

## The Governor's Messages

Law requires an Iowa Governor to appear twice before the legislature — to deliver his inaugural and budget messages. If a Governor succeeds himself, he appears three times before the second legislature with which he serves — to deliver a "State of the State" message, as well as his second inaugural and budget messages. But seldom, if ever, has a Governor made four appearances before a single session of the legislature — to deliver the three messages listed above plus a special message.

Governor Hughes, in his second term, has established a "first" in this respect. For he appeared a fourth time to deliver a special message dealing with proposed labor legislation.

### *The First Message*

On January 12, the day after the legislature convened, the Governor made his first appearance before a joint session of the 61st General Assembly, as the retiring Governor, to give an accounting of his first two years in office.

He said Iowa had left its "treadmill of negative thinking" in those two years; that the State was financially strong, spiritually revitalized, and poised to surge forward dramatically into "a new

era of cooperation and mutual understanding."

"At long last," he declared, "I believe we have begun to free ourselves from the bullheaded prejudices that have cramped our spirit and retarded our growth in years gone by." To substantiate this he described his administration as a period of unprecedented prosperity, of record industrial and economic growth, and of improvements in the areas of education, conservation, and highway construction.

He estimated there would be a general fund balance of about \$30 million in the State's treasury as of June 30, 1965, half of which could be used to meet expenses in the biennium beginning July 1, 1965. He also estimated revenue from current taxes would be up by more than 12 per cent in the 1963-65 biennium over 1961-63.

But, mindful of the rural-urban split over reapportionment, and of the management-labor split over the right-to-work law, the Governor cautioned that Iowans would have to work together to solve the continuing problems confronting the State.

In this hour of unlimited promise for our state, no Iowan can afford to be anti-business, anti-labor, anti-farmer, anti-government or anti-progress. No Iowan can afford to look with suspicion at his neighbor because of the occupation he follows, the church he attends or because of the color of his skin. Our future depends upon our ability to act as a united people. In a very real sense for Iowans, the

state of our state is dependent upon the state of our Union, one with another.

As evidence Iowa had moved ahead, Governor Hughes said the State's industrial production had topped \$8 billion in value for the first time; that total agricultural-industrial production topped \$10 billion; that Iowans' 1964 personal income topped the 1963 record of \$6.4 billion and that new employment records were set in both 1963 and 1964.

He said much duplication had been eliminated from state government, that use of data processing had been increased, and that tax collection efficiency had been improved. Also, that there had been legislative breakthroughs in the areas of reapportionment, liquor-by-the-drink, public utility regulation, fair employment practices, brucellosis control, medical care for the aged, and workmen's compensation laws.

The Governor listed improvements in the areas of education, public safety, highways, conservation, community mental health services, and in remedial prison programs as part of the progress made in the last two years.

#### *The Inaugural Message*

On January 14, Governor Hughes appeared again before the new legislature, this time to be sworn in for a second two-year term by Chief Justice Theodore G. Garfield, and to deliver his second inaugural address.

He outlined an ambitious two-year program, dealing with 32 areas of government and repeated his assertion of two days earlier that Iowans have "swung from a negative to an affirmative point of view" and are ready to move ahead.

The Governor also called for:

A new temporary reapportionment plan and a new start toward a permanent plan, both to be based on the United States Supreme Court's one-man-one-vote decision, although he said he personally preferred a moderate area factor in the membership of one house.

He further advocated:

- An educational scholarship program for young Iowans;
- Modification of the right-to-work law;
- A one-cent per gallon increase in the state gasoline tax;
- Establishment of four new vocational-technical schools, one in each quarter of the state;
- A statewide uniform daylight saving time law;
- Abolition of capital punishment;
- Amendment of the law in order to permit private school students to ride in public school buses;
- Establishment of a public defender system;
- Changes in the new state liquor law, including one to permit issuance of six or eight-month seasonal licenses;
- Establishment of an alcoholism treatment center;
- A state civil service law;
- Settlement of the Iowa-Nebraska boundary dispute;
- Upgrading the salaries of state employees and elected officials;
- Repeal of all but one mill of the moneys and credits tax, providing lost revenue was replaced from other source;

Control of billboards on interstate highways;  
A law making seat belts mandatory;  
Increase Iowa Highway Patrol by 100 members.

Governor Hughes repeated earlier recommendations for sweeping changes in the organizational structure of the state executive branch. These included (1) lengthening the two-year terms of Governor and Lieutenant Governor to four years, (2) authorizing the Governor to appoint the State Treasurer and Secretaries of State and Agriculture and (3) authorizing the legislature to appoint the State Auditor.

They also included proposals for (1) annual sessions of the legislature, (2) the item veto on appropriation bills, (3) creation of a state planning agency, (4) consolidation of several departments, and (5) a revamping of the State Tax Commission.

While several of these proposals required amendments to the Constitution, Governor Hughes made others which could be initiated by statute. These included (1) liberalization of voter-registration laws, (2) creation of a commission to deal with problems of the aging and (3) of another commission to deal with human rights.

Public health, social welfare, mental health, correctional institutions, public safety, intergovernmental relations involving state and local subdivisions, and the need for improved home rule legislation received the Governor's attention in the

16 single-spaced typewritten pages of his speech, one of the most all-inclusive ever delivered by an Iowa Chief Executive.

He took note of its length himself, observing ruefully that "if my speech by its very weight in printed form, conveys to anyone the idea that state government is a big operation, then perhaps it has served some useful purpose."

Despite its length, he said, he was unable to touch on certain vital areas of government, which included rehabilitation of the physically handicapped, orientation and training of the blind, and other worthwhile human resource programs.

#### *The Budget Message*

On February 1, Governor Hughes appeared the third time to recommend a "move ahead" budget calling for a record \$254.6 million a year for the biennium starting July 1, 1965.

He said the budget was designed to "keep Iowa moving ahead within the practicalities of our financial capacity" and said its enactment would be "a sensible, respectable step in the direction of a constructive future."

The budget proposed was \$46.6 million—22 per cent above the previous record budget of \$208 million a year for the 1963-65 biennium. It was \$92.7 million a year under the \$347.3 million a year requested by state departmental heads.

Governor Hughes said \$120.7 million a year of the proposed \$254.6 million budget was earmarked

for state aid, or for refund programs to cities, counties and school districts.

He explained that \$22.4 million a year of the \$46.6 million difference between his proposed budget and the 1962-65 actual budget would come from new tax sources. Another \$16.1 million a year would come from anticipated normal economic growth in existing taxes and the remaining \$8.1 million a year would come from reserves.

Governor Hughes recommended the following new tax program to bring in the \$22.4 million a year needed in new revenue:

1. Extending the 2 per cent sales tax to hotel and motel rooms, barber shops, beauty parlors, laundry and dry cleaning establishments, and to used cars and farm implements, to raise an estimated \$9,650,000 a year.
2. Increasing the cigaret tax from five to seven cents a pack to raise an estimated \$6 million a year.
3. Withholding of individual income tax starting July 1, 1965, to raise an estimated \$2.5 million a year, with the first half of 1965 exempt.
4. Increasing the corporation tax from 3 to 4 per cent to raise an estimated \$1,750,000 a year.
5. Increasing driver's license fees from \$3 to \$5 per biennium and chauffeur's fees from \$4 to \$6 a year, to raise an estimated \$1.5 million a year.
6. Extending the 2 per cent insurance premium tax to county mutual and fraternal companies, to raise an estimated \$1 million a year.
7. Raising the gasoline tax from 6 to 7 cents per gallon, to be allocated to the primary road fund, which is not a part of the general fund budget.

Governor Hughes called for outright repeal of all but one mill of the moneys and credits tax (the one mill is pledged to payment of Korean War bonus bonds) provided lost revenue could be replaced. But he warned that a major problem related to repeal was that it comprises a substantial portion of the bonding base of many local communities and school districts.

Reminding legislators that the State's financial position had improved since 1963, the Governor recommended increased annual appropriations in many areas as follows:

State aid to schools: \$45,199,500—up \$15.2 million.

Agricultural land tax credit: \$15 million—up \$3.7 million.

Operation of Board of Regents institutions: \$60,009,700—up \$10 million.

Capital improvements at Board of Regents institutions: \$7.5 million—down \$500,000.

Operation of Board of Control institutions: \$25.1 million—up \$2.5 million, plus \$60,000 for the biennium to develop a State program for the mentally retarded. The Governor also recommended sale of the Board's farm properties to bring in revenue to construct a maximum security hospital for mentally disordered offenders.

Public Safety Department: \$6,465,165—up \$1.4 million, with the increase to help finance the addition of 100 new members to the Iowa Highway Patrol.

Social Welfare Department: \$24,195,000—up \$5 million.

Iowa Health Department: \$1,081,465—up \$358,670.

Bureau of Labor: \$294,210—up \$89,690, together

with a recommendation that the Bureau be consolidated with the Industrial Commissioner's office and the Department of Mines and Mining. (Along this line, the Governor also recommended merging the Iowa Printing Board, the Centralized Printing Department, and the State Car Dispatcher into the Executive Council.)

Conservation Commission: \$2.4 million — up \$981,305.

Iowa Development Commission: \$769,345 — up \$313,995.

State Scholarship Program: \$250,000 to start the program.

Vocational-Technical Schools: \$3 million to construct one in each quarter of the state.

New Office Building: \$1.5 million to purchase ground and to construct a new building in the first phase of the expansion of the Capitol grounds.

The Governor also recommended an appropriation of \$40,000 a year to start a Commission on Human Rights and \$25,000 a year to finance a new Commission on the Aging.

Other recommendations included:

An appropriation of \$2.5 million a year to raise salaries of 12,000 state employees from 4 to 8 per cent, not including Board of Regents employees whose salaries are handled separately. The Governor also asked for a \$150,000 appropriation to finance up to 25 per cent of the amount of premiums paid by state employees for group health, accident and medical insurance.

Salary increases of statutory officers were left to the legislature to decide, but the Governor recommended boosting the pay of Supreme Court

justices from \$16,000 to \$20,000 a year, and of District Court judges from \$14,000 to \$18,000 a year.

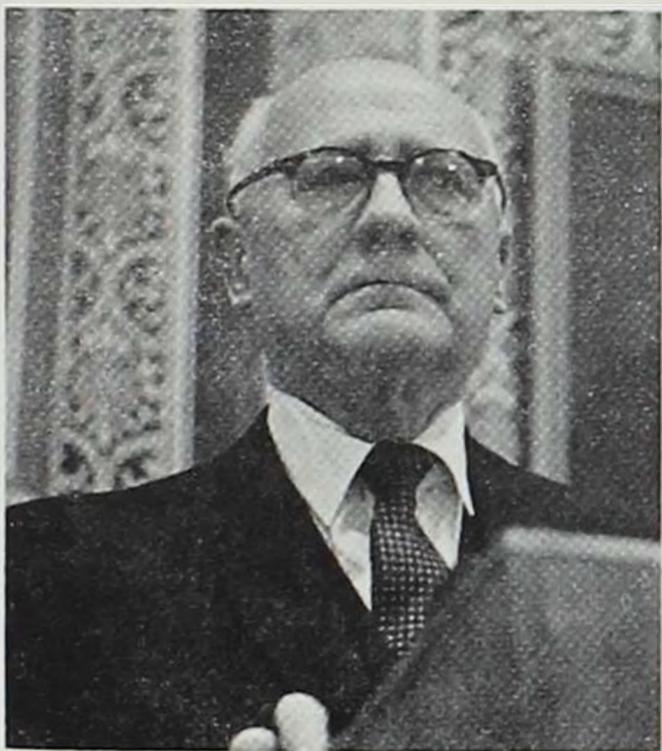
Employment of a professional, full-time tax administrator, to be known as Director of Revenue.

Changing the law to require monthly, instead of quarterly, collection of sales tax receipts from retailers who take in over \$75 a month in sales tax. He also urged that if the withholding tax proposal were adopted, these receipts, too, should be turned over to the State monthly by employers. "Our mandate is to keep Iowa moving ahead," the Governor said, explaining again that his budget was tailored to do just that.

#### *Special Labor Message*

On May 5, Governor Hughes appeared the fourth time to deliver what he described as a "clear the atmosphere" message calling for "modernization" of Iowa's entire labor law structure. At a news conference shortly before delivering the message, Governor Hughes explained he had decided to do it because "I want to be on the record with the General Assembly as to what my position is on this subject."

Obviously, he wanted to be on the record with the people, too, for there had been much discussion in the tense skirmishing over the right-to-work law as to whether or not there was any difference between the Governor's position for "modification" and labor's demand for outright "repeal."



Rep. Mahan calls House to order.



Lieut. Gov. Mooty convenes Senate.



Rep. Steffen takes oath as Speaker.



Chief Justice Garfield administers oath to incoming Lieut. Gov. Fulton.



Reps. Winkelman and Shannahan sign the oath.



Gov. Hughes gives second inaugural address . . .



. . . as Justice Garfield, Lieut. Governors Mooty and Fulton listen.



Mrs. Hughes, Iowa's First Lady, listens too . . .



. . . and briefly holds hands with Gov. Hughes as he leaves chamber after giving address.



Mrs. Hughes joins Governor in office reception line to greet President Maucker of State College of Iowa and President Bowen of the University of Iowa.



Lieut. Gov. Fulton (seated), Senate Democratic Leader Frommelt, Assistant Democratic Leader Coleman, President Pro Tem. O'Malley, Republican Leader Rigler.



Speaker Steffen (seated), Democratic Leader Maule, Speaker Pro Tempore C. Miller, Assistant Democratic Leader Loss, Republican Leader Edgington, Democratic Whip W. Gillette.



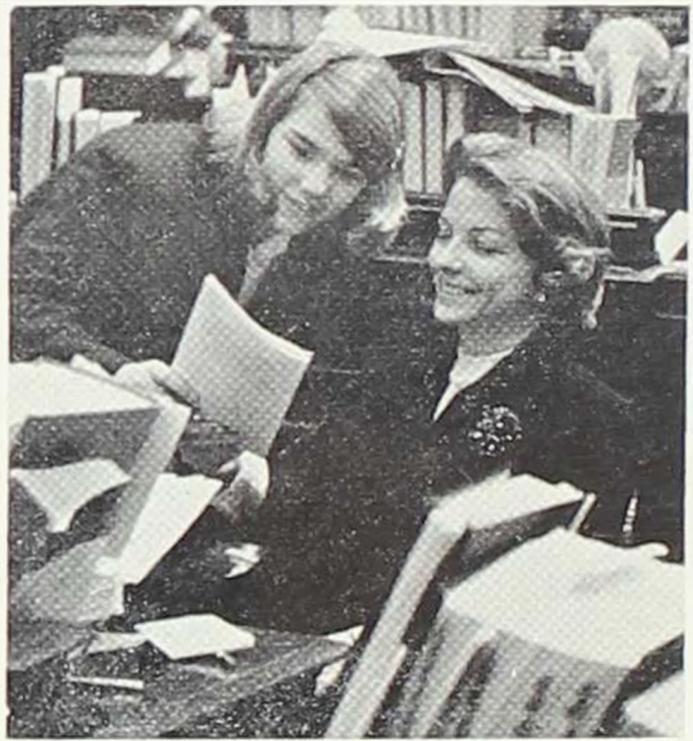
Rep. Loss and Senator Frommelt, chosen "Outstanding Legislators" by Statehouse Press Corps.



Three former House Speakers visit with Speaker Steffen (second from right). They are Reps. Foster '37, Hanson '55, Senator Lisle '59.



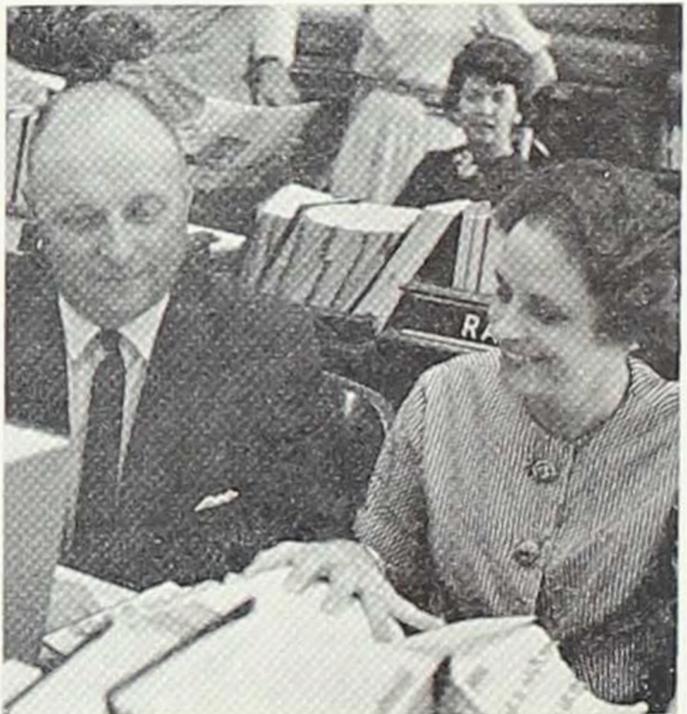
Father-Son team: Rep. O'Malley and his dad, Senator O'Malley.



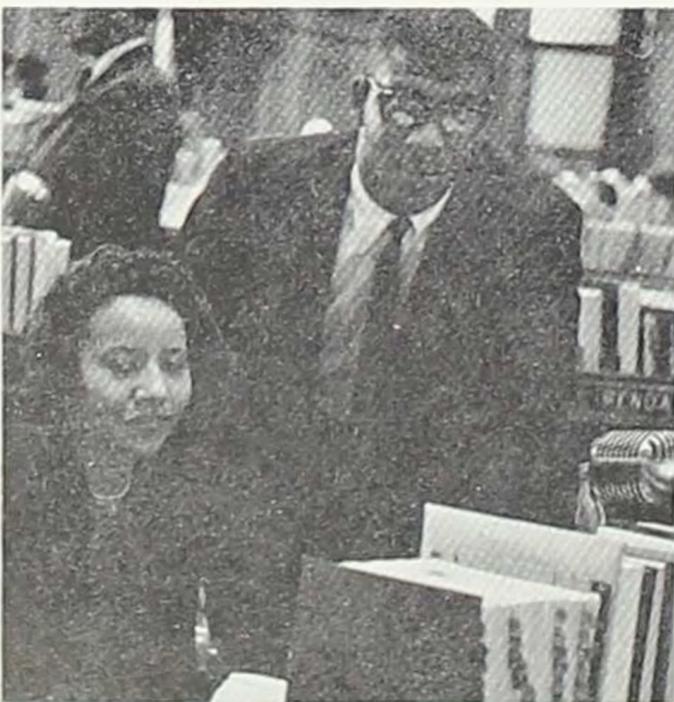
Mother-Daughter team: House Page Kay Doderer, 14, and Rep. Doderer.



Father-Daughter team: Rep Coffman with daughter Kathy, 19, his clerk.



Rep. Oehlsen with Janet Omvig, first blind House clerk.



First Negroes ever elected to Iowa Assembly: Reps. Glanton & J. Jackson.



Senators Benda and Stanley hold 326-page Uniform Commercial Code bill.

I would point out that there is a very real practical difference between repeal and modification, particularly as the state law affects small businesses — especially retail — that do not come under the federal Taft-Hartley law.

The Taft-Hartley provision prohibiting the closed shop would not apply to these small firms, and thus they would have no protection from the closed shop if the "right-to-work" part of our labor statutes were repealed."

In the early weeks of the session, the House was all set to debate a repeal bill as a special order of business. But it was sent back to committee at the Governor's request and never heard from again. On April 20, the Senate was to have debated a union package bill but action was deferred. Now came the Governor's special message.

In it he revealed plans to submit these three separate bills, in lieu of a single "package," designed to:

1. Legalize union shop contracts. The Governor observed such contracts already were in de facto effect in many Iowa plants.

2. Clarify statutes dealing with secondary boycotts and injunctions.

3. Create a state mediation-conciliation board within the Iowa Bureau of Labor.

He decided on separate bills, Governor Hughes explained, because some legislators could support some sections, but not others, of a complete package.

Elaborating on his No. 2 proposed bill, the Governor said it would include provisions to (1) prohibit secondary boycotts, (2) forbid a union from forcing an employer to recognize or bargain with a union when another union already is the legitimate representative of that employer, (3) prohibit a union from forcing an employer to assign work to one union over another, except when the employer violates contract terms, (4) forbid "hot cargo" agreements, (5) prohibit "featherbedding," and (6) provide for temporary restraining orders and hearings within five days.

The Governor said these "safeguards to management have teeth" and would be far more effective protection than the existing law.

"In other words," he said, "the legislation we are talking about is not just pro labor but is a sensible compromise of the viewpoints of labor and management in the public interest."

His proposals, the Governor said, dealt with the entire structure of labor-management laws, not just one phase of them. "And the test of that structure of the law," he explained, "should be whether or not it protects the legitimate interests of management, labor and the general public, and is conducive to efficient industrial operation."

The existing structure of labor relations laws fails to meet this test "on all of these counts."