

M I N U T E S

STUDIES COMMITTEE OF THE LEGISLATIVE COUNCIL

June 18, 1986

PRELIMINARY BUSINESS

Chairperson Speaker Donald Avenson called the Studies Committee of the Legislative Council to order at 11:45 a.m. June 18, 1986, in Senate Committee Room 22 of the State House, Des Moines, Iowa. Committee members present in addition to Chairperson Avenson were:

Senator Bill Hutchins
Senator C. Joseph Coleman
Senator Lee Holt
Senator James Wells
Representative Bob Arnould
Representative Dorothy Carpenter

(Senator Calvin O. Hultman was excused.)

Chairperson Avenson entertained motions regarding the minutes of the previous meeting. Senator Holt moved, and the motion carried unanimously, that the minutes be approved as distributed.

REVIEW OF LEAG PROPOSALS

Chairperson Avenson recognized Dr. John Fuller, Executive Director of the Legislative Extended Assistance Group (LEAG), for a brief review of the 1986-87 LEAG Research Proposals. Copies of the LEAG Proposed List and Summary of Proposals are attached and made a part of these minutes. Dr. Fuller provided the Committee with a short overview of the proposals and noted for the members the numerical ranking which the LEAG had given to the various proposals (Notations of Dr. Fuller's rankings are included on the attached List of LEAG Proposals). Dr. Fuller stated that if funding for the proposals was authorized, that work on the research projects would begin on July 1, 1986, and that progress reports would be provided in August.

AUTHORIZATION OF LEAG RESEARCH PROPOSALS

Chairperson Avenson stated that the legislative leaders had reviewed the LEAG proposals, and now make the following recommendations:

(1) That proposals #2 (Evaluation of Rural Economic Development Policies for Iowa) and #4 (Research on Regional Economic Development in Iowa's Rural Counties) under the category of Economic Development be authorized as LEAG studies on Rural Redevelopment.

(2) That proposal #2 (The Impact of Recent Changes in Laws Concerning Agricultural Lending on Capital Availability for Rural Redevelopment) under the category of Public Finance be authorized as a LEAG study on Rural Redevelopment.

Representative Carpenter stated that she would like to offer proposal #3 (Factors Relating to Attraction and Retention of Quality Teachers in Iowa) under the category of Education as an additional authorized LEAG study. Senator Hutchins commented that if such an additional LEAG study were authorized, that the LEAG personnel would need to coordinate their activities with the activities of the proposed Teacher Salary Improvement Study Committee. Chairperson Avenson stressed that it would be important for all LEAG study personnel to stay in close contact with the Legislative Study Committees working in similar areas.

Representative Carpenter moved that the Committee's proposed recommendation for LEAG studies be amended by adding authorization for proposal #3 under the category of Education. The motion passed unanimously. Chairperson Avenson moved that the recommendations, as amended, be adopted. The motion passed unanimously.

Following the adoption of the recommendations, Dr. Fuller interjected that the budgetary approximation for the included studies would be \$28,566.

REVIEW OF COMMITTEE ACTION RELATING TO PREVIOUSLY RECOGNIZED
MANDATED AND CONTINUING STUDIES

Chairperson Avenson commented that the Committee had previously reviewed and approved the list of mandated and continuing studies, and asked the members if they had concerns or suggestions regarding such studies. Representative Carpenter stated that she would like to recommend a list of specific charges to be given to the Indigent Health Care Interim Study authorized at the previous meeting. Representative Carpenter distributed a list of six items (which has been attached) as suggested study mandates to the Indigent Health Care Interim Study, noting that the first three items listed should be given priority - and items 4 through 6 were logical expansions upon issues the Study Committee would be reviewing already. Chairperson Avenson commented that if the Indigent Health Care Interim Study were to be authorized the standard three meetings, time restrictions might counsel that only the first three listed charges should be specifically included as mandates to the interim committee. Representative Carpenter expressed agreement with the concern but noted that if time permitted, that the interim committee should be free to study items 4 through 6. The Committee noted its

approval for such additional items of study if time permitted. Representative Carpenter moved that items 1 through 3 be added as specific charges to the Indigent Health Care Interim Study Committee. The motion passed unanimously.

Chairperson Avenson entertained additional discussion and suggestions regarding previously approved interim studies. Senator Hutchins noted that a specific request had been received regarding the issue of Targeted Economic Development, and expressed his interest in the issue. Senator Hutchins moved, and the motion carried unanimously, that the issue of Targeted Economic Development be added as a subject matter of the Rural Redevelopment Interim Study Committee.

AUTHORIZATION OF ADDITIONAL INTERIM STUDIES

Chairperson Avenson pointed out to the members that a list of eight proposed 1986 interim studies had been distributed to the members. He noted that the list had been developed during meetings held with the other leaders, and included the following:

1. Public Campaign Finance - 7/7 - 3 meetings. Committee to consider a method to provide limited public financing for campaigns for state office which include incentives for maximizing campaign contributions from individuals and limiting contributions from political action committees in a way that assures the public of an equitable balance of access to state officeholders, and shall consider HF 2476 as passed by the House April 10, 1986, in its study.

2. Teenage Pregnancies - 5/5 - 3 meetings. Committee to recommend legislation to further the long-term self-sufficiency of teenage parents, including a coordination of medical, school, and social services systems to provide a wide range of services to pregnant adolescents, teenage parents, their children, and families, in order to curb the self-perpetuating cycles of teenage pregnancies.

3. Rural Redevelopment - 7/7 - 3 meetings. Committee to propose legislation which is a long-range state policy plan that statutorily phases in state programs and incentives to systematically redevelop rural Iowa.

4. State Tax Reform (related to federal tax code changes) - 7/7 - 3 meetings. Committee to direct research on the state revenue, economic development, and local infrastructure impacts of the finally-enacted federal tax bill, and propose legislation to adjust the state tax code giving equal weight to federal compliance requirements and a fair state tax system that is based upon ability to pay.

5. Mississippi Riverboat Gambling - 5/5 - 3 meetings. Committee to consider proposals to enhance Iowa's tourism industry through the legalization of limited casino-type gambling confined to commercial

riverboat enterprises on the Mississippi River; and the establishment of a Mississippi River Recreation/Tourism Corridor.

6. Teacher Salary Improvement - 7/7 - 3 meetings. Committee to recommend range of cost alternatives and range of funding sources and funding alternatives including a K-12 funding formula rewrite, which will compensate Iowa's teachers at salary levels the Committee's research suggests is necessary to attract and retain competent Iowa teachers in the near-and long-terms.

7. Local Government Reorganization - 7/7 - 3 meetings. Committee to recommend modern alternatives to township government structures, purposes, and functions; and to county government structures, purposes, and functions, for the purpose of increasing local governments' ability to deliver services fairly, efficiently, and uniformly throughout Iowa.

8. Affordable Housing, Iowa's Homeless, and Utility Shut-Offs 5/5 - 3 meetings. Committee to develop research to determine extent of Iowa's homeless population, project extent of need for affordable housing, and propose various financial resources and/or mechanisms to increase Iowans' access to affordable housing; one meeting devoted to exploration of alternatives to current utility shut-off moratorium.

Following discussion of the proposals, Senator Coleman moved that the list of eight proposed 1986 interim studies be approved. The motion carried unanimously.

CONSIDERATION OF ADDITIONAL INTERIM REQUESTS RECEIVED

Chairperson Avenson informed the Committee that he had received three additional requests for interim study. Chairperson Avenson explained that the first was a request to have the Legislative Fiscal Bureau, in conjunction with the Fiscal Committee, do a performance audit on the board of regents capital construction procedures. Senator Coleman moved, and the motion carried unanimously, that the study be approved.

Chairperson Avenson explained that the second was a request he had received by telephone from Senator Hultman, and related to an interim study on property tax issues. He noted that particular issues suggested for the study included: (1) Who is presently paying such taxes; (2) What were the taxes being paid for; (3) How were the property tax receipts being spent; (4) What effect were the previous property tax relief measures passed by the General Assembly, such as court reorganization and substance abuse payment modification, having on reducing the property tax expenditures in the counties; (5) If such property tax relief measures had reduced these areas of expenditures, then what new expenditures were these funds being used for; and (6) Alternative forms of financing items presently being funded by property tax receipts. Senator Hutchins suggested that an additional issue for the study should be a review

of the "burden of proof" and "process of appeal" which the property taxpayer must face when appealing an assessment. Following further discussion on the issues, Chairperson Avenson moved that the Committee authorize a Property Tax Interim Study Committee - and that the previously mentioned issues be included within the charge to the Interim Committee. The motion passed unanimously.

Chairperson Avenson explained that the third additional request came from several House members and sought a systematic review of the effectiveness of the various approaches taken toward OWI violators in the different counties. Chairperson Avenson opined that such a study could provide valuable information, and could be carried out by an interim committee working closely with consultants who were experts in such matters. He also commented that there might be nonpublic funds available to assist in the financing of such a study. Senator Hutchins expressed the concern that the authorization of such a study might be more appropriate after information was available regarding the specific charges which would be given to the Committee and consultants - and a determination had been made as to whether or not there were private funds available to assist in its financing. Senator Hutchins asked for and received unanimous consent to defer further action regarding the proposal until such information was available.

ADDITIONAL REQUESTS BY MEMBERS

Chairperson Avenson inquired whether the members had any additional proposed recommendations to come before the Committee. Senator Hutchins commented that he would like to see an inquiry into the present use of lottery receipts. Chairperson Avenson responded that he had already spoken with Mr. Dennis Prouty, Director of the Legislative Fiscal Bureau, concerning the need for a centralized collection and analysis of such information regarding lottery receipt expenditures. Senator Hutchins expressed his belief that there was a need to begin specific tracking of such expenditures, the effects which the expenditures are having, and the analysis of additional information. Senator Hutchins moved that the report of the Committee specifically note that the Legislative Fiscal Bureau is given express approval to begin such data collection and analysis. The motion passed unanimously.

Representative Carpenter expressed her belief that there was a need to study the Codes of Ethics of the House and Senate, and to make recommendations regarding necessary changes. Chairperson Avenson stated that he had already discussed the matter with the Chairperson of the House Ethics Committee. Senator Hutchins interjected that he had also discussed the matter with the Chairperson of the Senate Ethics Committee. Chairperson Avenson assured the Committee that he and Senator Hutchins would continue to work with the Ethics Committees and with the interested members of this Committee regarding the review of the present Codes of Ethics and recommendations for their modification.

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ADJOURNMENT

Hearing no further business, the Studies Committee of the
Legislative Council adjourned at 12:45 p.m.

Respectfully submitted,

DAVID J. LYONS
Legal Counsel