M I N U T E S

SERVICE COMMITTEE OF THE LEGISLATIVE COUNCIL

June 23, 1987

PRELIMINARY BUSINESS

The meeting of the Service Committee of the Iowa Legislative Council was called to order by Senator Joe Welsh, Chairperson, at 12:00 Noon, Tuesday, June 23, 1987, in Committee Room 22 of the State House, Des Moines, Iowa. Members present in addition to the Chairperson were:

Senator Lee Holt
Senator Emil Husak
Representative John Connors
Representative Kay Chapman
Representative Delwyn Stromer

Also present were: Donovan Peeters, Director, Legislative Service Bureau; William Angrick, Citizens' Aide; Dennis Prouty, Director, Legislative Fiscal Bureau; Sandy Scharf, Director, Computer Support Bureau; Phyllis Barry, Deputy Code Editor; Joe O'Hern, Chief Clerk of the House of Representatives; Richard Johnson, Legal Counsel, Legislative Service Bureau; and Diane Bolender, Senior Research Analyst, Legislative Service Bureau.

Senator Holt moved that the minutes of the June 3, 1987, meeting be approved as distributed to Committee members. The motion was adopted.

SUBMISSION OF ANNUAL SALARY REPORTS

Chairperson Welsh noted that the administrators of each of the central legislative agencies had submitted salary reports that include the merit review dates for each employee. The salary reports were received from the Computer Support Bureau, the Legislative Fiscal Bureau, and the Legislative Service Bureau including the Iowa Code Office. He noted that the Annual Salary Report for the Office of Citizens' Aide had already been received by the Service Committee at the June 3 meeting. He commented that the reports were submitted for the Committee's reference. Representative Connors moved that the Service Committee receive and file the reports. Representative Stromer asked whether the action by the Service Committee to receive and file the reports implies that the Service Committee has approved these reports. It was noted that the reports are informational only and contain the annual review dates for employees of the central agencies.

Chairperson Welsh called for comments from each of the administrators. Mr. Scharf stated that his report contains no major salary changes and only lists normal merit step review dates.

Representative Stromer asked for further clarification about the salaries of employees of central legislative agencies, especially with regard to the unresolved policy concerning restoration of step reductions that were implemented if an employee was assigned a position classification that placed that employee in a higher grade as a result of the adoption of the Report of the Comparable Worth Committee. It was noted that if an employee has a review date near the July 1, 1987 pay period, that employee could conceivably receive a two-step salary increase, one for a merit step increase and the other for restoration of the step which the employee lost under the Comparable Worth Report.

In response to questions about the process used for House and Senate employees, Mr. O'Hern explained that under legislation passed during the 1987 legislative session executive branch employees who received a one-step reduction under the adoption of comparable worth for executive branch employees, will retain their current merit review dates and will also receive a one-step increase if their grades were increased under comparable worth and they previously had received a one-step reduction.

Representative Stromer asked whether in some instances the grade classification to which an individual was placed under appeal from the comparable worth recommendations for position classification were predicated on a potential loss of step so that the outcome of the appeal was to grant an additional grade to the position of that employee to compensate for the loss of step. Mr. O'Hern responded in the negative, commenting that the loss of one step was a legislated decision, while the results of appeals were based upon the factor point counts.

Chairperson Welsh noted that Mr. Scharf had stated on his salary report that the report was filed for informational purposes and only indicates the scheduled timing of a merit increase. Each employee will be evaluated separately. The report does not include the adjustment for the lost step that some employees experienced with the implementation of comparable worth.

Chairperson Welsh asked whether and employee would normally be granted a one-step increase effective with that employee's review date unless the administrator of the agency decides against it. Mr. Peeters responded in the affirmative, adding that the administrator also has the option of granting an employee an additional meritorious step increase or reclassifying the employee to another position, both of which require approval of the Service Committee and the Legislative Council.

Senator Husak asked about the recourse an employee has who is not given a regular merit step increase. Mr. Peeters responded that that employee could file a grievance with the Service Committee and the Legislative Council. Chairperson Welsh noted that three grievances have been filed by employees of central legislative agencies during the past several years.

Both Mr. Prouty and Mr. Peeters commented that they have made no recommendations in their annual salary reports for a change of an employee's grade, although Mr. Peeters stated that he would like to reserve the right to recommend grade changes at a future meeting.

INTERNAL RESTRUCTURING OF LEGISLATIVE FISCAL BUREAU

Mr. Prouty commented that he had mailed to Committee members a proposed internal restructuring of the Legislative Fiscal Bureau, and he noted that expanding the number of employees from seventeen to twenty-five has made it increasingly difficult for the Director to be aware of the activities of the staff. He expressed the belief that the proposed restructuring is broad enough to provide more consistent and effective performance of the functions of the Legislative Fiscal Bureau and will meet future needs. He commented that the work of the office will be divided into a policy analysis section, a data base management section, and a fiscal analysis section. Mr. Prouty added that during the legislative session nearly all of the employees perform fiscal analysis functions, while during the interim it is anticipated that while a portion of the employees will continue to perform planning and programming for the next legislative session, other fiscal analysis employees will be performing functions under the policy analysis section. Senator Welsh asked whether Mr. Prouty anticipates that for each of the three sections an individual will be responsible for the employees in that section. Mr. Prouty responded in the affirmative.

DISCUSSION OF FISCAL ANALYSIS CAPABILITIES

Representative Stromer asked Mr. Prouty to compare the revenue analysis for the General Assembly that will be conducted by the Legislative Fiscal Bureau with the revenue analysis that was performed by the old State Comptroller's office. Mr. Prouty responded that the governmental reorganization Act enacted in 1986 created a revenue estimating conference in which the Director of the Department of Management, the Legislative Fiscal Director, and a third person, would perform revenue estimating for both the executive and legislative branches. Mr. Prouty explained that the members of the revenue estimating conference have agreed to meet the first Thursday after the close of each calendar quarter to perform the revenue estimating function. He commented that the three members of the revenue estimating conference met in late May, and as a result of that conference, the executive branch changed its revenue estimate which then led to the convening of a special session of the General Assembly. He commented that a revenue estimating conference will be held in December for estimating revenues for fiscal year 1989. Representative Stromer expressed concern about the revenue analysis conducted by the Legislative Fiscal Bureau, a nonpartisan agency, since he did not want the General Assembly to use the Legislative Fiscal Bureau's revenue analysis capabilities to validate the actions that the General Assembly intended to take anyway.

Representative Stromer expressed the belief that the revenue estimates made for the General Assembly should also estimate implications of decisions made in 1987 for expenditures during 1989 and 1990. He asked Mr. Prouty for comments about decisions made by the General Assembly to place a portion of the expenditures that would be made in fiscal year 1988 in both fiscal years 1987 and 1989. Mr. Prouty responded that the reason that appropriations were made in fiscal year 1987 for expenditures that will be made in fiscal year 1988 is that work on the project could be commenced before July 1, 1987.

Representative Stromer also commented that he did not believe that the General Assembly should be developing a staff that would foster competition between the executive and legislative branches and their revenue estimates. Mr. Prouty responded that it was not possible for either of the two branches of government to have anticipated the revenue growth that occurred during the past few months.

CONTINUATION OF FISCAL BUREAU RESTRUCTURING DISCUSSION

Mr. Prouty stated that if the Legislative Council approves the restruturing plan he has devised, he will commence a process within his office of determining who will fill the positions.

Senator Husak asked for more information about whether additional employees will have to be hired to replace the individuals who will head each of the three divisions. Mr. Prouty responded in the negative, commenting that there will be some realignment of duties, but additional personnel will not be required. He commented that each of the three division administrators will also still be staffing appropriations subcommittees. He noted that Mr. Faller, Deputy Director of the Legislative Fiscal Bureau, also is responsible for staffing an appropriations subcommittee.

Senator Holt asked whether there is any way that the growth in numbers of employees in the Legislative Fiscal Bureau could have been arrested. Mr. Prouty responded that Senate File 2175, the governmental reorganization bill, gave the Legislative Fiscal Bureau the charge of conducting legislative oversight rather than creating a new legislative audit department. He commented that in order to adequately fulfill the legislative oversight duties given to the Legislative Fiscal Bureau, eight additional employees were added to the staff in order to provide the most assistance for the General Assembly for the least amount of money.

Representative Connors moved that the Service Committee recommend that the Legislative Council approve the recommendations of Mr. Prouty concerning the internal restructuring of the Legislative Fiscal Bureau. The motion was adopted with Senator Holt and Representative Stromer voting in the negative and the remaining members of the Committee voting in the affirmative.

TELEPHONE STUDY

Chairperson Welsh noted that action on a motion to approve the hiring of a consultant to study whether an alternative method of providing telephone communications might be less expensive than using the communications services provided by the Department of General Services was deferred at the June 3 meeting at the request of Representative Chapman. Representative Chapman asked what Chairperson Welsh hopes to gain from such a change. Chairperson Welsh responded that he hopes to gain a more efficient telephone system and an agency more responsive to the General Assembly. Representative Chapman referred to a memorandum to Service Committee members from Mr. Prouty dated June 15, 1987, copies of which may be obtained from the Legislative Fiscal Bureau upon request. Representative Chapman asked for clarification of attachment B, which lists the twelve month communications billing for the legislative agencies and for the House and Senate, especially about the portions of the communications billing that are within the control of the Service Committee. Chairperson Welsh commented that the General Assembly must pay the bills although the specific services used are the responsibility of the agencies themselves. Representative Chapman noted that the Service Committee cannot dictate action to either the House of Representatives or to the Senate. Chairperson Welsh moved that the motion made at the June 3rd meeting apply only to the central legislative agencies, and a decision with regard to telecommunications services in the House of Representatives and Senate be left to the Rules and Administration Committees. He noted that such action would mean that the results would not be as cost-effective.

Representative Connors moved that the Committee go into executive session. The motion was adopted and the Committee went into executive session at 12:15 p.m. and reconvened the meeting at 12:45 p.m.

Representative Connors asked that representatives from the Department of General services be invited to appear before the Service Committee following the adjournment of the Legislative Council meeting to discuss the phone system. The Committee agreed with the request of Representative Connors and the representatives from the Department of General Services agreed to meet with the Service Committee.

RESTORATION OF STEP REDUCTION

Representative Stromer asked Mr. O'Hern to explain to the Committee actions that have taken place in the House Rules and Administration Committee with regard to the restoration of a reduction in step for employees who received grade increases in accordance with adoption of the Comparable Worth Report by the Legislative Council and Rules and Administration Committee. Mr. O'Hern responded that prior to the legislative session, the Legislative Council, in accepting the Comparable Worth Report, moved that those legislative employees who received a higher grade for their position under the Comparable Worth Report would be assigned the step below the step which they held prior to the implementation of comparable worth in order to be consistent with executive branch comparable worth. He expressed the belief that for many members of the General Assembly, there was a belief that the implementation of comparable worth would follow the policies established by the executive branch through the collective bargaining cycle. He commented that under legislation enacted during the 1987 session, effective June 26, 1987, executive branch employees who incurred a one-step reduction because of comparable worth are to have the step restored. He noted that those individuals who have been hired after the implementation of comparable worth would not receive an additional step. Mr. O'Hern concluded that he assumes that effective June 26, 1987, those legislative branch employees who lost a step will have them restored. In response to a question about the number of employees affected, Mr. O'Hern estimated that about twelve full-time employees in the House would be affected. Mr. Prouty commented that five or six employees of the Legislative Fiscal Bureau would be affected. Mr. Scharf commented that two employees of the Computer Support Bureau would be affected.

Representative Stromer asked about the fiscal impact of the step restoration. Mr. Prouty commented that under the present law governing the appropriation of moneys for operation of the legislative agencies, the budgets of the agencies are approved in November or December prior to the July 1 commencing of the fiscal year and the funds are appropriated pursuant to section 2.12 of the Code. He noted that in November, 1986, since a disposition of the comparable worth issue had not yet been decided by the legislative branch, comparable worth money is not contained in the budgets of the central legislative agencies.

Representative Stromer moved that the Service Committee recommend that the Legislative Council approve the restoration of the step reduction for those employees of central legislative agencies who actually incurred a one-step reduction under the adoption of the Comparable Worth Report. It was noted that section 2.12 of the Code is a standing unlimited appropriation, so that the cost of the step restoration will not require an additional appropriation of moneys.

Senator Husak asked about Senate and House clerks. Mr. O'Hern responded that some Senate and House clerks will be eligible for the step increase beginning with the 1988 legislative session. Representative Stromer's motion was adopted on a voice vote.

ADJOURNMENT

The Service Committee adjourned at 1:10 p.m.

Respectfully submitted,

DIANE BOLENDER
Senior Research Analyst