

EXECUTIVE COUNCIL OF IOWA AGENDA

State Capitol - Robert D. Ray Conference Room (G09) 10:00 a.m.

JUNE 23, 2014

1. Approval of minutes of meeting held June 9, 2014
2. Personal Appearance –
 - A. Marvin Shultz, Department of Human Services will be present to request a Resolution of Funds for the disasters in Cass, Harrison, Montgomery, Pottawattamie, and Ringgold counties in the amount of \$400,000.00 per Governor's Disaster Declaration pursuant to House File 896 Section 1.
TAB # 1
3. Outside Counsel – Page 1
TAB # 2
4. Litigation Expense Fund – Page 1
TAB # 3
5. Emergency Allocations – Page 1
6. Payment of Cost Items – Pages 2 - 4

3. Outside Counsel

- A. The Department of Justice, Attorney General's office requests retention of outside counsel pursuant to Iowa Code section 13.3(1) in Douglas Thomas Lewis v. Department of Public Defense, State of Iowa and Second Injury Fund of Iowa, a workers' compensation case filed by a state employee.

Firm: Patterson Law Firm, L.L.P.

Attorney: Ryan Clark
505 5th Avenue
Suite 729

Des Moines, Iowa 50309

Rate: \$120.00 per hour

TAB # 2

4. Litigation Expense Fund

- A. Request from the Attorney Generals' office on behalf of the Department of Revenue and Finance to transfer funds to the Litigation Expense Fund for FY 2015 in the amount of \$220,000.00

TAB # 3

5. Emergency Allocations

- A. Department of Human Services is requesting an emergency allocation and payment in the amount of \$13,945.00. On June 20, 2013 fire damaged a Utility Vehicle. Request is to cover costs.

The State Auditor's Office has reviewed this request and recommends allocation and payment. This represents full and final payment and the allocation will be closed.

- B. Department of Human Services is requesting an emergency allocation and payment in the amount of \$75,284.76. On June 21, 2013 damage to a fuel tank resulting in a fuel spill and loss of 385 gallons of diesel fuel. Request is to cover cost of clean-up and replacement.

The State Auditor's Office has reviewed this request and recommends allocation and payment. This represents full and final payment and the allocation will be closed.

- C. Department of Corrections, Anamosa State Penitentiary is requesting a supplemental emergency allocation in the amount of \$54,797.93. On September 23, 2012 the State Penitentiary sustained fire damage to a boiler at the Power Plant. Request is to cover repairs.

The State Auditor's Office has reviewed this request and recommends supplement allocation, subject to audit of actual invoices.

6. **Payment of Cost Items**

- A. Gray Miller Persh, LLP.....\$1,035.30
1200 New Hampshire Ave., N.W.
Washington, D.C. 20036
Iowa Public Television

Jeffrey Thompson, Solicitor General has reviewed this invoice and recommends payment. Payment will be made from the funds of Iowa Public Television.

- B. Wandro & Associates, P.C.\$8,350.00
2501 Grand Avenue, Suite B
Des Moines, IA 50312
Unclaimed Property Probate Matters

Jeffrey Thompson, Solicitor General, has reviewed this invoice and recommends payment. Payment will be made from the Unclaimed Property Fund.

- C. Belin McCormick, P.C.\$1,815.00
666 Walnut Street, Suite 2000
Des Moines, IA 50309
Iowa Public Information Board in Case No. CVCV047363 under Iowa Code Chapter 17A

Jeffrey Thompson, Solicitor General, has reviewed this invoice and recommends payment. Payment will be made from Iowa Code §7D.10

- D. Patterson Law Firm L.L.P..... \$146.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Mary Bouillion v. University of Iowa Hospitals and Clinics, State of Iowa and the Second Injury Fund of Iowa

- E. Patterson Law Firm L.L.P..... \$258.50
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Sandra Anderson v. Iowa Department of Corrections, State of Iowa and the Second Injury Fund of Iowa

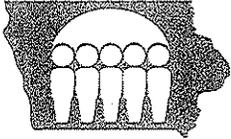
- F. Patterson Law Firm L.L.P..... \$564.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Jolene Murren v. Clarinda Correctional Facility and State of Iowa and Second
Injury Fund of Iowa
- G. Patterson Law Firm L.L.P..... \$204.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Bobbie Leggett v. Iowa State Penitentiary, State of Iowa and Second Injury
Fund of Iowa
- H. Patterson Law Firm L.L.P..... \$396.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Jason Landess v. Clarinda Correctional Facility and State of Iowa and Second
Injury Fund of Iowa
- I. Patterson Law Firm L.L.P..... \$288.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Carmela Alden v. Department of Human Services and State of Iowa and
Second Injury Fund of Iowa
- J. Patterson Law Firm L.L.P..... \$354.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Terry Goehring v. Woodward Resource Center, State of Iowa and the Second
Injury Fund
- K. Patterson Law Firm L.L.P..... \$194.50
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Margaret Sedlacek v. University of Iowa Hospitals & Clinics, State of Iowa
and the Second Injury Fund of Iowa

- L. Patterson Law Firm L.L.P..... \$101.50
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Robert Helmick v. Iowa State Penitentiary, State of Iowa and the Second
Injury Fund of Iowa

Jeffrey S. Thompson, Solicitor General, has reviewed these invoices and recommends payments.

- M. Department of Corrections, Anamosa State Penitentiary..... \$359,630.37
On September 23, 2012 the State Penitentiary sustained fire damage to a boiler at the Power Plant. Request is to cover repairs.

The State Auditor's Office has reviewed these invoices and recommends payment



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

2014 JUN 12 AM 10:11
EXECUTIVE COUNCIL

June 12, 2014

Executive Council
Attn: GeorgAnna Madsen
Capitol Building
LOCAL

Item: Governor Proclamation of a State of Disaster Emergency – Request for Funds

Dear Ms. Madsen:

Per the Governor Disaster Declaration, I am requesting funding for the Iowa Individual Assistance Grant Program be placed on the Executive Council Agenda for Monday, June 16, 2014. The Iowa Department of Human Services is requesting the Executive Council adopt a Resolution for Funds in the amount of \$400,000.00 for Cass, Harrison, Montgomery, Pottawattamie, and Ringgold Counties pursuant to House File 896 Section 1 to distribute funds to individuals or families to replace/repair items affected by the disaster emergency which cannot be met by other means of financial assistance.

The account coding for the funds to be transferred will be:

Dept Fund Appr Org
401 0391 0000 1406 _ State Only Disaster – June, 2014 Cass, Harrison, Montgomery,
Ringgold and Pottawattamie Counties.

Thank you for your assistance.

Sincerely,

Charles M. Palmer
Director

cc: Vern Armstrong
Marvin Shultz
Mihneta Lisinovic
Lee Hill

THOMAS J. MILLER
ATTORNEY GENERAL

EXECUTIVE COUNCIL
2014 JUN 17 AM 9:40



JEFFREY S. THOMPSON
SOLICITOR GENERAL

Iowa Department of Justice

ADDRESS REPLY TO:
1305 E. Walnut Street
Des Moines, IA 50319
www.IowaAttorneyGeneral.org

Telephone: 515/281-4419
Fax: 515/281-4209
Jeffrey.Thompson@iowa.gov

June 11, 2014

GeorgAnna Madsen
Executive Secretary
Executive Council
State Capitol
L-O-C-A-L

Re: Retention of Outside Counsel

Dear GeorgAnna:

Our office requests appointment of outside counsel pursuant to Iowa Code section 13.3(1) in *Douglas Thomas Lewis v. Department of Public Defense, State of Iowa and Second Injury Fund of Iowa*, a workers' compensation case filed by a state employee. Because the resolution of this claim may turn on whether the State of Iowa or the Second Injury Fund must pay workers' compensation benefits, our office cannot represent both defendants.

In order to avoid a conflict of interest, the Special Litigation Division has contacted Ryan Clark of the Patterson Law Firm, L.L.P., 505 5th Avenue, Suite 729, Des Moines, Iowa 50309-2390, to represent the Second Injury Fund. Mr. Clark has agreed to represent the Second Injury Fund at the rate of \$120.00 per hour. Our office will represent the State of Iowa.

Accordingly, we request Executive Council approval to retain Mr. Clark to represent the Second Injury Fund in this case.

Sincerely,

Handwritten signature of Jeffrey S. Thompson in black ink.

JEFFREY S. THOMPSON
Solicitor General

cc: Julie Burger

EXECUTIVE COUNCIL
 THOMAS J. MILLER
 ATTORNEY GENERAL
 2014 JUN 17 AM 9:40



JEFFREY S. THOMPSON
 SOLICITOR GENERAL

Iowa Department of Justice

ADDRESS REPLY TO:
 1305 E. Walnut Street
 Des Moines, IA 50319
www.iowaAttorneyGeneral.org

Telephone: 515/281-4419
 Fax: 515/281-4209
Jeffrey.Thompson@iowa.gov

June 10, 2014

GeorgAnna Madsen
 Executive Secretary
 Executive Council
 State Capitol
 L-O-C-A-L

Re: Litigation Expense Fund

Dear GeorgAnna:

The Department of Revenue requests that the Executive Council transfer funds to the Litigation Expense Fund to pay anticipated litigation expenses for the next fiscal year. The Litigation Expense Fund is “created in the state treasury” and “shall be used for the payment of litigation expenses incurred by the state to defend property valuations established by the director of revenue” Iowa Code section 441.73(1). The Executive Council “shall transfer for the fiscal year beginning July 1, 1992, and each fiscal year thereafter, from funds established in sections 425.1 and 426.1 an amount necessary to pay litigation expenses.” Iowa Code section 441.73(4). The funds referenced in these sections are: the Homestead Tax Credit Fund (§ 425.1) with an unspecified standing appropriation and the Agricultural Land Credit Fund (§ 426.1) with a standing appropriation of \$39,100,000 the first \$10,000,000 of which is transferred into the Family Farm Tax Credit Fund.

The balance in the Fund is capped by statute. “The amount in the fund for each fiscal year shall not exceed seven hundred thousand dollars. The executive council shall determine annually the proportionate amounts to be transferred from the two separate funds. At any time when no litigation is pending or in progress the balance in the litigation expense fund shall not exceed one hundred thousand dollars.” Iowa Code § 441.23(4).

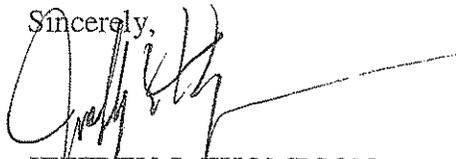
The Director of the Department of Revenue requests that a total of \$220,000 be transferred into the Litigation Expense Fund for FY '15 from these sources on the following basis:

78% - (\$171,600) - Homestead Tax Credit Fund under § 425.1; and
 22% - (\$48,400) - Agricultural Land Credit Fund under § 426.1.

The amount of the request is based on estimates from outside counsel of the potential litigation costs during the 2015 fiscal year and estimated litigation costs attributed to the Attorney General's office. Litigation anticipated in the 2015 fiscal year will include constitutional challenges by several ethanol companies to the State's replacement tax system under Iowa Code chapter 437A, ongoing litigation with Cable One, Inc., over whether the company qualifies as a telephone company under Iowa code chapter 433, and several appeals by telephone companies and an interstate pipeline company challenging their property valuations for the 2013 assessment years.

Generally, a transfer of funds at the start of each fiscal year is offset by any amount carried over from the previous fiscal year. The Department estimates a carryover from the 2014 fiscal year of approximately \$480,000 in unused funds. The transfer of an additional \$220,000 will bring total to \$700,000 and will replenish the Litigation Expense Fund sufficiently to cover estimated litigation expenses without exceeding the maximum statutory cap of \$700,000. *See* Iowa Code § 441.73(4).

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey S. Thompson", with a long horizontal line extending to the right.

JEFFREY S. THOMPSON
Solicitor General