

Reprinted

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SENATE FILE 477
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 350.1)

Passed Senate, Date 4/30/95 (p. 1322) Passed House, Date _____
Vote: Ayes 44 Nays 4 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing an oversight, audit and government reform
2 committee, and providing an effective date.

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

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S.F. 477

1 Section 1. NEW SECTION. 2.71 OVERSIGHT, AUDIT AND
2 GOVERNMENT REFORM COMMITTEE -- ESTABLISHMENT AND PROCEDURES.

3 1. An oversight, audit and government reform committee is
4 established, consisting of three members of the majority
5 political party and two members of the minority political
6 party in the senate, as appointed by the majority leader of
7 the senate in consultation with the minority leader, and five
8 members of the majority political party and four members of
9 the minority political party in the house of representatives
10 as appointed by the speaker of the house in consultation with
11 the minority leader. The majority leader of the senate and
12 the speaker of the house of representatives shall each
13 designate a chairperson and vice chairperson, and the minority
14 leader of each house shall designate a ranking member.
15 Meetings may be called by the co-chairpersons or by a majority
16 of committee members from each house. Members shall be
17 appointed prior to the adjournment of the first regular
18 session of each general assembly and shall serve for terms
19 ending upon the convening of the following general assembly or
20 when their successors are appointed, whichever is later.
21 Vacancies shall be filled in the same manner as original
22 appointments are made and shall be for the remainder of the
23 member's unexpired term.

24 2. The members of the committee shall be reimbursed for
25 actual and necessary expenses incurred in the performance of
26 their duties and shall be paid the per diem specified in
27 section 2.10, subsection 6, for each day in which engaged in
28 the performance of their duties. However, per diem
29 compensation and expenses shall not be paid when the general
30 assembly is actually in session at the seat of government.
31 Expenses and per diem shall be paid from funds appropriated
32 pursuant to section 2.12.

33 3. The committee shall adopt committee rules consistent
34 with this section and rules of the senate and house of
35 representatives. The committee shall not approve any action,

1 unless a majority of members of the senate and a majority of
2 members of the house of representatives serving on the
3 committee both approve the action.

4 4. Staff assistance shall be provided by the legislative
5 fiscal bureau and the legislative service bureau.

6 Sec. 2. NEW SECTION. 2.72 OVERSIGHT, AUDIT AND
7 GOVERNMENT REFORM COMMITTEE -- PURPOSE.

8 The purpose of the oversight, audit and government reform
9 committee shall be to review and analyze state government
10 structure and operations for purposes of ensuring an efficient
11 and innovative system of government which effectively
12 administers programs and carries out its regulatory functions,
13 provides for operating with the greatest possible fiscal
14 integrity, enhances the government's relationship with its
15 citizens, and provides for the greatest possible
16 accountability of the government to the public.

17 Sec. 3. NEW SECTION. 2.73 OVERSIGHT, AUDIT AND
18 GOVERNMENT REFORM COMMITTEE -- POWERS AND DUTIES.

19 1. As used in this section, unless the context otherwise
20 requires:

21 a. "Committee" means the oversight, audit and government
22 reform committee established pursuant to section 2.71.

23 b. "Government" means local government and state
24 government.

25 c. "Local government" means a political subdivision as
26 defined in section 24.48; a city as defined in section 362.2;
27 a county as provided in chapter 331; a township as provided in
28 chapter 359; a public school corporation organized under
29 chapter 274; a merged area as provided in chapter 260C; an
30 area education agency as provided in chapter 273; or any
31 special purpose district, including a district that provides
32 or has authority to provide fire fighting, water, sanitary,
33 law enforcement, ambulance, medical, or other emergency
34 services.

35 d. "Staff" means the director of the legislative fiscal

1 bureau and employees of the legislative fiscal bureau, and the
2 director of the legislative service bureau and employees of
3 the legislative service bureau.

4 e. "State government" means a unit of government which is
5 a board, commission, department, officer, or other
6 administrative office of the state, including but not limited
7 to each principal department as provided in section 7E.5; an
8 agency of the general assembly; the judicial department as
9 defined in section 602.1102; and the office of consumer
10 advocate as provided in chapter 475A. A state government does
11 not include a local government.

12 2. Except as provided in this section, a unit of state
13 government, or an officer or employee of state government,
14 shall not be compelled to perform any function or conduct any
15 reform, based on a decision of the committee.

16 3. Each year the committee shall develop an annual plan
17 required to carry out its purpose as provided in section 2.72.
18 The annual plan must be submitted for approval by the
19 legislative council, and shall be updated for the next
20 calendar year not later than July 1 or as otherwise provided
21 by the legislative council. The plan shall provide for a one-
22 year schedule for performing a systematic review of state
23 programs and rules. As part of the plan, the committee shall
24 each year conduct a review and perform an evaluation of one or
25 more programs or regulations administered or enforced by state
26 government. The plan may also provide for conducting in-depth
27 studies of issues and investigations affecting state
28 government. Studies affecting state government include but
29 are not limited to all of the following:

30 a. State government budget practices and procedures in
31 order to ensure the accountability of state government to the
32 general assembly.

33 b. Methods to encourage innovation in state government,
34 including methods to encourage the communication of innovative
35 proposals by officers and employees, and methods to implement

1 proposals which may increase the operational efficiency of
2 state government.

3 c. Utilization of state government facilities and
4 equipment, including purchase, lease-purchase, and leasing
5 arrangements.

6 d. Reorganization of units of state government, in order
7 to reduce expenditures and promote economy to the fullest
8 extent possible consistent with the efficient operation of
9 state government.

10 e. Performance evaluations and performance-based budgeting
11 of state government operations, including standards and
12 procedures for the administration of programs and regulations.
13 The study may include the need to develop indicators,
14 including benchmarks, for purposes of measuring state
15 government performance.

16 f. Relationships between all of the following:

17 (1) State government and its employees, including methods
18 to increase employee performance.

19 (2) State government and private industry, including
20 issues regarding the privatization of state government
21 functions.

22 (3) State government and local government, in order to
23 increase the efficient and harmonious administration of their
24 powers and duties.

25 (4) Government and the United States government, including
26 the impact of federal requirements and incentives on
27 government policies and action.

28 4. Each year the committee shall develop a budget for
29 committee operations. The budget must be submitted to the
30 legislative council by June 1 of each year or as otherwise
31 provided by the legislative council for approval or amendment
32 by the legislative council for the next fiscal year beginning
33 July 1 and ending June 30.

34 5. In carrying out its purpose, as provided in section
35 2.72, the following shall apply:

1 a. Officers and employees of a state government unit, or a
2 private organization providing services to individuals under a
3 contract with a unit of state government, shall, to every
4 extent practical, be available to communicate on a matter
5 relating to the performance of the state government unit's
6 statutory duties or the private organization's contractual
7 arrangements with a unit of state government, at the
8 convenience of the committee or a committee member. The
9 officer or employee is not required to obtain permission from
10 or notify a unit of state government or private organization
11 regarding a formal or informal communication with the
12 committee or the member as provided in this paragraph.

13 b. The committee, including a subcommittee appointed by
14 the chairpersons of the committee, shall have access to all
15 units of state government, and private organizations providing
16 services to individuals under contracts with units of state
17 government, and may visit the offices or facilities of a unit
18 of state government or such private organization in order to
19 investigate the performance of the state government unit's
20 statutory duties or private organization's contractual
21 arrangements with a unit of state government. When the
22 committee visits the offices and facilities of a unit of state
23 government or such private organization, the committee shall
24 invite the chairpersons and minority party ranking members of
25 the appropriate standing committees and the appropriate
26 subcommittees of the committees on appropriations of the
27 senate and the house of representatives.

28 The committee shall be provided with information by staff
29 as directed by the chairpersons, concerning the visit,
30 including information relating to the structure and
31 organization of the unit of state government, budgets,
32 programs, and regulations, and legislation authorizing
33 programs or regulations. If a unit of state government or a
34 private organization providing services to individuals under
35 contract with a unit of state government places restrictions

1 upon a visit, the unit of state government or private
2 organization shall submit to the committee a written
3 explanation detailing reasons for denying a visit which must
4 be based on a threat to the health or safety of an individual,
5 including a member of the committee or subcommittee.

6 c. The committee shall at all times have access to all
7 books, records, and other instrumentalities and properties of
8 a unit of state government or private organization providing
9 services to individuals under a contract with a unit of state
10 government, used in the state government unit's performance of
11 statutory duties or the private organization's contractual
12 arrangements with a unit of state government. The unit of
13 state government or such private organization shall cooperate
14 with the committee, and shall make available to the committee
15 such books, records, instrumentalities, and property.

16 However, if the information sought by the committee is
17 required by law to be kept confidential, the staff shall have
18 access to the information, but shall maintain the
19 confidentiality of the information and are subject to the same
20 penalties as the lawful custodian of the information for
21 dissemination of the information. However, the staff shall
22 not have access to tax return information except for
23 individual income tax sample data as provided in section
24 422.72, subsection 1. If information is confidential, the
25 committee may require that the unit of state government or
26 private organization provide the information in a manner that
27 eliminates references which cause the information to be
28 classified as confidential, or that a summary of information
29 be prepared in a manner that does not identify sources of the
30 confidential information.

31 d. The committee may issue subpoenas for the production of
32 any records, books, or papers to which the committee or staff
33 is authorized to have access. If any person subpoenaed
34 refuses to produce the records, books, or papers, the
35 committee may apply to the district court having jurisdiction

1 over that person for the enforcement of the subpoena.

2 e. The committee may conduct hearings regarding
3 complaints, concerns, or comments from officers and employees
4 of a unit of state government or a private organization
5 providing services to individuals under a contract with a unit
6 of state government about any matter relating to the state
7 government unit's performance of statutory duties or the
8 private organization's contractual arrangements with a unit of
9 state government.

10 f. The committee shall not conduct a closed session,
11 unless the committee determines that a closed session is
12 required to protect the release of confidential communications
13 or information. The committee may provide that information
14 that it receives is confidential information, notwithstanding
15 chapter 22.

16 g. The committee may conduct examinations regarding the
17 operations of a unit of state government or a private
18 organization providing services to individuals under a
19 contract with a unit of state government regarding a
20 particular program or regulation, in order to evaluate the
21 effectiveness, efficiency, and economy of the operation or of
22 a program or regulation. The committee may require that a
23 unit of state government perform a study of its own functions
24 as part of the examination.

25 h. Subject to the approval of the legislative council, the
26 committee may employ consultants or professionals, including
27 but not limited to a legal counsel, to perform assigned duties
28 at the direction of the committee.

29 i. Upon request by the committee, the attorney general or
30 the state auditor may investigate abuses of discretion,
31 malfeasance, or the misappropriation of moneys by officers or
32 employees of a unit of state government, or pursuant to
33 contracts executed by units of state government. Upon request
34 by the committee, the state auditor shall review state
35 programs or regulations, and perform evaluations, including

1 the measurement of performance according to indicators, such
2 as benchmarks. The attorney general or state auditor shall
3 report to the committee the findings and any recommendations
4 of an investigation or review.

5 6. The committee shall periodically prepare reports
6 regarding studies and evaluations conducted by the committee.
7 The reports shall contain findings and recommendations of the
8 committee. The committee shall prepare annually a final
9 report to the legislative council. The committee shall
10 prepare a summary of the final report for submission to each
11 member of the general assembly not later than the first day of
12 each regular session of the general assembly as provided in
13 section 2.1. The report shall provide a description of the
14 committee's operations for the past calendar year as provided
15 in its annual plan required pursuant to this section. The
16 report shall provide an evaluation of each area of study and
17 each program or rule reviewed pursuant to the committee's
18 annual plan. The report shall include recommendations for
19 consideration by the general assembly, which may include
20 proposed bills or resolutions.

21 Sec. 4. EFFECTIVE DATE. This Act, being deemed of
22 immediate importance, takes effect upon enactment.

23 EXPLANATION

24 This bill amends chapter 2 which provides for the functions
25 and powers of the general assembly. The bill establishes an
26 oversight, audit and government reform committee.

27 Specifically, the bill provides for all of the following:

28 Section 2.71 provides for the establishment of the
29 committee, which consists of five members of the senate and
30 nine members of the house of representatives. The section
31 provides for a number of procedural requirements for the
32 committee, including the appointment of members and co-
33 chairpersons, vacancies, members' reimbursement, approval of
34 actions, and staff assistance.

35 Section 2.72 provides that the committee's purpose is to

1 review and analyze state governmental structure and operations
2 for purposes of ensuring an efficient and innovative system of
3 state government which effectively administers programs and
4 carries out regulatory functions, provides for operating with
5 the greatest possible fiscal integrity, enhances the
6 government's relationship with its citizens, and provides for
7 the greatest possible accountability of the state government
8 to the public.

9 Section 2.73 provides for the powers and duties of the
10 committee. Each year the committee must develop an annual
11 plan required to carry out its purpose. The committee must
12 also submit a budget request to the legislative council. The
13 committee must provide for a schedule to perform a systematic
14 evaluation of state programs and regulations. The committee
15 may study issues relating to the state government budget;
16 methods to encourage innovation in state government; the
17 utilization of state government facilities and equipment; the
18 reorganization of units of state government; methods to
19 accomplish performance evaluations and performance-based
20 budgeting of state government operations; the development
21 indicators, including benchmarks, in order to measure state
22 government performance; relationships between state government
23 and its employees, state government and private industry,
24 state and local governments; and the state and local
25 governments with the federal government.

26 The section provides that the committee has a number of
27 specific powers. The committee may monitor the operations of
28 any unit of state government or a private organization
29 contracting with a unit of state government, by visiting and
30 inspecting any place where a unit's or organization's
31 functions occur, or communicating with an officer or employee
32 of the unit of state government or the private organization.
33 The committee may conduct hearings regarding complaints,
34 concerns, or comments from officers and employees of units of
35 state government or private organizations about matters

1 relating to the functions of state government. The committee
2 may conduct examinations regarding the operations of a unit of
3 state government or a private organization contracting with a
4 unit of state government, including a particular program or
5 regulation, in order to evaluate the effectiveness,
6 efficiency, and economy of the operation or of a program or
7 regulation. The committee may issue subpoenas for witnesses
8 and for the production of records, books, papers, and other
9 evidence. The committee may require a unit of state
10 government or a private organization contracting with a unit
11 of state government to cooperate with the committee and
12 furnish the committee with information or analysis as required
13 by the committee relating to government functions. Subject to
14 approval by the legislative council, the committee may employ
15 consultants or professionals, including but not limited to a
16 legal counsel, to perform assigned duties at the direction of
17 the committee. The committee may require information from the
18 attorney general or state auditor.

19 The section requires the committee to periodically prepare
20 reports regarding studies and evaluations conducted by the
21 committee. The reports must contain findings and
22 recommendations of the committee. The committee must prepare
23 annually a final report for the legislative council and a
24 summary of the report for the general assembly which shall be
25 submitted to each member of the general assembly not later
26 than the first day of each regular session.

27 The bill takes effect upon enactment.

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SENATE FILE 477

S-3504

1 Amend Senate File 477 as follows:

2 1. Page 1, by striking lines 1 through 15 and
3 inserting the following:

4 "Sec. ____ . Section 2.46, Code 1995, is amended by
5 adding the following new unnumbered paragraph before
6 unnumbered paragraph 1:

7 NEW UNNUMBERED PARAGRAPH. The legislative fiscal
8 committee is established. Meetings of the committee
9 may be called by the co-chairpersons or by a
10 majority".

11 2. By striking page 1, line 24, through page 4,
12 line 28, and inserting the following:

13 "Sec. ____ . Section 2.46, Code 1995, is amended by
14 adding the following new unnumbered paragraph:

15 NEW UNNUMBERED PARAGRAPH. Each year the committee
16 shall develop a budget for".

17 3. By striking page 4, line 34, through page 8,
18 line 20, and inserting the following:

19 "Sec. ____ . Section 2.46, Code 1995, is amended by
20 adding the following new unnumbered paragraph:

21 NEW UNNUMBERED PARAGRAPH. The committee shall
22 review and analyze state government structure and
23 operations for purposes of ensuring an efficient and
24 innovative system of government which effectively
25 administers programs and carries out its regulatory
26 functions, provides for operating with the greatest
27 possible fiscal integrity, enhances the government's
28 relationship with its citizens, and provides for the
29 greatest possible accountability of the government to
30 the public. The committee shall conduct a review of
31 state programs and rules. The committee shall study
32 state government budget practices and procedures in
33 order to ensure the accountability of state government
34 to the general assembly; methods to encourage
35 innovation in state government; the utilization of
36 state government facilities and equipment, including
37 purchase, lease-purchase, and leasing arrangements;
38 and performance evaluations and performance-based
39 budgeting of state government operations, including
40 standards and procedures for the administration of
41 programs and regulations.

42 The study may include the need to develop
43 indicators, including benchmarks, for purposes of
44 measuring state government performance.

45 Upon request by the committee, the attorney general
46 or the state auditor may investigate abuses of
47 discretion, malfeasance, or the misappropriation of
48 moneys by officers or employees of a unit of state
49 government, or pursuant to contracts executed by units
50 of state government. Upon request by the committee,

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Page 2

1 the state auditor shall review state programs or
2 regulations, and perform evaluations, including
3 measurement of performance according to indicators,
4 such as benchmarks. The attorney general or state
5 auditor shall report to the committee the findings and
6 any recommendations of an investigation or review."
7 4. By renumbering as necessary.

By WAYNE BENNETT

S-3504 FILED APRIL 19, 1995

WITHDRAWN (p.1321)

SENATE FILE 477

S-3464

1 Amend Senate File 477 as follows:

- 2 1. Page 1, by striking lines 16 through 20 and
3 inserting the following: "of committee members from
4 each house. Members shall be appointed and serve for
5 terms beginning upon the convening of the first
6 session of each general assembly, except that the
7 initial members may be appointed after the convening
8 of the first session of the Seventy-sixth General
9 Assembly."
10 2. Page 4, by striking lines 30 through 33 and
11 inserting the following: "legislative council each
12 year as provided by the legislative council, for
13 approval or amendment by the legislative council for
14 the following year."

By MARY NEUHAUSER

S-3464 FILED APRIL 18, 1995
ADOPTED (p. 1274)

SENATE FILE 477

S-3483

1 Amend Senate File 477 as follows:

- 2 1. Page 1, line 14, by inserting after the word
3 "member." the following: "All appointments shall be
4 approved by the legislative council."
5 2. Page 8, by inserting after line 20 the
6 following:
7 "Sec. ____ . NEW SECTION. 2.74 ABOLISHMENT OF
8 COMMITTEE.
9 Sections 2.71 through 2.73 and this section are
10 repealed on July 1, 1999."
11 3. Title page, line 2, by inserting after the
12 word "committee," the following: "providing for the
13 abolishment of the committee,".
14 4. By renumbering as necessary.

By MARY LUNDBY

S-3483 FILED APRIL 18, 1995

WITHDRAWN (p. 1321)

SENATE FILE 477

S-3485

1 Amend Senate File 477 as follows
2 1. By striking page 1, line 1, through page 8,
3 line 20, and inserting the following:
4 "Sec. ____ . Section 2.46, Code 1995, is amended by
5 adding the following new subsection:
6 NEW SUBSECTION. 6. OVERSIGHT, AUDIT AND
7 GOVERNMENT REFORM. Review and analyze state
8 government structure and operations for purposes of
9 ensuring an efficient and innovative system of
10 government which effectively administers programs and
11 carries out its regulatory functions, provides for
12 operating with the greatest possible fiscal integrity,
13 enhances the government's relationship with its
14 citizens, and provides for the greatest possible
15 accountability of the government to the public. The
16 committee shall conduct a review of state programs and
17 rules. The committee shall study all of the
18 following:
19 a. State government budget practices and
20 procedures in order to ensure the accountability of
21 state government to the general assembly.
22 b. Methods to encourage innovation in state
23 government.
24 c. Utilization of state government facilities and
25 equipment, including purchase, lease-purchase, and
26 leasing arrangements.
27 d. Performance evaluations and performance-based
28 budgeting of state government operations, including
29 standards and procedures for the administration of
30 programs and regulations.
31 The study may include the need to develop
32 indicators, including benchmarks, for purposes of
33 measuring state government performance.
34 Upon request by the committee, the attorney general
35 or the state auditor may investigate abuses of
36 discretion, malfeasance, or the misappropriation of
37 moneys by officers or employees of a unit of state
38 government, or pursuant to contracts executed by units
39 of state government. Upon request by the committee,
40 the state auditor shall review state programs or
41 regulations, and perform evaluations, including
42 measurement of performance according to indicators,
43 such as benchmarks. The attorney general or state
44 auditor shall report to the committee the findings and
45 any recommendations of an investigation or review."
46 2. By renumbering as necessary.

By WAYNE BENNETT

S-3485 FILED APRIL 18, 1995

o/o 4/20/95 (p. 1321)

1 Section 1. NEW SECTION. 2.71 OVERSIGHT, AUDIT AND
2 GOVERNMENT REFORM COMMITTEE -- ESTABLISHMENT AND PROCEDURES.

3 1. An oversight, audit and government reform committee is
4 established, consisting of three members of the majority
5 political party and two members of the minority political
6 party in the senate, as appointed by the majority leader of
7 the senate in consultation with the minority leader, and five
8 members of the majority political party and four members of
9 the minority political party in the house of representatives
10 as appointed by the speaker of the house in consultation with
11 the minority leader. The majority leader of the senate and
12 the speaker of the house of representatives shall each
13 designate a chairperson and vice chairperson, and the minority
14 leader of each house shall designate a ranking member.

15 Meetings may be called by the co-chairpersons or by a majority
16 of committee members from each house. Members shall be
17 appointed and serve for terms beginning upon the convening of
18 the first session of each general assembly, except that the
19 initial members may be appointed after the convening of the
20 first session of the Seventy-sixth General Assembly.

21 Vacancies shall be filled in the same manner as original
22 appointments are made and shall be for the remainder of the
23 member's unexpired term.

24 2. The members of the committee shall be reimbursed for
25 actual and necessary expenses incurred in the performance of
26 their duties and shall be paid the per diem specified in
27 section 2.10, subsection 6, for each day in which engaged in
28 the performance of their duties. However, per diem
29 compensation and expenses shall not be paid when the general
30 assembly is actually in session at the seat of government.
31 Expenses and per diem shall be paid from funds appropriated
32 pursuant to section 2.12.

33 3. The committee shall adopt committee rules consistent
34 with this section and rules of the senate and house of
35 representatives. The committee shall not approve any action,

1 unless a majority of members of the senate and a majority of
2 members of the house of representatives serving on the
3 committee both approve the action.

4 4. Staff assistance shall be provided by the legislative
5 fiscal bureau and the legislative service bureau.

6 Sec. 2. NEW SECTION. 2.72 OVERSIGHT, AUDIT AND
7 GOVERNMENT REFORM COMMITTEE -- PURPOSE.

8 The purpose of the oversight, audit and government reform
9 committee shall be to review and analyze state government
10 structure and operations for purposes of ensuring an efficient
11 and innovative system of government which effectively
12 administers programs and carries out its regulatory functions,
13 provides for operating with the greatest possible fiscal
14 integrity, enhances the government's relationship with its
15 citizens, and provides for the greatest possible
16 accountability of the government to the public.

17 Sec. 3. NEW SECTION. 2.73 OVERSIGHT, AUDIT AND
18 GOVERNMENT REFORM COMMITTEE -- POWERS AND DUTIES.

19 1. As used in this section, unless the context otherwise
20 requires:

21 a. "Committee" means the oversight, audit and government
22 reform committee established pursuant to section 2.71.

23 b. "Government" means local government and state
24 government.

25 c. "Local government" means a political subdivision as
26 defined in section 24.48; a city as defined in section 362.2;
27 a county as provided in chapter 331; a township as provided in
28 chapter 359; a public school corporation organized under
29 chapter 274; a merged area as provided in chapter 260C; an
30 area education agency as provided in chapter 273; or any
31 special purpose district, including a district that provides
32 or has authority to provide fire fighting, water, sanitary,
33 law enforcement, ambulance, medical, or other emergency
34 services.

35 d. "Staff" means the director of the legislative fiscal

1 bureau and employees of the legislative fiscal bureau, and the
2 director of the legislative service bureau and employees of
3 the legislative service bureau.

4 e. "State government" means a unit of government which is
5 a board, commission, department, officer, or other
6 administrative office of the state, including but not limited
7 to each principal department as provided in section 7E.5; an
8 agency of the general assembly; the judicial department as
9 defined in section 602.1102; and the office of consumer
10 advocate as provided in chapter 475A. A state government does
11 not include a local government.

12 2. Except as provided in this section, a unit of state
13 government, or an officer or employee of state government,
14 shall not be compelled to perform any function or conduct any
15 reform, based on a decision of the committee.

16 3. Each year the committee shall develop an annual plan
17 required to carry out its purpose as provided in section 2.72.
18 The annual plan must be submitted for approval by the
19 legislative council, and shall be updated for the next
20 calendar year not later than July 1 or as otherwise provided
21 by the legislative council. The plan shall provide for a one-
22 year schedule for performing a systematic review of state
23 programs and rules. As part of the plan, the committee shall
24 each year conduct a review and perform an evaluation of one or
25 more programs or regulations administered or enforced by state
26 government. The plan may also provide for conducting in-depth
27 studies of issues and investigations affecting state
28 government. Studies affecting state government include but
29 are not limited to all of the following:

30 a. State government budget practices and procedures in
31 order to ensure the accountability of state government to the
32 general assembly.

33 b. Methods to encourage innovation in state government,
34 including methods to encourage the communication of innovative
35 proposals by officers and employees, and methods to implement

1 proposals which may increase the operational efficiency of
2 state government.

3 c. Utilization of state government facilities and
4 equipment, including purchase, lease-purchase, and leasing
5 arrangements.

6 d. Reorganization of units of state government, in order
7 to reduce expenditures and promote economy to the fullest
8 extent possible consistent with the efficient operation of
9 state government.

10 e. Performance evaluations and performance-based budgeting
11 of state government operations, including standards and
12 procedures for the administration of programs and regulations.
13 The study may include the need to develop indicators,
14 including benchmarks, for purposes of measuring state
15 government performance.

16 f. Relationships between all of the following:

17 (1) State government and its employees, including methods
18 to increase employee performance.

19 (2) State government and private industry, including
20 issues regarding the privatization of state government
21 functions.

22 (3) State government and local government, in order to
23 increase the efficient and harmonious administration of their
24 powers and duties.

25 (4) Government and the United States government, including
26 the impact of federal requirements and incentives on
27 government policies and action.

28 4. Each year the committee shall develop a budget for
29 committee operations. The budget must be submitted to the
30 legislative council each year as provided by the legislative
31 council, for approval or amendment by the legislative council
32 for the following year.

33 5. In carrying out its purpose, as provided in section
34 2.72, the following shall apply:

35 a. Officers and employees of a state government unit, or a

1 private organization providing services to individuals under a
2 contract with a unit of state government, shall, to every
3 extent practical, be available to communicate on a matter
4 relating to the performance of the state government unit's
5 statutory duties or the private organization's contractual
6 arrangements with a unit of state government, at the
7 convenience of the committee or a committee member. The
8 officer or employee is not required to obtain permission from
9 or notify a unit of state government or private organization
10 regarding a formal or informal communication with the
11 committee or the member as provided in this paragraph.

12 b. The committee, including a subcommittee appointed by
13 the chairpersons of the committee, shall have access to all
14 units of state government, and private organizations providing
15 services to individuals under contracts with units of state
16 government, and may visit the offices or facilities of a unit
17 of state government or such private organization in order to
18 investigate the performance of the state government unit's
19 statutory duties or private organization's contractual
20 arrangements with a unit of state government. When the
21 committee visits the offices and facilities of a unit of state
22 government or such private organization, the committee shall
23 invite the chairpersons and minority party ranking members of
24 the appropriate standing committees and the appropriate
25 subcommittees of the committees on appropriations of the
26 senate and the house of representatives.

27 The committee shall be provided with information by staff
28 as directed by the chairpersons, concerning the visit,
29 including information relating to the structure and
30 organization of the unit of state government, budgets,
31 programs, and regulations, and legislation authorizing
32 programs or regulations. If a unit of state government or a
33 private organization providing services to individuals under
34 contract with a unit of state government places restrictions
35 upon a visit, the unit of state government or private

1 organization shall submit to the committee a written
2 explanation detailing reasons for denying a visit which must
3 be based on a threat to the health or safety of an individual,
4 including a member of the committee or subcommittee.

5 c. The committee shall at all times have access to all
6 books, records, and other instrumentalities and properties of
7 a unit of state government or private organization providing
8 services to individuals under a contract with a unit of state
9 government, used in the state government unit's performance of
10 statutory duties or the private organization's contractual
11 arrangements with a unit of state government. The unit of
12 state government or such private organization shall cooperate
13 with the committee, and shall make available to the committee
14 such books, records, instrumentalities, and property.
15 However, if the information sought by the committee is
16 required by law to be kept confidential, the staff shall have
17 access to the information, but shall maintain the
18 confidentiality of the information and are subject to the same
19 penalties as the lawful custodian of the information for
20 dissemination of the information. However, the staff shall
21 not have access to tax return information except for
22 individual income tax sample data as provided in section
23 422.72, subsection 1. If information is confidential, the
24 committee may require that the unit of state government or
25 private organization provide the information in a manner that
26 eliminates references which cause the information to be
27 classified as confidential, or that a summary of information
28 be prepared in a manner that does not identify sources of the
29 confidential information.

30 d. The committee may issue subpoenas for the production of
31 any records, books, or papers to which the committee or staff
32 is authorized to have access. If any person subpoenaed
33 refuses to produce the records, books, or papers, the
34 committee may apply to the district court having jurisdiction
35 over that person for the enforcement of the subpoena.

1 e. The committee may conduct hearings regarding
2 complaints, concerns, or comments from officers and employees
3 of a unit of state government or a private organization
4 providing services to individuals under a contract with a unit
5 of state government about any matter relating to the state
6 government unit's performance of statutory duties or the
7 private organization's contractual arrangements with a unit of
8 state government.

9 f. The committee shall not conduct a closed session,
10 unless the committee determines that a closed session is
11 required to protect the release of confidential communications
12 or information. The committee may provide that information
13 that it receives is confidential information, notwithstanding
14 chapter 22.

15 g. The committee may conduct examinations regarding the
16 operations of a unit of state government or a private
17 organization providing services to individuals under a
18 contract with a unit of state government regarding a
19 particular program or regulation, in order to evaluate the
20 effectiveness, efficiency, and economy of the operation or of
21 a program or regulation. The committee may require that a
22 unit of state government perform a study of its own functions
23 as part of the examination.

24 h. Subject to the approval of the legislative council, the
25 committee may employ consultants or professionals, including
26 but not limited to a legal counsel, to perform assigned duties
27 at the direction of the committee.

28 i. Upon request by the committee, the attorney general or
29 the state auditor may investigate abuses of discretion,
30 malfeasance, or the misappropriation of moneys by officers or
31 employees of a unit of state government, or pursuant to
32 contracts executed by units of state government. Upon request
33 by the committee, the state auditor shall review state
34 programs or regulations, and perform evaluations, including
35 the measurement of performance according to indicators, such

1 as benchmarks. The attorney general or state auditor shall
2 report to the committee the findings and any recommendations
3 of an investigation or review.

4 6. The committee shall periodically prepare reports
5 regarding studies and evaluations conducted by the committee.
6 The reports shall contain findings and recommendations of the
7 committee. The committee shall prepare annually a final
8 report to the legislative council. The committee shall
9 prepare a summary of the final report for submission to each
10 member of the general assembly not later than the first day of
11 each regular session of the general assembly as provided in
12 section 2.1. The report shall provide a description of the
13 committee's operations for the past calendar year as provided
14 in its annual plan required pursuant to this section. The
15 report shall provide an evaluation of each area of study and
16 each program or rule reviewed pursuant to the committee's
17 annual plan. The report shall include recommendations for
18 consideration by the general assembly, which may include
19 proposed bills or resolutions.

20 Sec. 4. EFFECTIVE DATE. This Act, being deemed of
21 immediate importance, takes effect upon enactment.

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Newhauser
Murphy
McLaren

SSB-350.1

Succeeded By
SF/HF 477 Appropriations

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
SENATE APPROPRIATIONS
SUBCOMMITTEE ON OVERSIGHT,
AUDIT AND GOVERNMENT REFORM)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing an oversight, audit and government reform
2 committee, and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 2.71 OVERSIGHT, AUDIT AND
2 GOVERNMENT REFORM COMMITTEE -- ESTABLISHMENT AND PROCEDURES.

3 1. An oversight, audit and government reform committee is
4 established, consisting of three members of the majority
5 political party and two members of the minority political
6 party in the senate, as appointed by the majority leader of
7 the senate in consultation with the minority leader, and five
8 members of the majority political party and four members of
9 the minority political party in the house of representatives
10 as appointed by the speaker of the house in consultation with
11 the minority leader. The majority leader of the senate and
12 the speaker of the house of representatives shall each
13 designate a chairperson and vice chairperson, and the minority
14 leader of each house shall designate a ranking member.
15 Meetings may be called by the co-chairpersons or by a majority
16 of committee members from each house. Members shall be
17 appointed prior to the adjournment of the first regular
18 session of each general assembly and shall serve for terms
19 ending upon the convening of the following general assembly or
20 when their successors are appointed, whichever is later.
21 Vacancies shall be filled in the same manner as original
22 appointments are made and shall be for the remainder of the
23 member's unexpired term.

24 2. The members of the committee shall be reimbursed for
25 actual and necessary expenses incurred in the performance of
26 their duties and shall be paid the per diem specified in
27 section 2.10, subsection 6, for each day in which engaged in
28 the performance of their duties. However, per diem
29 compensation and expenses shall not be paid when the general
30 assembly is actually in session at the seat of government.
31 Expenses and per diem shall be paid from funds appropriated
32 pursuant to section 2.12.

33 3. The committee shall adopt committee rules consistent
34 with this section and rules of the senate and house of
35 representatives. The committee shall not approve any action,

1 unless a majority of members of the senate and a majority of
2 members of the house of representatives serving on the
3 committee both approve the action.

4 4. Staff assistance shall be provided by the legislative
5 fiscal bureau and the legislative service bureau.

6 Sec. 2. NEW SECTION. 2.72 OVERSIGHT, AUDIT AND
7 GOVERNMENT REFORM COMMITTEE -- PURPOSE.

8 The purpose of the oversight, audit and government reform
9 committee shall be to review and analyze state government
10 structure and operations for purposes of ensuring an efficient
11 and innovative system of government which effectively
12 administers programs and carries out its regulatory functions,
13 provides for operating with the greatest possible fiscal
14 integrity, enhances the government's relationship with its
15 citizens, and provides for the greatest possible
16 accountability of the government to the public.

17 Sec. 3. NEW SECTION. 2.73 OVERSIGHT, AUDIT AND
18 GOVERNMENT REFORM COMMITTEE -- POWERS AND DUTIES.

19 1. As used in this section, unless the context otherwise
20 requires:

21 a. "Committee" means the oversight, audit and government
22 reform committee established pursuant to section 2.71.

23 b. "Government" means local government and state
24 government.

25 c. "Local government" means a political subdivision as
26 defined in section 24.48; a city as defined in section 362.2;
27 a county as provided in chapter 331; a township as provided in
28 chapter 359; a public school corporation organized under
29 chapter 274; a merged area as provided in chapter 260C; an
30 area education agency as provided in chapter 273; or any
31 special purpose district, including a district that provides
32 or has authority to provide fire fighting, water, sanitary,
33 law enforcement, ambulance, medical, or other emergency
34 services.

35 d. "Staff" means the director of the legislative fiscal

1 bureau and employees of the legislative fiscal bureau, and the
2 director of the legislative service bureau and the legislative
3 service bureau.

4 e. "State government" means a unit of government which is
5 a board, commission, department, officer, or other
6 administrative office of the state, including but not limited
7 to each principal department as provided in section 7E.5; an
8 agency of the general assembly; the judicial department as
9 defined in section 602.1102; and the office of consumer
10 advocate as provided in chapter 475A. A state government does
11 not include a local government.

12 2. Except as provided in this section, a unit of state
13 government, or an officer or employee of state government,
14 shall not be compelled to perform any function or conduct any
15 reform, based on a decision of the committee.

16 3. Each year the committee shall develop an annual plan
17 required to carry out its purpose as provided in section 2.72.
18 The annual plan must be submitted for approval by the
19 legislative council, and shall be updated for the next
20 calendar year not later than July 1 or as otherwise provided
21 by the legislative council. The plan shall provide for a one-
22 year schedule for performing a systematic review of state
23 programs and rules. As part of the plan, the committee shall
24 each year conduct a review and perform an evaluation of one or
25 more programs or regulations administered or enforced by state
26 government. The plan may also provide for conducting in-depth
27 studies of issues and investigations affecting state
28 government. Studies affecting state government include but
29 are not limited to all of the following:

30 a. State government budget practices and procedures in
31 order to ensure the accountability of state government to the
32 general assembly.

33 b. Methods to encourage innovation in state government,
34 including methods to encourage the communication of innovative
35 proposals by officers and employees, and methods to implement

1 proposals which may increase the operational efficiency of
2 state government.

3 c. Utilization of state government facilities and
4 equipment, including purchase, lease-purchase, and leasing
5 arrangements.

6 d. Reorganization of units of state government, in order
7 to reduce expenditures and promote economy to the fullest
8 extent possible consistent with the efficient operation of
9 state government.

10 e. Performance evaluations and performance-based budgeting
11 of state government operations, including standards and
12 procedures for the administration of programs and regulations.
13 The study may include the need to develop indicators,
14 including benchmarks, for purposes of measuring state
15 government performance.

16 f. Relationships between all of the following:

17 (1) State government and its employees, including methods
18 to increase employee performance.

19 (2) State government and private industry, including
20 issues regarding the privatization of state government
21 functions.

22 (3) State government with local government, in order to
23 increase the efficient and harmonious administration of their
24 powers and duties.

25 (4) Government and the United States government, including
26 the impact of federal requirements and incentives on
27 government policies and action.

28 4. Each year the committee shall develop a budget for
29 committee operations. The budget must be submitted to the
30 legislative council by June 1 of each year or as otherwise
31 provided by the legislative council for approval or amendment
32 by the legislative council for the next fiscal year beginning
33 July 1 and ending June 30.

34 5. In carrying out its purpose, as provided in section
35 2.72, the following shall apply:

1 a. Officers and employees of a state government unit, or a
2 private organization providing services to individuals under a
3 contract with a unit of state government, shall, to every
4 extent practical, be available to communicate on a matter
5 relating to the performance of the government unit's statutory
6 duties or the private organization's contractual arrangements
7 with a unit of state government, at the convenience of the
8 committee or a committee member. The officer or employee is
9 not required to obtain permission from or notify a unit of
10 state government or private organization regarding a formal or
11 informal communication with the committee or the member as
12 provided in this paragraph.

13 b. The committee, including a subcommittee appointed by
14 the chairpersons of the committee, shall have access to all
15 units of state government, and private organizations providing
16 services to individuals under contracts with units of state
17 government, and may visit the offices or facilities of a unit
18 of state government or such private organization in order to
19 investigate the performance of the government unit's statutory
20 duties or private organization's contractual arrangements with
21 a unit of state government. When the committee visits the
22 offices and facilities of a unit of state government or such
23 private organization, the committee shall invite the
24 chairpersons and minority party ranking members of the
25 appropriate standing committees and the appropriate
26 subcommittees of the committees on budget of the senate and
27 the house of representatives.

28 The committee shall be provided with information by staff
29 as directed by the chairpersons, concerning the visit,
30 including information relating to the structure and
31 organization of the unit of state government, budgets,
32 programs, and regulations, and legislation authorizing
33 programs or regulations. If a unit of state government or a
34 private organization providing services to individuals under
35 contract with a unit of state government places restrictions

1 upon a visit, the unit of state government or private
2 organization shall submit to the committee a written
3 explanation detailing reasons for denying a visit which must
4 be based on a threat to the health or safety of an individual,
5 including a member of the committee or subcommittee.

6 c. The committee shall at all times have access to all
7 books, records, and other instrumentalities and properties of
8 a unit of state government or private organization providing
9 services to individuals under a contract with a unit of state
10 government, used in the government unit's performance of
11 statutory duties or the private organization's contractual
12 arrangements with a unit of state government. The unit of
13 state government or such private organization shall cooperate
14 with the committee, and shall make available to the committee
15 such books, records, instrumentalities, and property.
16 However, if the information sought by the committee is
17 required by law to be kept confidential, the staff shall have
18 access to the information, but shall maintain the
19 confidentiality of the information and are subject to the same
20 penalties as the lawful custodian of the information for
21 dissemination of the information. However, the staff shall
22 not have access to tax return information except for
23 individual income tax sample data as provided in section
24 422.72, subsection 1. If information is confidential, the
25 committee may require that the unit of state government or
26 private organization provide the information in a manner that
27 eliminates references which cause the information to be
28 classified as confidential, or that a summary of information
29 be prepared in a manner that does not identify sources of the
30 confidential information.

31 d. The committee may issue subpoenas for the production of
32 any records, books, or papers to which the committee or staff
33 is authorized to have access. If any person subpoenaed
34 refuses to produce the records, books, or papers, the
35 committee may apply to the district court having jurisdiction

1 over that person for the enforcement of the subpoena.

2 e. The committee may conduct hearings regarding
3 complaints, concerns, or comments from officers and employees
4 of a unit of state government or a private organization
5 providing services to individuals under a contract with a unit
6 of state government about any matter relating to the
7 government unit's performance of statutory duties or the
8 private organization's contractual arrangements with a unit of
9 state government.

10 f. The committee shall not conduct a closed session,
11 unless the committee determines that a closed session is
12 required to protect the release of confidential communications
13 or information. The committee may provide that information
14 that it receives is confidential information, notwithstanding
15 chapter 22.

16 g. The committee may conduct examinations regarding the
17 operations of a unit of state government or a private
18 organization providing services to individuals under a
19 contract with a unit of state government regarding a
20 particular program or regulation, in order to evaluate the
21 effectiveness, efficiency, and economy of the operation or of
22 a program or regulation. The committee may require that a
23 unit of state government perform a study of its own functions
24 as part of the examination.

25 h. Subject to the approval of the legislative council, the
26 committee may employ consultants or professionals, including
27 but not limited to a legal counsel, to perform assigned duties
28 at the direction of the committee.

29 i. Upon request by the committee, the attorney general or
30 the state auditor may investigate abuses of discretion,
31 malfeasance, or the misappropriation of moneys by officers or
32 employees of a unit of state government, or pursuant to
33 contracts executed by units of state government. Upon request
34 by the committee, the state auditor shall review state
35 programs or regulations, and perform evaluations, including

1 the measurement of performance according to indicators, such
2 as benchmarks. The attorney general or state auditor shall
3 report to the committee the findings and any recommendations
4 of an investigation or review.

5 6._ The committee shall periodically prepare reports
6 regarding studies and evaluations conducted by the committee.
7 The reports shall contain findings and recommendations of the
8 committee. The committee shall prepare annually a final
9 report to the legislative council. The committee shall
10 prepare a summary of the final report for submission to each
11 member of the general assembly not later than the first day of
12 each regular session of the general assembly as provided in
13 section 2.1. The report shall provide a description of the
14 committee's operations for the past calendar year as provided
15 in its annual plan required pursuant to this section. The
16 report shall provide an evaluation of each area of study and
17 each program or rule reviewed pursuant to the committee's
18 annual plan. The report shall include recommendations for
19 consideration by the general assembly, which may include
20 proposed bills or resolutions.

21 Sec. 4. EFFECTIVE DATE. This Act, being deemed of
22 immediate importance, takes effect upon enactment.

23 EXPLANATION

24 This bill amends chapter 2 which provides for the functions
25 and powers of the general assembly. The bill establishes an
26 oversight, audit and government reform committee.

27 Specifically, the bill provides for all of the following:

28 Section 2.71 provides for the establishment of the
29 committee, which consists of five members of the senate and
30 nine members of the house of representatives. The section
31 provides for a number of procedural requirements for the
32 committee, including the appointment of members and co-
33 chairpersons, vacancies, members' reimbursement, approval of
34 actions, and staff assistance.

35 Section 2.72 provides that the committee's purpose is to

1 review and analyze state governmental structure and operations
2 for purposes of ensuring an efficient and innovative system of
3 state government which effectively administers programs and
4 carries out regulatory functions, provides for operating with
5 the greatest possible fiscal integrity, enhances the
6 government's relationship with its citizens, and provides for
7 the greatest possible accountability of the state government
8 to the public.

9 Section 2.73 provides for the powers and duties of the
10 committee. Each year the committee must develop an annual
11 plan required to carry out its purpose. The committee must
12 also submit a budget request to the legislative council. The
13 committee must provide for a schedule to perform a systematic
14 evaluation of state programs and regulations. The committee
15 may study issues relating to the state government budget;
16 methods to encourage innovation in state government; the
17 utilization of state government facilities and equipment; the
18 reorganization of units of state government; methods to
19 accomplish performance evaluations and performance-based
20 budgeting of state government operations; the development
21 indicators, including benchmarks, in order to measure state
22 government performance; relationships between state government
23 and its employees, state government and private industry,
24 state and local governments; and the state and local
25 governments with the federal government.

26 The section provides that the committee has a number of
27 specific powers. The committee may monitor the operations of
28 any unit of state government or a private organization
29 contracting with a unit of state government, by visiting and
30 inspecting any place where a unit's or organization's
31 functions occur, or communicating with an officer or employee
32 of the unit of state government or the private organization.
33 The committee may conduct hearings regarding complaints,
34 concerns, or comments from officers and employees of units of
35 state government or private organizations about matters

1 relating to the functions of state government. The committee
2 may conduct examinations regarding the operations of a unit of
3 state government or a private organization contracting with a
4 unit of state government, including a particular program or
5 regulation, in order to evaluate the effectiveness,
6 efficiency, and economy of the operation or of a program or
7 regulation. The committee may issue subpoenas for witnesses
8 and for the production of records, books, papers, and other
9 evidence. The committee may require a unit of state
10 government or a private organization contracting with a unit
11 of state government to cooperate with the committee and
12 furnish the committee with information or analysis as required
13 by the committee relating to government functions. Subject to
14 approval by the legislative council, the committee may employ
15 consultants or professionals, including but not limited to a
16 legal counsel, to perform assigned duties at the direction of
17 the committee. The committee may require information from the
18 attorney general or state auditor.

19 The section requires the committee to periodically prepare
20 reports regarding studies and evaluations conducted by the
21 committee. The reports must contain findings and
22 recommendations of the committee. The committee must prepare
23 annually a final report for the legislative council and a
24 summary of the report for the general assembly which shall be
25 submitted to each member of the general assembly not later
26 than the first day of each regular session.

27 The bill takes effect upon enactment.

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