

M I N U T E S
LEGISLATIVE COUNCIL

October 14, 1982

The nineteenth meeting of the 1981-1982 Legislative Council was called to order at 1:25 p.m., Thursday, October 14, 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 James E. Briles
Senator C. Joseph Coleman
Senator Bill Hutchins
Senator Lowell L. Junkins
Senator Dale L. Tieden
Representative Ingwer L. Hansen
Representative Lester D. Menke
Representative Richard W. Welden

Also present were:

Representative Laverne Schroeder, Administrative Rules Review
Committee
Representative Ned Chiodo, Administrative Rules Review
Committee
Mr. Ronald J. Amosson, State Comptroller's Office, County
Finance Committee
Mr. Joseph A. Johnston, Adams County Treasurer, County
Finance Committee
Mr. Curtis Paul Mineart, Washington County Auditor, County
Finance Committee
Ms. Beverly Dickerson, Warren County Auditor, County Finance
Committee
Mr. Thomas L. Maher, McGladery, Hendrickson & Company, County
Finance Committee
Mr. Clayton Ringgenberg, Institute of Public Affairs, County
Finance Committee
Ms. Marjorie Schneider, State Comptroller's Office, Secretary
of County Finance Committee
Mr. Jerry Meyer, Institute of Public Affairs
Mr. Dale Nelson, Data Processing Division, State Comptroller's
Office
Mr. Serge Garrison, Director, Legislative Service Bureau
Mr. Burnette Koebernick, Senior Legal Counsel, Legislative
Service Bureau
Ms. Diane Bolender, Senior Research Analyst, Legislative
Service Bureau.

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

Chairperson Hultman noted that although a quorum was not present at the beginning of the meeting, it was anticipated that several

members will be arriving momentarily and he suggested that the Council proceed with a presentation about the functions of the County Finance Committee. He called for comments from Mr. Amosson. Mr. Amosson introduced the other members and staff of the County Finance Committee and distributed information about the Committee's task and its recommendations relating to county finance. A copy of the information may be obtained from the Legislative Service Bureau upon request.

Mr. Amosson stated that county governments are playing an increasingly important role in Iowa government and are responding to their new challenges in many positive ways. He expressed satisfaction that counties have been given county home rule, but commented that counties are required to use an outdated and confusing financial system. He commented that the County Finance Committee prior to the 1981 legislative session had made recommendations for consolidation of over thirty county funds into four new funds, establishment of reasonable property tax limits, and introduction of a modern and uniform budgeting accounting and financial report system. He stated that the Committee was disappointed that its recommendations were not debated in either the House or the Senate in 1981 or 1982.

Mr. Amosson stated that the Committee recommends that the existing county property tax levies be consolidated into four broad new classes of levies: general, rural services, secondary roads, and debt services. He noted that the Committee recommends that limits be applied directly to the amount of property tax dollars levied so that annual county property tax growth, in dollars, could not exceed the average annual rate of increase in state personal income over a three-year period and that the allowable growth could not exceed 10% over the previous year, even if personal income were to grow more rapidly. He stated that the Committee recommends that payments mandated by the state, such as mental health and court services, be exempted from the limitations since they are not controllable by county governments.

Mr. Amosson added that the Committee has developed and begun to test a system for program budgeting, accounting, and financial reporting so that counties will classify their expenditures uniformly, regardless of the source of financing. He stated that the Committee has selected and begun to work with five pilot counties to test many of its recommendations and its experience has been positive, but the pilot counties are reluctant to commit further staff time until the General Assembly acts on the recommendations of the County Finance Committee. He expressed hope that the General Assembly will study the County Finance Committee's recommendations and give them consideration during the 1983 legislative session.

Representative John H. Clark, Representative John H. Connors, and Representative Richard L. Byerly were present at the meeting and Chairperson Hultman, noting the presence of a quorum, asked Vice Chairperson Stromer to assume the chair.

Vice Chairperson Stromer called for questions from Council members. Representative Menke asked for a listing of the five pilot counties. Mr. Meyer responded that Cedar, Audubon, Black Hawk, Grundy, and Johnson counties are being used as pilot counties. Mr. Ringgenberg interjected that the Committee had attempted to use different sizes of counties. Mr. Amosson added that each county had been using a different type of accounting system and different computer services.

Senator Hutchins asked about changes in the present township levies. Mr. Amosson responded that the township levies would remain the same, only the county levies are affected by the recommendations. In response to another question from Senator Hutchins, Ms. Schneider commented that the County Conservation Board's levy would be included in the new consolidated levies.

Representative Menke asked whether the recommendations will affect the county's valuation of property. Mr. Amosson responded that the proposal is not based upon property valuations. Mr. Mineart added that the limitations on increases in budgets are based upon the previous year's budget and based upon the property taxes.

Senator Briles asked about the reaction of the pilot counties to the new accounting system. Mr. Amosson stated that the pilot county officials like the new system. Mr. Meyer agreed, but continued that the county officials are reluctant to proceed further without knowing whether the General Assembly will mandate the uniform accounting system.

Representative Welden asked about the budget growth from year to year, and Mr. Amosson responded that the recommendation is related to the personal income tax growth. Senator Hutchins commented that there may be a danger in basing a county's budget on personal income growth if the personal income drops since there will probably be additional pressure to provide more services if there is a lower average personal income. Mr. Amosson responded that the county can petition the County Finance Committee to exceed its budget limitations based upon need. He also added that the State Appeal Board would become involved in protests of the budget.

Mr. Ringgenberg stated that he has enjoyed working with the members of the County Finance Committee and the adoption of its recommendations by the General Assembly can make a big difference in county finance. He indicated that if such a system is adopted, it can provide the General Assembly with the kinds of information it has not had before. He expressed hope that the General Assembly will consider the recommended legislation in the 1983 legislative session.

Senator Tieden expressed the concern that if county budget growth is limited to growth in personal income, there will be

variations between counties that have an industrial base and those that have an agricultural base. Mr. Meyer indicated that countywide figures on personal income are available. Vice Chairperson Stromer interjected that it may be wise to consider other forms of determination for increases in county budgets, including all state revenue growth.

Senator Briles moved that the Legislative Council accept the report of the County Finance Committee. Representative Menke seconded the motion, and it carried.

Representative Hansen moved that the Council receive the Educational Leave Report. Senator Hutchins seconded the motion, and it carried.

Vice Chairperson Stromer called upon Representatives Schroeder and Chiodo, who were representing the Administrative Rules Review Committee. Representative Schroeder stated that section 17.8 of the Code provides that the Administrative Rules Review Committee may delay the effective date of a rule until the expiration of 45 calendar days during which the General Assembly is in regular session. He added that if at the expiration of that period, the General Assembly has not disapproved of the rule by a joint resolution approved by the Governor, the rule becomes effective. He stated that it is not possible for the General Assembly to properly process the proposed rule within the 45-day limitation. He asked that the Administrative Rules Review Committee be granted standing committee status so that it can introduce bills relating to rules which have been before the Committee. He suggested that changes are needed in legislation in order to make the requirements relating to legislative oversight of rules more workable. Representative Schroeder also commented that the terms of all members of the Administrative Rules Review Committee expire on the same day, and suggested that legislation is needed to stagger the terms as they once were staggered.

Representative Schroeder also commented that Senate Joint Resolution 6 was enacted by the Sixty-ninth General Assembly which gives the General Assembly the authority to nullify an administrative rule, and he commented that similar legislation in other states has been declared unconstitutional.

Representative Schroeder also noted that there have been instances in which executive departments have adopted rules under an emergency process in order to avoid dealing with the Administrative Rules Review Committee.

Representative Chiodo and Senator Tieden, another member of the Administrative Rules Review Committee, affirmed Representative Schroeder's suggestion. Representative Chiodo commented that the 45-day delay in the law is ineffective since executive departments realize that it will not be possible for the General Assembly to complete action during the 45-day period.

Senator Junkins moved that the Administrative Rules Review Committee put its proposal in writing and transmit it to the Legislative Procedures Study Committee. Representative Welden seconded the motion. Senator Hutchins suggested that the presentation to the Legislative Procedures Study Committee include a suggestion that rule nullification resolutions be exempted from the bill action cut off dates in the same manner as ways and means and appropriations bills. Representative Schroeder agreed and suggested that he will be available to answer questions of the Legislative Procedures Study Committee. The motion carried.

Vice Chairperson Stromer called for the report of the Legislative Fiscal Committee, a copy of which is attached to the minutes and by this reference made a part thereof. Representative Welden moved that the Legislative Council authorize reimbursement of actual and necessary expenses to legislators and legislative staff authorized to attend the Conference on Prison Overcrowding sponsored by the National Conference on Crime and Delinquency. The motion carried.

Representative Welden moved that Mr. Dennis C. Prouty be appointed to the position of Legislative Fiscal Director at an annual salary of \$44,460, effective with the pay period beginning November 5, 1982. The salary is subject to review by the Service Committee and the Legislative Council in the same manner as salaries of other employees subject to the jurisdiction of the Council. Representative Menke seconded the motion, and it carried.

Mr. Garrison discussed a memorandum concerning the development of the legislative computer system, a copy of which is attached and by this reference made a part of these minutes. He commented that the Legislative Council voted on February 23, 1982 that the Acting Code Editor and the Division of Data Processing "provide a computer program to be used in publishing the 1985 Code which will allow the update of the data base of the Code to be prepared by the Service Bureau staff negating the need to execute a contract with a private vendor for this service." He reviewed the development of the use of data processing for the legislative branch of government from the middle 1960s to the present time. He commented that the program in use in the Iowa General Assembly is an in-house program developed by a former employee of the Data Processing Division and it is a superior program which includes the automatic update of the text after it has been amended. He commented that Mr. Bill Keathley, who designed the program, did not document it adequately and it is very difficult to modify the program to take advantage of new requirements.

Mr. Garrison expressed the belief that the program presently in use in Iowa requires simple commands to produce documents compared to some programs found in business and other states. He noted that the Iowa program enables the General Assembly to use fewer persons and still produce a large volume of accurately-typed documents. Mr. Garrison outlined concerns with proceeding with the present

system which include the difficulty in maintaining and modifying an in-house program and stated that it is necessary to have a type of program that can be supported by an outside vendor. He also commented that the computer software presently used for the legislative program is becoming obsolete and costly. He commented that the present program does not allow the Legislative Service Bureau to update its own data base which is cost and time saving for Code publication.

Mr. Garrison stated that the Data Processing Division suggested that an IBM system that is compatible with the present program be used which would provide the services that the General Assembly is accustomed to, with the addition of the update capability. He listed a number of advantages and disadvantages with the new program compared to the existing program. He noted the fact that the automatic amendment process is not in place and there are losses of certain key functions for editing. Gains perceived by the use of the IBM system include a security that the system could still be maintained even if employees leave the Data Processing Division, the Code update capability, and the presence of a reliable source for hardware and software.

Mr. Garrison recommended that the present program and Megadata terminals be retained for the 1983 legislative session and the General Assembly plan to convert to a new system between the 1983 and 1984 legislative sessions. He commented that this will require reprinting of bills which are introduced in the first session and acted upon the second session, but this is a small percentage of the total bills introduced. Mr. Garrison expressed regret that the new system cannot be implemented in time for the 1983 legislative session. He suggested that the Administration Committee monitor the development of the new system and procedures needed to have the system in place for the 1984 legislative session.

Mr. Nelson commented that he is confident that the Data Processing Division can provide the amendment update capability in time for the 1983 legislative session, but he realizes that the Legislative Service Bureau has a responsibility to provide the General Assembly with bills and amendments on a timely basis.

Representative Menke asked whether the delay in implementing the new system will affect the time in which the new Code can be printed. Mr. Garrison responded in the negative. Mr. Nelson indicated that the Division of Data Processing is attempting to develop new programs to update the Code.

Senator Briles moved that the Legislative Council accept Mr. Garrison's report and recommendations. Representative Connors seconded the motion, and it carried.

The Legislative Council discussed correspondence which requests an additional two days of meetings for the Health Care Costs Joint Subcommittee, which would bring the total number of meetings to

four. Senator Junkins moved that the Health Care Costs Joint Subcommittee be authorized two additional meetings. Senator Coleman seconded the motion, and it carried.

Senator Briles requested one additional day of meetings for the Joint County Government Committees in the House and Senate in order to hold the traditional two-day meeting in which Committee members hear from county government officials. Senator Briles moved that the Joint County Government Committees be authorized one meeting day in addition to the day authorized in section 2.14, subsection 4, of the Code. Senator Coleman seconded the motion, and it carried.

It was noted that the co-chairpersons of the Contract and Bidding Procedures Subcommittee of the Senate and House Standing Committees on State Government asked for one additional meeting day above the two days already authorized and used. Senator Briles moved that the authorization for the additional day be given. Representative Byerly seconded the motion, and it carried.

Vice Chairperson Stromer noted that Council members have received correspondence from the Committee for Improved Retirement for Motor Vehicle Enforcement Officers of the Division of the Iowa Department of Transportation requesting that the Legislative Council authorize a study committee to review the lack of uniformity between uniformed motor vehicle enforcement officers and other peace officers. It was noted that Senator Nystrom had contacted Chairperson Hultman about the letter and that judges of the court system had also indicated they would like a study committee to consider the actuarial soundness of the Judicial Retirement System. Senator Junkins moved that a subcommittee of the Senate and House Committees on State Government be authorized one day to study both of the retirement problems previously described. Senator Hutchins moved that the study also include a study of the receipt by uniformed officers of more than one public pension. Representative Welden seconded the amendment, and it carried on a voice vote. The amended motion lost with nine affirmative votes by Vice Chairperson Stromer, Senators Briles, Coleman, Hutchins, Junkins, and Tieden, and Representatives Byerly, Clark, and Menke; and three negative votes by Representatives Connors, Hansen, and Welden. (Motions of the Legislative Council require eleven affirmative votes for adoption.)

Mr. Garrison called for more specific direction for planning for the Legislative Orientation Program. Senator Briles moved that the Legislative Orientation Program take place during the first week of December. Representative Byerly seconded the motion, and it carried. Mr. Garrison asked members to contact him if they have suggestions for a banquet speaker. In response to questions about the banquet, Mr. Garrison responded that he anticipates between 80 and 100 persons present at the banquet, including new members of the General Assembly, their spouses, and participants in the Orientation Program. He also stated that he would like to prepare

a handbook that contains functions of the various legislative staffs. In response to a question about costs of the orientation, Mr. Garrison responded that new members receive mileage and expenses and participating current members receive per diem as well as mileage and expenses.

Representative Connors moved that the Legislative Service Bureau send a letter to the D.O.T. enforcement officers who wrote the letter to the Legislative Council asking them to forward in writing their specific recommendations, and that the Service Bureau then contact the consulting actuaries for the General Assembly about the costs of an actuarial study of the costs of the recommendations. He also asked that a copy of the letters be sent to Senator Nystrom. The motion carried.

Representative Byerly asked Council members to review the subject areas of the interim studies that have already been approved to see if one of the committees could look at the problems of those persons who have either been laid off or lost their jobs and are experiencing problems in meeting their mortgage payments. He suggested exploring such possibilities as an interest subsidy paid from Housing Finance Authority funds or some other manner of precluding the foreclosure of mortgages of persons who have paid on the mortgages for a large number of years. Vice Chairperson Stromer noted that LEAG is looking at the problem of plant closings, and Representative Byerly suggested that Mr. Garrison forward the comments and concerns about mortgage foreclosures to LEAG to include in the plant closings study. Senator Coleman commented that the Governor possesses the authority to declare a moratorium on all foreclosings during a state of emergency.

It was noted that the next meeting of the Legislative Council will be held on the call of the Chairperson and Vice Chairperson.

Respectfully submitted,

SERGE H. GARRISON
Director

DIANE BOLENDER
Senior Research Analyst