

FEB 26 1975

APPROPRIATIONS CALENDAR, Pass 2/26
" 3/12, Pass 4/10

HOUSE FILE 334

BY COMMITTEE ON APPROPRIATIONS

Passed House, Date 3-10-75 (596) Passed Senate, Date 4-14-75
Vote: Ayes 93 Nays 1 Vote: Ayes 47 Nays 0
Approved 4-28-75 - Steve Vestal (Sec. 2)

A BILL FOR

1 An Act appropriating funds to the Iowa state commerce commis-
2 sion and the department of public defense and providing for
3 the deposit of receipts of such departments in the general
4 fund of the state.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H-3163

- 1 Amend House File 334 as follows:
- 2 1. Page 1, line 17, by striking the figures
- 3 "864,599" and inserting in lieu thereof the figures
- 4 "904,092".
- 5 2. Page 1, line 19, by striking the figures
- 6 "219,759" and inserting in lieu thereof the figures
- 7 "225,059".

H-3163 FILED - Lost 3/10 (595)
FEBRUARY 26, 1975

BY VARLEY of Adair
MENKE of O'Brien
SCHROEDER of Pottawattamie

1 Section 1. There is appropriated from the general fund
2 of the state for the fiscal year beginning July 1, 1975 and
3 ending June 30, 1976 the following sums, or so much thereof
4 as may be necessary, to be used by the following agencies
5 for the purposes designated:

	1975-76
	<u>Fiscal Year</u>
6	
7 1. IOWA STATE COMMERCE COMMISSION	
8 a. General administration	
9 (1) For salaries	\$243,002
10 (2) For support, maintenance, and	
11 miscellaneous purposes	59,417
12 b. Warehouse division	
13 (1) For salaries	217,261
14 (2) For support, maintenance, and	
15 miscellaneous purposes	43,790
16 c. Utilities division	
17 (1) For salaries	864,599
18 (2) For support, maintenance, and	
19 miscellaneous purposes	219,759
20 2. DEPARTMENT OF PUBLIC DEFENSE	
21 a. Military division	
22 (1) For salaries	782,488
23 (2) For support, maintenance, and	
24 miscellaneous purposes	796,422
25 b. Civil defense division	
26 (1) For salaries	57,828
27 (2) For support, maintenance, and	
28 miscellaneous purposes	25,687

29 Sec. 2. Notwithstanding the provisions of section eight
30 point thirty-nine (8.39) of the Code, there shall be no trans-
31 fer of funds appropriated by this Act between categories or
32 line items provided by this Act.

33 Sec. 3. Section twenty-nine A point fifty-eight (29A.58),
34 unnumbered paragraph two (2), Code 1975, is amended to read
35 as follows:

1 The armory board as lessor or sublessor may, for a term
2 not to exceed twenty years, lease property under the control
3 of the board for purposes other than armory or military use
4 when the leasing does not interfere with the use of such
5 property for military purposes. The rental proceeds thereof
6 shall be paid to the adjutant general for deposit into funds
7 ~~appropriated for the support and maintenance of the national~~
8 guard the general fund of the state.

9 Sec. 4. Section four hundred eighty-nine point four
10 (489.4), Code 1975, is amended to read as follows:

11 489.4 FRANCHISE--HEARING. The commission shall consider
12 said petition and any objections filed thereto in the manner
13 hereinafter provided. It shall examine the proposed route
14 or cause any engineer selected by it to do so. If a hearing
15 is held on the petition it may hear such testimony as may
16 aid it in determining the propriety of granting such franchise.
17 It may grant such franchise in whole or in part upon such
18 terms, conditions, and restrictions, and with such
19 modifications as to location and route as may seem to it just
20 and proper. Before granting such franchise, the commission
21 shall make a finding that the proposed line or lines are
22 necessary to serve a public use and represents a reasonable
23 relationship to an overall plan of transmitting electricity
24 in the public interest. No franchise shall become effective
25 until the petitioners shall pay, or file an agreement to pay,
26 all costs and expenses of the franchise proceeding, whether
27 or not objections are filed, including costs of inspections
28 or examinations of the route, hearing, salaries, publishing
29 of notice, and any other expenses reasonably attributable
30 thereto. The funds received for the costs and the expenses
31 of the franchise proceeding shall be remitted to the treasurer
32 of state for deposit in the general fund of the state.

33 Sec. 5. Notwithstanding the provisions of section eight
34 point thirty-three (8.33) of the Code, all unencumbered or
35 unobligated balances of appropriations made by this Act for

1 the fiscal year beginning July 1, 1975 and ending June 30,
2 1976 shall revert to the general fund on August 31, 1976.
3 In all other respects the provisions of section eight point
4 thirty-three (8.33) of the Code shall apply to this Act.

5 Sec. 6. All federal grants to and the federal receipts
6 of the agencies appropriated funds under this Act are
7 appropriated for the purposes set forth in such federal grants
8 or receipts.

9 EXPLANATION

10 The appropriation to the Iowa state commerce commission
11 is intended to fund the program at the current level for
12 support services with an allowance for inflation. In addition
13 to the current level, the general administration division
14 is allowed to accept two transfers from the motor truck
15 division to the table of organization because these individuals
16 are needed in the commerce commission and would otherwise
17 be transferred to the department of transportation in 1975.

18 The appropriation to the department of public defense is
19 intended to fund the program at the current level for support
20 services with an allowance for inflation. The funding for
21 the four positions in the civil defense division that are
22 assigned to the energy policy council for fuel allocation
23 will be funded in the energy policy council's appropriation
24 for Fiscal 1975-76.

25 Funds which the Iowa state commerce commission and the
26 department of public defense can presently receive as receipts
27 and expend are required by sections 2 and 3 to be deposited
28 in the general fund of the state.

29 It is the intent of the committee on appropriations that
30 these funds shall not be transferred within these departments
31 for the purpose of funding additional positions or for the
32 purpose of using funds other than for the specific purpose
33 for which appropriated.

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ROBERT D. RAY
GOVERNOR

Office of the Governor

STATE CAPITOL
DES MOINES, IOWA 50319

April 28, 1975

The Honorable Melvin D. Synhorst
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Synhorst:

I hereby transmit House File 334, An Act appropriating funds to the Iowa State Commerce Commission and the Department of Public Defense, and providing for the deposit of receipts of such departments in the general fund of the state.

House File 334 is approved April 28, 1975, with the following exception which I hereby disapprove.

I am unable to approve Item 2 designated in the Act as Section 2 which reads as follows:

"Sec. 2. Notwithstanding the provisions of section eight point thirty-nine (8:39) of the Code, there shall be no transfer of funds appropriated by this Act between categories or line items provided by this Act."

Chapter 8 of the Code of Iowa directs that the Governor shall have "the efficient and economical administration of all departments and establishments of the government." Chapter 8 also authorizes the Governor and the State Comptroller to transfer funds on an intra-departmental and interdepartmental basis. This authority was provided so that the executive could meet its responsibility of maintaining efficient and economical administration. This Administration and its predecessors have found the transfer authority to be an essential management tool. To be denied this authority, the executive branch would be limited in its ability to effectively carry out its responsibilities. This then can be viewed as an unconstitutional restriction by one branch of government on another.

The Honorable Melvin D. Synhorst
April 28, 1975
Page Two

Section 2 of House File 334 would remove the authority to transfer the funds appropriated in this bill. If allowed to remain, this item would remove the flexibility needed to administer these funds in the most efficient and productive manner possible.

In the preparation of an agency budget, one attempts to anticipate the scope and intensity of the demands and problems the agency will face during the next year or biennium. Yet no one can foresee every changing condition and challenge that may confront an agency. The ability to transfer funds within and between agencies gives an administration the management capability to meet its changing responsibilities. Also, with the transfer authority available, the Governor's budget presented to the General Assembly need not provide for all possible contingencies. It eliminates the need for large contingency funds.

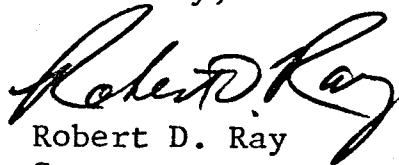
During the past biennium the Department of Public Defense and the Commerce Commission made limited but effective use of the transfer authority. Funds were transferred to the Civil Defense Division of the Department of Public Defense from the Commerce Commission and the Department of Social Services to establish and implement the Emergency Fuel Program in the winter of 1973. Funds were also transferred within the Commerce Commission from the Utilities Division to the Motor Transportation Division to compensate for an unusually low vacancy factor, increased professional services due to complex rate cases, and inflated operating costs. Without the ability to transfer these funds, many Iowa communities might have gone without crucial fuel oil supplies and an important regulation agency might have been hamstrung in its efforts to do its job effectively.

I appreciate the careful analysis and study given to these departments' appropriation requests by the members of the General Assembly. They believe the amounts appropriated are sufficient to meet the needs of the two departments during FY1976. I can also appreciate the concern of some legislators over the transfer of funds. Yet this Administration has and will continue to make only the most prudent and careful transfer of funds. If the citizens of Iowa are to benefit from efficient and productive management by state government, the authority to transfer funds between and within these departments as well as departments of state government needs to be retained.

The Honorable Melvin D. Synhorst
April 28, 1975
Page Three

For these reasons, I hereby disapprove this item in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of House File 334 are hereby approved this date.

Sincerely,



Robert D. Ray
Governor

RDR/jn

cc: Speaker of the House Dale Cochran
Chief Clerk of the House
Secretary of the Senate

AN ACT

APPROPRIATING FUNDS TO THE IOWA STATE COMMERCE COMMISSION AND THE DEPARTMENT OF PUBLIC DEFENSE AND PROVIDING FOR THE DEPOSIT OF RECEIPTS OF SUCH DEPARTMENTS IN THE GENERAL FUND OF THE STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1975 and ending June 30, 1976 the following sums, or so much thereof as may be necessary, to be used by the following agencies for the purposes designated:

	1975-76
	<u>Fiscal Year</u>
1. IOWA STATE COMMERCE COMMISSION	
a. General administration	
(1) For salaries	\$243,002
(2) For support, maintenance, and miscellaneous purposes	59,417
b. Warehouse division	
(1) For salaries	217,261
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(1) For salaries	57,828
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miscellaneous purposes 25,687

Sec. 2. Notwithstanding the provisions of section eight point thirty-nine (8.39) of the Code, there shall be no transfer of funds appropriated by this Act between categories or line items provided by this Act.

Sec. 3. Section twenty-nine A point fifty-eight (29A.58), unnumbered paragraph two (2), Code 1975, is amended to read as follows:

The armory board as lessor or sublessor may, for a term not to exceed twenty years, lease property under the control of the board for purposes other than armory or military use when the leasing does not interfere with the use of such property for military purposes. The rental proceeds thereof shall be paid to the adjutant general for deposit into funds ~~appropriated for the support and maintenance of the national guard~~ the general fund of the state.

Sec. 4. Section four hundred eighty-nine point four (489.4), Code 1975, is amended to read as follows:

489.4 FRANCHISE--HEARING. The commission shall consider said petition and any objections filed thereto in the manner hereinafter provided. It shall examine the proposed route or cause any engineer selected by it to do so. If a hearing is held on the petition it may hear such testimony as may aid it in determining the propriety of granting such franchise. It may grant such franchise in whole or in part upon such terms, conditions, and restrictions, and with such modifications as to location and route as may seem to it just and proper. Before granting such franchise, the commission shall make a finding that the proposed line or lines are necessary to serve a public use and represents a reasonable relationship to an overall plan of transmitting electricity in the public interest. No franchise shall become effective until the petitioners shall pay, or file an agreement to pay, all costs and expenses of the franchise proceeding, whether or not objections are filed, including costs of inspections or examinations of the route, hearing, salaries, publishing of notice, and any other expenses reasonably attributable

Item Vetoed

thereto. The funds received for the costs and the expenses of the franchise proceeding shall be remitted to the treasurer of state for deposit in the general fund of the state.

Sec. 5. Notwithstanding the provisions of section eight point thirty-three (8.33) of the Code, all unencumbered or unobligated balances of appropriations made by this Act for the fiscal year beginning July 1, 1975 and ending June 30, 1976 shall revert to the general fund on August 31, 1976. In all other respects the provisions of section eight point thirty-three (8.33) of the Code shall apply to this Act.

Sec. 6. All federal grants to and the federal receipts of the agencies appropriated funds under this Act are appropriated for the purposes set forth in such federal grants or receipts.

DALE M. COCHRAN
Speaker of the House

ARTHUR A. NEU
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 334, Sixty-sixth General Assembly.

DAVID L. WRAY
Chief Clerk of the House

Approved _____, 1975

ROBERT D. RAY
Governor