

**MINUTES**  
**LEGISLATIVE GOVERNMENT OVERSIGHT COMMITTEE**  
**December 14 & 15, 2005**

The Legislative Government Oversight Committee met December 14 & 15, 2005, in Room 116 at the Capitol. Chair Representative Dwayne Alons called the meeting to order at 11:04 a.m. Other members present were:

Senator Tom Courtney, Co-chair  
Senator Ron Wieck, Chair  
Senator Michael Connolly  
Senator Mary Lundby

Representative Dwayne Alons, Chair  
Representative, Joe Hutter, VC  
Representative Vicki Lensing, RM  
Representative Clel Baudler  
Representative Scott Raecker  
Representative Roger Thomas

**STATE DEFERRED COMPENSATION PROGRAM**

Mollie Anderson, Director, Department of Administrative Services, and Ed Holland, Benefits Unit, Department of Administrative Services, and several program providers, provided an update regarding the program and recent improvements in participation rates and active provider selection results. Ms. Anderson referred to the plan as the Retirement Investors' Club (RIC), and indicated that the RIC fund contains approximately \$340 million with a participation rate which has significantly increased to a present level of 55.2 percent across all eligible employees. She emphasized that deferred compensation is intended to supplement Iowa Public Employees' Retirement System (IPERS) and Social Security, that the state's responsibility is in a fiduciary capacity to maximize investment opportunities while minimizing administration costs, and that the risk in a deferred compensation plan rests with the plan participant. Mr. Holland summarized the selection process resulting in four active providers as of January 1, 2006, and charts depicting three- and five-year investment returns and a provider comparison were distributed. Committee discussion included surrender penalties being assessed and changes being made to eliminate them, and the extent to which higher than necessary fees can be attributed to program provider choice.

**PUBLIC DOCUMENT PRESERVATION, STORAGE, AND RETRIEVAL**

Vaughn Halyard and Chad Rosenbohm, representing Image Fusion, a digital media support and publishing company, discussed the necessity for action by the state relative to the handling of public documents, and possible methods of proceeding. Mr. Halyard noted that the lack of a document preservation strategy will eventually lead to some form of significant disruption and the loss of vital information, that state municipal organizations lack the resources to implement or follow a uniform preservation strategy, and that the state needs to define a preservation strategy that will address what information should be archived, how it should be archived, and how archived information can be managed, accessed, and retrieved. Mr. Rosenbohm discussed the challenges posed by changing technology and media deterioration, and advocated an approach whereby images are scanned and converted into a digital media format, but also backed up onto microfilm.

## **MODEL PROCUREMENT CODE**

Mark Johnson, Department of Administrative Services, discussed issues associated with evaluation of the state's competitive bidding procedures and the Model Procurement Code. Mr. Johnson indicated that the department's preference is to conduct an all-encompassing review of the Code, other state's practices, and possible options, as opposed to a piecemeal process, and that such a comprehensive review might, but not necessarily would, take up to two years to complete. Small business owners were invited to address the committee, and described the barriers they feel exist in the process, and the difficulties they have experienced trying to compete against larger vendors with an ability to offer reduced profit margins. Committee discussion concerned a perception that little progress is being made to improve the procurement process, some uncertainty regarding executive branch interest in changing procedures currently in place, and how performance-based contracting might be integrated. It was determined that a Subcommittee would continue work on competitive bidding and procurement issues.

## **HELP AMERICA VOTE ACT**

Charles Krogmeier, Secretary of State's office, provided an update regarding implementation of the federal Help America Vote Act (HAVA). Mr. Krogmeier distributed a draft report on the status of HAVA prepared by the Secretary of State's office, which summarized HAVA activities during the preceding calendar year and concludes that Iowa remains on target both financially and from an implementation-timeline standpoint in carrying out its implementation plan. Mr. Krogmeier indicated that voting machine equipment vendors are struggling to fill state orders by January 1, 2006, as required by the Act, and that Iowa is ahead of many states in equipment procurement. He also indicated that a new statewide voter registration system required by HAVA will be in place by the January 1 deadline, identified absentee ballots as an issue yet to be resolved, and related that county auditors have expressed concern regarding the extent to which long-term, ongoing expenses will be attributed to counties. County auditors, Michael Mauro, Polk County, and Ken Kline, Cerro Gordo County, related that the election management system has not been subjected to an election test, that unexpected contingencies will probably arise, and that continuation of the previous system as a backup is accordingly warranted.

## **RECESSED**

Representative Alons recessed the meeting at 4:33 p.m.

**December 15, 2005**

Representative Alons called the meeting to order at 9:05 a.m. Representative Thomas was excused for the day.

## **INMATE LABOR AND WORK RELEASE PROGRAMS**

Gary Maynard, Director, and Michael Savala, General Counsel and Inspector General, Department of Corrections, Mr. James McKinney, Warden, North Central Correctional Facility, and Mr. Michael Davis, Superintendent, Woodward Resource Center, discussed recent incidents concerning an inmate violation while on work release at Woodard, and the execution of an escape plan from Fort Madison.

Mr. Savala provided general information regarding the three levels of inmate work release classification, indicated that work release is statutorily mandated, and described the operation of agreements with agencies for utilization and supervision of inmate labor. Warden McKinney indicated that the inmate involved in the incident had the highest level of work release classification, permitting work outside the prison facility under the supervision of the agency where the work was being performed, and that the inmate was in a building with other individuals when the incident took place. Superintendent Davis stated that Woodward was operating under the impression that inmates placed there were suitable for work release, and that their involvement with the program was suspended and eventually discontinued following the incident. Committee discussion included the existence of allegations of prior misconduct by the inmate, whether supervision of inmates while on work release is adequate, prior incidents involving supervision questions at Woodward, and whether the system should be reevaluated.

Mr. Savala additionally provided an overview of the circumstances surrounding a successful escape by two inmates from the Fort Madison State Penitentiary, indicating that the escape took place during a special overtime work shift during which standard procedures regarding the manning of observation towers during regular work shifts were not in operation. Mr. Savala also indicated that procedural changes and an outside review by the National Institute of Corrections are underway.

### **HOMELAND SECURITY UPDATE**

General Ron Dardis, Governor's Homeland Security Advisor, and David Miller, Administrator, Iowa Homeland Security and Emergency Management Division, updated the Committee on homeland security activities and issues. General Dardis indicated that federal funding for Iowa is decreasing significantly, as part of a general shift in allocation focus from rural to more urban and densely populated regions. Mr. Miller stated that beginning in 2006, funding beyond a base amount will be awarded through competitive grants, in an amount determined by the federal Department of Homeland Security's assessment of relative risk and need, further challenging the state's attainment of the objectives of improving the overall emergency management system, supporting local responders, and improving response capabilities and capacities. Mr. Miller provided a review of funding received and allocated since 1999, summarized local responder training activities and communications interoperability issues, the creation of intrastate and interstate partnerships, and an emphasis on regionalization of capacity building beyond the county level. Committee discussion included concern regarding the state's rating in a federal bioterrorism report, assistance that might be needed relating to an interoperability agreement involving northwest Iowa, and the assessment of pandemic risk, development of pandemic plans, and education of the public regarding the imposition of isolation and quarantine options.

### **ADJOURNED**

Representative Alons adjourned the meeting at 12:10 p.m.

### **NEXT MEETING**

This was the final meeting of the 2005 Interim. The Committee will continue to meet during the upcoming 2006 Legislative Session.