response to questions about the appropriations process, Dr. Farrell commented that projects are generally started in March or at some point during the spring and are concluded in December, and the fund allocations are made at the beginning of the projects. He expressed hope that LEAG can avoid loss of funding for projects for 1983.

Representative Menke asked about the extent of foundation funding. Dr. Farrell responded that for the 1982 year the foundation authorized \$30,000 and the Legislative Council authorized \$30,000. He added that for the 1983-1984 fiscal year, which would be projects conducted during the 1984 calendar year, the Legislative Council would be committed to one-third of the funds or \$22,000 from the foundation and two-thirds of the funds from state funding. (See minutes of Legislative Council of September 16, 1981.)

Representative Welden stated that former Senator Murray believed that LEAG funding should go through the appropriations process, and he agrees with Senator Murray.

Senator Taylor moved a substitute motion to Senator Jensen's motion that the LEAG request be submitted to the Appropriations Committees at the beginning of the legislative session and the Appropriations Committees be urged to give priority to the funding of LEAG before the March deadline when projects are decided.

Representative Anderson commented that the Legislative Council undertook the development of studies using the research capacity of Iowa higher education institutions to provide research capabilities for the General Assembly and the Legislative Council understood that it would be a shifting of responsibility to partial state funding. He urged that the Legislative Council continue funding on an uninterrupted basis for LEAG. Representative Menke expressed the belief that the Legislative Council should not circumvent the authority of the General Assembly itself to appropriate funds. The Taylor substitute motion carried on a voice vote.

Chairperson Hultman recognized Senator Nystrom, Co-chairperson of the Contract and Bidding Procedures Subcommittee of the Senate and House Standing Committees on State Government, for presentation of the Subcommittee's final report. Senator Briles moved that the Legislative Council receive the report. Representative Connors

noted that the Subcommittee is recommending the passage of a resolution that the Legislative Council direct the Legislative Service Bureau and the Legislative Fiscal Bureau to develop a survey form to collect needed information and conduct a survey to obtain adequate data about the performance of construction projects by state and local government personnel which ordinarily would be done by private industry under contracts let to the lowest responsible bidders, and asked whether the resolution is needed. Senator Nystrom responded that the Iowa Association of Counties has indicated that it will compile the information for counties and the League of Iowa Municipalities has been asked to conduct the survey for cities, but a response has not yet been received from the League. He commented that if an affirmative response is received from the League of Iowa Municipalities, the resolution is not necessary and the data will be compiled. Senator Briles' motion to receive the report was adopted.

Chairperson Hultman recognized Representative Schnekloth, Co-chairperson of the Tax Structure Subcommittee of the Senate and House Standing Committees on Ways and Means, for a presentation of the Subcommittee's report. Following presentation of the report, Representative Schnekloth indicated that the Subcommittee's final report and recommendations will be presented to members of the General Assembly by the end of January, 1983. He indicated that the county treasurers are concerned about the interest rate specified for the penalty on delinquent taxes.

Senator Coleman asked about a recent interpretation by the Department of Revenue that added the word "potential" to the rule for determination of productivity of farmland. Representative Schnekloth stated that this rule change will be discussed at length. Senator Jensen moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Mr. Richard Johnson of the Legislative Service Bureau, staff person assigned to the Unemployment Compensation Subcommittee of the Senate and House Standing Committees on Labor and Industrial Relations, for a presentation of the Subcommittee's final report. Following presentation of the report, Speaker Stromer moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Speaker Stromer for the report of the Service Committee. A copy of the Service Committee report is attached and by this reference made a part of these minutes. Speaker Stromer indicated that the turnover in the Legislative Fiscal Bureau has been high during the preceding months and suggested that the Service Committee may have to meet to consider salaries paid to employees of the Legislative Fiscal Bureau in order to provide a continuity of staff personnel. Speaker Stromer moved the adoption of the Service Committee report, and it carried.

Chairperson Hultman recognized Mr. Martin Francis of the Legislative Service Bureau, staff person assigned to the Nuclear Fuels Transportation Subcommittee of the Senate and House Standing Committees on Energy and Transportation, for a presentation of the Subcommittee's final report. Following presentation of the report, Senator Briles moved its adoption, and the motion carried.

Chairperson Hultman called for the report of the Legislative Fiscal Committee. Representative Welden, Co-chairperson of the Legislative Fiscal Committee, made the presentation. He commented that there was not a quorum of Senate members of the Legislative Fiscal Committee present at its meeting. He transmitted copies of the 1982 interim visitation reports for the Corrections and Mental Health Joint Visitation Committee, the Education Visitation Committee, and the Social Services Interim Study Committee to members of the Legislative Council and commented that no recommendations were made by the visitation committees that would require action by the Legislative Council. He also presented a progress report of current program evaluations and a listing of proposed evaluations for future studies. He indicated that approval for further program evaluation studies will have to be made prior to March 1, 1983, at which time only one study will be continuing. He indicated that the Legislative Council needs to consider recommendations for future program evaluations before the March 1 date. Representative Welden moved that the report of the Fiscal Committee be adopted. The motion carried.

Chairperson Hultman recognized Ms. Diane Bolender of the Legislative Service Bureau, staff person assigned to the K-12 School Finance Subcommittee of the Senate and House Standing Committees on Education, for a presentation of the Subcommittee's final report. Ms. Bolender commented that copies of the NCSL report will be finalized and made available to members of the General Assembly at the beginning of the legislative session in January. Representative Anderson asked whether the study used any sparsity factors to provide additional funding for some school districts. Ms. Bolender responded in the negative. Speaker Stromer moved that the Legislative Council receive the report, and the motion was adopted.

Chairperson Hultman recognized Mr. Roger Nowadzky of the Legislative Service Bureau, staff person assigned to the Sentencing Subcommittee of the Senate Standing Committee on Judiciary and the House Standing Committee on Judiciary and Law Enforcement, for a presentation of the Subcommittee's final report. Following presentation of the report, Mr. Nowadzky indicated that he had received a copy of a minority report from three members of the Subcommittee. Noting that the minority report was not presented to the Sentencing Subcommittee, he distributed copies of it. Senator Briles moved that the Legislative Council receive the Subcommittee's report, and the motion was adopted. Senator Briles moved that the Legislative Council receive correspondence from some members of the Subcommittee, and the motion was adopted.

Chairperson Hultman recognized Representatives Laverne Schroeder and Ned Chiodo, members of the Administrative Rules Review Committee, for a request. Representative Schroeder stated that the Administrative Rules Review Committee has need for a staff member to determine the fiscal impact of rules that are proposed by executive agencies. He asked that a staff member be added to the Legislative Fiscal Bureau with responsibility to the Administrative Rules Review Committee when needed. He suggested that the salary for such a staff person could be paid from the Administrative Rules Review Committee budget. Representative Chiodo interjected that presently the Administrative Rules Review Committee can only receive information concerning the fiscal impact of proposed rules from the agencies who desire adoption of the rule, and it is important that the Committee receive unbiased information.

Chairperson Hultman asked Mr. Prouty for comments. Mr. Prouty indicated that he had talked with Mr. Joe Royce, staff for the Administrative Rules Review Committee, about the Committee's needs. Chairperson Hultman asked the Representatives to make a presentation to the Service Committee of the Legislative Council, indicating the amount of time of a staff member needed and the times of the year when such staff members will be needed. Senator Hutchins reinforced Chairperson Hultman's suggestion.

Mr. Prouty indicated that the budget of the Legislative Fiscal Bureau cannot pay for an additional staff person. Representative Schroeder responded that the Administrative Rules Review Committee would pay the costs until the next fiscal year when funds could be appropriated for the person. Representative Chiodo indicated that the Committee would like someone employed as soon as possible.

Chairperson Hultman asked whether Mr. Prouty has an employee on the Fiscal Bureau staff who could provide this information. Mr. Prouty responded in the negative, commenting that his staff is fully utilized through the upcoming legislative session. Representative Welden interjected that the fiscal note information on bills is provided by the agencies that are affected.

Representative Connors moved that the matter be referred to the Service Committee with instructions to come back to the Legislative Council with a recommendation. It was noted that the Legislative Council must be reorganized by the fourth Monday of January. Chairperson Hultman suggested that the old members of the Service Committee can make recommendations to the new Legislative Council. Representative Connors' motion was adopted.

Chairperson Hultman recognized Representative Avenson. Representative Avenson stated that he has been attempting to find adequate space for offices for both legislators and staff personnel, as well as an area for small caucuses. He expressed the belief that the General Assembly has a serious space problem, and he suggested that now is an appropriate time for the General Assembly to look for additional space in the Capitol. He suggested

that if more committee room space could be found on the first and ground floors, Committee Room 22 and the Speaker's Room could be retained, but both Committee Room 1 and Committee Room 24 could be used for other staff facilities.

Representative Avenson asked the Legislative Council to authorize a committee of the Council to search for a location for the Treasurer of State and Auditor of State and their staffs to be housed away from the Capitol, and then use that space for House and Senate committee rooms and journal rooms. He commented that both the Secretary of Agriculture and the Attorney General have moved from the Capitol without problems. Representative Avenson moved that the current majority and minority leaders in the Senate and the current Speaker and minority leader in the House appoint a committee of four to study the space problem and to come back to the Legislative Council and the General Assembly with a proposed solution to the space problem. Representative Avenson's motion was adopted.

The Legislative Council adjourned at 2:30 p.m.

Respectfully submitted,

SERGE GARRISON
Director

DIANE BOLENDER
Senior Research Analyst

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Council/14