

# M I N U T E S

## LEGISLATIVE COUNCIL

October 13, 1976

The eighteenth meeting of the 1975-76 Legislative Council was called to order at 10:20 a.m., Wednesday, October 13, 1976 in the Speaker's Conference Room of the State House in Des Moines. Members attending the meeting were:

Speaker of the House Dale M. Cochran, Chairperson  
Senator James E. Briles  
Senator C. Joseph Coleman  
Senator Lucas J. DeKoster  
Senator Willard R. Hansen  
Senator Eugene M. Hill  
Senator George R. Kinley  
Senator Clifton C. Lamborn  
Senator William D. Palmer  
Senator Bass Van Gilst  
Representative Elmer H. Den Herder  
Representative Donald V. Doyle  
Representative Keith Dunton  
Representative Jerome Fitzgerald  
Representative William J. Hargrave  
Representative James I. Middleswart  
Representative Floyd H. Millen  
Representative Andrew Varley

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

On motion of Representative Dunton, seconded by Representative Doyle, the minutes of the Council's September 8 meeting were approved as distributed to Council members.

Chairperson Cochran noted that the main business on the agenda of the present meeting will be the presentation of progress reports of interim study committees and subcommittees of standing committees. He added that in order to save travel and per diem expense, these reports would be presented by members of the Legislative Service Bureau staff and other staff personnel involved with the respective study committees and subcommittees.

Senior Research Analyst Thane Johnson presented the progress report of the Collective Bargaining Administration Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes. Council members posed several questions to Mr. Johnson and to Senator Hill, a member of the Study Committee.

Legal Counsel Larry Burch presented the progress report of the Insurance Pool Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes.

Senior Legal Counsel Bernie Koebernick presented the progress report of the Road Financing Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes. Council members addressed several questions to Mr. Koebernick, with particular respect to the mechanics of the 20 percent ad valorem tax proposal under consideration by the Study Committee's tax subcommittee.

Research Analyst Diane Bolender presented the progress report of the Area Education Agency Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes.

Mr. Koebernick then presented the progress report of the Corporation Income Tax Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes.

At the request of Study Committee Chairperson Representative Lowell Norland, Mr. Koebernick asked that the Council authorize payment of expenses for Mr. Dan Smith, a corporate income tax specialist with the Wisconsin Department of Revenue, who has been asked to appear at the Study Committee's scheduled November 23 meeting. On motion of Representative Dunton, seconded by Representative Doyle, the Council unanimously authorized payment of expenses for Mr. Smith to appear on that date as requested.

In response to a question from Senator Hill, Mr. Koebernick said that a decision by the trial court is expected during the month of October in a case challenging the constitutionality of Iowa's single-factor formula state corporation income tax. He added, however, that it is generally expected that the case will be appealed to the Iowa Supreme Court by the losing party at the trial court level.

Mr. Johnson presented the next two progress reports, those of the Energy Resources Study Committee and the Legislative Oversight Capabilities Study Committee. Summaries of each of these progress reports are attached to and by this reference made parts of these minutes.

At the request of the Legislative Oversight Capabilities Study Committee, Mr. Johnson asked that the Council authorize payment of necessary expenses for travel to Iowa for the Kansas State Auditor, a representative of the federal General Accounting Office from Kansas City, and a Colorado legislator or other individual familiar with the Colorado sunset law, each of whom will be asked to meet with the Study Committee. On motion of Senator

Palmer, seconded by Representative Middleswart, the Council unanimously authorized payment of necessary travel expenses for these individuals.

Senior Research Analyst Phil Burks presented the progress report of the Legislative Procedures Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes. Chairperson Cochran suggested that Council members not discuss any of the tentative proposals reviewed in the progress report, since the discussion might well prove very lengthy and there were a number of additional progress reports to be received.

Legal Counsel Carol Ann Nix presented the progress report of the Adult Penal and Correctional Systems Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes. Council members directed a number of questions regarding the progress report to Ms. Nix and Representative Doyle, who serves as Chairperson of the Study Committee.

Representative Dunton assumed the chair at 11:20 a.m.

Mr. Burks presented a progress report for the Juvenile Justice Study Committee prepared by Legal Counsel Mary Richards, who was at a meeting of the Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes.

Legal Counsel Tim Braunschweig presented the progress report of the Peace Officers Retirement Systems Study Committee. A summary of the progress report is attached to and by this reference made a part of these minutes.

Mr. Braunschweig noted that the Council at its September 8 meeting approved rules under which the Study Committee will receive bids for actuarial services needed to complete the Study Committee's work. (See minutes of Council's September 8, 1976 meeting, pages 4-5.) Mr. Braunschweig suggested it would now be necessary for the Council to determine by whom the bids are to be opened. Service Bureau Director Serge Garrison suggested that the Council delegate this responsibility to the Chairperson and one or more other members of the Study Committee. After a brief discussion, Senator Van Gilst moved that responsibility for opening the bids to be received on actuarial services be delegated to Study Committee Chairperson Senator James Redmond and Senator Coleman, a Council member who serves on that Study Committee. The motion was seconded by Representative Doyle and adopted by a unanimous voice vote.

Speaker Cochran resumed the chair at 11:45 a.m.

Mr. Braunschweig then presented the progress report of the joint interim Subcommittee on Vocational-Technical Education of the

Standing Committees on Education. A summary of the progress report is attached to and by this reference made a part of these minutes.

Mr. Braunschweig noted that the Subcommittee has asked authority for two additional meetings, which it believes are needed in order to properly complete its work. On motion of Senator Hill, seconded by Representative Middleswart, the Council authorized the two additional meetings as requested by a unanimous voice vote.

Council members asked several questions regarding the study by the Subcommittee on Vocational-Technical Education. There was some discussion of some of these matters.

The meeting recessed at 12:10 p.m., and reconvened in the Speaker's Conference Room at 1:45 p.m. All Council members who had attended the morning session were again present except Representative Fitzgerald. Representative Tom Higgins also attended a portion of the afternoon session.

Chairperson Cochran recognized Representative Higgins, Chairperson of the House Committee on Human Resources, who briefly reviewed the action taken by the Council on the joint standing Human Resources Committees' request relative to work to be conducted during the current legislative interim. He noted that the Committees had requested authority to work in three particular areas; (1) certificate of need legislation for health care facilities, (2) home health care, and (3) mental health institute programs, with particular reference to aftercare services. The Council had authorized a joint interim Subcommittee on Certificate of Need, to be composed of three members from each house, but had simply allowed the joint standing Committees on Human Resources one full membership meeting in addition to the regular statutory one in lieu of authorizing subcommittees in the areas of home health care and mental health institutes.

Representative Higgins explained that he had misunderstood the intent of the Council's action, and that when the joint standing Committees on Human Resources held their first full membership meeting on August 19, three subcommittees rather than one were established. The Certificate of Need Subcommittee had met September 15, the Home Health Care Subcommittee had met October 4, and the Mental Health Institutes Subcommittee has not yet met but had expected to do so soon in order to review data prepared by the Human Resources Committee staff. Representative Higgins said the number of meetings authorized the Certificate of Need Subcommittee will be adequate but requested authority for each of the other subcommittees organized August 19 to hold the three meetings during the balance of the current legislative interim.

In response to a question from Representative Hargrave, Representative Higgins indicated that while it would be preferable to hold a meeting of the full joint Committees on Human Resources late in the present interim to review work of the three subcommittees, it is not necessary because that could be done early

in the 1977 session. Representative Hargrave then moved that the Home Health Care Subcommittee be authorized three additional meeting days, that its members receive per diem and expenses for the meeting which that Subcommittee has already held and that the Mental Health Institute Subcommittee be authorized three meeting days. The motion was seconded by Senator Kinley, and there was a brief discussion.

Senator Hill moved to amend Representative Hargrave's motion so as to specify that the additional meetings authorized are in lieu of, and not in addition to, the second meeting of the full membership of the Committees on Human Resources which was originally authorized. The Council first adopted the amendment, and then adopted Representative Hargrave's motion as amended, by unanimous voice votes.

Chairperson Cochran observed that the recommendation of the Council's Studies Committee as adopted by the Council, was that each authorized joint interim subcommittee have three members from each house, unless otherwise specified. No other specification had been made with respect to the Certificate of Need Subcommittee, but the membership appointed on August 19 includes three Senators and five Representatives. Representative Higgins said he would accept the responsibility for this situation, adding that he assumed it would be appropriate to appoint each of the fifteen members of the House Committee on Human Resources to one of the interim subcommittees.

Representative Varley moved that the Council authorize five house members on each of the joint interim subcommittees of the standing Committees on Human Resources. The motion was seconded by Representative Hargrave and adopted by a unanimous voice vote.

The Council then resumed hearing progress reports, Mr. Braunschweig presenting the progress report of the joint interim Subcommittee on Funding of Unemployment Compensation of the standing Labor and Industrial Relations Committees. A summary of the progress report is attached to and by this reference made a part of these minutes. Council members directed to Mr. Braunschweig several questions regarding the progress report.

Legal Counsel Leroy Zeman presented the progress report of the joint interim Subcommittee on Corporate Farming of the Standing Committees on Agriculture. A summary of the progress report is attached to and by this reference made a part of these minutes. There was some discussion of the work being done by the Subcommittee.

Ms. Nix next presented the progress report of the joint interim Restaurant Inspection Subcommittee of the standing Committees on State Government. A summary of the progress report is attached to and by this reference made a part of these minutes. Council members directed to Ms. Nix several questions regarding the progress report, and there was some discussion.

The final progress report of the day, that of the joint interim Certificate of Need Subcommittee of the standing Committees on Human Resources, was presented by Ms. Christine Pattee of the Committee's joint staff. She distributed copies of a memorandum on policy issues pertinent to certificate of need legislation. A copy of the memorandum is attached to and by this reference made a part of these minutes. Council members directed several questions regarding certificate of need legislation to Ms. Pattee.

Chairperson Cochran expressed appreciation to the staff personnel who had presented the progress reports. It was noted that three legislative interim study groups authorized by Council action have not held or scheduled a meeting thus far in the 1976 interim. They are the Public Utility Rates Study Committee, the joint interim Staffing and Compensation of Legislative Employees Subcommittee of the standing House Rules and Senate Rules and Administration committees, and the joint interim Life Support Systems Subcommittee of the Standing Committees on Judiciary. A fourth group, the Rights of Minority Shareholders Subcommittee of the standing Committees on Judiciary has scheduled its first meeting for October 28.

Senator Briles noted that he is one of the members appointed to the Public Utility Rates Study Committee, and that Representative Arthur Small was designated temporary chairperson. He inquired what has been done toward initiating an organizational meeting of this Study Committee. Mr. Garrison replied that there has been no response from Representative Small in regard to this matter. Chairperson Cochran said he would check with Representative Small to determine what his plans are.

Chairperson Cochran presented the report of the Council's Administration Committee pursuant to its meeting on the previous day. Copies of a report from the Administration Committee were distributed to Council members present.

Representative Den Herder moved that the Council approve the Administration Committee's recommendation with respect to modification of the House air conditioning system to eliminate drafts which presently make certain seats in the House quite uncomfortable when the system is operating. The motion was seconded by Senator Hill and adopted by a unanimous voice vote.

At the request of Chairperson Cochran, Legislative Fiscal Director Gerry Rankin reviewed the present situation relative to the interactive budgeting and monitoring system which was under development for the Iowa General Assembly by Coopers and Lybrand, pursuant to action of the Legislative Council which the Attorney General has subsequently ruled exceeded the Council's authority. In view of this situation, Mr. Rankin had proposed, and the Administration Committee had recommended, that the Legislative Council approve:

1. Transfer to the Fiscal Bureau payroll from the joint legislative payroll of Ms. Mary Johnston as a full-time employee, and three part-time programmers who have been employed on an hourly rate basis, at a total cost of approximately \$24,000 to be paid from money available in the Fiscal Bureau budget due to personnel turnover and a vacant position not previously filled.

2. Payment from the joint legislative expense account of the cost of renting equipment which the Fiscal Bureau currently has in its possession, purchase of soft ware, telephone line charges, cost of copying tapes, and the cost of using Drake University's computer through the period June 30, 1977, totalling approximately \$21,000.

Senator Van Gilst moved that, for the purpose of enabling the General Assembly to more effectively function and discharge its responsibilities with respect to the appropriation process, the Council approve the recommendation of the Administration Committee in regard to the payment of legislative expenses, as just presented by Mr. Rankin. The motion was seconded by Representative Den Herder, and adopted by a unanimous voice vote.

Representative Middleswart inquired whether the General Assembly owes Coopers and Lybrand money for the work which had been done prior to the time of the Attorney General's opinion. Chairperson Cochran replied in the affirmative, adding that it is necessary to determine the exact amount involved and this has not yet been done.

Representative Varley raised questions regarding the extent of the work which had been done in Iowa by Coopers and Lybrand, and the ability of the Legislative Fiscal Bureau staff to go forward from that point toward completion of the interactive budgeting and monitoring system as originally designed. He suggested the system is very similar to that in use in the State of Washington. Mr. Rankin replied that the system which was being installed here was in fact custom designed for Iowa, and is somewhat more sophisticated than that in use in the state of Washington.

On motion of Senator Palmer, seconded by Senator Briles, the report of the Administration Committee was accepted by a unanimous voice vote.

Senator Palmer presented the report of the Legislative Fiscal Committee, pursuant to its meeting on the previous day. A copy of the report is attached to and by this reference made a part of these minutes. On motion of Senator Palmer, seconded by Senator Briles, the Fiscal Committee's report was accepted by a unanimous voice vote.

Senator Palmer presented to Chairperson Cochran the audit of the Illinois College of Optometry at Chicago, as required by Senate File 1261 of the Sixty-sixth General Assembly, 1976 Session. Senator Palmer noted that Fiscal Analyst Ethan Towne of the

Legislative Fiscal Bureau had reviewed the audit and believes it is in order. On motion of Senator Coleman, seconded by Senator Briles, the audit was accepted by a unanimous voice vote.

The Council briefly discussed future meeting plans. It was agreed that the next meeting of the Council will be held at 10:00 a.m. on Wednesday, November 10.

Plans for completion of work by study committees and joint interim subcommittees and presentation of their reports to the Council were then discussed. Representative Varley suggested that the committees and subcommittees be asked to complete their work by November 30, and that the Council's annual report meeting be held December 8 and 9. Mr. Garrison noted that it has been customary for chairpersons of study committees established by the Council to be asked to present the reports, and to receive per diem and expenses for attending the Council's report meeting. There being no objection to these arrangements, Chairperson Cochran directed that the report meeting be so planned.

Senator Hansen called to Council members' attention a letter he had received from Mr. Wayne Paige of Blazer Irrigation at New Hampton, Iowa. A copy of the letter is attached to and by this reference made a part of these minutes. He suggested there may be a need for some interim legislative activity in this area.

Representative Varley warned that Iowa faces what he termed a crisis situation in the whole matter of irrigation and water supply. He said irrigation has not been a wide-spread practice in Iowa in the past, but as the cost of planting a crop reaches or passes \$150 an acre the marginal cost of irrigation becomes relatively less, particularly when viewed as a step to protect the already high investment. As a result, increased pumping for irrigation may drastically affect water supplies in the next few years. Representative Varley expressed the view that a policy of expediting approval of irrigation permits in the absence of research on the long-run effect on the water supply would be unwise.

After some discussion, Chairperson Cochran asked Representative Middleswart, Chairperson of the House Natural Resources Committee, whether the joint Natural Resources Committees plan a meeting during the current legislative interim. Representative Middleswart indicated there are no such plans at present, and Chairperson Cochran then said the matter should be referred to the Natural Resources Committees upon convening of the 1977 session.

Mr. Garrison reported to the Council that he has received three separate letters each signed by Associate Superintendent of Public Instruction Jerry L. Starkweather, Director of the Rehabilitation Education and Services Branch, reporting educational leave or tuition reimbursement, or both, approved for specific employees. The reports are required by section 15 of House File



1583 of the Sixty-sixth General Assembly, 1976 Session and copies are attached to these minutes. Mr. Garrison noted that the leave involved 4 1/2 hours per week in one case and 7 1/2 hours per week in another, for periods of two or three months each, and that the tuition reimbursements are \$82.85 in one case and \$107.55 in another.

Mr. Garrison added that he is also reporting to the Council, pursuant to the same Act, approval of tuition reimbursement not to exceed \$50 to Service Bureau Executive Administrator Dorothy Benton for a law-related evening course at the area community college in Ankeny. A copy of this report is attached to these minutes. He noted that in her position, Mrs. Benton is occasionally asked questions in law-related fields by persons contacting the Service Bureau.

In response to questions from Council members, Mr. Garrison confirmed that he has received no other reports from departments or agencies pursuant to section 15 of House File 1583. Senator Palmer suggested that Mr. Garrison circularize state agency heads to try to insure that none of them are inadvertently overlooking this statute.

The Council adjourned at 3:30 p.m.

Respectfully submitted,

SERGE H. GARRISON  
Director

PHILIP E. BURKS  
Senior Research Analyst