Final Report

on reduction i

of the

Interim Committee on Reduction of Governmental Expenditures

BUREAU OF PUBLIC ADMINISTRATION UNIVERSITY, VIRGINIA

Members:

Senator John K. Valentine, Chairman Senator D. W. Kimberly Senator Garritt E. Roelofs Representative Earl M. Dean Representative John Speidel

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Committee

To Honorable Clyde L. Herring, Governor of the State of Iowa, To the President of the Senate,

To the Speaker of the House of Representatives, and

To Members of the 46th General Assembly:

Pursuant to authority conferred by the 45th General Assembly under Chapter 270 of the Acts thereof, your committee has made a study of taxation and governmental reorganization with a view to a more equitable distribution of the tax burden and to a greater efficiency and economy in necessary governmental functions. Realizing the need for all unbiased information available, your committee enlisted the aid of the Brookings Institution of Washington, D. C., of various civic organizations and groups, of the personnel of the state institutions, and of many individuals interested in governmental problems.

Taking full advantage of information obtained from the above sources, specific recommendations were made to the 45th General Assembly, dealing with fiscal affairs of the state government. The Budget and Financial Control Act, passed by said assembly upon the recommendation of this committee, reorganized and coordinated the budgeting, accounting, and disbursing methods so that a constant check is had at all times on the expenditures of the several divisions of state government, and such expenditures are strictly limited to available collections and actual needs. Conservative estimates place the savings effected by the enactment of this legislation at not less than two million dollars per year.

The State Audit Act, also recommended by this committee, gave to the people an effective check upon the expenditure of funds by state officials, and made the Auditor of State responsible for the discharge of such duties as intended when that office originally was created by the Constitution. In addition, other functions heretofore exercised by the Auditor of State, but with no logical place in that office, were transferred to their proper departments.

In preparation for the 45th General Assembly in Extraordinary Session, called by the Governor for the primary purpose of enacting tax revision legislation, your committee prepared and recommended a property relief act, by the enactment of which the tax burden in Iowa was distributed more equitably, and a breakdown in property tax collection avoided. Through the yield from this act, the levy on property for state purposes has been eliminated and local property taxes substantially reduced. This and future general assemblies should never forget that passage of this legislation and its acceptance by the people were possible only because its purpose was substantially to replace property taxes.

Further legislation dealing with a number of subjects is considered by this committee to be necessary and desirable, and it is urged that the 46th General Assembly enact appropriate legislation along the lines hereinafter recommended. It is the suggestion of the committee that the President of the Senate and the Speaker of the House of Representatives refer this report, or parts thereof, to appropriate standing legislative committees for study and action. Your committee will make available to such standing committees data relative to the subjects dealt with in this report, together with tentative drafts of bills, for their consideration.

PUBLIC WELFARE

The problem of human welfare, considered in its broadest terms, has been with us since the beginning of Iowa history. At first such was thought of as merely a local problem, and local units of government, namely, the county and township, assumed almost all responsibility. Gradually, however, the state has recognized its obligation to care for at least a portion of its unfortunates. In the year 1898 the Board of Control was created to centralize institutional management, and at that time and subsequently the following institutions were placed directly under the control of that board:

Soldiers' Home at Marshalltown Tuberculosis Hospital at Oakdale Juvenile Home at Toledo Soldiers' Orphans' Home at Davenport Training Schools at Eldora and Mitchellville State Hospitals at Cherokee, Clarinda, Independence, and Mt. Pleasant Home for Epileptic and Feeble-Minded at Woodward Institute for Feeble-Minded at Glenwood State Penitentiary at Fort Madison Women's Reformatory at Rockwell City Men's Reformatory at Anamosa Children's Bureau Inspection Service for county and private hospitals caring for insane Parole Division for State Training Schools

Such related institutions as Board of Parole Commission for the Blind State Board of Eugenics State Emergency Relief Committee, and Old Age Assistance Commission

were placed at the time of their creation under separate governing bodies, although more logically all should be under the same central control. In addition to such decentralized control, there has been a lack of coordination of related welfare services, even under the Board of Control. The opportunity for a substantial saving through increased efficiency in management and improved coordination of services is self-evident when it is remembered that normally 26 per cent of the operating expenses of the state, exclusive of highway costs, are incurred for welfare services.

The need for improved organization has become increasingly apparent since 1930 because of an increase in the welfare load. Thus the number of indigent sick has increased, juvenile delinquency and adult crime has mounted, nervous disorders and insanity are more prevalent, the number of dependent aged is larger than at any time in the past, and the number of family heads on relief rolls is greater than ever before in the history of our state. A beginning has been made toward the solution of the present relief problem by the creation of a temporary State Emergency Relief Committee. Too often this problem is considered to be isolated and of short duration, when as a matter of fact it is neither isolated nor will it disappear within a short period of time. Widespread destitution, as the result of unemployment, will for years to come be reflected in greater demands upon all of the state's welfare institutions and agencies.

The same lack of coordination is found in the administration of welfare by the county. Under the present system, we find in most counties that

Relief to indigents inside city limits Relief to indigents outside city limits Relief to quarantined indigents inside city limits Relief to quarantined indigents outside city limits Relief to quarantined indigents outside city limits Relief to ex-service men and their families Relief to able-bodied unemployed in city and county Blind pensions Old age pensions Widows' pensions Probation service for Juvenile and District Courts County Home County Insane Hospital Juvenile Detention Home Medical care to sick poor in their homes within city or in county institutions, and Admissions to State University Hospital

are administered by twelve separate and distinct boards, with little or no coordination. Here, too, the opportunity for saving is obvious when we remember that normally 18 per cent of the gross county governmental cost is accounted for by these services.

The savings through increased efficiency in administration and improved coordination in state and county welfare cannot be measured adequately in dollars and cents, although such will be substantial. The real and enduring savings will be measured in terms of human values, which it is the highest duty of the State to establish.

In order that welfare be more efficiently administered and related welfare services coordinated, it is recommended that an act providing for the following changes in state welfare services be passed :

I. The creation of a State Department of Public Welfare, to have general supervision and control over all state welfare institutions and agencies, under the direction of a State Board of Public Welfare and a State Director of Public Welfare. Said Board shall have general power, authority, and responsibility for the care and management, conduct, maintenance, and development of all existing welfare institutions and agencies of the state, including those not now under the jurisdiction of the Board of Control. The State Board of Public Welfare shall consist of three members appointed by the Governor, not more than two shall be members of the same political party, shall be appointed initially for two, four, and six years, and for six years thereafter as vacancies occur. The members shall receive no salary other than ten dollars per day for time actually spent in performance of duties, not to exceed a total of one thousand dollars per year, and shall receive their actual expenses.

The State Director of Public Welfare shall be appointed by the State Board of Public Welfare, and shall have had practical experience in public welfare work. Said Director shall serve without term and during the pleasure of the Board, and shall receive a salary not to exceed \$4,500.00 per year. With the approval of the Board, the Director shall appoint qualified persons as heads of the divisions hereinafter referred to and also all superintendents, managers, or chief executives of the state welfare institutions and agencies.

The State Director of Public Welfare shall be entrusted with II. general administrative authority by the State Board of Public Welfare, and he shall be answerable to said Board as its executive officer in the carrying out of the Board's policies; he shall faithfully and properly perform all of the duties and obligations of his office. act as secretary of the Board, keep the Board fully informed concerning the condition, status, and functioning of all divisions, institutions, and agencies of the Department; recommend to the Board such administrative changes and other procedure as he or it from time to time may deem expedient; prepare and submit to the Board for its final approval the annual, quarterly, or monthly budget of expenditures for all of the divisions, institutions, agencies, and branches of the Department; make recommendations concerning all requests and any and all applications of any county, city, district, state, or other state, federal, regional or other agency of government for funds which the Board is empowered to grant.

III. Within the State Department of Public Welfare there shall be created the following divisions:

A. A Division of County Welfare and Relief, which shall have charge of the development and supervision of county welfare units, the defining of personnel standards for local welfare work, the certification of workers, and the direct administration of all state relief funds and all other relief funds made available to the local subdivisions of the state. This Division shall have general supervision over all local institutions and agencies of a charitable nature. This Division shall administer the provisions of the Old Age Assistance Act.

B. A Division of Child Welfare, which shall exercise general supervision over and report the condition of all childcaring agencies or institutions, boarding homes for children, maternity homes, and the like, in the state, supervise the operation of the four state children's institutions at Eldora, Mitchellville, Toledo, and Davenport, develop foster homes and boarding homes, and, in general, be charged with all the child welfare duties and responsibilities of the state government. This Division shall cooperate with the Children's Hospital and the Child Welfare Research Station under the Board of Education.

C. A Division of Mental Hygiene, which shall supervise the operation of the state hospitals for the insane and epileptic and the training schools for the feeble-minded, and develop a state mental hygiene program in connection with the state hospitals and in cooperation with the Psychopathic Hospital at the University. The latter shall include a statewide clinical service developed through the state hospitals and such educational and preventive measures as may be conducive to the control of mental illness and defects.

D. A Division of Correction, which shall supervise the operation of the three penal institutions, have charge of the parole of all prisoners from these institutions, and, directly and in cooperation with local authorities, supervise all parolees from these institutions and all persons assigned to it by the courts.

E. A Division of the Handicapped, which shall have charge of the care, supervision, and training of the blind, deaf, crippled, and otherwise afflicted not already provided for in the educational institutions of the state, and shall concern itself with preventive plans and programs in this field.

F. A Division of Industries and Equipment, which shall have supervision over the construction and maintenance of all institutions under the control of the Department and over the development of institutional industries, agricultural activities, and the marketing of institutional products. This Division shall perform such other duties as may be necessary and desirable for the effective and economical administration of the several plants.

IV. The State Board of Eugenics shall be abolished and its responsibilities and duties transferred to the State Board of Public Welfare, Division of Mental Hygiene.

The State Board of Parole shall be abolished and its responsibilities and duties transferred to the State Board of Public Welfare, Division of Correction.

The Commission for the Blind shall be abolished and its duties and responsibilities transferred to the State Board of Public Welfare, Division of the Handicapped. The duties and responsibilities of the State Emergency Relief Committee, or any portion thereof, may be assumed by the State Board of Public Welfare, Division of County Welfare and Relief.

The duties and responsibilities of the Old Age Assistance Commission shall be transferred to the State Board of Public Welfare, Division of County Welfare and Relief.

In addition to benefits apparent from the above recommendations as to reorganization, it should be kept in mind that the National government, through its Federal Emergency Relief Administration, has suggested reorganization of welfare services, and will undoubtedly insist upon immediate legislation to that end, if the granting of federal relief funds to Iowa is to continue.

It is recommended by your committee that the following similar and necessary changes be made in county welfare administration:

I. There shall be created in each county a County Welfare Board, to consist of one member of the County Board of Supervisors, who shall be elected each year by the Board of Supervisors, and two citizens, who shall be appointed by the judges of the district court in the county where the appointments are to be made. Said judges shall also have the power of removal for cause. These two citizens shall not be members of the same political party, and shall appointed for two years, so that the term of one of the citizen members shall expire each year. All members of the County Welfare Board shall serve without pay, but shall receive their actual and necessary expenses.

II. The County Welfare Board shall administer poor relief of all kinds as hereinafter specified, except hospital medical care in counties having boards of county hospital trustees ,and the administration of relief for soldiers, sailors, and marines:

A. To provide food, fuel, clothing, medical attendance, and other forms of relief.

B. To administer Old Age, Blind, and Widows' Pensions, and to aid indigent tubercular patients.

C. To operate the County Home, County Insane Hospital, Juvenile Detention Home, and such other county institutions as provide support to the poor.

D. To determine eligibility for state care of all patients sent to the State Hospital at Iowa City. E. To provide probation service for the juvenile and district courts in the county, and to supervise all patients or inmates paroled from state institutions and residing in the county.

All authority and duties relating to the support of the poor which heretofore have been administered by the Board of Supervisors, Township Trustees, local Board of Health, and Old Age Assistance Board shall be transferred to the County Welfare Board.

III. The County Welfare Board of each county, or the County Welfare Boards of adjoining counties by agreement of their respective Boards, shall appoint a County Director of Public Welfare, subject to the approval of the State Director of Public Welfare, who shall have had practical experience in social work, and who shall be the executive officer of the County Board. Said Director shall appoint such assistants, subject to the approval of the County Board, as may be necessary. The salaries of said Director and assistants shall be fixed by the County Board, subject to the approval of the County Board of Supervisors.

PUBLIC SAFETY

One of the most urgent problems to which your committee has addressed itself is the obvious necessity for an adequate state patrol system on our highways. The appalling increase in highway accidents and fatalities due to widespread violation of the laws of the road, has resulted in an almost universal demand on the part of the public that legislation be enacted to correct this very serious condition. Everyone has observed that incidental to the development of our excellent highway system there has been an alarming increase in major criminal operations. Machinery for law enforcement has not kept pace with the increased opportunities for law violations.

The creation of a Department of Public Safety was proposed in 1915 by a legislative interim committee to the 36th General Assembly after an exhaustive investigation. Similar proposals have been made from time to time since and the whole problem widely discussed by an interested public. Authorities in this field are universally agreed upon the need for better coordination between enforcement agencies. A number of states have adopted highway patrol systems. Investigation by your committee of these systems indicates that they are producing satisfactory and desirable results. We have found that the cost of accidents, loss of life, and crime is so enormous that the expense of an adequate highway patrol is insignificant by comparison.

At the present time in this state, enforcement of motor vehicle and highway laws and regulations is divided among several state departments, such as the Motor Vehicle Department of the Secretary of State's office, the Board of Railroad Commissioners, and the State Highway Commission. It is quite apparent that there is a serious lack of coordination in the enforcement of such laws and regulations because of the overlapping of authority, duplication of effort, and absence of proper regulation in some directions.

A similar condition exists with reference to the office of the State Fire Marshal and the Bureau of Criminal Investigation of the Attorney General's office.

In order to provide for the adequate policing of our highways and for the proper coordination between enforcement groups now operating independently, it is recommended that:

I. A Department of Public Safety be created, which shall consist of a commissioner as its executive head, and such other officers and employees as may be necessary. The commissioner shall be appointed by the Governor for a term of six years, and he shall appoint such deputies, office employees, and officers as may be required for proper discharge of the duties of the Department.

II. It shall be the duty of the commissioner and members of the Department to:

A. Enforce all laws relating to traffic on the public highways of the state, including those regulating the weight, speed, and operation of vehicles; to enforce the laws relating to drivers' and motor vehicle licenses and truckers' and carriers' licenses, permits, and certificates; to see that proper safety rules are observed, and to give first aid to the injured.

B. To investigate all fires; to apprehend persons suspected of arson; to enforce all safety measures in connection with the prevention of fires; and to disseminate fire prevention education.

C. To cooperate with wardens in the enforcement of the fish and game laws of the state.

D. To collect and classify, and keep at all times available, complete information useful for the detection of crime, and the identification and apprehension of criminals. Such information shall be available for all police officers within the state, under such regulations as the commissioner may prescribe.

E. Said commissioner and members of the Department shall also have the power to arrest, without a warrant, any person committing or attempting to commit within their presence or view a breach of the peace or other violation of the law; to serve and execute warrants of arrest or search issued by proper authority; and, in general, to exercise the powers of other police officers of the state.

III. The Department of Public Safety shall be authorized to conduct a training course, similar to that now conducted, for the instruction of law enforcement officers of this state, including members and prospective members of the Department and of the courties, townships, cities and towns.

IV. In general, the allocation of duties of the Department of Public Safety shall be as follows:

- A. Division of highway safety and uniformed force.
- B. Division of fire protection.
- C. Division of criminal investigation.

V. The above recommendations contemplate the transfer to the Department of Public Safety of the following:

A. The enforcement of laws and regulations relating to traffic on the public highways of the state, to the weight, speed, and operation of vehicles, to drivers' and motor vehicle licenses, to truckers' and carriers' licenses, permits, and certificates, and to headlight lenses, now under the Motor Vehicle Department of the Secretary of State's office, under the State Board of Railroad Commissioners, and under the State Highway Commission.

B. All of the powers and duties of the State Fire Marshal relating to arson and fire prevention, and of the Labor Commissioner relating to fire escapes.

C. All of the powers and duties of the Bureau of Criminal Investigation of the Attorney General's office.

VI. The expense of this Department shall be met in the following manner. A. The expense of the division of fire protection and its proportionate share of administrative cost, by legislative appropriation as in the past.

B. The expense of the division of criminal investigation and its proportionate share of administrative cost, likewise by legislative appropriation as in the past.

C. The expense of the division of highway safety and uniformed force and its proportionate share of administrative cost, by legislative appropriation of a portion of funds to be raised by a proper ton-mile tax imposed for commercial use of highways.

STATE PURCHASING AGENCY

The operation of the Budget and Financial Control Act has indicated the desirability and necessity of the application of business methods to state government. The next logical step in that direction is the establishment of a state purchasing agency. Estimates of the savings made possible by such legislation range from five to fifteen per cent of the total cost of purchases. While a number of state boards and commissions have purchasing plans, yet most of the purchasing by the departments of state government is not safeguarded by a uniform procedure and proper supervision, and the tremendous savings as a result of combined purchasing are not possible under our present system.

Accordingly, it is recommended:

That there be established in the office of the State Comptroller I. a State Purchasing Agency, the head of which shall be the State Purchasing Agent. The State Purchasing Agent shall be appointed by the Comptroller, subject to the approval of the Governor, and shall receive such salary and give such bond as may be fixed by the Comptroller. The State Purchasing Agent shall hold office until his successor is appointed or until his resignation or removal for cause. The State Purchasing Agent shall have had experience in purchasing and be of recognized skill and familiar with the mercantile trade and with the laws of Iowa. The State Purchasing Agent shall be subject to removal by the Comptroller. During his tenure in office, the State Purchasing Agent shall have full power and jurisdiction over all purchasing, as hereinafter defined, which is done by or in behalf of the state or any officer, department, board, or commission, with the exceptions hereafter noted as to the proposed State Board of Public Welfare, the State Board of Education, the State Highway Commission, the Iowa Liquor Control Commission, the State Fair Board, and the proposed State Conservation Commission.

II. That the proposed State Board of Public Welfare, the State Board of Education, the State Highway Commission, the Iowa Liquor Control Commission, the State Fair Board, and the proposed State Conservation Commission shall select and appoint, on the basis of qualifications for such position and responsibility, a Purchasing Agent or Agents, to receive such salary and to give such bond as the respective board or commission in each case shall determine and direct. Each Purchasing Agent so appointed shall hold office until his resignation or removal for cause.

III. That the powers and duties of the several purchasing agents, including the State Purchasing Agent, shall be as follows:

A. To purchase or contract for all services, tenancies or rented quarters, printing, repairs and cleaning of chattels or of buildings, lands, buildings, instruments, equipment, supplies, animals, and other property required for the carrying on of any duty of any state officer, employee, or board, commission, or agency of the state government.

B. To enforce standard specifications which shall apply to all services, supplies, materials, and equipment to be purchased.

C. To have charge of all general storerooms, garages, or similar depots.

D. To make and keep a perpetual inventory of all supplies in any and all general storerooms, garages, and depots, and to keep a perpetual inventory of all equipment.

E. To make and keep records and reports, open to public inspection, showing all items purchased and services contracted for, prices paid, and in any case where special prices may have been quoted, any special reasons given for the same.

F. To meet for conferences at quarterly intervals in the months of December, March, June, and September with the other Purchasing Agents for the purpose of exchanging information of general interest concerning prices, stocks, commodities, appliances, machines, equipment, markets, purchasing procedure, and other matters which may tend to make for efficiency and economy in expenditures of state funds. the State Highway Commission, the Iowa Liquor Control Commission, the State Fair Board, and the proposed State Conservation Commission.

II. That the proposed State Board of Public Welfare, the State Board of Education, the State Highway Commission, the Iowa Liquor Control Commission, the State Fair Board, and the proposed State Conservation Commission shall select and appoint, on the basis of qualifications for such position and responsibility, a Purchasing Agent or Agents, to receive such salary and to give such bond as the respective board or commission in each case shall determine and direct. Each Purchasing Agent so appointed shall hold office until his resignation or removal for cause.

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A. To purchase or contract for all services, tenancies or rented quarters, printing, repairs and cleaning of chattels or of buildings, lands, buildings, instruments, equipment, supplies, animals, and other property required for the carrying on of any duty of any state officer, employee, or board, commission, or agency of the state government.

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F. To meet for conferences at quarterly intervals in the months of December, March, June, and September with the other Purchasing Agents for the purpose of exchanging information of general interest concerning prices, stocks, commodities, appliances, machines, equipment, markets, purchasing procedure, and other matters which may tend to make for efficiency and economy in expenditures of state funds. G. It shall be the duty of the State Purchasing Agent to collect, compare, and summarize market information and to distribute the same among the other Purchasing Agents, and to make annual reports concerning the same and concerning other matters of permanent interest concerning prices, rents, services, qualities, and the like, to the State Comptroller.

H. It shall be the duty of the several Purchasing Agents to file in the office of the State Purchasing Agent a monthly report giving a summary of all items purchased and services contracted for, and the prices paid therefor.

IV. Each of the several Purchasing Agents, with the approval of the officer, board, or commission by which he is appointed, and with the approval of the State Purchasing Agent, shall adopt, promulgate, and from time to time amend and revise rules and regulations pertaining to purchases under his power or jurisdiction.

V. All purchases shall be based, whenever possible, on competitive bids. If the amount of the purchase is to exceed \$1,000.00, sealed bids shall be solicited by public notice. All orders awarded shall be to the lowest and best responsible bidder, taking into consideration the quality of articles to be supplied and their suitability. Any and all bids may be rejected.

Each bid, with the name of the bidder, shall be entered on a record, which shall be open to public inspection after the award of the contract or order.

VI. Any purchase or contract contrary to these provisions, rules, and regulations, shall be void, and if paid for from state funds, the amount thereof shall be recovered in the name of the state in an appropriate action instituted therefor against the officer, board, commission, or agency of the state government making the unlawful contract or purchase.

COUNTY PURCHASING

To make possible in the counties the same saving as will result from the establishment of a state purchasing agency, your committee recommends:

I. That the Board of Supervisors shall appoint as County Purchasing Agent the County Auditor or a deputy county auditor.

II. That said County Purchasing Agent shall have authority and it shall be his duty to purchase or contract for all supplies, materials, equipment, and contractual services required by all officers, departments, or agencies of the county, and shall transfer between county officers, departments, and agencies, or sell, supplies, materials, and equipment which are surplus, obsolete, or unused.

III. That all purchases of, and contracts for, supplies, materials, equipment, and contractual services, and all sales of such personal property which has become surplus, obsolete, and unusable, shall be based, wherever possible, on competitive bids. If the amount of the expenditure or sale is estimated to exceed one thousand dollars, sealed bids shall be solicited by public notice.

All purchase orders or contracts made by the County Purchasing Agent or by any county officer, department, or agency shall be awarded to the lowest and best bidder, taking into consideration the qualities of the articles to be supplied, their conformity with the specifications, their suitability to the requirements of the county government, and the delivery terms. Any or all bids may be rejected. Each bid, with the name of the bidder, shall be entered on a record, and such record, with the successful bid indicated thereon, shall be open to public inspection.

A record of purchases, in whatever amount, listing the person or firm from whom purchased, date of purchase, and price paid, shall also be kept, and shall be open to public inspection.

IV. That whenever any officer, department, or agency of the county shall purchase or contract contrary to the above provisions, such order or contract shall be void and of no effect.

Neither the County Purchasing Agent, nor any other county official, shall be financially interested in any contract or purchase order; nor shall they accept or receive, directly or indirectly, from any person, firm, or corporation to which any contract or purchase order may be awarded, by rebate, gifts, or otherwise, any money or anything of value whatsoever, or any promise, obligation, or contract for future reward or compensation.

BUDGET CONTROL

The levy and collection of state and local taxes is only half of the problem of public finance, the other half being budget control and well coordinated financial administration. In the case of state finance, the Budget and Financial Control Act was a long and necessary step in the right direction, but the best results of this general plan can be secured only by well devised state purchasing elsewhere recommended. In the case of local finance, local budget procedure is the proper method, subject to appeal by a group of taxpayers to a state board for final decision in controversial cases.

The legislative interim committee of 1923 recommended this plan to the special session on code revision in 1924. The General Assembly during that special code session made three long steps forward in state and local budget control, as follows:

First, the enactment of a local budget law, which now appears as Chapter 24 of the Code, 1931;

Second, providing for an appeal by a group of taxpayers for the decision by state authority in the case of public contracts and bonds, which then appeared as Chapter 23 of the Code, 1924;

And finally, the adoption of a state budget system administered by a budget director.

The most important recommendation of that interim committee, which provided for an appeal in the case of local levies, was defeated by the General Assembly.

In substantially this form the local budget law was administered until 1929, when a series of amendments almost completely destroyed the effectiveness of the Contract and Bond law, which still appears as Chapter 23 of the Code. However, during the five-year period, two million dollars were saved, and such savings would have continued had the chapter not been amended in 1929.

For a period of five years beginning with 1924, we have had, excepting for the absence of a right of appeal, one of the best local budget control laws of any state in the Union. Based on our own experience and that of the states of Indiana, Michigan, and New Mexico, it would appear that the wise plan is to re-enact Chapter 23 substantially as it existed in the Code of 1924, with the provision, however, that the appeal shall be to a committee composed of the Comptroller, Auditor of State, and the chairman of the State Board of Assessment and Review, rather than to the budget director; and to add the right of appeal by a group of taxpayers from the decision of a local certifying board to said committee for final decision, similar to the appeal to the budget director suggested by the interim committee of 1923. Such recommendation, in brief, was that any ten freeholders, upon the filing of a petition with the County Auditor, could appeal to the budget director, and a decision affirming or decreasing a budget or levy, or any item thereof, was final.

To carry to its logical conclusion the work begun in the 45th General Assembly by the passage of the Budget and Financial Control Act, and continued in the 45th Special Session through the enactment of the tax revision measure, this committee recommends a revision of Chapter 23, Code of 1931, and amendments to Chapter 24, Code of 1931, as suggested above.

CONSERVATION

We recommend the merger of the Fish and Game Commission and the Board of Conservation. It is appreciated that each has in the past rendered a distinct service, and yet the work of the two departments is so closely related that much duplication of effort can be avoided by their consolidation under one administrative unit. Duplication is particularly apparent in the matter of accounts, enforcement, technical advisement, planning, engineering, projects, public relations, and federal cooperation. The need for consolidation into a single unit is all the more necessary in view of the future federal conservation program, making desirable the closest cooperation by this state if full benefit is to accrue to Iowa.

Members of both groups are in agreement as to the following proposed plan, and from their experience appreciate fully the benefits to be derived therefrom. The first purpose is to provide an adequate and flexible system for the protection and use of forests, fish, game, lakes, streams, plant life, public lands, and other outdoor resources in this state. Equally important are the savings to accrue from the operation of one administrative unit where two have been used before. Even allowing for an extension and improvement of services now rendered, it is estimated that an economy of \$15,000.00 in the administrative, technical extension, clerical, enforcement, and game and fisheries branches, of the Fish and Game Commission alone can be effected.

A single organization under competent administration can, as a rule, function more economically and satisfactorily than two organizations having a border line not clearly defined and having also some conflicting special interests. The advantage of a single board to which the public may come with its projects is very great.

To perfect the merger, it is recommended that:

I. There be created a State Conservation Commission of five members to be appointed by the Governor by and with the approval of the Senate. Not more than three may be from the same political party. The term of office for each member of the Commission shall be six years. The commissioners appointed shall be persons having interest in and knowledge of conservation, and such persons shall not hold any other state or federal office or employment.

II. The members of the State Conservation Commission shall receive no pay for their services as members of the Commission but shall be allowed their necessary traveling and hotel expenses while absent from their homes in attendance upon meetings of the Commission and in the discharge of their official duties.

III. The Commission shall employ a Conservation Director, who shall continue in office at the pleasure of the Commission and whose salary shall be fixed by the Commission. Said Director shall be a person having executive ability and experience, and having special knowledge of and interest in conservation work. He shall be administrative head of the State Conservation Department, shall be responsible to the Commission for the execution of its policies, shall employ by and with the advice and consent of the Commission an assistant director and such technical and administrative assistants as may be necessary for the execution of such policies, and shall exercise the powers of the Commission in the interim of its meetings but subordinate thereto, but shall have no authority to make rules and regulations.

IV. The Director of Conservation shall employ by and with the advice and consent of the Commission qualified persons to serve as state conservation officers for the enforcement of the rules and regulations of the Conservation Commission and as superintendents or custodians of state parks. Not more than fifty of such conservation officers shall regularly be assigned to the enforcement of the rules and regulations of said Commission. All conservation officers shall have the same authority as other peace officers. Said conservation officers may be removed by the Director of Conservation at any time subject to the approval of the Commission.

V. The Conservation Commission shall establish three general departments: A department of biological survey to include fish and fisheries, waterfowl, game, and fur-bearing animals; a department of lands and waters to include state parks, forests and forestry, and plant industry; and a department of administration to include accounts and records, enforcement, technical advisers, planning, engineering, extensions, and public relations.

VI. All duties, liabilities, authority, powers, and privileges imposed or conferred by law upon the State Fish and Game Commission, the State Board of Conservation, and the State Forestry Commissioner shall be imposed and conferred upon the Conservation Commission created herein.

VII. Funds of the Conservation Commission shall be from two sources: proceeds from the sale of hunting and fishing licenses heretofore accruing to the Fish and Game Commission fund, and appropriations heretofore accruing to the Board of Conservation fund. Moneys accruing from the sale of hunting and fishing licenses and from all sources within and by virtue of the work of the department of biology shall be used solely to support the work of that department and its equitably proportionate share of the department of administration, and the department of lands and waters shall be supported solely by funds from appropriations, and the department of administration shall be supported by funds accruing from an equitable division as determined by the Commission from the license funds, and appropriations.

STATE PLANNING BOARD

The Iowa State Planning Board is a non-partisan group of citizens serving without pay who are working to bring about planned progress in the conservation and development of our land, water, human, and industrial resources through local, state, and federal cooperation. It is evident that the State Planning Boards in Iowa and 40 other states have been appointed for the purpose of cooperating with established state agencies in collecting data and developing plans, and in turn coordinating these plans with the work of the several units of the federal government. The primary objective of the Iowa State Planning Board is to serve as a coordinator among the several state organizations and interests and between state and federal units.

The present membership of our State Planning Board includes representatives from the following state organizations and interests:

State Board of Conservation State Fish and Game Commission State Highway Commission State Department of Health State Geological Survey Women's Organizations Agriculture Business and Industry Public Works Relief Administration

The 16 board members have been selected because of the organizations and interests represented and their interest in and knowledge of the fields under consideration.

Any or all of 16 major projects could be cited to show the place

of the Iowa State Planning Board as a coordinator. We shall mention but two—education, and land utilization.

The Committee on Education of this board is making studies and developing plans of vital importance to the present and future welfare of the state of Iowa. In this work the State Department of Education, the State University of Iowa, Iowa State Teachers College, and Iowa State College, the Iowa Library Association, the Farm Bureau Committee on Education, and a number of publicspirited citizens are cooperating.

In the land utilization project, the State Planning Board furnishes opportunity for the Board of Conservation, Fish and Game Commission, the Land Utilization Committee of Iowa State College, and the executive officers of the state to cooperate with the federal agencies in developing and putting into operation a land use program.

Formerly we had in Iowa an abundance of such natural resources as land, water, minerals, lumber, and game. We gave little or no thought to the need of coordinated physical, economic, and social planning. Our history is one of exploitation and waste. Here in Iowa the trees along our streams and on naturally wooded areas have been cut down; many of our lakes have been drained; our streams polluted; much of the land suited only to grazing and forests has been put under the plow, and very serious soil erosion and depletion of fertility have followed. In certain areas of the state, the situation is rapidly becoming serious.

The organization of the State Planning Board has made possible the coordination of the work of our state organizations with the Division of Program Planning of the Agricultural Adjustment Administration, the Bureau of Biological Survey, the Forestry Service, the Park Service, the Soil Erosion Service, the Emergency Conservation Program, and other federal agencies. These federal agencies ar now becoming more effectively correlated through the recently organized National Resources Board. From this coordination of state and federal programs it will be possible to develop a land use policy which will result in the conservation of our resources and a higher standard of living on Iowa farms.

In order that the work thus far done by the State Planning Board and benefits to be derived therefrom shall be continued, it is the recommendation of this committee that:

I. A State Planning Board be created to promote plans and recommendations which may contribute to the welfare and security of the people of the state and to coordinate the plans and efforts of others to this end.

II. The Board shall consist of representatives from such agencies of the state, and other groups, whose functions and interests relate particularly to the fields mentioned above. No compensation shall be paid to members other than necessary expenses.

III. It shall be the duty of the State Planning Board to make reports and recommendations to the Governor, the legislature, or to any federal or state agency, and to make public any report whenever it deems it advisable so to do; and to prepare plans and coordinate the plans and efforts of other agencies insofar as it may be within their means so to do, for the use, possession, and preservation of land, for the providing, conservation, and use of waters, for the health and happiness, safety, comfort and convenience, and the education and social welfare of the people, and for the facilitating and developing of transportation, industry, and commerce, and the services that may be rendered thereby.

CONCLUSION

Your committee has had the helpful cooperation of Governor Herring, of the several departments of state government, of our state educational institutions, of members of the General Assembly, of various civic organizations, and of interested individuals. Their invaluable assistance, freely given, is deeply appreciated. Mention should also be made of the research work done by Dr. John E. Brindley.

Other proposals worthy of early legislative action, such, for example, as rural school reorganization, have been submitted to this committee. It is our hope that interest and action on problems of governmental reorganization be not limited during this session to the specific proposals made in this report.

Respectfully submitted,

JOHN K. VALENTINE, Chairman; D. W. KIMBERLY, G. E. ROELOFS,

For the Senate.

EARL M. DEAN, JOHN SPEIDEL, For the House.

