

Finance 4/6 Do Pass 4/6 (p. 1776)

Reprinted 4/14

APR 5 1984
FINANCE

HOUSE FILE 2521
BY COMMITTEE ON APPROPRIATIONS

Passed House, Date 4-12-84 (p. 1916) Passed Senate, Date _____
Vote: Ayes 75 Nays 23 Vote: Ayes _____ Nays _____
~~Approved~~ Item Veto May 19, 1984

A BILL FOR

1 An Act relating to and making appropriations to various state
2 regulatory, administrative and finance departments, boards and
3 commissions.

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

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HF 2521

6211 1 Section 1. There is appropriated from the general fund
2 of the state for the fiscal year beginning July 1, 1984 and
3 ending June 30, 1985, to the following boards the following
4 amounts, or so much thereof as may be necessary, to be used
5 for the following purposes:

	1984-1985
	<u>Fiscal Year</u>
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8 1. BOARD OF ARCHITECTURAL EXAMINERS	
9 For salaries, support, maintenance,	
10 and other operational purposes	\$ 45,458
6211 11 2. BOARD OF LANDSCAPE ARCHITECTURAL	
12 EXAMINERS	
13 For salaries, support, maintenance,	
14 and other operational purposes	\$ 10,345
15 3. BOARD OF ACCOUNTANCY	
16 For salaries, support, maintenance,	
17 and other operational purposes	\$ 270,801
18 4. STATE BOARD OF ENGINEERING	
19 EXAMINERS	
20 For salaries, support, maintenance,	
21 and other operational purposes	\$ 138,615

22 Sec. 2. There is appropriated from the general fund of
23 the state to the following departments and commissions for
24 the fiscal year beginning July 1, 1984 and ending June 30,
25 1985, the following amounts, or so much thereof as may be
26 necessary, to be used for the following purposes:

	1984-1985
	<u>Fiscal Year</u>
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29 1. AUDITOR OF STATE	
30 For salaries, support, maintenance,	
31 and miscellaneous purposes	\$ 1,803,249
6211 32 2. DEPARTMENT OF BANKING	
33 For salaries, support, maintenance,	
34 and other operational purposes	\$ 3,271,343
6211 35 3. IOWA BEER AND LIQUOR CONTROL	

1 DEPARTMENT

2 For salaries, support, maintenance,
3 and other operational purposes \$18,626,164
4 Not more than six ministores shall be established from
5 the funds appropriated in this subsection.

6 4. CAMPAIGN FINANCE DISCLOSURE

7 COMMISSION

8 For salaries, support, maintenance,
9 and other operational purposes \$ 125,587

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10 5. IOWA STATE COMMERCE COMMISSION

11 For salaries, support, maintenance,
12 and other operational purposes \$ 5,611,319

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13 6. CONSUMER ADVOCATE

14 For salaries, support, maintenance,
15 and other operational purposes \$ 874,529

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16 7. STATE COMPTROLLER

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17 a. General Office

18 For salaries, support, maintenance,
19 and other operational purposes \$ 1,178,029

20 b. Division of Data Processing

21 For salaries, support, maintenance,
22 and other operational purposes \$ 4,070,837

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23 It is the intent of the general assembly that the state
24 comptroller under its division of data processing shall not
25 charge the secretary of state for computer costs arising as
26 a result of the implementation of Senate File 510.

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27 The comptroller may reduce the quarterly allocations of
28 funds appropriated to other agencies to reflect savings made
29 in state government operations as a result of the
30 implementation of the recommendations of the governor's task
31 force on efficiencies and cost-effectiveness. Not more than
32 three hundred thousand (300,000) dollars, for purposes of
33 paragraph a, and not more than two million (2,000,000) dollars,
34 for purposes of paragraph b, of the reductions may be
35 transferred by the comptroller from the agency to which the

1 funds were appropriated to the comptroller and used for the
2 purposes provided in paragraphs "a" and "b" of this subsection.

3 8. CREDIT UNION DEPARTMENT

4 For salaries, support, maintenance,
5 and other operational purposes \$ 534,821

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6 9. INDUSTRIAL COMMISSIONER

7 For salaries, support, maintenance,
8 and other operational purposes \$ 981,702

9 10. INSURANCE DEPARTMENT OF IOWA

10 For salaries, support, maintenance,
11 and other operational purposes \$ 2,691,974

12 The insurance department may expend additional funds, if
13 those additional expenditures are actual expenses which exceed
14 the funds budgeted for insurance company examinations and
15 directly result from examinations of insurance companies.

16 Before the department expends or encumbers an amount in excess
17 of the funds budgeted for examinations, the state comptroller
18 shall approve the expenditure or encumbrance. Before approval
19 is given, the state comptroller shall determine that the
20 examination expenses exceed the funds budgeted by the general
21 assembly to the department and that the department does not
22 have other funds from which examination expenses can be paid.

23 Upon approval of the state comptroller the department may
24 expend and encumber funds for excess examination expenses.

25 The amounts necessary to fund the excess examination expenses
26 shall be collected from those insurance companies being
27 examined which caused the excess expenditures and the
28 collections shall be treated as repayment receipts as defined
29 in section 8.2, subsection 5.

30 11. IOWA DEPARTMENT OF JOB SERVICE

31 For salaries, support, maintenance,
32 and other operational purposes for the
33 administration of chapter 97 and chap-
34 ter 97C and section 294.15 \$ 160,398

35 12. OCCUPATIONAL SAFETY AND HEALTH

1 REVIEW COMMISSION

2 For salaries, support, maintenance,
3 and other operational purposes \$ 48,594

4 13. PUBLIC EMPLOYMENT RELATIONS

5 BOARD

6 For salaries, support, maintenance,
7 and other operational purposes \$ 542,838

8 14. IOWA REAL ESTATE COMMISSION

9 For salaries, support, maintenance,
10 and other operational purposes \$ 319,345

11 15. RACING COMMISSION

12 For salaries, support, maintenance,
6223 13 and other operational purposes \$ 196,400

14 16. DEPARTMENT OF REVENUE

15 General Administration

16 For salaries, support, maintenance,
6218 17 and other operational purposes \$15,760,007

18 17. SECRETARY OF STATE

19 a. For salaries, support, mainte-
20 nance and other operational purposes \$ 1,062,176

21 b. For editing and printing the
22 Iowa official register \$ 62,500

23 It is the intent of the general assembly that the Iowa
24 official register be published by April 1, if practicable.

6186, 6206 25 The secretary of state shall not cause the removal of Iowa
26 public records search, inc. from its present location in the
27 Hoover building before January 1, 1985.

6186 28 The secretary of state shall provide suitable public space
29 for equipment for the examination of numerical filings and
30 for the making of abstracts and copies therefrom to persons
31 interested on a regular basis of examining the secretary of
32 state's public files.

33 18. TREASURER OF STATE

34 For salaries, support, maintenance,
35 and miscellaneous purposes \$ 472,598

6211 1 Sec. 3. There is appropriated from the general fund of
2 the state to the moneys and credits replacement fund
3 established in section 422.100 for the fiscal year beginning
4 July 1, 1984 and ending June 30, 1985, the following amount,
5 or so much thereof as may be necessary, to be used for payments
6 to counties as provided in section 422.100:

7	1984-1985
8	<u>Fiscal Year</u>
9	\$ 2,500,000

6211 10 Sec. 4. There is appropriated from the general fund of
11 the state to the county government assistance fund, established
12 in section 334A.1, for the fiscal year beginning July 1, 1984
13 and ending June 30, 1985, the following amount, or so much
14 thereof as may be necessary, to be used for state assistance
15 to counties, with distribution in accordance with section
16 334A.2. The state comptroller, before making such
17 distribution, shall credit to the county finance committee
18 on July 1, 1984 the sum of fifty-five thousand five hundred
19 thirty-three (55,533) dollars.

20	1984-1985
21	<u>Fiscal Year</u>
22	\$ 5,350,000

6211 23 Sec. 5. There is appropriated from the general fund of
24 the state to the municipal assistance fund, established in
25 section 405.1, for the fiscal year beginning July 1, 1984
26 and ending June 30, 1985, the following amount, or so much
27 thereof as may be necessary, to be used for state assistance
28 to municipalities, with distribution in accordance with section
29 405.1. The state comptroller, before making such distribution,
30 shall credit to the city finance committee on July 1, 1984
31 the sum of ten thousand eight hundred (10,800) dollars.

32	1984-1985
33	<u>Fiscal Year</u>
34	\$14,650,000

6211 35 Sec. 6. There is appropriated from the motor vehicle fuel

1 tax fund to the department of revenue for the fiscal year
2 beginning July 1, 1984 and ending June 30, 1985, the following
3 amount, or so much thereof as may be necessary, for salaries,
4 support, maintenance, and other operational purposes for
5 administration and enforcement of the provisions of chapter
6 324 and the motor vehicle use tax program:

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	1984-1985
	<u>Fiscal Year</u>
	\$ 820,035

6- 10 Sec. 7. There is appropriated from the Iowa public
11 employees' retirement system fund for the fiscal year beginning
12 July 1, 1984 and ending June 30, 1985, to the Iowa department
13 of job service, the following amount, or so much thereof as
14 may be necessary, to be used for the following purposes:

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	1984-1985
	<u>Fiscal Year</u>

17 For salaries, support, maintenance,
18 and other operational purposes to pay
19 the costs of administration of the
20 Iowa public employees' retirement
21 system \$ 3,381,945

6-207 22 It is the intent of the general assembly that the department
23 of job service and the advisory investment board of the Iowa
24 public employees' retirement system shall evaluate their
25 holding of stocks and the voting rights to the stock with
26 respect to the involvement of the stock issuer in doing
27 business with or investing in the Republic of South Africa.
28 The list of companies that invest in or do business with the
29 Republic of South Africa shall be developed with reference
30 to information obtained from the United States Department
31 of commerce. The department of job service shall not give
32 voting proxies to any candidate for a board position for a
33 company on the list who does not support divestment. In any
34 stockholder election involving an issue related to investments
35 in or business with the Republic of South Africa, the

1 department of job service shall exercise its right to vote
2 stock in such a manner as to prohibit such investments or
3 business. This paragraph does not require the department
4 to send a person to attend shareholder meetings to vote stock.

5 Sec. 8. 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 unless otherwise provided by the general assembly.

6207 9 Sec. 9.

10 1. It is the intent of the general assembly that after
11 July 1, 1984 that in regard to the appropriations made in
12 section 7 of this Act the department of job service and the
13 advisory board of the Iowa public employee's retirement system
14 shall not make investment in any person making an investment
6225 15 in South Africa. As used in this section, unless the context
16 otherwise requires:

17 a. "Investment in South Africa" means either of the
18 following:

19 (1) Establishing or making a loan or other extension of
20 credit for the establishment of a business enterprise or a
21 subsidiary, affiliate, branch, or office in South Africa.

22 (2) Investing funds in an existing enterprise in South
23 Africa including making a loan or other extension of credit
24 or exercising control in an existing enterprise, except that
25 this paragraph does not prohibit the purchase of securities
26 on a securities exchange.

27 b. "South Africa" includes the Republic of South Africa,
28 any territory under the legal or illegal administration of
29 the Republic of South Africa, and the bantustans including
30 Transkei, Bophuthatswana, Venda, Ciskei, and KwaZulu.

31 2. A person shall be presumed to control a corporation,
32 partnership, or enterprise in South Africa if any of the
33 following exist:

34 a. The person beneficially owns or controls either directly
35 or indirectly more than fifty percent of the outstanding

1 voting securities of the corporation, partnership, or
2 enterprise.

3 b. The person beneficially owns or controls either directly
4 or indirectly twenty-five percent or more of the voting
5 securities of the corporation, partnership, or enterprise,
6 if no other person owns or controls an equal or larger
7 percentage.

8 c. The corporation, partnership, or enterprise is operated
9 by the person pursuant to an exclusive management contract.

10 d. A majority of the members of the board of directors
11 of the corporation, partnership, or enterprise are also members
12 of the comparable governing body of the person.

13 e. The person has authority to appoint a majority of the
14 members of the board of directors of the corporation,
15 partnership, or enterprise.

16 f. The person has authority to appoint the chief operating
17 officer of the corporation, partnership, or enterprise.

18 3. It is also the intent of the general assembly that
19 after July 1, 1984 that in regard to the appropriation made
20 in section 7 of this Act the department of job service and
21 the advisory investment board of the Iowa public employees'
22 retirement system shall maintain a list of persons making
6225 23 an investment in South Africa. The list shall be developed
24 with reference to information obtained from the United States
25 department of commerce. The department of job service and
26 the advisory board shall not invest in any person on the list.
27 The department shall mail written notification to each person
28 on the list. A person ineligible to receive investments may
29 establish eligibility if documentary evidence is submitted
30 to the advisory board. The evidence shall be sufficient to
31 establish that the person has adopted a written policy that
32 prohibits the making of investments in South Africa.

33 "Documentary evidence" includes, but is not limited to, an
34 executed affidavit by an appropriate officer of the person
35 in a form prepared by the advisory board, attesting to the

1 fact that the person prohibits the making of investments in
2 South Africa. The department of job service shall attempt
3 to verify compliance by checking sources of information not
4 affiliated with the person. The department of job service
5 shall adopt rules under chapter 17A to assess civil penalties
6 against a person who files false or misleading documentary
7 evidence. Penalties shall be deposited in the state general
8 fund. The civil penalties shall not exceed five thousand
9 dollars for each violation. All civil penalties collected
10 shall be deposited in the state general fund. If the advisory
11 board determines that the government of the Republic of South
12 Africa has made substantial progress toward the full
13 participation of all the people in South Africa in the social,
14 political, and economic life of that country and toward an
15 end to discrimination based on race or ethnic origin, the
16 advisory board shall submit that determination and the basis
17 for that determination to the general assembly.

18 EXPLANATION

19 The bill makes appropriations from the state general fund
20 for the fiscal year beginning July 1, 1984 and ending June
21 30, 1985, to various state regulatory and finance departments,
22 boards, and commissions. The bill also appropriates from
23 the state general fund for the same fiscal year to the moneys
24 and credits replacement fund, to the county government as-
25 sistance fund, and to the municipal assistance fund. For
26 the same fiscal year, there is appropriated from the motor
27 vehicle fuel tax fund to the department of revenue for
28 administration and enforcement of the motor fuel tax law and
29 from the Iowa public employees' retirement system fund to
30 the department of job service for the administration of the
31 Iowa public employees' retirement system. The bill specifies
32 that all federal grants and receipts received by agencies
33 appropriated funds under this bill are appropriated for the
34 purposes set forth in those federal grants or receipts.

35 The bill also notes that it is the intent of the general

1 assembly that the department of job service and the advisory
2 investment board of the Iowa public employees' retirement
3 system shall evaluate their holdings in companies doing busi-
4 ness in South Africa, not give voting proxies to candidates
5 for a board position unless they favor divestment, and not
6 invest moneys in the fund to those persons making an invest-
7 ment in South Africa.

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HOUSE FILE 2521

H-6198

1 Amend House File 2521 as follows:
2 1. By striking page 2, line 27 through page 3,
3 line 2 and inserting in lieu thereof the following:
4 "The state comptroller, through the office of the
5 inspector general, shall assist state agencies in
6 identifying and implementing efficiency and cost-
7 effectiveness measures, as recommended by the
8 governor's task force on efficiencies and cost-
9 effectiveness. Notwithstanding any conflicting
10 provisions of chapter 8, the state comptroller may
11 make the first two quarterly allocations to the state
12 comptroller as if the amount appropriated in paragraph
13 "a" contained three hundred thousand dollars more
14 than actually specified and in paragraph "b" contained
15 two million dollars more than actually specified,
16 and the state comptroller may reduce the last two
17 quarterly allocations in order to offset the first
18 two quarterly allocations. The state comptroller
19 may reduce quarterly allocations of funds appropriated
20 to other agencies to reflect savings made as a result
21 of implementing recommendations of the governor's
22 task force on efficiencies and cost effectiveness.
23 Not more than three hundred thousand dollars for
24 paragraph "a" and two million dollars for paragraph
25 "b" of the savings resulting from implementing the
26 recommendations may be transferred by the state
27 comptroller to the state comptroller to be used for
28 the purposes provided in those paragraphs."

BY HANSON of Delaware

H-6198 FILED APRIL 9, 1984

JOCHUM of Dubuque

Adopted 4/12 (p. 1911)

HOUSE FILE 2521

H-6206

1 Amend House File 2521 as follows:
2 1. Page 4, by striking lines 25 through 27.

H-6206 FILED APRIL 9, 1984 BY KREWSON of Polk

Out of order 4/12 (p. 1912)

HOUSE FILE 2521

H-6207

1 Amend House File 2521 as follows:
2 1. By striking page 6, line 22 through page 7,
3 line 4.
4 2. By striking page 7, line 9 through page 9,
5 line 17.

BY HOFFMANN-BRIGHT of Muscatine

H-6207 FILED APRIL 9, 1984

BRANSTAD of Winnebago

Lost 4/12 (p. 1914)

HOUSE FILE 2521

H-6186

- 1 Amend House File 2521 as follows:
2 1. Page 4, by striking lines 25 through 27.
3 2. Page 4, by striking lines 28 through 32.

SCHROEDER of Pottawattamie BY PEICK of Linn
ROYER of Page PAULIN of Plymouth
ANDERSON of Audubon RENAUD of Polk
MUHLBAUER of Crawford COREY of Louisa
VAN CAMP of Scott GRONSTAL of Pottawattamie
ROSENBERG of Story PAVICH of Pottawattamie
COPENHAVER of Buchanan LAGESCHULTE of Bremer
FEY of Scott McKEAN of Jones
SCHNEKLOTH of Scott BRANSTAD of Winnebago
RENKEN of Grundy SKOW of Guthrie
HANSON of Delaware WOODS of Polk
H-6186 FILED APRIL 9, 1984 CHAPMAN of Linn

Adopted 4/12 (p. 1912)

HOUSE FILE 2521

H-6193

- 1 Amend House File 2521 as follows:
2 1. Page 2, by inserting after line 22 the
3 following:
4 "Funds appropriated by this paragraph shall not
5 be expended for data processing personnel, services,
6 or equipment to be used by or provided for the
7 legislative branch of government. Bill drafting,
8 research, fiscal, office automation, and bill status
9 computer programs for the general assembly and
10 legislative agencies shall be provided by the
11 comptroller's data processing division during the
12 fiscal year beginning July 1, 1984. Expenditures
13 for such personnel, services, and equipment shall
14 be paid for from funds appropriated pursuant to section
15 2.12 or from available funds appropriated to the
16 legislative agencies. The comptroller's data
17 processing division shall bill the general assembly
18 and legislative agencies for the cost of personnel,
19 services, and equipment. State funds shall not be
20 expended for the purchase or lease of a computer
21 system which would replace the system provided by
22 the comptroller's data processing division during the
23 fiscal year beginning July 1, 1984."

H-6193 FILED APRIL 9, 1984 BY SCHROEDER of Pottawattamie

Lost 4/12 (p. 1910)

HOUSE FILE 2521

H-6211

- 1 Amend House File 2521 as follows:
- 2 1. Page 1, by striking lines 2 and 3 and inserting
- 3 in lieu thereof the following: "of the state for
- 4 each of the fiscal years beginning July 1, 1984 and
- 5 July 1, 1985, to the following boardsthe following".
- 6 2. Page 1, by striking lines 6 and 7.
- 7 3. Page 1, by striking line 24 and inserting in
- 8 lieu thereof the following: "each of the fiscal years
- 9 beginning July 1, 1984 and July 1,".
- 10 4. Page 1, by striking lines 27 and 28.
- 11 5. Page 5, by striking lines 3 and 4 and inserting
- 12 in lieu thereof the following: "established in section
- 13 422.100 for each of the fiscal years beginning July
- 14 1, 1984 and July 1, 1985, the following amount,".
- 15 6. Page 5, by striking lines 7 and 8.
- 16 7. Page 5, by striking lines 12 and 13 and
- 17 inserting in lieu thereof the following: "in section
- 18 334A.1, for each of the fiscal years beginning July
- 19 1, 1984 and July 1, 1985, the following amount, or
- 20 so much".
- 21 8. Page 5, line 18, by inserting after the figure
- 22 "1984" the following: "and on July 1, 1985".
- 23 9. Page 5, by striking lines 20 and 21.
- 24 10. Page 5, by striking lines 25 and 26 and
- 25 inserting in lieu thereof the following: "section
- 26 405.1, for each of the fiscal years beginning July
- 27 1, 1984 and July 1, 1985, the following amount, or
- 28 so much".
- 29 11. Page 5, line 30, by inserting after the figure
- 30 "1984" the following: "and on July 1, 1985".
- 31 12. Page 5, by striking lines 32 and 33.
- 32 13. Page 6, by striking lines 1 and 2 and inserting
- 33 in lieu thereof the following: "tax fund to the
- 34 department of revenue for each of the fiscal years
- 35 beginning July 1, 1984 and July 1, 1985, the
- 36 following".
- 37 14. Page 6, by striking lines 7 and 8.
- 38 15. Page 6, by striking lines 11 and 12 and
- 39 inserting in lieu thereof the following: "employees'
- 40 retirement system fund for each of the fiscal years
- 41 beginning July 1, 1984 and July 1, 1985, to the Iowa
- 42 department".
- 43 16. Page 6, by striking lines 15 and 16.

H-6211 FILED APRIL 10, 1984 BY SCHROEDER of Pottawattamie

Loss 4/11 (p. 1893)

HOUSE FILE 2521

H-6210

- 1 Amend House File 2521 as follows:
2 1. Page 1, by striking lines 11 through 14.
3 2. Page 9, by inserting after line 17 the
4 following:
5 "Sec. _____. Section 118.17, Code 1983, is amended
6 by adding the following new subsection:
7 NEW SUBSECTION. Landscape architects in the
8 practice of landscape architecture.
9 Sec. _____. Section 258A.1, subsection 1, paragraph
10 f, Code Supplement 1983, is amended by striking the
11 paragraph.
12 Sec. _____. Section 258A.3, subsection 2, paragraph
13 a, Code Supplement 1983, is amended to read as follows:
14 a. Revoke a license, or suspend a license either
15 until further order of the board or for a specified
16 period, upon the grounds specified in sections 114.21,
17 116.21, 117.29, 118.13, ~~118A-15,~~ 120.10, 147.55,
18 148B.7, 153.34, 154A.24, 169.13, 455B.219 and 602.3203
19 and chapters 135E, 151, 507B and 522 or upon any other
20 grounds specifically provided for in this chapter
21 for revocation of the license of a licensee subject
22 to the jurisdiction of that board, or upon failure
23 of the licensee to comply with a decision of the board
24 imposing licensee discipline;
25 Sec. _____. Section 258A.4, subsection 1, paragraph
26 f, Code Supplement 1983, is amended to read as follows:
27 f. Define by rule acts or omissions which are
28 grounds for revocation or suspension of a license
29 under sections 114.21, 116.21, 117.29, 118.13, ~~118A-15,~~
30 120.10, 147.55, 148B.7, 153.34, 154A.24, 169.13,
31 455B.187 and 602.3203 and chapters 135E, 151, 507B
32 and 522, and to define by rule acts or omissions which
33 constitute negligence, careless acts or omissions
34 within the meaning of section 258A.3, subsection 2,
35 paragraph "b", which licensees are required to report
36 to the board pursuant to section 258A.9, subsection
37 2;
38 Sec. _____. Section 258A.5, subsection 2, paragraph
39 c, Code 1983, is amended to read as follows:
40 c. Shall state whether the procedures are an
41 alternative to or an addition to the procedures stated
42 in sections 114.22, 116.23, 117.35, 117.36, ~~118A-16,~~
43 147.58 to 147.71, 148.6 to 148.9, 153.23 to 153.30,
44 153.33, 154A.23, and 155.14 to 155.16.
45 Sec. _____. Chapter 118A, Code 1983, is repealed."

BY HANSON of Delaware
JAY of Appanoose
GRONSTAL of Pottawattamie
O'KANE of Woodbury
PAULIN of Plymouth

H-6210 FILED APRIL 9, 1984

Not germane 4/11 (p. 1894)

HOUSE FILE 2521

H-6216

1 Amend House File 2521 as follows:

2 1. Page 1, by inserting after line 31 the
3 following:

4 "The auditor may expend additional funds, if those
5 additional expenditures are actual expenses which
6 exceed the funds budgeted for savings and loan
7 association examinations and directly result from
8 examinations of savings and loan associations. Before
9 the auditor expends or encumbers an amount in excess
10 of the funds budgeted for examinations, the state
11 comptroller shall approve the expenditure or
12 encumbrance. Before approval is given, the state
13 comptroller shall determine that the examination
14 expenses exceed the funds budgeted by the general
15 assembly to the auditor and that the auditor does
16 not have other funds from which examination expenses
17 can be paid. Upon approval of the state comptroller
18 the auditor may expend and encumber funds for excess
19 examination expenses. The amounts necessary to fund
20 the excess examination expenses shall be collected
21 from those savings and loan associations being examined
22 which caused the excess expenditures and the
23 collections shall be treated as repayment receipts
24 as defined in section 8.2, subsection 5."

25 2. Page 1, by inserting after line 34 the fol-
26 lowing:

27 "The banking department may expend additional
28 funds, if those additional expenditures are actual
29 expenses which exceed the funds budgeted for state
30 bank examinations and directly result from examinations
31 of state banks. Before the department expends or
32 encumbers an amount in excess of the funds budgeted
33 for examinations, the state comptroller shall approve
34 the expenditure or encumbrance. Before approval is
35 given, the state comptroller shall determine that
36 the examination expenses exceed the funds budgeted
37 by the general assembly to the department and that
38 the department does not have other funds from which
39 examination expenses can be paid. Upon approval of
40 the state comptroller the department may expend and
41 encumber funds for excess examination expenses. The
42 amounts necessary to fund the excess examination
43 expenses shall be collected from those state banks
44 being examined which caused the excess expenditures
45 and the collections shall be treated as repayment
46 receipts as defined in section 8.2, subsection 5."

47 3. Page 3, by inserting after line 5 the fol-
48 lowing:

49 "The credit union department may expend additional
50 funds, if those additional expenditures are actual

H-6216

Page Two

1 expenses which exceed the funds budgeted for credit
2 union examinations and directly result from
3 examinations of credit unions. Before the department
4 expends or encumbers an amount in excess of the funds
5 budgeted for examinations, the state comptroller shall
6 approve the expenditure or encumbrance. Before
7 approval is given, the state comptroller shall
8 determine that the examination expenses exceed the
9 funds budgeted by the general assembly to the
10 department and that the department does not have other
11 funds from which examination expenses can be paid.
12 Upon approval of the state comptroller the department
13 may expend and encumber funds for excess examination
14 expenses. The amounts necessary to fund the excess
15 examination expenses shall be collected from those
16 credit unions being examined which caused the excess
17 expenditures and the collections shall be treated
18 as repayment receipts as defined in section 8.2.
19 subsection 5."

H-6216 FILED APRIL 10, 1984 BY ANDERSON of Audubon

Lost 4/12 (p. 1904)

HOUSE FILE 2521

H-6218

1 Amend House File 2521 as follows:
2 1. Page 2, line 3, by striking the figure
3 "18,626,164" and inserting in lieu thereof the figure
4 "18,676,864".
5 2. Page 2, line 12, by striking the figure
6 "5,611,319" and inserting in lieu thereof the figure
7 "5,612,879".
8 3. Page 4, line 17, by striking the figure
9 "15,760,007" and inserting in lieu thereof the figure
10 "15,761,357".

BY ANDERSON of Audubon

H-6218 FILED APRIL 10, 1984

RENKEN of Grundy

Lost 4/12 (p. 1906)

HOUSE FILE 2521

H-6217

1 Amend House File 2521 as follows:
2 1. Page 2, line 3, by striking the figure
3 "18,626,164" and inserting in lieu thereof the figure
4 "18,668,914".
5 2. Page 2, line 22, by striking the figure
6 "4,070,837" and inserting in lieu thereof the figure
7 "4,241,637".

BY ANDERSON of Audubon

H-6217 FILED APRIL 10, 1984

RENKEN of Grundy

Lost 4/12 (p. 1904)

HOUSE FILE 2521

H-6223

1 Amend House File 2521 as follows:
2 1. Page 4, line 13, by striking the figure
3 "196,400" and inserting in lieu thereof the figure
4 "323,400".

H-6223 FILED APRIL 10, 1984 BY WOODS of Polk

Lost 4/12 (p. 1911)

HOUSE FILE 2521

H-6250

- 1 Amend amendment H-6225 to House File 2521 as follows:
2 1. Line 4, by adding after the word "state" the
3 following: ", unless such person has an Iowa facility
4 employing more than 500 persons".
5 2. Line 7, by adding after the word "state" the
6 following: ", unless such person has an Iowa facility
7 employing more than 500 persons".

H-6250 FILED APRIL 11, 1984 BY BLANSHAN of Greene

Law 4/12 (p. 1915)

HOUSE FILE 2521

H-6253

- 1 Amend amendment H-6220 to House File 2521 as
2 follows:
3 1. Page 1, by striking line 10 and inserting
4 in lieu thereof the following: "accepting contri-
5 butions from registered lobbyists or political
6 action".

H-6253 FILED APRIL 11, 1984 BY STROMER Of Hancock

Adopted 4/12 (p. 1906)

HOUSE FILE 2521

H-6257

- 1 Amend House File 2521 as follows:
2 1. Page 2, by inserting the following after
3 line 9:
4 "As a condition of receipt of this appropriation,
5 the campaign finance disclosure commission shall
6 promulgate rules by January 1, 1985 that a holder of
7 or a candidate for a state office who receives a
8 campaign contribution from a registered lobbyist or
9 a political action committee while the general
10 assembly is in session must disclose that contribu-
11 tion to the campaign finance disclosure commission
12 within fourteen days of receipt of the contribution."

BY McINTEE of Black Hawk
STROMER of Hancock
CHAPMAN of Linn
VARN of Johnson

H-6257 FILED APRIL 12, 1984

ADOPTED *(p. 1916)*

HOUSE FILE 2521

H-6220

1 Amend House File 2521 as follows:

2 1. Page 2, by inserting the following after
3 line 9:

4 "As a condition of receipt of the third and
5 fourth quarters of this appropriation, the campaign
6 finance disclosure commission shall promulgate
7 rules by January 1, 1985 which will make it illegal
8 for an incumbent legislator to generate funds while
9 the general assembly is in session by soliciting or
10 accepting contributions from political action
11 committees except state and county statutory
12 committees."

H-6220 FILED APRIL 10, 1984 BY STROMER of Hancock

Not germane 4/12 (p. 1907)

HOUSE FILE 2521

H-6225

1 Amend House File 2521 as follows:

2 1. Page 7, line 15, by inserting after the word
3 "Africa" the words "whose principal business office
4 is not located in the state".

5 2. Page 8, line 23, by inserting after the word
6 "Africa" the words "whose principal business offices
7 are not located in the state".

H-6225 FILED APRIL 10, 1984 BY BLANSHAN of Greene

Lost 4/12 (p. 1916)

HOUSE FILE 2521

H-6239

1 Amend House File 2521 as follows:

2 1. Page 2, line 19, by striking the figure
3 "1,178,029" and inserting in lieu thereof the
4 figure "1,478,029".

5 2. Page 2, line 22, by striking the figure
6 "4,070,837" and inserting in lieu thereof the
7 figure "6,070,837".

8 3. By striking page 2, line 27 through page
9 3, line 2 and inserting in lieu thereof the fol-
10 lowing:

11 "Pursuant to the authority granted by section
12 8.6, Code Supplement 1983, the state comptroller,
13 through the office of the inspector general, shall
14 assist agencies in identifying and implementing
15 recommendations of the governor's task force on
16 efficiencies and cost-effectiveness. Cash savings
17 so identified and documented by the inspector
18 general shall revert to the fund of origin."

BY ANDERSON of Audubon
MENKE of O'Brien
BENNETT of Ida
HALVORSON of Clayton
SCHROEDER of Pottawattamie
RENSINK of Sioux

H-6239 FILED APRIL 10, 1984

Lost 4/12 (p. 1908)

1 Section 1. There is appropriated from the general fund
 2 of the state for the fiscal year beginning July 1, 1984 and
 3 ending June 30, 1985, to the following boards the following
 4 amounts, or so much thereof as may be necessary, to be used
 5 for the following purposes:

	1984-1985 <u>Fiscal Year</u>
6	
7	
8 1. BOARD OF ARCHITECTURAL EXAMINERS	
9 For salaries, support, maintenance,	
10 and other operational purposes	\$ 45,458
11 2. BOARD OF LANDSCAPE ARCHITECTURAL	
12 EXAMINERS	
13 For salaries, support, maintenance,	
14 and other operational purposes	\$ 10,345
15 3. BOARD OF ACCOUNTANCY	
16 For salaries, support, maintenance,	
17 and other operational purposes	\$ 270,801
18 4. STATE BOARD OF ENGINEERING	
19 EXAMINERS	
20 For salaries, support, maintenance,	
21 and other operational purposes	\$ 138,615

22 Sec. 2. There is appropriated from the general fund of
 23 the state to the following departments and commissions for
 24 the fiscal year beginning July 1, 1984 and ending June 30,
 25 1985, the following amounts, or so much thereof as may be
 26 necessary, to be used for the following purposes:

	1984-1985 <u>Fiscal Year</u>
27	
28	
29 1. AUDITOR OF STATE	
30 For salaries, support, maintenance,	
31 and miscellaneous purposes	\$ 1,803,249
32 2. DEPARTMENT OF BANKING	
33 For salaries, support, maintenance,	
34 and other operational purposes	\$ 3,271,343
35 3. IOWA BEER AND LIQUOR CONTROL	

1 DEPARTMENT

2 For salaries, support, maintenance,
3 and other operational purposes \$18,626,164

59// 4 Not more than six ministores shall be established from
5 the funds appropriated in this subsection.

6 4. CAMPAIGN FINANCE DISCLOSURE

7 COMMISSION

8 For salaries, support, maintenance,
9 and other operational purposes \$ 125,587

10 As a condition of receipt of this appropriation, the
11 campaign finance disclosure commission shall promulgate rules
12 by January 1, 1985 that a holder of or a candidate for a state
13 office who receives a campaign contribution from a registered
14 lobbyist or a political action committee while the general
15 assembly is in session must disclose that contribution to
16 the campaign finance disclosure commission within fourteen
17 days of receipt of the contribution.

18 5. IOWA STATE COMMERCE COMMISSION

19 For salaries, support, maintenance,
20 and other operational purposes \$ 5,611,319

21 6. CONSUMER ADVOCATE

22 For salaries, support, maintenance,
23 and other operational purposes \$ 874,529

24 7. STATE COMPTROLLER

25 a. General Office

26 For salaries, support, maintenance,
27 and other operational purposes \$ 1,178,029

28 b. Division of Data Processing

29 For salaries, support, maintenance,
30 and other operational purposes \$ 4,070,837

31 It is the intent of the general assembly that the state
32 comptroller under its division of data processing shall not
33 charge the secretary of state for computer costs arising as
34 a result of the implementation of Senate File 510.

35 The state comptroller, through the office of the inspector

1 general, shall assist state agencies in identifying and
2 implementing efficiency and cost-effectiveness measures, as
3 recommended by the governor's task force on efficiencies and
4 cost-effectiveness. Notwithstanding any conflicting provisions
5 of chapter 8, the state comptroller may make the first two
6 quarterly allocations to the state comptroller as if the
7 amount appropriated in paragraph "a" contained three hundred
8 thousand dollars more than actually specified and in paragraph
9 "b" contained two million dollars more than actually specified,
10 and the state comptroller may reduce the last two quarterly
11 allocations in order to offset the first two quarterly
12 allocations. The state comptroller may reduce quarterly
13 allocations of funds appropriated to other agencies to reflect
14 savings made as a result of implementing recommendations of
15 the governor's task force on efficiencies and cost
16 effectiveness. Not more than three hundred thousand dollars
17 for paragraph "a" and two million dollars for paragraph "b"
18 of the savings resulting from implementing the recommendations
19 may be transferred by the state comptroller to the state
20 comptroller to be used for the purposes provided in those
21 paragraphs.

22 8. CREDIT UNION DEPARTMENT
23 For salaries, support, maintenance,
24 and other operational purposes \$ 534,821

25 9. INDUSTRIAL COMMISSIONER
26 For salaries, support, maintenance,
27 and other operational purposes \$ 981,702

28 10. INSURANCE DEPARTMENT OF IOWA
29 For salaries, support, maintenance,
30 and other operational purposes \$ 2,691,974

31 The insurance department may expend additional funds, if
32 those additional expenditures are actual expenses which exceed
33 the funds budgeted for insurance company examinations and
34 directly result from examinations of insurance companies.
35 Before the department expends or encumbers an amount in excess

1 of the funds budgeted for examinations, the state comptroller
 2 shall approve the expenditure or encumbrance. Before approval
 3 is given, the state comptroller shall determine that the
 4 examination expenses exceed the funds budgeted by the general
 5 assembly to the department and that the department does not
 6 have other funds from which examination expenses can be paid.
 7 Upon approval of the state comptroller the department may
 8 expend and encumber funds for excess examination expenses.
 9 The amounts necessary to fund the excess examination expenses
 10 shall be collected from those insurance companies being
 11 examined which caused the excess expenditures and the
 12 collections shall be treated as repayment receipts as defined
 13 in section 8.2, subsection 5.

14	11. IOWA DEPARTMENT OF JOB SERVICE		
15	For salaries, support, maintenance,		
16	and other operational purposes for the		
17	administration of chapter 97 and chap-		
18	ter 97C and section 294.15	\$	160,398
19	12. OCCUPATIONAL SAFETY AND HEALTH		
20	REVIEW COMMISSION		
21	For salaries, support, maintenance,		
22	and other operational purposes	\$	48,594
23	13. PUBLIC EMPLOYMENT RELATIONS		
24	BOARD		
25	For salaries, support, maintenance,		
26	and other operational purposes	\$	542,838
27	14. IOWA REAL ESTATE COMMISSION		
28	For salaries, support, maintenance,		
29	and other operational purposes	\$	319,345
30	15. RACING COMMISSION		
31	For salaries, support, maintenance,		
5910 32	and other operational purposes	\$	196,400
33	16. DEPARTMENT OF REVENUE		
34	General Administration		
35	For salaries, support, maintenance,		

1 and other operational purposes \$15,760,007
 2 17. SECRETARY OF STATE
 3 a. For salaries, support, mainte-
 4 nance and other operational purposes \$ 1,062,176
 5 b. For editing and printing the
 6 Iowa official register \$ 62,500

7 It is the intent of the general assembly that the Iowa
 8 official register be published by April 1, if practicable.

* 9 18. TREASURER OF STATE

10 For salaries, support, maintenance,
 11 and miscellaneous purposes \$ 472,598

12 Sec. 3. There is appropriated from the general fund of
 13 the state to the moneys and credits replacement fund
 14 established in section 422.100 for the fiscal year beginning
 15 July 1, 1984 and ending June 30, 1985, the following amount,
 16 or so much thereof as may be necessary, to be used for payments
 17 to counties as provided in section 422.100:

18	1984-1985
19	<u>Fiscal Year</u>
20	\$ 2,500,000

21 Sec. 4. There is appropriated from the general fund of
 22 the state to the county government assistance fund, established
 23 in section 334A.1, for the fiscal year beginning July 1, 1984
 24 and ending June 30, 1985, the following amount, or so much
 25 thereof as may be necessary, to be used for state assistance
 26 to counties, with distribution in accordance with section
 27 334A.2. The state comptroller, before making such
 28 distribution, shall credit to the county finance committee
 29 on July 1, 1984 the sum of fifty-five thousand five hundred
 30 thirty-three (55,533) dollars.

31	1984-1985
32	<u>Fiscal Year</u>
33	\$ 5,350,000

34 Sec. 5. There is appropriated from the general fund of
 35 the state to the municipal assistance fund, established in

1 section 405.1, for the fiscal year beginning July 1, 1984
 2 and ending June 30, 1985, the following amount, or so much
 3 thereof as may be necessary, to be used for state assistance
 4 to municipalities, with distribution in accordance with section
 5 405.1. The state comptroller, before making such distribution,
 6 shall credit to the city finance committee on July 1, 1984
 7 the sum of ten thousand eight hundred (10,800) dollars.

8	1984-1985
9	<u>Fiscal Year</u>
10	\$14,650,000

11 Sec. 6. There is appropriated from the motor vehicle fuel
 12 tax fund to the department of revenue for the fiscal year
 13 beginning July 1, 1984 and ending June 30, 1985, the following
 14 amount, or so much thereof as may be necessary, for salaries,
 15 support, maintenance, and other operational purposes for
 16 administration and enforcement of the provisions of chapter
 17 324 and the motor vehicle use tax program:

18	1984-1985
19	<u>Fiscal Year</u>
20	\$ 820,035

21 Sec. 7. There is appropriated from the Iowa public
 22 employees' retirement system fund for the fiscal year beginning
 23 July 1, 1984 and ending June 30, 1985, to the Iowa department
 24 of job service, the following amount, or so much thereof as
 25 may be necessary, to be used for the following purposes:

26	1984-1985
27	<u>Fiscal Year</u>

28 For salaries, support, maintenance,
 29 and other operational purposes to pay
 30 the costs of administration of the
 31 Iowa public employees' retirement
 32 system \$ 3,381,945

5919,5912 33 It is the intent of the general assembly that the department
 5934 34 of job service and the advisory investment board of the Iowa
 35 public employees' retirement system shall evaluate their

1 holding of stocks and the voting rights to the stock with
2 respect to the involvement of the stock issuer in doing
3 business with or investing in the Republic of South Africa.
4 The list of companies that invest in or do business with the
5 Republic of South Africa shall be developed with reference
6 to information obtained from the United States Department
7 of commerce. The department of job service shall not give
8 voting proxies to any candidate for a board position for a
9 company on the list who does not support divestment. In any
10 stockholder election involving an issue related to investments
11 in or business with the Republic of South Africa, the
12 department of job service shall exercise its right to vote
13 stock in such a manner as to prohibit such investments or
14 business. This paragraph does not require the department
15 to send a person to attend shareholder meetings to vote stock.

16 Sec. 8. All federal grants to and the federal receipts
17 of the agencies appropriated funds under this Act are
18 appropriated for the purposes set forth in such federal grants
19 or receipts unless otherwise provided by the general assembly.

20 Sec. 9.

5934 21 1. It is the intent of the general assembly that after
22 July 1, 1984 that in regard to the appropriations made in
23 section 7 of this Act the department of job service and the
24 advisory board of the Iowa public employee's retirement system
25 shall not make investment in any person making an investment
26 in South Africa. As used in this section, unless the context
27 otherwise requires:

28 a. "Investment in South Africa" means either of the
29 following:

30 (1) Establishing or making a loan or other extension of
31 credit for the establishment of a business enterprise or a
32 subsidiary, affiliate, branch, or office in South Africa.

33 (2) Investing funds in an existing enterprise in South
34 Africa including making a loan or other extension of credit
35 or exercising control in an existing enterprise, except that

1 this paragraph does not prohibit the purchase of securities
2 on a securities exchange.

3 b. "South Africa" includes the Republic of South Africa,
4 any territory under the legal or illegal administration of
5 the Republic of South Africa, and the bantustans including
6 Transkei, Bophuthatswana, Venda, Ciskei, and KwaZulu.

7 2. A person shall be presumed to control a corporation,
5734 8 partnership, or enterprise in South Africa if any of the
9 following exist:

10 a. The person beneficially owns or controls either directly
11 or indirectly more than fifty percent of the outstanding
12 voting securities of the corporation, partnership, or
13 enterprise.

14 b. The person beneficially owns or controls either directly
15 or indirectly twenty-five percent or more of the voting
16 securities of the corporation, partnership, or enterprise,
17 if no other person owns or controls an equal or larger
18 percentage.

19 c. The corporation, partnership, or enterprise is operated
20 by the person pursuant to an exclusive management contract.

21 d. A majority of the members of the board of directors
22 of the corporation, partnership, or enterprise are also members
23 of the comparable governing body of the person.

24 e. The person has authority to appoint a majority of the
25 members of the board of directors of the corporation,
26 partnership, or enterprise.

27 f. The person has authority to appoint the chief operating
28 officer of the corporation, partnership, or enterprise.

5934 29 3. It is also the intent of the general assembly that
30 after July 1, 1984 that in regard to the appropriation made
31 in section 7 of this Act the department of job service and
32 the advisory investment board of the Iowa public employees'
33 retirement system shall maintain a list of persons making
34 an investment in South Africa. The list shall be developed
35 with reference to information obtained from the United States

1 department of commerce. The department of job service and
2 the advisory board shall not invest in any person on the list.
3 The department shall mail written notification to each person
4 on the list. A person ineligible to receive investments may
5 establish eligibility if documentary evidence is submitted
6 to the advisory board. The evidence shall be sufficient to
7 establish that the person has adopted a written policy that
8 prohibits the making of investments in South Africa.

9 "Documentary evidence" includes, but is not limited to, an
10 executed affidavit by an appropriate officer of the person
11 in a form prepared by the advisory board, attesting to the
12 fact that the person prohibits the making of investments in
13 South Africa. The department of job service shall attempt
14 to verify compliance by checking sources of information not
15 affiliated with the person. The department of job service
16 shall adopt rules under chapter 17A to assess civil penalties
17 against a person who files false or misleading documentary
18 evidence. Penalties shall be deposited in the state general
19 fund. The civil penalties shall not exceed five thousand
20 dollars for each violation. All civil penalties collected
21 shall be deposited in the state general fund. If the advisory
22 board determines that the government of the Republic of South
23 Africa has made substantial progress toward the full
24 participation of all the people in South Africa in the social,
25 political, and economic life of that country and toward an
26 end to discrimination based on race or ethnic origin, the
27 advisory board shall submit that determination and the basis
28 for that determination to the general assembly.

5931, 5932

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HOUSE FILE 2521

-5934

- 1 Amend House File 2521 as amended, passed and
- 2 reprinted by the House as follows:
- 3 1. Page 7, line 3, by inserting after the word
- 4 "in" the words "countries that consistently violate
- 5 the civil rights of their citizens or of a racial,
- 6 ethnic, or religious group, including but not limited
- 7 to, Poland, the Union of Soviet Socialist Republics,
- 8 Turkey, Czechoslovakia, El Salvador, Nicaragua, and"
- 9 2. Page 7, lines 4 and 5, by striking the words
- 10 "the Republic of South Africa" and inserting in lieu
- 11 thereof the words "such countries".
- 12 3. Page 7, line 11, by striking the words "the
- 13 Republic of South Africa" and inserting in lieu thereof
- 14 the words "such countries".
- 15 4. Page 7, line 26, by inserting before the word
- 16 "South" the words "countries that consistently violate
- 17 the civil rights of their citizens or of a racial,
- 18 ethnic, or religious group, including but not limited
- 19 to, Poland, the Union of Soviet Socialist Republics,
- 20 Turkey, Czechoslovakia, El Salvador, Nicaragua, and"
- 21 5. Page 7, line 28, by striking the words "South
- 22 Africa" and inserting in lieu thereof the words
- 23 "countries that consistently violate the civil rights
- 24 of their citizens or of a racial, ethnic, or religious
- 25 group".
- 26 6. Page 7, line 32, by striking the words "South
- 27 Africa" and inserting in lieu thereof the words "such
- 28 countries".
- 29 7. Page 7, lines 33 and 34, by striking the words
- 30 "South Africa" and inserting in lieu thereof the words
- 31 "such countries".
- 32 8. Page 8, by striking lines 3 through 6.
- 33 9. Page 8, line 8, by striking the words "South
- 34 Africa" and inserting in lieu thereof the words "such
- 35 countries".
- 36 10. Page 8, line 34, by inserting before the word
- 37 "South" the words "countries that consistently violate
- 38 the civil rights of their citizens or of a racial,
- 39 ethnic, or religious group, including but not limited
- 40 to, Poland, the Union of Soviet Socialist Republics,
- 41 Turkey, Czechoslovakia, El Salvador, Nicaragua, and"
- 42 11. Page 9, line 8, by striking the words "South
- 43 Africa" and inserting in lieu thereof the words "such
- 44 countries".
- 45 12. Page 9, line 13, by striking the words "South
- 46 Africa" and inserting in lieu thereof the words "such
- 47 countries".
- 48 13. Page 9, by striking lines 22 through 26 and
- 49 inserting in lieu thereof the words "board determines
- 50 that the government of such a country has made

SENATE 33
APRIL 17, 1984

S-5934
PAGE 2

1 substantial progress toward honoring the civil rights
2 of all its people, the".

S-5934 FILED BY JOHN W. JENSEN
APRIL 16, 1984
RULED OUT OF ORDER (p. 1567)

HOUSE FILE 2521

S-5931

1 Amend House File 2521 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 9, by inserting after line 28 the following:
4 "Sec. ____ . Section 554.9407, subsection 3, Code
5 Supplement 1983, is amended by striking the subsection
6 and inserting in lieu thereof the following:
7 3. The secretary of state shall rent suitable
8 space, to the extent space is available, at a fair and
9 reasonable price for microfilming and keypunching
10 uniform commercial code records to any person interested
11 in doing so. A person renting such space who is engaged
12 in the business on a regular basis of examining public
13 files shall first furnish to the commissioner of
14 insurance a certificate of insurance evidencing errors
15 and omissions coverage by an insurance company licensed
16 to do business in the state in an amount of not less
17 than one million dollars per occurrence."

S-5931 FILED BY NORMAN D. RODGERS
APRIL 16, 1984
RULED OUT OF ORDER (p. 1563)

HOUSE FILE 2521

S-5932

1 Amend House File 2521 as amended, passed and reprinted
2 by the House as follows:
3 1. Page 9, by inserting after line 28 the following:
4 "Sec. ____ . Section 554.9407, subsection 2, Code
5 Supplement 1983, is amended to read as follows:
6 2. Upon a verbal request of a person, the filing
7 officer shall verbally give information concerning a
8 presently effective financing statement. The uniform
9 fee for responding to a verbal request is four dollars.
10 The requesting party may request a certificate from the
11 filing officer confirming the information given. The
12 uniform fee for a certificate is one dollar. Except with
13 respect to willful misconduct, the state of Iowa, except
14 for the secretary of state, and the secretary of state's
15 employees and agents, a county, a county recorder and their
16 employees and agents are immune from liability as a result
17 of errors or omissions in information supplied pursuant
18 to this subsection."

S-5932 FILED BY NORMAN G. RODGERS
APRIL 16, 1984
WITHDRAWN (p. 1563)

HOUSE FILE 2521

S-5910

1 Amend House File 2521 as amended, passed, and
2 reprinted by the House as follows:
3 1. Page 4, line 32, by striking the figure
4 "196,400" and inserting in lieu thereof the figure
5 "296,400".

S-5910 FILED
APRIL 16, 1984
ADOPTED (p. 1562)

BY GEORGE R. KINLEY

HOUSE FILE 2521

S-5911

1 Amend House File 2521 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 2, line 4, by striking the word "more"
4 and inserting in lieu thereof the word "less".

S-5911 FILED
APRIL 16, 1984
ADOPTED (p. 1562)

BY JAMES D. WELLS

HOUSE FILE 2521

S-5912

1 Amend House File 2521 as amended, passed, and reprint-
2 ed by the House as follows:
3 1. By striking page 6, line 33 through page 9, line
4 28.

S-5912 FILED
APRIL 16, 1984
WITHDRAWN (p. 1563)

BY JOHN W. JENSEN
JACK RIFE
RICHARD F. DRAKE
JOHN N. NYSTROM

HOUSE FILE 2521

S-5919

1 Amend House File 2521 as amended, passed, and re-
2 printed by the House as follows:
3 1. By striking page 6, line 33 through page 7,
4 line 15.
5 2. By striking page 7, line 20 through page 9, line
6 28.

S-5919 FILED
APRIL 16, 1984
LOST (p. 1562)

BY JOHN W. JENSEN
JACK RIFE
RICHARD F. DRAKE
JOHN N. NYSTROM

SENATE AMENDMENT TO HOUSE FILE 2521

H-6334

1 Amend House File 2521 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 2, line 4, by striking the word "more"
4 and inserting in lieu thereof the word "less".
5 2. Page 4, line 32, by striking the figure
6 "196,400" and inserting in lieu thereof the figure
7 "296,400".

H-6334 FILED APRIL 16, 1984

RECEIVED FROM THE SENATE

House amended (6451, 6486) & concurred 4/19 (2367)

HOUSE FILE 2521

H-6486

1 Amend Senate amendment H-6334 to House File 2521
2 as amended, passed and reprinted by the House, as
3 follows:
4 1. Page 1, by inserting after line 7 the following:
5 " ____ . Page 9, by inserting after line 28 the
6 following:
7 "Sec. ____ . If, on September 1, 1984, the state
8 comptroller projects that the receipts of state general
9 fund revenues for the fiscal year beginning July 1,
10 1985 will be less than seven and three-tenths percent
11 above the receipts of state general fund revenues
12 for the fiscal year beginning July 1, 1984, the
13 following shall occur:
14 1. Notwithstanding section 442.7, subsection 4,
15 for the budget year beginning July 1, 1985, the
16 difference between the recomputed state percent of
17 growth for the base year and the original computation
18 for the base year is one percent and that percent
19 shall be subtracted from the state percent of growth
20 for the budget year.
21 2. Notwithstanding section 442.3, for the school
22 year beginning July 1, 1985, the state foundation
23 base shall be seventy-nine percent of the state cost
24 per pupil.
25 3. Notwithstanding section 427A.9, the personal
26 property tax credit allowed for the fiscal year
27 beginning July 1, 1985 shall not exceed the amount
28 of the personal property tax credit allowed for taxes
29 payable in the fiscal year beginning July 1, 1984.
30 4. Notwithstanding section 427B.10, property
31 acquired or purchased on or after January 1, 1983
32 up to and including December 31, 1983 shall not receive
33 the benefits of sections 427B.10 through 427B.14 for
34 taxes levied against the January 1, 1984 assessments
35 and collected during the fiscal year beginning July
36 1, 1985.
37 5. Notwithstanding section 602.11101, subsections
38 3 and 4, Code Supplement 1983, the scheduled
39 assumptions of state responsibility for court
40 attendants and for juvenile probation officers are
41 delayed for a period of one year, respectively, and
42 the delay shall be implemented as provided in section
43 602.11101 and the percentage remittance to the counties
44 from the court revenue distribution account under
45 section 602.8108 for the fiscal year beginning July
46 1, 1984 shall not be reduced for the fiscal year
47 beginning July 1, 1985."

HOUSE FILE 2521

H-6451

1 Amend Senate amendment H-6334 to House File 2521
2 as amended, passed and reprinted by the House as
3 follows:
4 1. Page 1, by inserting after line 7 the following:
5 "3. Page 9, by inserting after line 28 the
6 following:
7 "Sec. 10. Section 49.12, Code 1983, is amended
8 to read as follows:
9 49.12 ELECTION BOARDS. There shall be appointed
10 in each election precinct an election board which
11 shall ordinarily consist of at least five precinct
12 election officials. However, in precincts using only
13 one voting machine at any one time, and in precincts
14 voting by paper ballot where no more than one hundred
15 votes were cast in the last preceding similar election,
16 the board shall consist of not less than three precinct
17 election officials; and in precincts using more than
18 two voting machines ~~one~~ additional precinct election
19 ~~official~~ officials may be appointed ~~for-each-such~~
20 ~~additional-machine~~. Double election boards may be
21 appointed for any precinct as provided by chapter
22 51. Not more than a simple majority of the members
23 of the election board in any precinct, or of the two
24 combined boards in any precinct for which a double
25 election board is appointed, shall be members of the
26 same political party or organization if one or more
27 qualified electors of another party or organization
28 are qualified and willing to serve on the board.
29 If double counting boards are not appointed for
30 precincts using paper ballots and using only three
31 precinct election officials a fourth precinct election
32 official shall be appointed from the election board
33 panel to serve beginning at 8:00 p.m. to assist in
34 counting the paper ballots."
35 Sec. 11. Section 10 of this Act takes effect only
36 if House File 2219, as enacted by the Seventieth
37 General Assembly, 1984 Session, becomes law.""

H-6451 FILED APRIL 19, 1984 BY ARNOULD of Scott
ADOPTED (p. 2354)

HOUSE FILE 2521

H-6493

1 Amend the Senate amendment H-6334 to House File
2 2521 as amended, passed, and reprinted by the House
3 as follows:

4 1. Page 1, by inserting after line 7 the follow-
5 ing:

6 "3. Page 5, by inserting after line 11 the
7 following:

8 "Sec. 3. There is appropriated from the general
9 fund of the state to the following designated agencies
10 for the fiscal year beginning July 1, 1984 and ending
11 June 30, 1985 the following amounts or so much as
12 may be necessary, to be used in the manner designated:

13 1. LEGISLATIVE FISCAL BUREAU

14 For salaries, support, main-
15 tenance and miscellaneous purposes \$ 598,545

16 It is a condition of the funds ap-
17 propriated by this subsection that
18 if subsection 2, appropriating
19 funds to the legislative oversight
20 bureau, becomes law one hundred
21 fifty thousand dollars of the funds
22 appropriated by this subsection
23 shall be transferred to the legis-
24 lative oversight bureau.

25 2. LEGISLATIVE OVERSIGHT BUREAU

26 For salaries, support, mainte-
27 nance and miscellaneous purposes \$ 30,000

28 It is a condition of the funds
29 appropriated by this subsection
30 that the legislative fiscal bureau
31 director serve as the legislative
32 oversight bureau director until
33 one is appointed pursuant to
34 section 2.77 and that the employees
35 of the program evaluation
36 division of the legislative
37 fiscal bureau be trans-
38 ferred to the legislative
39 oversight bureau.

40 Sec. 4. It is a condition of the funds appropriated
41 by section 3 of this Act that the appropriation of
42 funds from the general fund of the state to the
43 legislative fiscal bureau for salaries, support,
44 maintenance and miscellaneous purposes contained in
45 House File 2518 is void, notwithstanding the provisions
46 of that Act.

47 Sec. 5. Section 2.77, unnumbered paragraphs 1
48 and 2, Code 1983, are amended to read as follows:

49 There is established a legislative oversight bureau.
50 The director of the legislative oversight bureau shall

H-6493

Page Two

1 be a person qualified by education, training and
2 experience. The director shall be appointed upon
3 the nomination of the legislative council and the
4 confirmation of that nomination by two-thirds of the
5 members of each house of the general assembly. The
6 ~~initial-director-shall-not-be-an-employee-of-the-state~~
7 ~~of-Iowa-~~

8 When a vacancy in the office of the director occurs
9 during the legislative interim, the nomination shall
10 be submitted to the general assembly within thirty
11 days of its convening and must be acted upon by each
12 house within sixty days of its submission. When a
13 vacancy occurs during the legislative session, the
14 nomination shall be submitted within sixty days of
15 the occurrence of the vacancy and must be acted upon
16 by each house within sixty days of its submission
17 unless the general assembly adjourns prior to the
18 expiration of this schedule. If the general assembly
19 adjourns prior to the expiration of this schedule,
20 the nomination may be resubmitted as though the vacancy
21 occurred during the legislative interim. The director
22 may be removed from office for cause by a vote of
23 ~~two-thirds~~ of the members of each house of the general
24 assembly.

25 Sec. 6. Section 2.78, subsection 4, Code 1983,
26 is amended to read as follows:

27 4. Determine the priority of performance audit
28 and program evaluation requests and allocate the
29 workload of the legislative oversight bureau under
30 policies adopted by the legislative council. The
31 ~~director-shall-submit-the-priority-ranking-of-the~~
32 ~~requests-for-approval-to-a-committee-composed-of-two~~
33 ~~members-of-the-majority-party-and-two-members-of-the~~
34 ~~minority-party-of-each-house-of-the-general-assembly-~~
35 ~~The-presiding-officer-of-each-house-of-the-general~~
36 ~~assembly-shall-appoint-the-members-from-that-house~~
37 ~~for-a-term-of-four-years-and-shall-consider,-in-making~~
38 ~~the-appointments,-the-membership-of-the-appropriate~~
39 ~~standing-committees--The-votes-of-five-members-of~~
40 ~~the-committee-shall-be-required-to-disapprove-of-the~~
41 ~~priority-ranking-~~

42 Sec. 7. Section 2.78, subsections 5, 7 and 8 and
43 unnumbered paragraphs 3 and 4, Code 1983, are amended
44 by striking those subsections and paragraphs.

45 Sec. 8. Section 2.81, Code 1983, is amended to
46 read as follows:

47 2.81 REPORTS. At the conclusion of an audit or
48 evaluation, the director of the legislative oversight
49 bureau shall provide copies to the governor and to
50 the official whose office is the subject of the audit

H-6493

Page Three

or evaluation. The official shall be given ~~thirty~~
~~days~~ reasonable time by the director to respond to
the findings and recommendations of the audit or
evaluation, and the response shall be included in
the report. A summary of the findings and
recommendations shall accompany each report. A report
of an audit or evaluation initiated by the director
shall be released upon its completion. A report of
a requested audit or evaluation shall be submitted
to the requesting party and released fifteen days
after submission ~~if-the-requesting-party-is-a-standing~~
~~committee-or-budget-subcommittee-or-ten-days-if-the~~
~~requesting-party-is-ether-than-a-standing-committee~~
~~or-budget-subcommittee-unless-the-requesting-party~~
~~directs-an-earlier-release~~. The report shall be
regarded as confidential by all persons properly
having custody of it until the report is released
as provided by this section. Upon the release of
a report, the director shall provide copies to the
presiding officer of each house of the general assembly
for referral to the appropriate standing committee
and budget subcommittee. At the conclusion of an
audit or evaluation, the director shall report the
total costs of conducting each audit including the
total costs to the agency or program being audited
as a part of the audit report.

27 Sec. 9. Acts of the Sixty-seventh General Assembly,
28 chapter 1026, section 10, is repealed.

29 Sec. 10. Sections 5 through 9 of this Act shall
30 take effect only if section 3, subsection 2 of this
31 Act, appropriating funds to the legislative oversight
32 bureau, becomes law."

BY VARN of Johnson

BLANSHAN of Greene

H-6493 FILED APRIL 19, 1984

LOST (p. 2367)

HOUSE FILE 2521

H-6483

1 Amend the Senate amendment H-6334 to House File
2 2521 as amended, passed and reprinted as follows:
3 1. Page 1, by inserting after line 4 the following:
4 " . Page 3, by inserting after line 21 the
5 following:

6 "The state comptroller shall not between July 1,
7 1984 and November 15, 1984 authorize the expenditure
8 of funds by any executive branch agency, board,
9 commission, or department for the purpose of the
10 acquisition of equipment, including, but not limited
11 to, vehicles, copiers, and computer terminals. Before
12 the governor shall make reductions in allotments under
13 section 8.31, the governor shall extend the freeze
14 on the purchase of equipment by the executive branch
15 to June 30, 1985 and shall make an adjustment in the
16 estimated amount of the insufficiency of budget
17 resources for the fiscal year as a result of the
18 continued freeze. However, notwithstanding this
19 paragraph, the governor may, at the governor's
20 discretion, allow after September 1, 1984 up to fifty
21 percent of the funds appropriated for the purchase
22 of state highway patrol vehicles to be used for such
23 purchases."

H-6483 FILED APRIL 19, 1984 BY SWARTZ of Marshall
LOST (p. 2353) JOCHUM of Dubuque

APRIL 20, 1984

House Amendment to Senate Amendment
to House File 2521

S-6050

1 Amend Senate amendment H-6334 to House File 2521
2 as amended, passed and reprinted by the House, as
3 follows:

4 1. Page 1, by inserting after line 7 the following:
5 "____. Page 9, by inserting after line 28 the
6 following:

7 "Sec. _____. If, on September 1, 1984, the state
8 comptroller projects that the receipts of state general
9 fund revenues for the fiscal year beginning July 1,
10 1985 will be less than seven and three-tenths percent
11 above the receipts of state general fund revenues
12 for the fiscal year beginning July 1, 1984, the
13 following shall occur:

14 1. Notwithstanding section 442.7, subsection 4,
15 for the budget year beginning July 1, 1985, the
16 difference between the recomputed state percent of
17 growth for the base year and the original computation
18 for the base year is one percent and that percent
19 shall be subtracted from the state percent of growth
20 for the budget year.

21 2. Notwithstanding section 442.3, for the school
22 year beginning July 1, 1985, the state foundation
23 base shall be seventy-nine percent of the state cost
24 per pupil.

25 3. Notwithstanding section 427A.9, the personal
26 property tax credit allowed for the fiscal year
27 beginning July 1, 1985 shall not exceed the amount
28 of the personal property tax credit allowed for taxes
29 payable in the fiscal year beginning July 1, 1984.

30 4. Notwithstanding section 427B.10, property
31 acquired or purchased on or after January 1, 1983
32 up to and including December 31, 1983 shall not receive
33 the benefits of sections 427B.10 through 427B.14 for
34 taxes levied against the January 1, 1984 assessments
35 and collected during the fiscal year beginning July
36 1, 1985.

37 5. Notwithstanding section 602.11101, subsections
38 3 and 4, Code Supplement 1983, the scheduled
39 assumptions of state responsibility for court
40 attendants and for juvenile probation officers are
41 delayed for a period of one year, respectively, and
42 the delay shall be implemented as provided in section
43 602.11101 and the percentage remittance to the counties
44 from the court revenue distribution account under
45 section 602.8108 for the fiscal year beginning July
46 1, 1984 shall not be reduced for the fiscal year
47 beginning July 1, 1985."

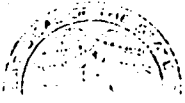
48 2. Page 1, by inserting after line 7 the following:

49 "3. Page 9, by inserting after line 28 the
50 following:

1 "Sec. 10. Section 49.12, Code 1983, is amended
2 to read as follows:
3 49.12 ELECTION BOARDS. There shall be appointed
4 in each election precinct an election board which
5 shall ordinarily consist of at least five precinct
6 election officials. However, in precincts using only
7 one voting machine at any one time, and in precincts
8 voting by paper ballot where no more than one hundred
9 votes were cast in the last preceding similar election,
10 the board shall consist of not less than three precinct
11 election officials; and in precincts using more than
12 two voting machines ~~one~~ additional precinct election
13 ~~official~~ officials may be appointed ~~for each such~~
14 ~~additional-machine~~. Double election boards may be
15 appointed for any precinct as provided by chapter
16 51. Not more than a simple majority of the members
17 of the election board in any precinct, or of the two
18 combined boards in any precinct for which a double
19 election board is appointed, shall be members of the
20 same political party or organization if one or more
21 qualified electors of another party or organization
22 are qualified and willing to serve on the board.
23 If double counting boards are not appointed for
24 precincts using paper ballots and using only three
25 precinct election officials a fourth precinct election
26 official shall be appointed from the election board
27 panel to serve beginning at 8:00 p.m. to assist in
28 counting the paper ballots."
29 Sec. 11. Section 10 of this Act takes effect only
30 if House File 2219, as enacted by the Seventieth
31 General Assembly, 1984 Session, becomes law."

S-6050 FILED
APRIL 19, 1984

RECEIVED FROM THE HOUSE
Senate concurred 4/19 (p. 1727)



OFFICE OF THE GOVERNOR

STATE CAPITOL

DES MOINES, IOWA 50319

515 281-5211

TERRY E. BRANSTAD
GOVERNOR

May 19, 1984

The Honorable Mary Jane Odell
Secretary of State
State Capitol Building
L O C A L

Dear Madam Secretary:

I hereby transmit House File 2521, an act relating to and making appropriations to various state regulatory, administrative and finance departments, boards and commissions.

House File 2521 is approved May 19, 1984, with the following exceptions which I hereby disapprove.

I am unable to approve Section 7, unnumbered paragraph 3, and the entirety of Section 9, which read as follows:

It is the intent of the general assembly that the department of job service and the advisory investment board of the Iowa public employees' retirement system shall evaluate their holding of stocks and the voting rights to the stock with respect to the involvement of the stock issuer in doing business with or investing in the Republic of South Africa. The list of companies that invest in or do business with the Republic of South Africa shall be developed with reference to information obtained from the United States department of commerce. The department of job service shall not give voting proxies to any candidate for a board position for a company on the list who does not support divestment. In any stockholder election involving an issue related to investments in or business with the Republic of South Africa, the department of job service shall exercise its right to vote stock in such a manner as to prohibit such investments or business. This paragraph does not require the department to send a person to attend shareholder meetings to vote stock.

Sec. 9.

1. It is the intent of the general assembly that after July 1, 1984 that in regard to the appropriations made in section 7 of this Act the department of job service and the advisory board of the Iowa public employees' retirement system shall not make investment in any person making an investment in South Africa. As used in this section, unless the context otherwise requires:

a. "Investment in South Africa" means either of the following:

(1) Establishing or making a loan or other extension of credit for the establishment of a business enterprise or a subsidiary, affiliate, branch or office in South Africa.

(2) Investing funds in an existing enterprise in South Africa including making a loan or other extension of credit or exercising control in an existing enterprise, except that this paragraph does not prohibit the purchase of securities on a securities exchange.

b. "South Africa" includes the Republic of South Africa, any territory under the legal or illegal administration of the Republic of South Africa, and the Bantustans including Transkei, Bophuthatswana, Venda, Ciskei, and KwaZulu.

2. A person shall be presumed to control a corporation, partnership, or enterprise in South Africa if any of the following exist:

a. The person beneficially owns or controls either directly or indirectly more than fifty percent of the outstanding voting securities of the corporation, partnership, or enterprise.

b. The person beneficially owns or controls either directly or indirectly twenty-five percent or more of the voting securities of the corporation, partnership, or enterprise, if no other person owns or controls an equal or larger percentage.

c. The corporation, partnership, or enterprise is operated by the person pursuant to an exclusive management contract.

d. A majority of the members of the board of directors of the corporation, partnership, or enterprise are also members of the comparable governing body of the person.

e. The person has authority to appoint a majority of the members of the board of directors of the corporation, partnership, or enterprise.

f. The person has authority to appoint the chief operating officer of the corporation, partnership, or enterprise.

3. It is also the intent of the general assembly that after July 1, 1984 that in regard to the appropriation made in section 7 of this Act the department of job service and the advisory investment board of the Iowa public employees' retirement system shall maintain a list of persons making an investment in South Africa. The list shall be developed with reference to information obtained from the United States department of commerce. The department of job service and the advisory board shall not invest in any person on the list. The department shall mail written notification to each person on the list. A person ineligible to receive investments may establish eligibility if documentary evidence is submitted to the advisory board. The evidence shall be sufficient to establish that the person has adopted a written policy that prohibits the making of investments in South Africa. "Documentary evidence" includes, but is not limited to, an executed affidavit by an appropriate officer of the person in a form prepared by the advisory board, attesting to the fact that the person prohibits the making of investments in South Africa. The department of job service shall attempt to verify compliance by checking sources of information not affiliated with the person. The department of job service shall adopt rules under chapter 17A to assess civil penalties against a person who files false or misleading documentary evidence. Penalties shall be deposited in the state general fund. The civil penalties shall not exceed five thousand dollars for each violation. All civil penalties collected shall be deposited in the state general fund. If the advisory board determines that the government of the Republic of South Africa has made substantial progress toward the full participation of all the people in South Africa in the social, political, and economic life of that country and toward an end to discrimination based on race or ethnic origin, the advisory board shall submit that determination and the basis for that determination to the general assembly.

The above designated provisions in Senate File 2521 require the Department of Job Service and the Iowa Public Employees Retirement System (IPERS) Advisory Investment Board to take three actions with respect to IPERS investments:

1. Support only board of director candidates who favor the divestment of the company's South African investments;
2. Support stockholder initiatives to force divestment of a company's investments in South Africa;

The Honorable Mary Jane Odell
May 19, 1984
Page 4

3. Make no investment in any companies making investments or having control of companies in South Africa, after July 1, 1984.

The provisions of House File 2521 represent a radical change in the handling of the state employees' pension fund. In the past, the state has given those who manage these funds broad discretion in selecting appropriate investments and has shied away from using these funds to effect social policy.

The IPERS system is actuarially sound -- something of a rarity for public pension systems. And, IPERS managers have achieved substantial investment yields earning additional retirement income for former public employees.

Despite this investment record, proponents of Sections 7 and 9 of House File 2521 urge the adoption of the above restrictions on IPERS investments due to the racial policies of the South African government.

Their goal is a laudable one. The racism inherent in the apartheid policy is wrong. I am certain that Iowans -- with their history of support for racial equality -- join me in condemning this policy of the South African government.

Iowans also have a history of support for free and open commerce. We witnessed the failure of the Carter Administration's effort to force change in Soviet policy through a grain embargo. Rather than harm the Russians, the embargo hamstrung American farmers.

Instead of the negative approach reflected in House File 2521, I believe we would benefit blacks in South Africa far more with a positive effort to achieve racial equality. This can best be accomplished, not by divesting our ability to exercise influence, but by capitalizing on it.

Implementation of the so-called "Sullivan Principles" is one way to exercise economic influence to achieve needed social change. These principles require desegregation of the workplace, equality of pay and opportunity for blacks, and financial aid to the employees' communities. To date, over 120 American firms doing business in South Africa have signed agreements to honor these principles and 74 percent of the workers employed by U.S. firms are covered by these principles.

The Honorable Mary Jane Odell
May 19, 1984
Page 5

In summary, I concur with the goals of those proposing Sections 7 and 9 of House File 2521. However, the restrictions on South African investments included in those sections would likely hurt, rather than help, the victims of the oppressive apartheid system. On the other hand, a positive use of American investment could work to speed up the needed social change in South Africa.

I am also unable to approve Section 10, subsections 2, 3, 4, and 5, which read as follows:

2. Notwithstanding section 442.3, for the school year beginning July 1, 1985, the state foundation base shall be seventy-nine percent of the state cost per pupil.

3. Notwithstanding section 427A.9, the personal property tax credit allowed for the fiscal year beginning July 1, 1985 shall not exceed the amount of the personal property tax credit allowed for taxes payable in the fiscal year beginning July 1, 1984.

4. Notwithstanding section 427B.10, property acquired or purchased on or after January 1, 1983 up to and including December 31, 1983 shall not receive the benefits of sections 427B.10 through 427B.14 for taxes levied against the January 1, 1984 assessments and collected during the fiscal year beginning July 1, 1985.

5. Notwithstanding section 602.11101, subsections 3 and 4, Code Supplement 1983, the scheduled assumptions of state responsibility for court attendants and for juvenile probation officers are delayed for a period of one year, respectively, and the delay shall be implemented as provided in section 602.11101 and the percentage remittance to the counties from the court revenue distribution account under section 602.8108 for the fiscal year beginning July 1, 1984 shall not be reduced for the fiscal year beginning July 1, 1985.

Each of the above designated subsections would be implemented in the event that the State Comptroller on September 1, 1984 projected that the receipts of the state general fund revenues for the fiscal year 1986 would be less than 7.3 percent above the state general fund revenues for the fiscal year 1985. While I recognize these triggers are standby in nature, I am unable to approve these items because of my strong belief that it is wrong to shift state budget problems to local governments and local property taxpayers when problems occur. The four provisions which I will comment on briefly below could boost local property taxes by nearly \$25 million. These same provisions would wreak havoc on the local government budget process, and severely damage

The Honorable Mary Jane Odell
May 19, 1984
Page 6

state government's relationship and credibility with local government officials and property taxpayers. I recommended a one cent increase in our state sales tax last year to avoid this type of action.

Subsection 2, if triggered, would further delay our state's long standing commitment to reaching the eighty percent foundation level in our school aid formula. This provision alone would cost local property taxpayers \$14 million.

Subsection 3, raises the trigger on the personal property tax phaseout which was enacted in 1974. This most unfair and inequitable tax on personal property and business inventories should have been phased out by now. It has already been delayed too many times.

Presently, the personal property tax phaseout moves forward only when state revenues grow by at least 5.5 percent. In most recent years, our revenue growth has been below 5.5 percent and no progress in the phaseout has been made. Last year, I recommended and budgeted for another step in the phaseout. The legislature failed to follow that recommendation, and spent the \$3.8 million elsewhere.

Our commitment to the elimination of this most unfair tax is a significant incentive to economic development and more jobs for Iowans. Unfortunately, our state government's credibility has already been damaged by the continual interruption of this economic development incentive. I find this action to be unacceptable.

Subsection 4 requires that industrial machinery, equipment and computers purchased from January 1, 1983 through December 31, 1983 would not receive the 30 percent valuation limit for January 1, 1984 assessments.

The language of this paragraph could lead to a retroactive denial of a significant incentive designed to encourage capital investment. Many Iowa businesses would not have made machinery and computer investments in calendar year 1983 without the incentive provided for under our state's new "70/30" residual value assessment system.

Even the possibility of a retroactive denial of this investment incentive would send a negative message to the business community of our state. The Iowa Development Commission believes that this provision would be a damaging blow to our economic development efforts and could cost us thousands of Iowa jobs.

The Honorable Mary Jane Odell
May 19, 1984
Page 7

Last year I recommended, and the General Assembly approved, legislation in which the state made a commitment to gradually assume responsibility for the court system which is now funded at the county level. This action was taken to provide a unified court system and property tax relief.

Subsection 5 could delay the scheduled assumptions of state responsibility, and result in unanticipated and unbudgeted property tax increases. This language should not be left to haunt property taxpayers and local government officials.

In short, the subsections above could only serve to raise property taxes, hinder local government officials in their budgetary and other fiscal matters, and erode the confidence of those who wish to invest and create jobs in Iowa. Our state must move forward with these and other economic development incentives if we are going to be successful in the competition for jobs. We cannot afford to take significant steps backward. We must continue to move forward in our efforts to create jobs and reduce the property tax burden.

I am also unable to approve the entirety of Sections 11 and 12, which read as follows:

Sec. 11. Section 49.12, Code 1983, is amended to read as follows:

49.12 ELECTION BOARDS. There shall be appointed in each election precinct an election board which shall ordinarily consist of at least five precinct election officials. However, in precincts using only one voting machine at any one time, and in precincts voting by paper ballot where no more than one hundred votes were cast in the last preceding similar election, the board shall consist of not less than three precinct election officials; and in precincts using more than two voting machines one additional precinct election official may be appointed ~~for each such additional machine~~. Double election boards may be appointed for any precinct as provided by chapter 51. Not more than a simple majority of the members of the election board in any precinct, or of the two combined boards in any precinct for which a double election board is appointed, shall be members of the same political party or organization if one or more qualified electors of another party or organization are qualified and willing to serve on the board.

If double counting boards are not appointed for precincts using paper ballots and using only three precinct election officials a fourth precinct election official shall be appointed from the election board panel to serve beginning at 8:00 p.m. to assist in counting the paper ballots.

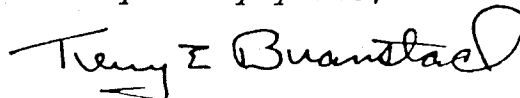
The Honorable Mary Jane Odell
May 19, 1984
Page 8

Sec. 12. Section 11 of this Act takes effect only if House File 2219, as enacted by the Seventieth General Assembly, 1984 Session, becomes law.

Sections 11 and 12 which would increase local property taxes are no longer necessary as a result of my disapproval of House File 2219.

For the above reasons, I respectfully disapprove of these items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of House File 2521 are hereby approved as of this date.

Very truly yours,



Terry E. Branstad
Governor

TEB/ps

cc: Secretary of the Senate
Chief Clerk of the House

HOUSE FILE 2521

AN ACT

RELATING TO AND MAKING APPROPRIATIONS TO VARIOUS STATE REGULATORY, ADMINISTRATIVE AND FINANCE DEPARTMENTS, BOARDS AND COMMISSIONS.

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, 1984 and ending June 30, 1985, to the following boards the following amounts, or so much thereof as may be necessary, to be used for the following purposes:

	1984-1985 <u>Fiscal Year</u>
1. BOARD OF ARCHITECTURAL EXAMINERS For salaries, support, maintenance, and other operational purposes	\$ 45,458
2. BOARD OF LANDSCAPE ARCHITECTURAL EXAMINERS For salaries, support, maintenance, and other operational purposes	\$ 10,345
3. BOARD OF ACCOUNTANCY For salaries, support, maintenance, and other operational purposes	\$ 270,801
4. STATE BOARD OF ENGINEERING	

EXAMINERS

For salaries, support, maintenance,
and other operational purposes \$ 138,615

Sec. 2. There is appropriated from the general fund of the state to the following departments and commissions for the fiscal year beginning July 1, 1984 and ending June 30, 1985, the following amounts, or so much thereof as may be necessary, to be used for the following purposes:

	1984-1985 <u>Fiscal Year</u>
1. AUDITOR OF STATE For salaries, support, maintenance, and miscellaneous purposes	\$ 1,803,249
2. DEPARTMENT OF BANKING For salaries, support, maintenance, and other operational purposes	\$ 3,271,343
3. IOWA BEER AND LIQUOR CONTROL DEPARTMENT For salaries, support, maintenance, and other operational purposes	\$18,626,164
Not less than six ministores shall be established from the funds appropriated in this subsection.	
4. CAMPAIGN FINANCE DISCLOSURE COMMISSION For salaries, support, maintenance, and other operational purposes	\$ 125,587
As a condition of receipt of this appropriation, the campaign finance disclosure commission shall promulgate rules by January 1, 1985 that a holder of or a candidate for a state office who receives a campaign contribution from a registered lobbyist or a political action committee while the general assembly is in session must disclose that contribution to the campaign finance disclosure commission within fourteen days of receipt of the contribution.	
5. IOWA STATE COMMERCE COMMISSION	

For salaries, support, maintenance,
and other operational purposes \$ 5,611,319

6. CONSUMER ADVOCATE

For salaries, support, maintenance,
and other operational purposes \$ 874,529

7. STATE COMPTROLLER

a. General Office

For salaries, support, maintenance,
and other operational purposes \$ 1,178,029

b. Division of Data Processing

For salaries, support, maintenance,
and other operational purposes \$ 4,070,837

It is the intent of the general assembly that the state comptroller under its division of data processing shall not charge the secretary of state for computer costs arising as a result of the implementation of Senate File 510.

The state comptroller, through the office of the inspector general, shall assist state agencies in identifying and implementing efficiency and cost-effectiveness measures, as recommended by the governor's task force on efficiencies and cost-effectiveness. Notwithstanding any conflicting provisions of chapter 8, the state comptroller may make the first two quarterly allocations to the state comptroller as if the amount appropriated in paragraph "a" contained three hundred thousand dollars more than actually specified and in paragraph "b" contained two million dollars more than actually specified, and the state comptroller may reduce the last two quarterly allocations in order to offset the first two quarterly allocations. The state comptroller may reduce quarterly allocations of funds appropriated to other agencies to reflect savings made as a result of implementing recommendations of the governor's task force on efficiencies and cost effectiveness. Not more than three hundred thousand dollars for paragraph "a" and two million dollars for paragraph "b" of the savings resulting from implementing the recommendations

may be transferred by the state comptroller to the state comptroller to be used for the purposes provided in those paragraphs.

8. CREDIT UNION DEPARTMENT

For salaries, support, maintenance,
and other operational purposes \$ 534,821

9. INDUSTRIAL COMMISSIONER

For salaries, support, maintenance,
and other operational purposes \$ 981,702

10. INSURANCE DEPARTMENT OF IOWA

For salaries, support, maintenance,
and other operational purposes \$ 2,691,974

The insurance department may expend additional funds, if those additional expenditures are actual expenses which exceed the funds budgeted for insurance company examinations and directly result from examinations of insurance companies. Before the department expends or encumbers an amount in excess of the funds budgeted for examinations, the state comptroller shall approve the expenditure or encumbrance. Before approval is given, the state comptroller shall determine that the examination expenses exceed the funds budgeted by the general assembly to the department and that the department does not have other funds from which examination expenses can be paid. Upon approval of the state comptroller the department may expend and encumber funds for excess examination expenses. The amounts necessary to fund the excess examination expenses shall be collected from those insurance companies being examined which caused the excess expenditures and the collections shall be treated as repayment receipts as defined in section 8.2, subsection 5.

11. IOWA DEPARTMENT OF JOB SERVICE

For salaries, support, maintenance,
and other operational purposes for the
administration of chapter 97 and chap-
ter 97C and section 294.15 \$ 160,398

12. OCCUPATIONAL SAFETY AND HEALTH
 REVIEW COMMISSION
 For salaries, support, maintenance,
 and other operational purposes \$ 48,594

13. PUBLIC EMPLOYMENT RELATIONS
 BOARD
 For salaries, support, maintenance,
 and other operational purposes \$ 542,838

14. IOWA REAL ESTATE COMMISSION
 For salaries, support, maintenance,
 and other operational purposes \$ 319,345

15. RACING COMMISSION
 For salaries, support, maintenance,
 and other operational purposes \$ 296,400

16. DEPARTMENT OF REVENUE
 General Administration
 For salaries, support, maintenance,
 and other operational purposes \$15,760,007

17. SECRETARY OF STATE
 a. For salaries, support, maintenance and other operational purposes \$ 1,062,176
 b. For editing and printing the
 Iowa official register \$ 62,500
 It is the intent of the general assembly that the Iowa
 official register be published by April 1, if practicable.

18. TREASURER OF STATE
 For salaries, support, maintenance,
 and miscellaneous purposes \$ 472,598

Sec. 3. There is appropriated from the general fund of
 the state to the moneys and credits replacement fund
 established in section 422.100 for the fiscal year beginning
 July 1, 1984 and ending June 30, 1985, the following amount,
 or so much thereof as may be necessary, to be used for payments
 to counties as provided in section 422.100:

1984-1985

Fiscal Year
\$ 2,500,000

Sec. 4. There is appropriated from the general fund of
 the state to the county government assistance fund, established
 in section 334A.1, for the fiscal year beginning July 1, 1984
 and ending June 30, 1985, the following amount, or so much
 thereof as may be necessary, to be used for state assistance
 to counties, with distribution in accordance with section
 334A.2. The state comptroller, before making such
 distribution, shall credit to the county finance committee
 on July 1, 1984 the sum of fifty-five thousand five hundred
 thirty-three (55,533) dollars.

1984-1985
Fiscal Year
\$ 5,350,000

Sec. 5. There is appropriated from the general fund of
 the state to the municipal assistance fund, established in
 section 405.1, for the fiscal year beginning July 1, 1984
 and ending June 30, 1985, the following amount, or so much
 thereof as may be necessary, to be used for state assistance
 to municipalities, with distribution in accordance with section
 405.1. The state comptroller, before making such distribution,
 shall credit to the city finance committee on July 1, 1984
 the sum of ten thousand eight hundred (10,800) dollars.

1984-1985
Fiscal Year
\$14,650,000

Sec. 6. There is appropriated from the motor vehicle fuel
 tax fund to the department of revenue for the fiscal year
 beginning July 1, 1984 and ending June 30, 1985, the following
 amount, or so much thereof as may be necessary, for salaries,
 support, maintenance, and other operational purposes for
 administration and enforcement of the provisions of chapter
 324 and the motor vehicle use tax program:

1984-1985

Fiscal Year

\$ 820,035

Sec. 7. There is appropriated from the Iowa public employees' retirement system fund for the fiscal year beginning July 1, 1984 and ending June 30, 1985, to the Iowa department of job service, the following amount, or so much thereof as may be necessary, to be used for the following purposes:

1984-1985

Fiscal Year

For salaries, support, maintenance, and other operational purposes to pay the costs of administration of the Iowa public employees' retirement system \$ 3,381,945

It is the intent of the general assembly that the department of job service and the advisory investment board of the Iowa public employees' retirement system shall evaluate their holding of stocks and the voting rights to the stock with respect to the involvement of the stock issuer in doing business with or investing in the Republic of South Africa. The list of companies that invest in or do business with the Republic of South Africa shall be developed with reference to information obtained from the United States department of commerce. The department of job service shall not give voting proxies to any candidate for a board position for a company on the list who does not support divestment. In any stockholder election involving an issue related to investments in or business with the Republic of South Africa, the department of job service shall exercise its right to vote stock in such a manner as to prohibit such investments or business. This paragraph does not require the department to send a person to attend shareholder meetings to vote stock.

Sec. 8. 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 unless otherwise provided by the general assembly. Sec. 9.

1. It is the intent of the general assembly that after July 1, 1984 that in regard to the appropriations made in section 7 of this Act the department of job service and the advisory board of the Iowa public employees' retirement system shall not make investment in any person making an investment in South Africa. As used in this section, unless the context otherwise requires:

a. "Investment in South Africa" means either of the following:

(1) Establishing or making a loan or other extension of credit for the establishment of a business enterprise or a subsidiary, affiliate, branch, or office in South Africa.

(2) Investing funds in an existing enterprise in South Africa including making a loan or other extension of credit or exercising control in an existing enterprise, except that this paragraph does not prohibit the purchase of securities on a securities exchange.

b. "South Africa" includes the Republic of South Africa, any territory under the legal or illegal administration of the Republic of South Africa, and the Bantustans including Transkei, Bophuthatswana, Venda, Ciskei, and KwaZulu.

2. A person shall be presumed to control a corporation, partnership, or enterprise in South Africa if any of the following exist:

a. The person beneficially owns or controls either directly or indirectly more than fifty percent of the outstanding voting securities of the corporation, partnership, or enterprise.

b. The person beneficially owns or controls either directly or indirectly twenty-five percent or more of the voting securities of the corporation, partnership, or enterprise, if no other person owns or controls an equal or larger percentage.

c. The corporation, partnership, or enterprise is operated by the person pursuant to an exclusive management contract.

d. A majority of the members of the board of directors of the corporation, partnership, or enterprise are also members of the comparable governing body of the person.

e. The person has authority to appoint a majority of the members of the board of directors of the corporation, partnership, or enterprise.

f. The person has authority to appoint the chief operating officer of the corporation, partnership, or enterprise.

3. It is also the intent of the general assembly that after July 1, 1984 that in regard to the appropriation made in section 7 of this Act the department of job service and the advisory investment board of the Iowa public employees' retirement system shall maintain a list of persons making an investment in South Africa. The list shall be developed with reference to information obtained from the United States department of commerce. The department of job service and the advisory board shall not invest in any person on the list. The department shall mail written notification to each person on the list. A person ineligible to receive investments may establish eligibility if documentary evidence is submitted to the advisory board. The evidence shall be sufficient to establish that the person has adopted a written policy that prohibits the making of investments in South Africa.

"Documentary evidence" includes, but is not limited to, an executed affidavit by an appropriate officer of the person in a form prepared by the advisory board, attesting to the fact that the person prohibits the making of investments in South Africa. The department of job service shall attempt to verify compliance by checking sources of information not affiliated with the person. The department of job service shall adopt rules under chapter 17A to assess civil penalties against a person who files false or misleading documentary evidence. Penalties shall be deposited in the state general

fund. The civil penalties shall not exceed five thousand dollars for each violation. All civil penalties collected shall be deposited in the state general fund. If the advisory board determines that the government of the Republic of South Africa has made substantial progress toward the full participation of all the people in South Africa in the social, political, and economic life of that country and toward an end to discrimination based on race or ethnic origin, the advisory board shall submit that determination and the basis for that determination to the general assembly.

Sec. 10. If, on September 1, 1984, the state comptroller projects that the receipts of state general fund revenues for the fiscal year beginning July 1, 1985 will be less than seven and three-tenths percent above the receipts of state general fund revenues for the fiscal year beginning July 1, 1984, the following shall occur:

1. Notwithstanding section 442.7, subsection 4, for the budget year beginning July 1, 1985, the difference between the recomputed state percent of growth for the base year and the original computation for the base year is one percent and that percent shall be subtracted from the state percent of growth for the budget year.

2. Notwithstanding section 442.3, for the school year beginning July 1, 1985, the state foundation base shall be seventy-nine percent of the state cost per pupil.

3. Notwithstanding section 427A.9, the personal property tax credit allowed for the fiscal year beginning July 1, 1985 shall not exceed the amount of the personal property tax credit allowed for taxes payable in the fiscal year beginning July 1, 1984.

4. Notwithstanding section 427B.10, property acquired or purchased on or after January 1, 1983 up to and including December 31, 1983 shall not receive the benefits of sections 427B.10 through 427B.14 for taxes levied against the January 1, 1984 assessments and collected during the fiscal year beginning July 1, 1985.

5. Notwithstanding section 602.11101, subsections 3 and 4, Code Supplement 1983, the scheduled assumptions of state responsibility for court attendants and for juvenile probation officers are delayed for a period of one year, respectively, and the delay shall be implemented as provided in section 602.11101 and the percentage remittance to the counties from the court revenue distribution account under section 602.8108 for the fiscal year beginning July 1, 1984 shall not be reduced for the fiscal year beginning July 1, 1985.

Sec. 11. Section 49.12, Code 1983, is amended to read as follows:

49.12 ELECTION BOARDS. There shall be appointed in each election precinct an election board which shall ordinarily consist of at least five precinct election officials. However, in precincts using only one voting machine at any one time, and in precincts voting by paper ballot where no more than one hundred votes were cast in the last preceding similar election, the board shall consist of not less than three precinct election officials; and in precincts using more than two voting machines ~~one~~ additional precinct election ~~official~~ officials may be appointed ~~for each such additional machine~~. Double election boards may be appointed for any precinct as provided by chapter 51. Not more than a simple majority of the members of the election board in any precinct, or of the two combined boards in any precinct for which a double election board is appointed, shall be members of the same political party or organization if one or more qualified electors of another party or organization are qualified and willing to serve on the board.

If double counting boards are not appointed for precincts using paper ballots and using only three precinct election officials a fourth precinct election official shall be appointed from the election board panel to serve beginning at 8:00 p.m. to assist in counting the paper ballots.

Sec. 12. Section 11 of this Act takes effect only if House File 2219, as enacted by the Seventieth General Assembly, 1984 Session, becomes law.

DONALD D. AVENSON
Speaker of the House

CHARLES P. MILLER
President Pro Tempore of the
Senate

I hereby certify that this bill originated in the House and is known as House File 2521, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Item Veto
~~Approved~~ *May 19*, 1984

TERRY E. BRANSTAD
Governor