



IOWA ADMINISTRATIVE BULLETIN

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PREFACE

The Iowa Administrative Bulletin is published biweekly pursuant to Iowa Code chapters 2B and 17A and contains Notices of Intended Action and rules adopted by state agencies.

It also contains Proclamations and Executive Orders of the Governor which are general and permanent in nature; Regulatory Analyses; effective date delays and objections filed by the Administrative Rules Review Committee; Agenda for monthly Administrative Rules Review Committee meetings; and other materials deemed fitting and proper by the Administrative Rules Review Committee.

The Bulletin may also contain public funds interest rates [12C.6]; workers' compensation rate filings [515A.6(7)]; usury rates [535.2(3)"a"]; and agricultural credit corporation maximum loan rates [535.12].

PLEASE NOTE: Underscore indicates new material added to existing rules; ~~strike through~~ indicates deleted material.

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CITATION of Administrative Rules

The Iowa Administrative Code shall be cited as (agency identification number) IAC (chapter, rule, subrule, lettered paragraph, or numbered subparagraph).

441 IAC 79	(Chapter)
441 IAC 79.1	(Rule)
441 IAC 79.1(1)	(Subrule)
441 IAC 79.1(1)"a"	(Paragraph)
441 IAC 79.1(1)"a"(1)	(Subparagraph)

The Iowa Administrative Bulletin shall be cited as IAB (volume), (number), (publication date), (page number), (ARC number).

IAB Vol. XII, No. 23 (5/16/90) p. 2050, ARC 872A

NOTE: In accordance with Iowa Code section 2B.5A, a rule number within the Iowa Administrative Code includes a reference to the statute which the rule is intended to implement: 441—79.1(249A).

Schedule for Rule Making 2014

NOTICE SUBMISSION DEADLINE	NOTICE PUB. DATE	HEARING OR COMMENTS 20 DAYS	FIRST POSSIBLE ADOPTION DATE 35 DAYS	ADOPTED FILING DEADLINE	ADOPTED PUB. DATE	FIRST POSSIBLE EFFECTIVE DATE	POSSIBLE EXPIRATION OF NOTICE 180 DAYS
Dec. 18 '13	Jan. 8 '14	Jan. 28 '14	Feb. 12 '14	Feb. 14 '14	Mar. 5 '14	Apr. 9 '14	July 7 '14
Jan. 3	Jan. 22	Feb. 11	Feb. 26	Feb. 28	Mar. 19	Apr. 23	July 21
Jan. 17	Feb. 5	Feb. 25	Mar. 12	Mar. 14	Apr. 2	May 7	Aug. 4
Jan. 31	Feb. 19	Mar. 11	Mar. 26	Mar. 28	Apr. 16	May 21	Aug. 18
Feb. 14	Mar. 5	Mar. 25	Apr. 9	Apr. 11	Apr. 30	June 4	Sep. 1
Feb. 28	Mar. 19	Apr. 8	Apr. 23	Apr. 25	May 14	June 18	Sep. 15
Mar. 14	Apr. 2	Apr. 22	May 7	May 9	May 28	July 2	Sep. 29
Mar. 28	Apr. 16	May 6	May 21	***May 21***	June 11	July 16	Oct. 13
Apr. 11	Apr. 30	May 20	June 4	June 6	June 25	July 30	Oct. 27
Apr. 25	May 14	June 3	June 18	June 20	July 9	Aug. 13	Nov. 10
May 9	May 28	June 17	July 2	***July 2***	July 23	Aug. 27	Nov. 24
May 21	June 11	July 1	July 16	July 18	Aug. 6	Sep. 10	Dec. 8
June 6	June 25	July 15	July 30	Aug. 1	Aug. 20	Sep. 24	Dec. 22
June 20	July 9	July 29	Aug. 13	Aug. 15	Sep. 3	Oct. 8	Jan. 5 '15
July 2	July 23	Aug. 12	Aug. 27	***Aug. 27***	Sep. 17	Oct. 22	Jan. 19 '15
July 18	Aug. 6	Aug. 26	Sep. 10	Sep. 12	Oct. 1	Nov. 5	Feb. 2 '15
Aug. 1	Aug. 20	Sep. 9	Sep. 24	Sep. 26	Oct. 15	Nov. 19	Feb. 16 '15
Aug. 15	Sep. 3	Sep. 23	Oct. 8	Oct. 10	Oct. 29	Dec. 3	Mar. 2 '15
Aug. 27	Sep. 17	Oct. 7	Oct. 22	***Oct. 22***	Nov. 12	Dec. 17	Mar. 16 '15
Sep. 12	Oct. 1	Oct. 21	Nov. 5	***Nov. 5***	Nov. 26	Dec. 31	Mar. 30 '15
Sep. 26	Oct. 15	Nov. 4	Nov. 19	***Nov. 19***	Dec. 10	Jan. 14 '15	Apr. 13 '15
Oct. 10	Oct. 29	Nov. 18	Dec. 3	***Dec. 3***	Dec. 24	Jan. 28 '15	Apr. 27 '15
Oct. 22	Nov. 12	Dec. 2	Dec. 17	***Dec. 17***	Jan. 7 '15	Feb. 11 '15	May 11 '15
Nov. 5	Nov. 26	Dec. 16	Dec. 31	Jan. 2 '15	Jan. 21 '15	Feb. 25 '15	May 25 '15
Nov. 19	Dec. 10	Dec. 30	Jan. 14 '15	Jan. 16 '15	Feb. 4 '15	Mar. 11 '15	June 8 '15
Dec. 3	Dec. 24	Jan. 13 '15	Jan. 28 '15	Jan. 30 '15	Feb. 18 '15	Mar. 25 '15	June 22 '15
Dec. 17	Jan. 7 '15	Jan. 27 '15	Feb. 11 '15	Feb. 13 '15	Mar. 4 '15	Apr. 8 '15	July 6 '15

PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
21	Friday, March 28, 2014	April 16, 2014
22	Friday, April 11, 2014	April 30, 2014
23	Friday, April 25, 2014	May 14, 2014

PLEASE NOTE:

Rules will not be accepted after **12 o'clock noon** on the Friday filing deadline days unless prior approval has been received from the Administrative Rules Coordinator's office.

If the filing deadline falls on a legal holiday, submissions made on the following Monday will be accepted.

*****Note change of filing deadline*****

The Administrative Rules Review Committee will hold its regular, statutory meeting on Friday, April 4, 2014, at 9 a.m. in Room 116, State Capitol, Des Moines, Iowa. The following rules will be reviewed:

NOTE: See also Supplemental Agenda to be published in the April 2, 2014, Iowa Administrative Bulletin.

ACCOUNTANCY EXAMINING BOARD[193A]

Professional Licensing and Regulation Bureau[193]
COMMERCE DEPARTMENT[181]"umbrella"

Renewal cycle for reinstated licensees, 10.5(7) Filed **ARC 1360C** 3/5/14

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Other financial statements for grain warehouse operators and grain dealers, 90.8, 91.8

Filed **ARC 1381C**..... 3/19/14

CHILD ADVOCACY BOARD[489]

INSPECTIONS AND APPEALS DEPARTMENT[481]"umbrella"

Court appointed special advocate program, chs 4, 5 Filed **ARC 1375C** 3/19/14

COUNTY FINANCE COMMITTEE[547]

MANAGEMENT DEPARTMENT[541]"umbrella"

Update of terminology, reporting standards, 3.1(1), 4.1, 5.3(2), 5.4(2), 5.5 Filed **ARC 1372C** 3/19/14

ECONOMIC DEVELOPMENT AUTHORITY[261]

Iowa tourism grant program, ch 42 Notice **ARC 1380C** 3/19/14

Targeted jobs withholding tax credit program, amendments to chs 71, 187

Filed Emergency After Notice **ARC 1373C** 3/19/14

EDUCATIONAL EXAMINERS BOARD[282]

EDUCATION DEPARTMENT[281]"umbrella"

Board decision to set case for hearing, 11.6 Notice **ARC 1378C** 3/19/14

Teacher intern license—minimum grade point average, 13.9(3) Filed **ARC 1374C** 3/19/14

School administration manager authorization—experience requirement, 22.6(5) Notice **ARC 1379C** 3/19/14

EMPLOYMENT APPEAL BOARD[486]

INSPECTIONS AND APPEALS DEPARTMENT[481]"umbrella"

Online filing of unemployment insurance appeals, 2.2, 3.1(2) Filed **ARC 1358C** 3/5/14

ENVIRONMENTAL PROTECTION COMMISSION[567]

NATURAL RESOURCES DEPARTMENT[561]"umbrella"

Water quality certification for reissued regional permit 7 and for other nationwide and regional permits, 61.2(2)"g" Notice **ARC 1370C** 3/19/14

HUMAN SERVICES DEPARTMENT[441]

Family investment program (FIP)—ineligibility period for participants who access benefits at prohibited location, acceptance of insurance, 7.9(6), 40.22, 40.23, 40.27(3), 41.23(5), 41.25(11), 41.27(1), 41.30(3) Notice **ARC 1385C** 3/19/14

State supplementary assistance program—annual adjustments to eligibility and payment levels, 51.4(1), 51.7, 52.1 Filed **ARC 1352C** 3/5/14

Individual assistance grant program, 58.1, 58.2(2), 58.3 to 58.6, 58.7(1) Filed **ARC 1353C** 3/5/14

Iowa health and wellness plan—enrollment for IowaCare members, 74.15 Filed **ARC 1354C** 3/5/14

Health insurance premium payment program, 75.21 Notice **ARC 1368C** 3/5/14

Medicaid—member lock-in, 75.30 Filed **ARC 1355C** 3/5/14

Financial eligibility determinations for family planning services, 75.70, 75.71 Filed **ARC 1356C** 3/5/14

Online training for brain injury (BI) waiver providers; removal of services from monthly cost

limits for certain waivers; removal of age limit for BI waiver, 77.39, 83.22(2), 83.82, 83.102(2), 83.122(6) Notice **ARC 1366C** 3/5/14

Supreme court guidelines—establishment and modification of child support, amendments to

chs 95, 99 Filed **ARC 1357C** 3/5/14

Child care assistance sliding fee schedule, 170.4(2)"a" Notice **ARC 1365C** 3/5/14

INSPECTIONS AND APPEALS DEPARTMENT[481]

Limitations on food activities for assisted living and adult day services programs not licensed

as food establishments, 69.28(6), 70.28(6) Filed **ARC 1376C** 3/19/14

MANAGEMENT DEPARTMENT[541]

Update of department organization and address, amend chs 1, 5 to 8; rescind chs 10, 15
Filed **ARC 1371C**..... 3/19/14

PUBLIC HEALTH DEPARTMENT[641]

State mechanical code, ch 61 Notice **ARC 1364C**..... 3/5/14

REVENUE DEPARTMENT[701]

Motor fuel—penalty for violations, administration, tax rates, distributors’ and dealers’ right
to blend, 10.71, 67.1, 68.2, 68.19 Notice **ARC 1362C**..... 3/5/14
Business property tax credit, 80.30 Filed **ARC 1382C**..... 3/19/14
Reinvestment districts program, ch 237 Notice **ARC 1363C** 3/5/14

SOIL CONSERVATION DIVISION[27]

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]“umbrella”
Financial incentive program for soil erosion control, 10.51, 10.52, 10.60(1)“c” Notice **ARC 1369C** 3/5/14

TRANSPORTATION DEPARTMENT[761]

Permitting of implements of husbandry—manual for bridge evaluation, 181.1(2) Notice **ARC 1350C** 3/5/14
Aviation programs—eligibility; funding; application process; project review, approval, and
administration, amendments to chs 700, 710, 715 to 717 Filed **ARC 1351C** 3/5/14

TREASURER OF STATE[781]

Required public funds custodial agreement provisions, 15.1 to 15.3, 15.5 Notice **ARC 1383C** 3/19/14

UTILITIES DIVISION[199]

COMMERCE DEPARTMENT[181]“umbrella”
Natural gas and electric safety standards, 10.12(1), 10.17, 15.10(1), 19.2(5), 19.5(2),
19.17(2), 20.5(2), 20.19(2), 21.9, 25.2, 25.3(5), 25.5(3), 45.1 Filed **ARC 1359C**..... 3/5/14

VETERINARY MEDICINE BOARD[811]

Veterinary standards of practice, 1.4, 12.1 to 12.5 Notice **ARC 1377C**..... 3/19/14

VOLUNTEER SERVICE, IOWA COMMISSION ON[817]

Retired and senior volunteer program (RSVP), 7.1(1), 7.4(1), 7.5 Notice **ARC 1386C** 3/19/14

VOTER REGISTRATION COMMISSION[821]

Revision of official Iowa voter registration application, 2.16 Filed **ARC 1361C** 3/5/14

WORKFORCE DEVELOPMENT DEPARTMENT[871]

Vacation pay deductible from unemployment, 24.13(3), 24.16(1) Filed **ARC 1367C**..... 3/5/14

ADMINISTRATIVE RULES REVIEW COMMITTEE MEMBERS

Regular, statutory meetings are held the second Tuesday of each month at the seat of government as provided in Iowa Code section 17A.8. A special meeting may be called by the Chair at any place in the state and at any time.

Senator Mark Chelgren
819 Hutchinson
Ottumwa, Iowa 52501

Senator Thomas Courtney
2609 Clearview
Burlington, Iowa 52601

Senator Wally Horn
101 Stoney Point Road, SW
Cedar Rapids, Iowa 52404

Senator Pam Jochum
2368 Jackson Street
Dubuque, Iowa 52001

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2036 East 48th Street
Davenport, Iowa 52807

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Representative Rick Olson
3012 East 31st Court
Des Moines, Iowa 50317

Representative Dawn Pettengill
P.O. Box A
Mt. Auburn, Iowa 52313

Representative Jeff Smith
1006 Brooks North Lane
Okoboji, Iowa 51355

Representative Guy Vander Linden
1610 Carbonado Road
Oskaloosa, Iowa 52577

Brenna Findley
Administrative Rules Coordinator
Governor's Ex Officio Representative
Capitol, Room 18
Des Moines, Iowa 50319
Telephone (515)281-5211

EDUCATIONAL EXAMINERS BOARD[282]

Board decision to set case for hearing, 11.6 IAB 3/19/14 ARC 1378C	Room 3 Southwest, Third Floor Grimes State Office Bldg. Des Moines, Iowa	April 9, 2014 1 p.m.
School administration manager authorization—experience requirement, 22.6(5) IAB 3/19/14 ARC 1379C	Room 3 Southwest, Third Floor Grimes State Office Bldg. Des Moines, Iowa	April 9, 2014 1 p.m.

ENVIRONMENTAL PROTECTION COMMISSION[567]

Water quality certification for reissued regional permit 7 and for other nationwide and regional permits, 61.2(2) IAB 3/19/14 ARC 1370C	Fifth Floor East Conference Room Wallace State Office Bldg. Des Moines, Iowa	April 9, 2014 1 p.m.
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PUBLIC HEALTH DEPARTMENT[641]

State mechanical code, ch 61 IAB 3/5/14 ARC 1364C (ICN Network)	Kelinson Room Public Library Information Center 2950 Learning Campus Dr. Bettendorf, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
	Ottumwa Regional Health Center 1001 E. Pennsylvania Ottumwa, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
	Public Library 529 Pierce St. Sioux City, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
	Iowa Western Community College – 2 923 East Washington Clarinda, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
	Spirit Lake High School 2701 Hill Ave. Spirit Lake, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
	Crestwood High School 1000 4th Ave. East Cresco, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.

The hearing location for Des Moines has been changed to:

Department of Human Services – River Place 2309 Euclid Ave. Des Moines, Iowa	March 25, 2014 11:30 a.m. to 12:30 p.m.
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TRANSPORTATION DEPARTMENT[761]

Permitting of implements of husbandry—manual for bridge evaluation, 181.1(2) IAB 3/5/14 ARC 1350C	First Floor North Conference Room DOT Administration Building 800 Lincoln Way Ames, Iowa	March 27, 2014 2 p.m. (If requested)
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VOLUNTEER SERVICE, IOWA COMMISSION ON[817]

Retired and senior volunteer program (RSVP), 7.1(1), 7.4(1), 7.5 IAB 3/19/14 ARC 1386C	Central First Floor Conference Room Economic Development Authority 200 E. Grand Ave. Des Moines, Iowa	April 8, 2014 9 to 10 a.m.
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The following list will be updated as changes occur.

“Umbrella” agencies and elected officials are set out below at the left-hand margin in CAPITAL letters.

Divisions (boards, commissions, etc.) are indented and set out in lowercase type under their statutory “umbrellas.”

Other autonomous agencies are included alphabetically in SMALL CAPITALS at the left-hand margin.

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ARC 1380C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 15.106A, the Economic Development Authority gives Notice of Intended Action to adopt new Chapter 42, “Iowa Tourism Grant Program,” Iowa Administrative Code.

The rules in Chapter 42 describe the Iowa Tourism Grant Program. The purpose of the Iowa Tourism Grant Program is to promote tourism in Iowa by funding tourism-related marketing initiatives and meetings, events, and professional development efforts that benefit both local economies around the state and the state’s economy. These rules describe the nature and the amount of the grant awards to be made, the program eligibility requirements, the application requirements and process, the scoring process, and the administration of grant contracts under the program.

The Economic Development Authority Board approved these rules at a Board meeting on February 21, 2014.

Interested persons may submit comments on or before April 8, 2014. Comments may be submitted to Shawna Lode, Economic Development Authority, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3090; e-mail shawna.lode@iowa.gov.

These rules do not have any fiscal impact to the state of Iowa.

After analysis and review of this rule making, no impact on jobs has been found.

These rules are intended to implement Iowa Code section 15.106A.

The following amendment is proposed.

Adopt the following **new** 261—Chapter 42:

CHAPTER 42

IOWA TOURISM GRANT PROGRAM

261—42.1(15) Definitions. For purposes of this chapter unless the context otherwise requires:

“*Authority*” means the economic development authority created in Iowa Code section 15.105.

“*Collaborative application*” means an application in which either multiple partners are providing monetary support for the project or multiple partners are actively participating in the project or both.

“*Head applicant*” means the applicant on a collaborative application that is both the recipient of the funds and the administrator of the project.

“*Marketing*” means planning for or implementing efforts to publicize a community, event or destination using a range of strategies, tools and tactics.

“*Meetings, events and professional development*” means the acquisition of or attendance at regional or national tourism-related meetings and conventions; execution of local festivals or similar tourism events that positively impact local and state economies; or execution of local or regional tourism-related education opportunities.

“*Project*” means a tourism-related marketing initiative or a meeting, an event or a professional development effort that benefits both state and local economies.

“*Rural area*” means either a city with a population of 10,000 or less, or a county that is among the 33 least populated in Iowa based on the latest data from the U.S. Census Bureau.

“*Tourism*” means a site or event that attracts people from beyond a 50-mile radius or people who spend the night away from home to visit a site or event.

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

261—42.2(15) Program description.

42.2(1) The authority will accept competitive applications for tourism-related projects in each fiscal year in which funding is available. The authority will award grants to projects based on the criteria described in subrule 42.4(1), and the authority will award grants to projects in a manner designed to prioritize those projects that provide the greatest benefit to state and local economies.

42.2(2) The maximum grant award is \$5,000 per application. The minimum grant award is \$500 per application.

42.2(3) The authority will make awards based on the total amount of funding available each fiscal year. Funds will be awarded as reimbursement for expenditures that are directly related to the implementation of an eligible project.

42.2(4) There are two classes of applications: (1) tourism-related marketing initiatives and (2) event-based applications, which include meetings, events or professional development efforts. An applicant may submit two applications within a class type or one application within each class type but shall not submit more than two applications each fiscal year. If one of the applications submitted by the applicant is a collaborative application, it will be included among the head applicant's total number of allowed applications. An applicant shall not receive more than two awards per fiscal year.

261—42.3(15) Program eligibility and application requirements.

42.3(1) Eligibility. To be eligible under the program, an applicant shall meet all of the following requirements:

a. The applicant must be a tourism-related entity based in the state of Iowa, including a nonprofit or for-profit organization, city, county, or regional government or planning entity.

b. The applicant shall demonstrate an amount of local match equal to at least 25 percent of the amount of grant funds to be received by the applicant under the program. The local match shall be in the form of cash.

c. The applicant shall submit a completed application, including all of the information described in subrule 42.3(2).

d. The applicant shall submit the application on or before the application deadline established in subrule 42.3(3).

42.3(2) Application requirements. When submitting an application for grant funds under the program, an applicant shall include all of the following information:

a. The applicant's name, mailing address, e-mail address, telephone number, contact person, and federal employer identification number. If the application is a collaborative application, the head applicant shall identify itself and provide the names of all partner applicants.

b. A detailed description of the project, including an explanation of how the project either markets tourism in Iowa or is a tourism-related meeting, event or professional development opportunity, and an explanation of how state funds will support the project.

c. Documentation that the grant request is consistent with the cost of implementing the project.

d. Written documentation establishing the amount and source of the required local cash match.

e. Detailed information sufficient to enable the authority to accurately assess the impact and quality of the project described in the application. Such information shall include how the project is part of an overall plan to increase tourism locally and in the state of Iowa.

f. If the applicant is an event, attraction, restaurant or lodging facility, then the applicant must provide verification that the information about the applicant has been updated at or added to the authority's web site, www.traveliowa.com, within the 18 months preceding the application deadline. The authority may waive this requirement at its sole discretion.

42.3(3) Deadlines. The authority will only consider applications received on or before the applicable deadline. The deadline shall be 4:30 p.m. the first Monday in August of each fiscal year unless the authority, at its sole discretion, provides a different deadline for the submission of applications. The authority may provide a different deadline for the program as a whole, but the authority will not change the deadline at the request of any individual applicant. The authority will develop an application

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

process and post all relevant application information, including deadline changes, on its internet site at www.traveliowa.com.

261—42.4(15) Application scoring and approval process.

42.4(1) Scoring criteria. The authority will not review or score an application unless the application meets the requirements and deadlines of rule 261—42.3(15). An application meeting the requirements and deadlines of rule 261—42.3(15) will be given a numerical score between zero and 100. The higher an application's numerical score, the more likely it will receive funding under the program. The criteria used to score the applications and the maximum number of points that may be attributed to each criterion are as follows:

a. Project information: 15 points. The applicant will explain the project, the time line for its creation and implementation and how state funds will support the project. The authority will view favorably information that clearly articulates the project, sets forth a reasonable time line for the project's creation and implementation, and fully describes how state funds will be used to support the project.

b. Tourism industry growth: 15 points. The authority will consider how the project supports the mission of the Iowa tourism office and how the project grows state and local economies. The authority will view favorably applications that are most in line with the mission of the Iowa tourism office and have the most potential to create economic growth.

c. Participation in the tourism industry: 15 points. The authority will view favorably applicants whose representatives are active in the tourism industry. Examples of active participation in the tourism industry include but are not limited to membership in one or more tourism regions; attendance at the Iowa tourism conference; participation in the Iowa tourism office's partnership programs (cooperative and Iowa travel guide advertising); participation in the Travel Federation of Iowa's District Leader Program; and participation in other statewide tourism-related groups such as the Iowa Group Travel Association and Iowa Destination Marketing Alliance.

d. Need: 15 points. The authority will consider the financial need of an applicant and will recognize the importance of funding projects that would not take place without assistance under the program.

e. Quality and strategy: 15 points. The authority will view favorably projects that are part of a broader strategy to increase tourism locally and in the state of Iowa.

f. Local cash match/leveraged funds ratio: 10 points. The authority will consider the proportion of local cash match to the project's total budget and will view favorably applications with the highest ratio of local cash match to the project's total budget.

g. Collaboration: 5 points. The authority will view favorably applications that represent a collaboration of multiple entities.

h. Iowa tourism office recognition: 5 points. Applicants may determine the most appropriate way to recognize the authority's Iowa tourism office for its investment in the project. The authority will view favorably applicants with a well-developed plan to recognize the Iowa tourism office.

i. Population diversity: 5 points. Applications from an applicant based in a rural area, as defined in rule 261—42.1(15), will receive 5 points. Applications from applicants not based in a rural area will receive zero points. If the application is a collaborative application, population diversity will be based on the community of the head applicant.

42.4(2) Approval process. The director of the authority will establish a review committee consisting of members of the Iowa tourism industry. The committee will score all completed applications in accordance with the criteria described in rules 261—42.3(15) and 261—42.4(15) and will use those scores to determine successful applicants. The committee may recommend partial funding of any or all applicants. If, after initially scoring all of the completed applications, the review committee is not able to allocate all the funds available, the authority may allow one or more additional rounds of applications to be submitted and scored. Before the execution of contracts, the authority will provide an award letter for each successful applicant to indicate the applicant's acceptance or rejection of the recommended award amount. If any awards are rejected, the authority may allow one or more additional rounds of applications to be submitted and scored. For each additional round of applications, the authority will

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

follow the same eligibility requirements and use the same scoring criteria as used in earlier rounds. The authority may accept as many rounds of applications for awards as it deems appropriate.

261—42.5(15) Contract administration.

42.5(1) *Notice of approval.* The authority will notify successful applicants in writing of an approved request for funding. Such a notification may include the terms or conditions under which approval is granted.

42.5(2) *Contract required.* Each successful applicant that accepts the recommended award amount shall enter into a contract with the authority. The contract will describe the project that the applicant will institute as described in the application and will include the terms and conditions under which the grant funds will be disbursed. The contract will also include the terms and conditions under which grant funds must be repaid or penalties incurred in the event the grantee does not fulfill all obligations under the contract.

42.5(3) *Contract amendments.* All requests by a grantee for an amendment to the contract will require the approval of the director of the authority. The director will review each such request and approve or deny it. If a request is approved, the grantee and the director will execute a written amendment to the contract. Only a written amendment duly executed by both parties to the contract will be valid and binding.

42.5(4) *Reports required.* Each grantee shall submit a written report to the authority within 60 days of the end of the project completion date, as specified in the contract.

42.5(5) *Record keeping.* Each grantee shall maintain all records necessary for the verification and validation of the proper use of grant funds under the contract and shall submit such records to the authority upon request.

261—42.6(15) Expenses, records, and reimbursements.

42.6(1) *General.* Each grantee shall at all times incur expenses and be reimbursed for such expenses by the authority only as described in this chapter or in a contract executed hereunder. The authority may deny reimbursement for any expenditure not directly related to the implementation of a tourism-related marketing project or a meeting, an event or a professional development project.

42.6(2) *Eligible expenses.* Only expenditures directly related to the implementation of a tourism-related marketing project or a meeting, an event or a professional development project will be reimbursed under the program. Examples of eligible expenses include the following:

a. The costs associated with all phases of the execution of marketing tactics and strategies, including planning and design and production of tools such as advertising, print materials, digital tools and exhibits.

b. The cost to register for a tourism-related regional or national conference.

c. The costs associated with producing or hosting a meeting or training that shares best practices or otherwise provides tourism-related education, including but not limited to payments to speakers, payments to vendors, venue rental, and equipment rental.

d. The costs associated with acquiring a regional or national meeting, including but not limited to bid fees, rights fees, sponsorships, payments to vendors, venue rental, and equipment rental.

e. The costs associated with executing a local event or festival, including but not limited to payments to vendors, payments to speakers or entertainers, venue rental, and equipment rental for new events or existing events in Iowa in order to augment the event.

42.6(3) *Ineligible expenses.* Expenses that are not directly related to the implementation of a tourism-related marketing project or a meeting, an event or a professional development project will be deemed ineligible. Ineligible expenses include but are not limited to solicitation efforts; lobbying fees; items that are purchased for resale; prizes given to participants or event/festival attendees; alcoholic beverages; internships; all travel, meal and lodging costs of applicant staff or the applicant's contractor; projects that receive funding from the authority's regional sports authority district program; marketing programs already subsidized by the authority including, but not limited to, advertising in the Iowa travel guide or participation in the cooperative partnership program; or a project of an Iowa tourism region.

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

42.6(4) *Required records and reimbursements.* A grantee shall submit any records requested by the authority as documentation of the expenditures incurred for implementation of the project. Such records may include invoices, original receipts, or check copies. If a grantee pays an expense using a credit card, the grantee shall submit a copy of a check register or bank statement indicating that the credit card invoice was paid. The authority will not reimburse expenses included on a nonitemized receipt.

42.6(5) *Repayments of certain funds.* If the authority reimburses a grantee for the cost of a refundable bid fee and the grantee is unsuccessful in the effort to win the right to hold that event, then the grantee shall return the amount of such reimbursement to the authority.

42.6(6) *Reallocation of funds.* If, at the time of a grantee's final reporting of expenses, the grantee cannot adequately document eligible expenses or documents an amount that is less than the awarded amount, the authority may award additional funds to other grantees, open additional rounds of applications, or revert the moneys to the general fund. If the authority awards additional funds to other grantees, such grantees shall submit documentation establishing how such funds will be expended, and the authority will execute contract amendments providing for the expenditure of the additional funds.

These rules are intended to implement Iowa Code section 15.106A.

ARC 1378C

EDUCATIONAL EXAMINERS BOARD[282]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 272.2, the Board of Educational Examiners hereby gives Notice of Intended Action to amend Chapter 11, “Complaints, Investigations, Contested Case Hearings,” Iowa Administrative Code.

The proposed amendment states that the Board “may,” rather than “shall,” set a case for hearing if there is probable cause of a violation of the Code of Professional Conduct and Ethics. The proposed amendment also sets forth factors for the Board to consider in determining whether to set a case for hearing.

Any interested person may make written comments or suggestions on the proposed amendment before 4 p.m. on Friday, April 11, 2014. Written comments and suggestions should be addressed to Kim Cunningham, Board Secretary, Board of Educational Examiners, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa 50319-0147, or sent by e-mail to kim.cunningham@iowa.gov, or by fax to (515)281-7669.

Any interested party or persons may present their views either orally or in writing at the public hearing that will be held Wednesday, April 9, 2014, at 1 p.m. in Room 3 Southwest, Third Floor, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa.

At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the proposed amendment. Persons who wish to make oral presentations at the public hearing may contact the Executive Director, Board of Educational Examiners, at the above address, or at (515)281-5849, prior to the date of the public hearing.

Any person who intends to attend the public hearing and requires special accommodations for specific needs, such as a sign language interpreter, should contact the office of the Executive Director at (515)281-5849.

This amendment is subject to waiver pursuant to 282—Chapter 6.

After analysis and review of this rule making, there is no anticipated impact on jobs.

This amendment is intended to implement Iowa Code section 272.2(4).

EDUCATIONAL EXAMINERS BOARD[282](cont'd)

The following amendment is proposed.

Amend rule 282—11.6(272) as follows:

282—11.6(272) Ruling on the initial inquiry. Upon review of the investigator's report, the board may take any of the following actions:

11.6(1) Reject the case. If a determination is made by the board to reject the case, the complaint shall be returned to the complainant along with a statement specifying the reasons for rejection. A letter of explanation concerning the decision of the board shall be sent to the respondent.

11.6(2) Require further inquiry. If determination is made by the board to order further inquiry, the complaint and recommendations by the investigator(s) shall be returned to the investigator(s) along with a statement specifying the information deemed necessary.

11.6(3) Accept the case. If a determination is made by the board that probable cause exists to conclude that the criteria of professional practices or the criteria of competent performance have been violated, notice shall may be issued, pursuant to rule 282—11.7(17A,272), and a formal hearing shall may be conducted in accordance with rules 282—11.7(17A,272) to 282—11.21(17A,272), unless a voluntary waiver of hearing has been filed by the respondent pursuant to the provisions of subrule 11.4(6). In determining whether to issue a notice of hearing, the board may consider the following:

- a. Whether the alleged violation is of sufficient magnitude to warrant a hearing by the board.
- b. Whether there is sufficient evidence to support the complaint.
- c. Whether the alleged violation was an isolated incident.
- d. Whether adequate steps have been taken at the local level to ensure similar behavior does not occur in the future.

11.6(4) Release of investigative report. If the board finds probable cause of a violation, the investigative report will be available to the respondent upon request. Information contained within the report is confidential and may be used only in connection with the disciplinary proceedings before the board.

ARC 1379C

EDUCATIONAL EXAMINERS BOARD[282]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1) "b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 272.2, the Board of Educational Examiners hereby gives Notice of Intended Action to amend Chapter 22, "Authorizations," Iowa Administrative Code.

The proposed amendment adds an experience requirement to convert the initial School Administration Manager authorization to a standard School Administration Manager authorization. This requirement will also include a verification that the applicant has met the competencies and skills verified by the supervising administrator and will align the conversion requirements to the requirements to convert an initial teaching or initial administrator license.

Any interested person may make written comments or suggestions on the proposed amendment before 4 p.m. on Friday, April 11, 2014. Written comments and suggestions should be addressed to Kim Cunningham, Board Secretary, Board of Educational Examiners, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa 50319-0147, or sent by e-mail to kim.cunningham@iowa.gov, or by fax to (515)281-7669.

Any interested party or persons may present their views either orally or in writing at the public hearing that will be held Wednesday, April 9, 2014, at 1 p.m. in Room 3 Southwest, Third Floor, Grimes State Office Building, East 14th Street and Grand Avenue, Des Moines, Iowa.

EDUCATIONAL EXAMINERS BOARD[282](cont'd)

At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the proposed amendment. Persons who wish to make oral presentations at the public hearing may contact the Executive Director, Board of Educational Examiners, at the above address, or at (515)281-5849, prior to the date of the public hearing.

Any person who intends to attend the public hearing and requires special accommodations for specific needs, such as a sign language interpreter, should contact the office of the Executive Director at (515)281-5849.

This amendment is subject to waiver pursuant to 282—Chapter 6.

After analysis and review of this rule making, there is no anticipated impact on jobs.

This amendment is intended to implement Iowa Code section 272.2(1)“a.”

The following amendment is proposed.

Amend subrule 22.6(5) as follows:

22.6(5) *Specific requirements for a standard school administration manager authorization.* The initial school administration manager authorization shall be converted to the standard school administration manager authorization provided the following requirements are met.

a. Training. A school administration manager shall attend an approved training program at the onset of the individual’s hire as a school administration manager. The training for school administration managers is set forth in 281—subrule 82.7(2).

b. Experience. An applicant shall complete one year of experience as a school administration manager in an Iowa school. The supervising administrator shall verify this experience and the applicant’s completion of the required competencies.

~~*c. Competencies.*~~ Applicants shall demonstrate completion of or competency in the following:

(1) Each school administration manager shall demonstrate competence in technology appropriate to the school administration manager position. The school administration manager will:

1. Become proficient in the use of the approved time-tracking software tool;
2. Schedule the administrator’s time using the approved software, update and reconcile the calendar daily, and attempt to pre-calendar the administrator at or above the administrator’s goal; and
3. Regularly schedule, review, and reflect with the administrator on the graphs and data provided through the software.

(2) Each school administration manager shall demonstrate appropriate personal skills. The school administration manager:

1. Is an effective communicator with all stakeholders, including but not limited to colleagues, community members, parents, and students;
 2. Works effectively with employees, students, and stakeholders;
 3. Maintains confidentiality when dealing with student, parent, and staff issues;
 4. Clearly understands the administrator’s philosophy of behavior expectations and consequences;
- and
5. Maintains an environment of mutual respect, rapport, and fairness.

ARC 1370C

ENVIRONMENTAL PROTECTION COMMISSION[567]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 455B.105 and 455B.173, the Environmental Protection Commission hereby gives Notice of Intended Action to amend Chapter 61, “Water Quality Standards,” Iowa Administrative Code.

The proposed amendment will provide water quality certification pursuant to Section 401 of the federal Clean Water Act (33 U.S.C. Section 1341) for the reissuance of the U.S. Army Corps of Engineers’ Regional Permit 7 (RP 7) and its associated conditions. The proposed amendment will also recertify all other listed nationwide and regional permits through the effective date of this rule making.

Section 404 of the Clean Water Act (CWA) requires a permit from the Corps of Engineers for the discharge of dredged or fill materials into the nation’s waters. Section 401 of the CWA requires that before the Corps can issue a Section 404 permit, the state water quality agency must certify that the proposed activity will not violate state water quality standards.

Section 404 authorizes the Corps to issue general permits on a state, regional or nationwide basis for categories of activities where such activities will have minimal adverse effects. The Corps has used its general permit authority to issue a number of nationwide and regional general permits for use in Iowa. General permits, including RP 7, can be issued for a period not exceeding five years, and a state water quality agency must provide Section 401 certification for a Section 404 general permit before the general permit is valid for that particular state. RP 7 authorizes fill material placed in waters of the United States for bridge and road crossings. RP 7 was initially issued in 1979 and has been reissued in 1985, 1989, 1995, 1999, 2002, and 2009. The Commission previously provided Section 401 certification for this regional permit. This permit is referenced in 567—paragraph 61.2(2)“g.”

The Corps issued a public notice of intent to reissue RP 7 with some modifications on July 3, 2013. The Corps revised RP 7 to include information regarding the 2008 EPA/Corps Mitigation Rule and also revised some of the conditions to make them the same as those that would be included in an individual permit for bridge or road crossings. On March 31, 2008, the U.S. EPA and the Corps issued revised regulations governing compensatory mitigation for authorized impacts to wetlands, streams, and other waters of the United States under Section 404 of the Clean Water Act. The regulations are designed to improve the effectiveness of compensatory mitigation to replace lost aquatic resource functions and area, expand public participation in compensatory mitigation decision making, and increase the efficiency and predictability of the mitigation project review process. The 2008 Mitigation Rule is now effective and must be included in the new permit. The Corps is incorporating the Iowa Department of Transportation’s standard temporary bridge and road crossing provision into the permit. The proposed amendment will provide Section 401 certification for the modified RP 7.

The proposed amendment will also recertify all other listed nationwide and regional permits through the effective date of this rule making. In addition to the benefits of the adoption of RP 7, the other nationwide and regional permits also benefit regulated entities by speeding approval times and lowering costs. Because only RP 7 has been revised, there are no additional impacts related to the other nationwide and regional permits that will be reauthorized by this rule making.

Any interested person may file written comments on the proposed amendment on or before April 18, 2014. Written comments or questions regarding the proposed amendment should be directed to Christine Schwake, Iowa Department of Natural Resources, 502 East 9th Street, Des Moines, Iowa 50319-0034; telephone (515)281-6615; fax (515)281-8895; or e-mail christine.schwake@dnr.iowa.gov.

ENVIRONMENTAL PROTECTION COMMISSION[567](cont'd)

Oral and written comments will also be accepted at a public hearing to be held on April 9, 2014, at 1 p.m. in the Fifth Floor East Conference Room of the Wallace State Office Building, East 9th Street and Grand Avenue, Des Moines, Iowa.

The Corps issued a public notice in July 2013 requesting comments by August 1, 2013, on the revised RP 7. No comments were received during the public notice period. The Iowa Department of Transportation had the opportunity to review and comment on the draft RP 7 prior to the Corps' issuance of the public notice with the final version of RP 7.

This proposed amendment is intended to have a positive impact on jobs and small businesses. The Iowa certification of the Corps' nationwide and regional permits will reduce the regulatory burden on permit applicants by allowing these businesses to avoid individual certifications for their projects. The adoption of this proposed amendment will allow transportation projects to proceed more rapidly and should therefore allow more projects to be undertaken and completed, thus boosting economic activity.

This amendment is intended to implement Iowa Code chapter 455B, division III, part 1.

The following amendment is proposed.

Amend paragraph **61.2(2)“g”** as follows:

g. This policy shall be applied in conjunction with water quality certification review pursuant to Section 401 of the Act. In the event that activities are specifically exempted from flood plain development permits or any other permits issued by this department in 567—Chapters 70, 71, and 72, the activity will be considered consistent with this policy. Other activities not otherwise exempted will be subject to 567—Chapters 70, 71, and 72 and this policy. United States Army Corps of Engineers (Corps) nationwide permits 3, 4, 5, 6, 7, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 27, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 48, 49, 50, 51, and 52 as well as Corps regional permits 7, 27, 33, and 34 as promulgated June 20, 2012 revised through [insert effective date], are certified pursuant to Section 401 of the Clean Water Act subject to the following Corps regional conditions and the state water quality conditions:

(1) Side slopes of a newly constructed channel will be no steeper than 2:1 and planted to permanent, perennial, native vegetation if not armored.

(2) Nationwide permits with mitigation may require recording of the nationwide permit and pertinent drawings with the registrar of deeds or other appropriate official charged with the responsibility for maintaining records of title to, or interest in, real property and may also require the permittee to provide proof of that recording to the Corps.

(3) Mitigation shall be scheduled prior to, or concurrent with, the discharge of dredged or fill material into waters of the United States.

(4) For newly constructed channels through areas that are unvegetated, native grass filter strips, or a riparian buffer with native trees or shrubs a minimum of 35 feet wide from the top of the bank must be planted along both sides of the new channel. A survival rate of 80 percent of desirable species shall be achieved within three years of establishment of the buffer strip.

(5) For single-family residences authorized under nationwide permit 29, the permanent loss of waters of the United States (including jurisdictional wetlands) must not exceed 1/4 acre.

(6) For nationwide permit 46, the discharge of dredged or fill material into ditches that would sever the jurisdiction of an upstream water of the United States from a downstream water of the United States is not allowed.

(7) For projects that impact an outstanding national resource water, outstanding Iowa water, fens, bogs, seeps, or sedge meadows, an individual Section 401 Water Quality Certification will be required (Iowa Section 401 Water Quality Certification condition).

(8) For nationwide permits when the Corps' district engineer has issued a waiver to allow the permittee to exceed the limits of the nationwide permit, an individual Section 401 Water Quality Certification will be required (Iowa Section 401 Water Quality Certification condition).

(9) Heavy equipment shall not be used or operated within the stream channel. If in-stream work is unavoidable, it shall be performed in such a manner as to minimize the duration of the disturbance, turbidity increases, substrate disturbance, bank disturbance, and disturbance to riparian vegetation. This

ENVIRONMENTAL PROTECTION COMMISSION[567](cont'd)

condition does not further restrict otherwise authorized drainage ditch maintenance activities (Iowa Section 401 Water Quality Certification condition).

Written verification by the Corps or 401 certification by the state is required for activities covered by these permits as required by the nationwide permits or the Corps, and the activities are allowed subject to the terms and conditions of the nationwide and regional permits. The department will maintain and periodically update a guidance document listing special waters of concern. This document will be provided to the Corps for use in determining whether preconstruction notices should be provided to the department and other interested parties prior to taking action on applications for projects that would normally be covered by a nationwide or regional permit and not require a preconstruction notice under nationwide permit conditions.

ARC 1385C**HUMAN SERVICES DEPARTMENT[441]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 239B.4(6), the Department of Human Services proposes to amend Chapter 7, “Appeals and Hearings,” Chapter 40, “Application for Aid,” and Chapter 41, “Granting Assistance,” Iowa Administrative Code.

These amendments implement policies that allow the Department to establish a new ineligibility period for participants who access Family Investment Program (FIP) benefits with an electronic access card at a prohibited location when:

- (1) The appeal is timely filed within the notice period of the notice of decision establishing the beginning date of the ineligibility period,
- (2) Assistance is continued pending the final decision of the appeal, and
- (3) The Department’s action is affirmed.

Assistance issued pending the final decision of the appeal is not subject to recovery.

This change will standardize how the ineligibility period for participants who access FIP benefits at a prohibited location is applied to participant households.

These amendments also change the name of Form 470-0462 to “Financial Support Application.”

Finally, these amendments remove the requirement that every person in the eligible group apply for and accept health or medical insurance when it is available at no cost or when the cost is paid by a third party. Medicaid removed the requirement that members cooperate with the Health Insurance Premium Payment program (HIPP). The FIP rule was implemented to match Medicaid’s requirement that participants cooperate with HIPP. Since this is no longer a requirement for Medicaid, the Department is removing the requirement.

Any interested person may make written comments on the proposed amendments on or before April 8, 2014. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217). After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 239B.4.

The following amendments are proposed.

HUMAN SERVICES DEPARTMENT[441](cont'd)

ITEM 1. Adopt the following **new** subrule 7.9(6):

7.9(6) Recovery of assistance when a new ineligibility period is established for the use of an electronic access card at a prohibited location. Assistance issued pending the final decision of the appeal is not subject to recovery when a new ineligibility period is established for the use of an electronic access card at a prohibited location. A new ineligibility period pursuant to 441—subrule 41.25(11) shall be established when the department is affirmed in a timely appeal of the establishment of an ineligibility period for the use of an electronic access card at a prohibited location. All of the following conditions shall exist:

- a. The appeal is filed within the timely notice period of the notice of decision establishing the beginning date of the ineligibility period.
- b. Assistance is continued pending the final decision of the appeal.
- c. The department's action is affirmed.

ITEM 2. Amend rule 441—40.22(239B), introductory paragraph, as follows:

441—40.22(239B) Application. The application for the family investment program shall be submitted on the ~~Health and~~ Financial Support Application, Form 470-0462 or Form 470-0466 ~~(Spanish)~~ 0462(S). The application shall be signed by the applicant, the applicant's authorized representative or, when the applicant is incompetent or incapacitated, someone acting responsibly on the applicant's behalf. When both parents, or a parent and a stepparent, are in the home and eligibility is determined on a family or household basis, one parent or stepparent may sign the application and attest to the information for the assistance unit.

ITEM 3. Amend rule 441—40.23(239B), introductory paragraph, as follows:

441—40.23(239B) Date of application. The date of application is the date an identifiable ~~Health and~~ Financial Support Application, Form 470-0462 or Form 470-0466 ~~(Spanish)~~ 0462(S), is received by the department. When an application is delivered to a closed office, it will be considered received on the first day that is not a weekend or state holiday following the day that the office was last open.

ITEM 4. Amend paragraph **40.27(3)“b”** as follows:

b. When the client has completed Form 470-0462 or Form 470-0466 ~~(Spanish)~~ 0462(S), ~~Health and~~ Financial Support Application, for another purpose, this form may be used as the review document.

ITEM 5. Amend paragraph **41.23(5)“b”** as follows:

b. *Attestation of status.* As a condition of eligibility, an attestation of citizenship or alien status shall be made for all applicants and recipients on Form 470-0462 or 470-0462(S), ~~Health and~~ Financial Support Application, or Form 470-2549, Statement of Citizenship Status. Form 470-2881, 470-2881(S), 470-2881(M), or 470-2881(MS), Review/Recertification Eligibility Document, may be used to attest to the citizenship of dependent children who enter a recipient household. Failure to sign a form attesting to citizenship when required to do so creates ineligibility for the entire eligible group. The attestation may be signed by:

- (1) The applicant;
- (2) Someone acting responsibly on the applicant's or recipient's behalf if the applicant or recipient is incompetent or incapacitated; or
- (3) Any adult member of the assistance unit, when eligibility is determined on a family or household basis.

ITEM 6. Adopt the following **new** paragraph **41.25(11)“e”**:

e. A new period of ineligibility shall be established when:

- (1) A recipient timely appeals the notice of decision establishing the ineligibility period,
- (2) Assistance is continued pending the final decision of the appeal, and
- (3) The department's action is affirmed.

Assistance issued pending the final decision of an appeal is not subject to recovery pursuant to 441—subrule 7.9(6).

HUMAN SERVICES DEPARTMENT[441](cont'd)

ITEM 7. Rescind paragraph 41.27(1)“j.”

ITEM 8. Amend subparagraph 41.30(3)“e”(1) as follows:

(1) Families with adults as defined in subrule 41.30(1) who have or are close to having received 60 months of FIP assistance may request a hardship exemption. Requests for the hardship exemption shall be made on Form 470-3826, Request for FIP Beyond 60 Months. In addition, families that have received FIP for 60 months shall complete Form 470-0462 or Form 470-0466 (Spanish) 0462(S), Health and Financial Support Application, as described at rule 441—40.22(239B) as a condition for regaining FIP eligibility. Failure to provide the required application within ten days from the date of the department’s request shall result in denial of the hardship request.

TREASURER OF STATE

Notice—Public Funds Interest Rates

In compliance with Iowa Code chapter 74A and section 12C.6, the committee composed of Treasurer of State Michael L. Fitzgerald, Superintendent of Credit Unions JoAnn Johnson, Superintendent of Banking James M. Schipper, and Auditor of State Mary Mosiman have established today the following rates of interest for public obligations and special assessments. The usury rate for March is 4.75%.

INTEREST RATES FOR PUBLIC OBLIGATIONS AND ASSESSMENTS

74A.2 Unpaid Warrants	Maximum 6.0%
74A.4 Special Assessments	Maximum 9.0%

RECOMMENDED Rates for Public Obligations (74A.3) and School District Warrants (74A.7). A rate equal to 75% of the Federal Reserve monthly published indices for U.S. Government securities of comparable maturities. All Financial Institutions as defined by Iowa Code section 12C.1 are eligible for public fund deposits as defined by Iowa Code section 12C.6A.

The rate of interest has been determined by a committee of the state of Iowa to be the minimum interest rate that shall be paid on public funds deposited in approved financial institutions. To be eligible to accept deposits of public funds of the state of Iowa, a financial institution shall demonstrate a commitment to serve the needs of the local community in which it is chartered to do business. These needs include credit services as well as deposit services. All such financial institutions are required to provide the committee with a written description of their commitment to provide credit services in the community. This statement is available for examination by citizens.

New official state interest rates, effective March 11, 2014, setting the minimums that may be paid by Iowa depositories on public funds are listed below.

TIME DEPOSITS

7-31 days	Minimum .05%
32-89 days	Minimum .05%
90-179 days	Minimum .05%
180-364 days	Minimum .05%
One year to 397 days	Minimum .05%
More than 397 days	Minimum .10%

These are minimum rates only. All time deposits are four-tenths of a percent below average rates. Public body treasurers and their depositories may negotiate a higher rate according to money market rates and conditions.

TREASURER OF STATE(cont'd)

Inquiries may be sent to Michael L. Fitzgerald, Treasurer of State, State Capitol, Des Moines, Iowa 50319.

ARC 1383C**TREASURER OF STATE[781]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 12B.10C, the Treasurer of State hereby gives Notice of Intended Action to amend Chapter 15, “Required Public Funds Custodial Agreement Provisions,” Iowa Administrative Code.

Iowa Code section 12B.10C directs the Treasurer of State to adopt rules in consultation with the Attorney General. These proposed amendments are necessary to comply with law and to reflect changes in market practice.

Any interested person may make written suggestions or comments on these amendments on or before April 8, 2014. Such written comments or suggestions should be directed to Jake Friedrichsen, Iowa Treasurer of State, 1007 E. Grand Avenue, Des Moines, Iowa 50319. E-mail may be sent to Jake.Friedrichsen@iowa.gov.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code chapter 12B.

The following amendments are proposed.

ITEM 1. Amend rule 781—15.1(12B) as follows:

781—15.1(12B) Scope.

15.1(1) Iowa Code section 12B.10C requires the treasurer of state to adopt rules requiring the inclusion in public funds custodial agreements of any provisions necessary to prevent loss of public funds. A As used in this chapter, “public funds custodial agreement” is means any public funds custodial agreement as defined in Iowa Code section 12B.10C as any contractual agreement pursuant to which one or more persons including, but not limited to, investment advisors, investment companies, trustees, agents and custodians, are authorized to act as a custodian of or to designate another person to act as a custodian of public funds or any security or document of ownership or title evidencing public funds investments.

15.1(2) ~~These rules~~ This chapter shall apply to any public unit, as defined in 781—Chapter 13, which uses a public funds custodial agreement for or relating to the investment of public funds. Public As used in this chapter, “public funds” are means public funds as defined in Iowa Code section 12C.1(2)“b” as moneys of the state or a political subdivision or instrumentality of the state including a county, school corporation, special district, drainage district, unincorporated town or township, municipality, or municipal corporation or any agency, board, or commission of the state or a political subdivision; any court or public body noted in Iowa Code section 12C.1(1); a legal or administrative entity created pursuant to Iowa Code chapter 28E; or an electric power agency as defined in Iowa Code section 28F.2.

15.1(3) ~~A public unit may only enter into a contractual arrangement pursuant to which a person is authorized to act as a custodian of public funds or any security or document of ownership or title evidencing public funds investments (including the safekeeping of investments owned by a public unit) if that person is the trust or safekeeping department of a national or state bank located in the state of Iowa that lawfully possesses and exercises fiduciary powers under applicable federal laws or the laws of the state of Iowa public funds custodial agreement if the custodian is a state or national bank that is located~~

TREASURER OF STATE[781](cont'd)

~~in the state of Iowa and has a safekeeping or trust department. Provided, however Notwithstanding the foregoing,~~ the treasurer of state may exercise its discretion under Iowa Code section 12C.4 to enter into public funds custodial agreements with a custodian located outside the state of Iowa ~~that lawfully possesses and exercises fiduciary powers under applicable federal or state laws.~~ Each public unit whose ~~investments involve the use of that enters into~~ a public funds custodial agreement shall require the inclusion in the public funds custodial agreement those provisions contained in rule 781—15.2(12B) of this chapter ~~or substantially equivalent provisions.~~

~~15.1(4) Investments of public~~ Public funds that are invested under the provisions of a resolution or indenture for the issuance of bonds, notes, certificates, warrants, or other evidences of indebtedness are not subject to ~~these rules this chapter.~~

~~15.1(5) This chapter does not apply to those entities described in Iowa Code section 12B.10C(4) or to any other entities that may otherwise be exempted by law. The public safety peace officers' retirement system governed by Iowa Code chapter 97A, the Iowa public employees' retirement system governed by Iowa Code chapter 97B, investments by the Iowa finance authority governed by Iowa Code chapter 16, the state fire and police retirement system governed by Iowa Code chapter 411, and the judicial retirement system governed by Iowa Code chapter 602, article 9, are not subject to these rules. These rules also do~~ This chapter does not apply to public funds custodial agreements entered into by the treasurer of state when such agreements are on behalf of any of the entities specified in this section the aforementioned entities.

~~15.1(6) These rules do~~ This chapter does not apply to custodial agreements between an open-end management investment company registered with the federal Securities and Exchange Commission under the federal Investment Company Act of 1940, 15 U.S.C. Sec. 80(a) and a custodian bank.

~~15.1(7) These rules do~~ This chapter does not apply to any custodial agreements entered into by a public unit or the treasurer of state for the purposes of securing public funds deposits under Iowa Code chapter 12C.

~~15.1(8) These rules do~~ This chapter does not apply to Treasury Direct accounts established by a public unit with a federal reserve bank for the purpose of making direct purchases of United States Treasury bills, notes or bonds.

ITEM 2. Amend rule 781—15.2(12B) as follows:

781—15.2(12B) Required provisions for inclusion in public funds custodial agreements. All public funds custodial agreements shall be in writing and shall include the following provisions:

~~15.2(1) The custodian shall represent and warrant that it lawfully possesses and exercises fiduciary powers under applicable federal laws or the laws of the state of Iowa, unless such a custodian is located out of state and is used by the treasurer of state for purposes permitted in Iowa Code section 12C.4, and that it has the resources and expertise to act as the custodian of public funds or any security or document of ownership or title evidencing public funds investments and to perform its responsibilities under the public funds custodial agreement.~~

~~15.2(2) The scope of duties and services to be performed by the custodian shall be described in detail satisfactory to the public unit and shall include, as applicable, custodial, settlement, collection of income and investment proceeds, reporting, and securities valuation services.~~

~~15.2(3) The custodian shall agree to provide the public unit with receipts, advices or other written confirmation or acknowledgment of its custody, on behalf of the public unit, of all assets delivered to it for the account of the public unit and subject to the public funds custodial agreement.~~

~~15.2(4) The custodian shall agree to segregate the public funds fund's assets separate from bank the custodian's own assets and to maintain records adequate to describe the fiduciary capacity of the custodian and the public unit's ownership of or beneficial interest in the assets by the public unit held by the custodian.~~

~~15.2(5) The custodian shall agree to maintain adequate records regarding a description of the assets, all receipts, deliveries and locations of the assets, together with a current inventory thereof, all purchases and sales, all receipts and disbursements of cash and all debits and credits pertaining to transactions relating to the assets, including but not limited to interest payments. The custodian shall agree to conduct~~

TREASURER OF STATE[781](cont'd)

periodic inspections in order to verify the accuracy of the inventory, including the securities, if any, held by a subcustodian.

~~15.2(6)~~ 15.2(5) The custodian shall agree that all records of investment transactions, documentation, orders and reports, whether in written or machine-readable form, relating to the public funds custodial agreement and the services provided thereunder, regardless of who performs the services, shall be considered records of the public unit and open to inspection and examination by the public unit, its employees and its designees. To the extent records are maintained by others, the custodian shall agree to obtain from the other person an identical right to examination and inspection of the records and to obtain the information and records upon request of the public unit and to enforce its rights in order to obtain any records held by another person. The custodian shall agree to make all such records available upon reasonable request for inspection and audit by the public unit, its employees or designees, and to allow these records or excerpts of these records to be copied and removed to facilitate the audit or to comply with public records requirements to maintain and make available to the public unit, its employees and its designees accurate, current, and complete records that sufficiently and properly document the custodian's performance under the public funds custodial agreement, including records that document all fees and other amounts charged and all transactions occurring during the term of the agreement. The custodian shall, at a minimum, agree to allow the public unit or its designees, at no charge, to access, examine and audit any directly pertinent records of the custodian relating to or created as a result of the public funds custodial agreement.

~~15.2(7)~~ 15.2(6) If the custodian proposes to use a subcustodian or other agent to perform any services in connection with the public funds custodial agreement, the custodian shall agree that it shall be responsible for the acts or omissions of any subcustodians or other agent used as though the acts and omissions of any subcustodian or agent were the acts and omissions of the custodian to take appropriate action to recover losses incurred by the public unit as a result of the acts or omissions of any subcustodian.

~~15.2(8)~~ 15.2(7) The custodian shall agree that it will receive all assets purchased by or for the public unit from the persons through or from whom the same were purchased, and only upon receipt thereof (delivery versus payment basis) pay, out of assets held on account of the public unit, the total amount payable on the purchase as set forth in the instructions received by the custodian settle all transactions on a payment-versus-delivery settlement basis except those specifically exempted in the agreement or unless such settlement is not market practice or unless otherwise directed by the public unit. The custodian shall agree to secure possession of all investment instruments that are the subject of or are the underlying obligations for any repurchase agreement.

~~15.2(9)~~ The custodian shall agree that it will transfer assets for sale pursuant to instructions delivered to the custodian only upon receipt of the total amount payable to the public unit in connection with the settlement of the transaction, provided that the same conforms to the total amount payable to the public unit as shown in the instructions with respect to such sale. No assets may be delivered out of the account of the public unit without full payment (no "free deliveries" of investment securities shall be permitted).

~~15.2(10)~~ 15.2(8) If a public unit has engaged an investment advisor or investment manager, the public funds custodial agreement must limit the authority of the investment manager or advisor to authorizing a sale or purchase of an investment on a delivery versus payment basis pursuant to an instruction procedure which is consistent with the requirements of the public funds custodial agreement and the internal control policies of the public unit. The public funds custodial agreement shall not permit an investment manager or investment advisor to deliver, transfer, or move cash or securities to another account, location or entity.

~~15.2(11)~~ 15.2(9) The delivery, transfer or movement of cash or securities held in custody for the public unit (except for trades on a delivery versus payment basis) shall only be made pursuant to instructions given to the custodian by the treasurer of the public unit, or other employees designated by the treasurer its employees or designees, consistent with the internal controls established by the public unit.

~~15.2(12)~~ 15.2(10) The public funds custodial agreement shall specify in satisfactory detail the procedures for instructions to be furnished to the custodian in connection with the sales or purchases of

TREASURER OF STATE[781](cont'd)

securities and the delivery, transfer or movement of cash or securities held in the custody account. The instruction provisions must be consistent with the internal control policies established by the public unit. ~~At a minimum, these~~ These procedures must ~~certify~~ specify the individual or individuals authorized to issue instructions, the scope of their authority, require current specimen signatures of authorized individuals to be maintained by the custodian and require written instructions to be furnished to the custodian. If oral instructions are permitted, the procedures or protocol for them must be specified in detail and must address verification and confirmation procedures and follow-up written instructions required by the custodian and the public unit.

~~15.2(13)~~ 15.2(11) ~~At a minimum, the~~ The public funds custodial agreement shall require the custodian to furnish ~~the following reports to the public unit:—A~~ a monthly report describing in satisfactory detail the inventory of the account and transaction history during the preceding month; ~~and other reports at such times as may be adequate to satisfy the public unit's internal control procedures for reconciliation; and written notice to the public unit within 30 days of receipt of all communications from the person performing the audit of the custodian or any regulatory authority of a material weakness in internal control structure, or regulatory orders or sanctions against the custodian, with regard to the services being performed under the public funds custodial agreement.~~ In addition, the custodian shall, to the extent not prohibited by law, provide written notice to the public unit (within a time period acceptable to the public unit) of the custodian's receipt of an audit by an independent or internal auditor or regulatory authority which indicates that there is a material weakness in the custodian's internal control structure or receipt of a regulatory order or sanction which relates to the type of work performed under the public funds custodial agreement. The custodian shall include in the written notice a detailed description of the comment or sanction and any curative measures which the custodian proposes to take in response thereto.

~~15.2(14)~~ The custodian shall agree to furnish to the public unit the audited financial statements and related report on internal control structure as required by Iowa Code section 11.6(1) "b"(2) as amended and recodified from time to time.

~~15.2(15)~~ 15.2(12) The public funds custodial agreement shall not provide for the compensation of the custodian based on investment performance.

~~15.2(16)~~ 15.2(13) The custodian shall agree to comply with all applicable federal, state, and local laws and regulations and all applicable laws and administrative rules of the state of Iowa, including all amendments to laws, regulations and rules adopted following the execution and delivery of the when performing within the scope of the public funds custodial agreement at any time during the term of the public funds custodial agreement.

~~15.2(17)~~ The public funds custodial agreement shall require that all investments shall be made in accordance with the laws of the state of Iowa, as then in effect.

~~15.2(18)~~ 15.2(14) At a minimum, the custodian shall agree to exercise the standard of care expected of a prudent professional custodian of public funds in holding, maintaining and servicing the securities public fund's assets and cash and in performing the custodian's duties and obligations under the public funds custodial agreement.

~~15.2(19)~~ The provisions described in these rules shall not be limited or avoided by other contractual provisions in the public funds custodial agreement.

~~15.2(20)~~ Any provisions limiting the liability of the custodian shall not relieve the custodian of liability as a result of its own negligence, lack of good faith or willful misconduct.

~~15.2(21)~~ If the custodian intends to perform services pursuant to the public funds custodial agreement in its safekeeping department, the custodian shall represent and warrant that it performs similar services for other customers in its safekeeping department.

ITEM 3. Amend rule 781—15.3(12B) as follows:

781—15.3(12B) Optional provisions which public units should consider. The provisions set forth in rule 781—15.2(12B) are minimum requirements and are not exclusive. A public unit should determine whether the services performed by the custodian (except for any custodian hired by the treasurer of state pursuant to Iowa Code section 12C.4) pursuant to the public funds custodial agreement will be performed

TREASURER OF STATE[781](cont'd)

in the safekeeping department or the trust department and, based upon the advice of its counsel, should also consider other appropriate or more favorable provisions that may customarily be included in a public funds custodial agreement. Such things include, but are not limited to: additional representations and warranties; agreements or covenants pertaining to insurance and fidelity bond of the custodian and its employees; permitted use of subcustodians; adequate description of fees and expenses and billing procedures; the requirement of additional reports, including advices of transactions; conditions to the effectiveness of the public funds custodial agreement regarding deliveries of related documents and certificates; a higher standard of care; the ability of the public unit to terminate the public funds custodial agreement on a short-term basis without cause; and indemnification and default provisions, including recovery of attorneys' fees.

ITEM 4. Amend rule 781—15.5(12B) as follows:

781—15.5(12B) Implementation deadline. Public units shall have until ~~January 31, 1993~~ July 1, 2015, to incorporate the required provisions contained in rule 781—15.2(12B) into existing public funds custodial agreements. Any new public funds custodial agreement executed after the effective date of these rules shall contain the provisions of rule 781—15.2(12B).

ARC 1377C

VETERINARY MEDICINE BOARD[811]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 169.5, the Board of Veterinary Medicine hereby gives Notice of Intended Action to amend Chapter 1, “Description of Organization and Definitions,” and Chapter 12, “Standards of Practice,” Iowa Administrative Code.

The proposed amendments revise veterinary standards of practice in Chapter 12 by expanding the current veterinary requirements for the prescription of drugs and controlled substances and the storage and dispensing of controlled substances. In addition, the proposed amendments provide additional veterinary requirements for the use of diagnostic imaging, administration of anesthesia, safety and sanitation in veterinary facilities, proper disposal of waste materials, use of sterile surgical equipment, veterinary facility standards, and veterinary practice record keeping.

Any interested person may make written suggestions or comments on the proposed amendments on or before April 8, 2014. Written comments should be addressed to Dr. David Schmitt, State Veterinarian, Wallace State Office Building, 502 E. 9th Street, Des Moines, Iowa 50319. Comments may be submitted by fax to (515)281-4282 or by e-mail to David.Schmitt@IowaAgriculture.gov.

The proposed amendments are subject to the Board’s general waiver provision.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code chapters 169 and 272C.

The following amendments are proposed.

ITEM 1. Adopt the following **new** definitions in rule **811—1.4(17A,169)**:

“*Client*” means the patient’s owner, owner’s designee, or other person responsible for the patient.

“*Client consent*” requires that the veterinarian inform the client of the reasonable and usual diagnostic and treatment options available and provide an assessment of the risks and benefits of such choices, the prognosis and an estimate of the fees expected for the provision of services. The consent of the client shall be provided in verbal or written form prior to initiation of diagnostic and treatment procedures and shall be documented in the medical record by the veterinarian or staff. The client shall

VETERINARY MEDICINE BOARD[811](cont'd)

indicate that the client's questions have been answered to the client's satisfaction and that the client consents to the recommended treatments or procedures.

"Patient" means an animal or group of animals examined or treated by a veterinarian.

ITEM 2. Amend rule 811—12.1(169) as follows:

811—12.1(169) Prescription drugs and restricted immunization products Veterinary practice standards. ~~A drug or immunization product intended for veterinary use where state or federal law restricts this drug or immunizing product to use by or under the order of a licensed veterinarian, shall only be sold or distributed to, or on the order of, a licensed veterinarian, to be used in the course of the veterinarian's professional practice.~~

~~12.1(1) The order for all such drugs or immunizing products shall be accompanied by the veterinarian's original prescription which should show the quantity of the product, the number of times the prescription can be refilled, the veterinarian's name, address and telephone.~~

~~12.1(2) A prescription veterinary product shall not be deemed to be used "in the course of the veterinarian's professional practice" unless the veterinarian is supervising the use of the product or a veterinarian/client/patient relationship exists.~~

~~12.1(3) 12.1(1) The board shall determine, on a case-by-case basis, if a valid veterinarian/client/patient relationship exists. The board may consider, among other items, the following criteria~~ This relationship shall be deemed to exist when all of the following criteria have been met:

~~a. The veterinarian has assumed the responsibility for making medical judgments regarding the health of the animal(s) patient and the need for medical treatment, and the client (owner or other caretaker) has agreed to follow the instructions of the veterinarian; and when~~

~~b. There is~~ The veterinarian has sufficient knowledge of the animal(s) by the veterinarian patient to initiate at least a general or preliminary diagnosis of the medical condition of the animal(s) patient. This Sufficient knowledge means that the veterinarian has recently seen and is personally acquainted with the keeping and care of the animal(s) patient by virtue of an examination of the animal(s); patient or by medically appropriate and timely visits to the premises where the animal(s) patient is kept; and when

~~c. The practicing veterinarian is readily available or provides~~ for follow-up in case of adverse reactions of or failure of the regimen of therapy.

~~12.1(2) Both the veterinarian and the client have the right to establish or decline a valid veterinarian/client/patient relationship. Once the veterinarian and the client have agreed and entered into a relationship, and the veterinarian has begun patient care, the veterinarian may not neglect the patient and must continue to provide professional services related to the patient's injury or illness within the previously agreed limits. As subsequent needs and costs for patient care are identified, the veterinarian and client must confer and reach agreement on the continued care and responsibility for fees. If the informed client declines future care or declines to assume responsibility for the fees, the relationship may be terminated by either party.~~

~~12.1(3) If no ongoing medical condition exists, a veterinarian may terminate a valid veterinarian/client/patient relationship by notifying the client that the veterinarian no longer wishes to serve that patient and client. However, if an ongoing medical or surgical condition exists, the patient should be referred to another veterinarian for diagnosis, care, and treatment and the former attending veterinarian should continue to provide care as needed during the transition.~~

ITEM 3. Amend rule 811—12.2(169) as follows:

811—12.2(169) Extra-label use of veterinary drugs and immunization products Controlled substances, prescription medications and restricted immunization products. When state or federal law restricts a medication or immunization product intended for use by or on the order of a veterinarian, the veterinarian shall sell, distribute, or order the medication only in the course of the veterinarian's professional practice. A prescription veterinary medication or immunization product

VETERINARY MEDICINE BOARD[811](cont'd)

shall not be deemed to be used “in the course of the veterinarian’s professional practice” unless a valid veterinarian/client/patient relationship exists.

12.2(1) Prescriptions. The order for all such medications or immunization products shall be accompanied by the veterinarian’s original prescription that shows the following:

- a. Veterinarian’s name, address and telephone number;
- b. Client’s name;
- c. Patient’s name or identification;
- d. Date issued;
- e. Medication or product name, strength, and quantity;
- f. Directions for use;
- g. Number of times the prescription may be refilled;
- h. Expiration date of the medication or product; and
- i. Applicable withdrawal period (paragraph 12.2(2) “d”) for livestock and poultry.

12.2(2) Extra-label use of veterinary drugs and immunization products. Any extra-label use of veterinary drugs and immunization products shall be by or under the order of a licensed veterinarian only and shall be subject to the following criteria:

12.2(1) a. There shall be a veterinarian-/client-/patient relationship as defined in subrule ~~12.1(3)~~ 12.1(1).

12.2(2) b. For ~~drugs~~ medications used in ~~animals~~ patients not intended for food, one of the following applies:

- (1) ~~there~~ There are no marketed ~~drugs~~ medications and immunization products specifically labeled for the ~~conditions~~ condition(s) diagnosed;
- (2) The approved product is clinically ineffective; or
- (3) ~~in~~ In the veterinarian’s clinical judgment, the labeled dosage is inappropriate for the condition or the extra-label use should result in a better outcome for the patient.

12.2(3) c. The health of the treated ~~animal(s)~~ patient is immediately threatened, and suffering or death would result from a failure to treat the affected ~~animal(s)~~ patient.

12.2(4) d. Appropriate withdrawal ~~times~~ period shall be specified when the ~~veterinary~~ medications or immunization products are used in animals intended as food. Extra-label drug use in food-producing animals must follow Food and Drug Administration - Animal Medicinal Drug Use Clarification Act regulations (21 Code of Federal Regulations 530). Veterinarians are encouraged to consult the Food Animal Residue Avoidance Databank (FARAD) or public peer-reviewed documents when determining appropriate withdrawal period.

ITEM 4. Amend rule 811—12.3(169) as follows:

811—12.3(169) Prescription medication labeling and packaging. A licensed veterinarian shall comply with all of the following requirements for the storage, handling, dispensing, and administering of medication:

12.3(1) ~~The veterinarian shall maintain all controlled substances in compliance with state and federal requirements. All prescription medications and controlled substances must be purchased, maintained, handled, prescribed and dispensed in compliance with state and federal requirements including but not limited to the requirements of the Iowa board of pharmacy, the U.S. Occupational Safety and Health Administration, the U.S. Department of Agriculture, the U.S. Food and Drug Administration, the U.S. Environmental Protection Agency and the U.S. Drug Enforcement Agency. A valid veterinarian/client/patient relationship must be established before prescription medications may be dispensed or a prescription released. All medications administered, prescribed or dispensed must be documented in the patient’s medical record. The sale of veterinary prescription medications or the extra-label use of any medication or product by a veterinarian without a valid veterinarian/client/patient relationship is not permissible.~~

12.3(2) ~~All medications that are dispensed from a container other than the original container shall be placed in a child-resistant container unless otherwise requested by the owner or unless the medication is in a form or size that cannot be easily dispensed in a child-resistant container.~~

VETERINARY MEDICINE BOARD[811](cont'd)

~~12.3(3)~~ **12.3(2)** All medications dispensed shall be labeled with the following information:

- a. Name, telephone number, and address of the veterinary clinic, hospital, or service facility.
- b. Name of the prescribing licensed veterinarian.
- c. Date on which the prescription is dispensed.
- d. Directions for use, including any cautionary statements and withdrawal times when appropriate.
- e. ~~Name and species~~ Species of the patient.
- f. Name, or identification, or location of the patient.
- ~~f. g.~~ Name of the owner.
- ~~g. h.~~ Name, strength, and dosage form of the medication. If the medication is a compounded product, all active ingredients must be listed on the label, with corresponding strengths or concentrations of each ingredient.
- ~~h. i.~~ Number of units dispensed.
- ~~i. j.~~ Expiration date. If the medication is a compounded product with no assigned expiration date, the veterinarian shall determine a beyond-use date as supported by the literature or by the veterinarian's professional judgment when no such supportive information exists.
- ~~j. k.~~ Appropriate withdrawal times period for livestock or poultry, when the animal patient or its product is intended as food.

~~12.3(4)~~ **12.3(3)** All medications dispensed in the original container shall retain the original label and, in addition, shall be labeled with the same information as required in subrule ~~12.3(3)~~ 12.3(2).

12.3(4) All medications that are dispensed in a container other than the original container shall be placed in a tamper-resistant container unless otherwise requested by the owner or unless the medication is in a form or size that cannot be easily dispensed in a tamper-resistant container.

12.3(5) Medications which have expired shall be removed from current inventory and shall not be dispensed or sold. Expired medications shall be disposed of in accordance with local, state and federal regulations.

12.3(6) Medications shall be dispensed only for specific animals and for specific veterinary medical therapies with the exception of groups of similar animals and other groups such as pet fish, kennels, and catteries for which dispensing shall be done judiciously within a valid veterinarian-/client-/patient relationship.

ITEM 5. Adopt the following new rules 811—12.4(169) and 811—12.5(169):

811—12.4(169) Veterinary medical records.

12.4(1) *Controlled substances records.* The veterinarian must maintain a controlled substance log which contains complete, accurate and readily retrievable records of all controlled substances possessed, administered, or dispensed.

- a. Each record of a controlled substance which is dispensed must meet all U.S. Drug Enforcement Administration and Iowa board of pharmacy regulations for the controlled substances log.
- b. Each log record must include the following information:
 - (1) Name or identification of the patient.
 - (2) Client's name and address, if not readily available from the veterinarian's records.
 - (3) Name, strength and quantity of the controlled substance dispensed.
 - (4) Date on which the controlled substance was dispensed.
 - (5) Initials of the dispensing veterinarian or authorized auxiliary.
 - (6) Name of the prescribing veterinarian.
- c. All controlled substances must be kept in a locked storage area, and access to the storage area must be restricted pursuant to state and federal laws and regulations.
- d. Each package or container in which a controlled substance is stored or dispensed must be clearly labeled pursuant to the requirements set forth in state and federal laws and regulations.
- e. Each package or container in which a controlled substance is stored or dispensed must comply with all state and federal packaging requirements and with rule 811—12.2(169).

12.4(2) *Patient records.* Veterinary medical records are an integral part of veterinary care. Medical records are the property of the veterinarian, the practice and/or the practice owner. Each veterinarian

VETERINARY MEDICINE BOARD[811](cont'd)

shall maintain for at least five years an easily retrievable record for each patient that receives veterinary services. The record must be available for inspection by the client during normal business hours. The information within veterinary medical records is privileged and confidential and shall not be released except by court order, a public health emergency or consent of the client. The veterinarian in charge shall provide a copy of the complete record to the client not later than two business days after the veterinarian or practice receives from the client a request for the record. A veterinarian or veterinary practice may have an additional three business days to provide a copy of nondigital diagnostic images. The veterinarian may charge reasonable and customary fees for the copying of records.

a. Records required for patients defined as “livestock” in Iowa Code section 717.1(4) include the following:

- (1) Name, address and telephone number of the client.
- (2) Name or identity of the patient, pen, herd, flock, or group, including the identification number, if any.
- (3) Date of service.
- (4) Documentation of client consent.
- (5) Diagnosis or condition at the beginning of treatment of the patient, including results of tests.
- (6) Procedures/indications.
- (7) Name of medication and treatment administered indicating dosage, frequency and route of administration.
- (8) Withdrawal period.
- (9) Record of diagnostic images taken.
- (10) Name of attending veterinarian.

b. Records required for other patients include the following:

- (1) Name, address and telephone number of the client.
- (2) Name and identity of the patient, including the identification number, if any.
- (3) Date of birth (or estimated age), sex, species and breed of patient.
- (4) Dates of care, custody or treatment of the patient.
- (5) A history of the patient’s condition as it pertains to the patient’s medical status.
- (6) Documentation of client consent.
- (7) Diagnosis or condition at the beginning of treatment of the patient, including results of tests and body weight.
- (8) Surgery record, including preanesthesia medication, anesthesia, and the procedure performed.
- (9) Name of medication and treatment administered indicating dosage, frequency and route of administration.
- (10) Progress and disposition of the case.
- (11) Record of diagnostic images taken.
- (12) Name of attending veterinarian.

12.4(3) Diagnostic images.

a. Each diagnostic image must be identified with the following information:

- (1) The name of the veterinarian or facility that took the diagnostic image.
- (2) The name or identifying number, or both, of the patient.
- (3) The name of the client.
- (4) The date on which the diagnostic image was taken.
- (5) The anatomical orientation depicted by the diagnostic image.

b. Diagnostic images must be retained for at least five years.

c. A diagnostic image of the patient or a copy must be released, upon the written or verbal request, to another veterinarian who has the authorization of the client. Original diagnostic images shall be returned in a reasonable time.

12.4(4) General anesthesia. General anesthesia is a condition caused by the administration of a drug or combination of drugs sufficient to produce a state of unconsciousness or dissociation and blocked response to a given pain or alarming stimulus. The following standards relating to general anesthesia must be adhered to:

VETERINARY MEDICINE BOARD[811](cont'd)

- a. Within 12 hours prior to the administration of a general anesthetic, the patient must receive a physical examination, with the results noted in the patient's medical records.
- b. The patient under general anesthesia must be under observation for a length of time appropriate to the species for the patient's safe recovery.
- c. The veterinarian must provide a method of respiratory monitoring that may include observing the patient's chest movements, observing the rebreathing bag, or using a respirometer.
- d. The veterinarian must provide a method of cardiac monitoring which may include the use of a stethoscope or electrocardiograph monitor.

811—12.5(169) Veterinary facilities.

12.5(1) Facility standards. The following standards shall apply to all facilities used by a veterinarian to provide veterinary services.

a. *Facilities for treatment or hospitalization.* In a facility where patients are examined and retained for treatment or hospitalization, the following must be provided:

- (1) An examination room, separate from the reception room or office, with sufficient size to accommodate the veterinarian, assistant, patient and client.
- (2) Nonporous tabletops, countertops and floor coverings which can be adequately cleaned and disinfected.
- (3) The ability to house patients separately and maintain sanitary conditions.
- (4) Appropriate separation of patients with known or suspected infectious and contagious diseases from patients not known to have such diseases in a manner that reasonably guards against transmission of disease.
- (5) Provision for daily exercise of patients unless the primary enclosure is of sufficient size to provide exercise.
- (6) Exercise areas that are cleaned a minimum of once in each 24-hour period and more frequently as may be necessary to reduce disease hazards and odors.
- (7) A sanitary area for performing surgeries under sterile conditions. If sterile surgical procedures are performed on the premises, the veterinarian must maintain the following at all times:
 1. Appropriate sterile surgical packs including drapes, sponges and instrumentation for use in each procedure.
 2. For each sterile surgical procedure, equipment sterilized and surgical packs properly prepared for sterilization sufficient to kill microorganisms.
 3. Clean attire, masks, and gloves for use in any sterile procedure.
- (8) Oxygen and equipment necessary to administer oxygen to the types of patients treated in the facility.
- (9) Capability to provide diagnostic radiological images in the facility or through an outside facility.
- (10) Provision for laboratory and pharmaceutical services in the facility or through another commercial facility.

b. *Facilities for services.* Veterinary service facilities where patients are only examined and/or provided vaccinations must provide the following:

- (1) An examination room, separate from the reception room or office, with sufficient size to accommodate the veterinarian, assistant, patient and client.
- (2) Nonporous tabletops, countertops and floor coverings which can be adequately cleaned and disinfected.
- (3) A secure and sanitary area for the storage of instruments and medications.
- (4) Cooling/heating equipment for the storage of medications and immunization products.
- (5) Capability to provide diagnostic radiological images in the facility or through an outside facility.
- (6) Provision for laboratory and pharmaceutical services in the facility or through another commercial facility.

c. *Mobile clinics.* Mobile clinics are self-contained units for small animal, nonlivestock or nonpoultry patients and shall be equipped with the following:

- (1) Hot and cold water.

VETERINARY MEDICINE BOARD[811](cont'd)

(2) Nonporous tabletops, countertops and floor coverings which can be adequately cleaned and disinfected.

(3) An adequate power source for diagnostic equipment.

(4) A collecting tank for disposal of waste materials.

(5) Adequate lighting.

(6) Adequate heating, cooling and ventilation.

(7) Sterile instrumentation which meets the requirements of the level of surgery to be performed.

(8) Separate compartments for the transportation or holding of patients.

(9) A secure and sanitary area for the storage of instruments and medications.

(10) Cooling/heating equipment for the storage of medications and immunization products.

d. House/farm call units. House/farm call units are not self-contained units and must be equipped with or have access to all of the following:

(1) Water.

(2) Cooling/heating equipment for the storage of medications and immunization products.

(3) A secure and sanitary area for the storage of instruments and medications.

e. Emergency veterinary hospitals. "Emergency veterinary hospital" means an animal hospital which provides emergency treatment to an ill or injured patient. Any facility advertising as an emergency facility shall have a veterinarian and appropriate support staff on the premises during the hours of operation. Any facility which advertises using phrases similar or identical to "24-hour emergency veterinary hospital," "Emergency," "Open 24 hours," or "Day or night care" must have treatment services continuously available.

12.5(2) Safety and sanitation standards. A veterinary facility must have a safe and sanitary environment that:

a. Protects the health of the patients and guards against the transmission of infection.

b. Provides for proper routine disposal of waste materials in compliance with all applicable local, state, and federal laws and regulations and for proper disposal of hypodermic devices, sharps and biomedical waste. Any person who is authorized to use hypodermic devices and sharps shall dispose of them in accordance with applicable local, state and federal regulations. Biomedical waste should be disposed of in accordance with applicable local, state and federal regulations.

c. Provides for proper sterilization or sanitation of all equipment used in diagnosis, treatment or surgery.

d. Ensures the maintenance of proper temperature and ventilation of the indoor facility.

e. Provides adequate lighting appropriate for the task being performed.

f. Includes legal and sanitary methods for the disposal or storage of deceased patients.

g. Meets the standards for radiological procedures as set by the Iowa department of public health.

12.5(3) Resources. A library of current journals or textbooks, or Internet access which provides readily accessible reference materials shall be available.

ARC 1386C**VOLUNTEER SERVICE, IOWA COMMISSION ON[817]****Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code chapter 15H and section 17A.3 and Executive Order 48, the Iowa Commission on Volunteer Service hereby gives Notice of Intended Action to amend Chapter 7, "Retired and Senior Volunteer Program (RSVP)," Iowa Administrative Code.

VOLUNTEER SERVICE, IOWA COMMISSION ON[817](cont'd)

The current rules establish procedures for the grant process for RSVP projects to ensure that grant application, review and administration processes are handled in a fair and orderly manner. The proposed amendments describe a new funding distribution and reporting process and bring the rules up to date.

Public comments concerning the proposed amendments will be accepted until 4:30 p.m. on April 8, 2014. Interested persons may submit written or oral comments by contacting Kristin Honz, Iowa Commission on Volunteer Service, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725 3097; or e-mail Kristin.Honz@iowa.gov.

The Commission will hold a public hearing on Tuesday, April 8, 2014, from 9 to 10 a.m. to receive comments on these amendments. The public hearing will be held in the Central First Floor Conference Room, Iowa Economic Development Authority, 200 East Grand Avenue, Des Moines, Iowa.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 15H.2(3)“i.”

The following amendments are proposed.

ITEM 1. Amend subrule 7.1(1) as follows:

7.1(1) *RSVP grant.* Each RSVP project which has a current ~~memorandum of agreement~~ notice of grant award to operate an RSVP project from the Corporation for National and Community Service (the federal domestic volunteer agency) is to be allocated a share of state funds appropriated for distribution. Each RSVP project shall submit to the commission a budget outlining the method by which the project will expend the grant allotted to the project and other information as requested by the commission.

ITEM 2. Amend subrule 7.4(1) as follows:

7.4(1) The commission ~~and~~ or the Corporation for National and Community Service shall issue a request for proposals containing project criteria and application forms instructions based on the most recent application instructions or notice of funding opportunity for RSVP that is available from the Corporation for National and Community Service for the appropriate fiscal year.

ITEM 3. Amend subrule 7.5(3) as follows:

7.5(3) *Reporting.* All grant recipients shall submit biannual progress and financial reports to the Corporation for National and Community Service and provide these reports to the commission. Beginning in state fiscal year 2015, RSVP projects will report to the commission on the number of volunteers serving in the prior period and submit a volunteer roster with each payment request. RSVP projects will also report to the commission on the number of volunteer management training sessions conducted, the number of attendees attending the sessions and the number of attendees reporting that the training increased their organizational efficiency or organizational effectiveness.

ITEM 4. Amend subrule 7.5(4) as follows:

7.5(4) *Distribution of funds.* The base-level formula for distribution of funds will be based on the 2001 state funding levels. When applicable, any relinquished funds will be distributed based on the existing formula. New programs that are not state-developed will begin at the minimum funding level.

Beginning in state fiscal year 2016, distribution of state funds will be based on an established maximum average cost per volunteer as determined by the commission on an annual basis. For state fiscal year 2016, the maximum distribution amount will be \$300 per volunteer. For subsequent years, the maximum average cost per volunteer will be set one year in advance. The average cost per volunteer calculation is based on the number of volunteers divided by the sum of awarded state plus federal funds. Any program that exceeds the maximum cost will have the program's awards reduced for the subsequent year to comply with the maximum threshold. Additional funds that are not awarded due to these reductions will be distributed to projects that are below the maximum threshold or will be used to fund expansion of other projects. The commission may grant a temporary exception to the maximum cost requirement for new projects or in the case of financial hardship.

ARC 1373C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code section 15.106A, the Economic Development Authority hereby amends Chapter 71, “Targeted Jobs Withholding Tax Credit Program,” and Chapter 187, “Contracting,” Iowa Administrative Code.

The rules in Chapter 71 describe the Targeted Jobs Withholding Tax Credit Program. These amendments update existing rules to change program definitions, require that the Authority be a party to withholding agreements, allow the Authority to negotiate the amount of credits awarded and the duration of withholding agreements, extend the sunset date for the program, require the Board to approve or deny new agreements and outline the conditions under which an agreement may be denied, set a performance period for both retained jobs and created jobs and clarify the conditions under which a program can be terminated, specify what elements must be included in local development agreements, and require pilot project cities to submit a report annually to allow the Authority to better assess compliance with withholding agreements. The amendment to Chapter 187 updates the approval procedures for the Targeted Jobs Withholding Tax Credit Program in accordance with changes enacted in 2013 Iowa Acts, Senate File 433.

Notice of Intended Action was published in the Iowa Administrative Bulletin on December 25, 2013, as **ARC 1248C**. No public comment was received on these amendments. One change has been made to the amendments published under Notice of Intended Action. Item 14 amending the implementation sentence for Chapter 71 was not adopted because the Iowa Code section amended therein to include Senate File 433 has been codified in the 2014 Iowa Code online. Consequently, Item 15 has been renumbered as Item 14.

These amendments were adopted by the Economic Development Authority Board on February 21, 2014.

The Authority finds, pursuant to Iowa Code section 17A.5(2)“b”(2), that the normal effective date of these amendments should be waived and that these amendments should be made effective on February 24, 2014, as they confer a benefit on the public by clarifying the requirements of the program and extending the sunset date for the program.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 403.19A.

These amendments became effective February 24, 2014.

The following amendments are adopted.

ITEM 1. Amend rule 261—71.1(403) as follows:

261—71.1(403) Definitions.

“Act” means Iowa Code section 403.19A.

“Authority” means the economic development authority.

“Award date” means the same as defined in 261—Chapter 173.

“Base employment level” means the same as defined in 261—Chapter 173.

“Board” means the Iowa economic development board created in Iowa Code section 15.103 members of the authority appointed by the governor and in whom the powers of the authority are vested pursuant to Iowa Code section 15.105.

“Business” means any an enterprise that is located in this state and that is operated for profit and under a single management. “Business” includes professional services or industrial enterprise, including and industrial enterprises, including but not limited to medical treatment facilities, manufacturing facilities, corporate headquarters, and research facilities. “Business” does not include a retail operation, a government entity, or a business which closes or substantially reduces its operation in one area of this state and relocates substantially the same operation to another area of this state.

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“Countywide average wage” means the average that the ~~department~~ authority calculates using the most current four quarters of wage and employment information as provided in the quarterly covered wage and employment data report as provided by the department of workforce development. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

“Created job” means the same as defined in 261—Chapter 173.

“Department” means the Iowa department of economic development.

“Due diligence committee” or *“DDC”* means the due diligence committee organized by the board pursuant to 261—Chapter 1.

“Employee” means the individual employed in a targeted job that is subject to a withholding agreement.

“Employer” means a business creating or retaining targeted jobs in ~~an urban renewal area~~ of a pilot project city pursuant to a withholding agreement.

“Employer’s taxable capital investment” means a capital investment in real property, including but not limited to the purchase of land and existing buildings and building construction included in the project, that is subject to taxation by the local taxing authority.

“Full-time equivalent job” or *“full-time”* means the same as defined in 261—Chapter 173.

“Local financial support” or *“local match”* means cash or in-kind contributions to be used for the project from a private donor, a business, or the pilot project city. “Cash” includes but is not limited to loans, forgivable loans or grants. “In-kind contributions” means contributions directly related to the project and includes but is not limited to the construction of private or public infrastructure or other amenities and improvements.

“Pilot project city” means a city that has applied and been approved as a pilot project city pursuant to rule 261—71.2(403).

“Project initiation” means the same as defined in 261—Chapter 173.

“Qualifying investment” means a capital investment in real property including the purchase price of land and existing buildings, site preparation, building construction, and long-term lease costs. “Qualifying investment” also means a capital investment in depreciable assets. For purposes of this paragraph, “long-term lease costs” means those costs incurred or expected to be incurred under a lease during the duration of a withholding agreement, provided that the cumulative cost for that period does not exceed the cost of the land and the third-party developer’s costs to build or renovate the building for the approved business.

“Retained job” means a full-time equivalent position in existence at the time an employer applies to the authority for approval of a withholding agreement and which remains continuously filled and which is at risk of elimination if the project for which the employer is seeking assistance under the withholding agreement does not proceed. For the purposes of this definition, a position “at risk of elimination” includes a position that would be relocated out of state.

“Targeted job” means a job in a business which is or will be located in ~~an urban renewal area~~ of a pilot project city that pays a wage at least equal to the countywide average wage. “Targeted job” includes new or retained jobs from Iowa business expansions or retentions within the city limits of the pilot project city and those jobs resulting from established out-of-state businesses, as defined by the ~~department~~ authority, that are moving to or expanding in Iowa.

“Urban renewal area” means the same as defined in Iowa Code section 403.17.

“Withholding agreement” means an agreement authorized in rule 261—71.4(403) between a pilot project city, the authority, and an employer concerning the targeted jobs withholding tax credit and that includes an application for a project that is the subject of a withholding agreement.

ITEM 2. Strike “department” wherever it appears in rules 261—71.2(403) and 261—71.3(403), paragraph 71.6(1)“a,” relettered paragraphs 71.6(1)“d” and “e,” and subrule 71.6(2), except in the

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phrases “department of management” and “department of revenue,” and insert “authority” in lieu thereof.

ITEM 3. Amend rule 261—71.3(403), catchwords, as follows:

261—71.3(403) Application Pilot project city application process and review.

ITEM 4. Amend subparagraph 71.3(1)“b”(2) as follows:

(2) Planned and current projects. The city shall provide information on planned and current economic development projects that are taking place or will take place in ~~an urban renewal area~~ a pilot project city. The city shall demonstrate its ability to enter into a withholding agreement with an eligible business within one year of the city’s approval as a pilot project city.

ITEM 5. Rescind subparagraph 71.3(1)“b”(4).

ITEM 6. Renumber subparagraph 71.3(1)“b”(5) as 71.3(1)“b”(4).

ITEM 7. Amend rule 261—71.4(403) as follows:

261—71.4(403) Withholding agreements.

71.4(1) Designated account. An approved pilot project city may provide by city ~~ordinance for a designated account resolution~~ for the deposit of funds generated through withholding agreements into a designated withholding project fund under the targeted jobs withholding tax credit program.

71.4(2) Entering into a withholding agreement.

a. Agreement between a pilot project city, the authority, and a business. ~~A~~ The authority and a pilot project city may enter into a withholding agreement with a business locating to the community from another state that is creating or retaining targeted jobs in an urban renewal area a pilot project city. The authority and a pilot project city may enter into a withholding agreement with a business currently located in Iowa only if the business is creating or retaining at least ten new jobs or making a qualifying investment of at least \$500,000 within the urban renewal area pilot project city.

b. Total amount of withholding tax credits. The withholding agreement shall provide for the total amount of withholding tax credits awarded, as negotiated by the economic development authority, the pilot project city, and the employer. An agreement shall not provide for an amount of withholding tax credits that exceeds the amount of qualifying investment made in the project.

c. Ineligibility if there is competition between pilot project city and non-pilot project city. A withholding agreement shall not be entered into with an employer not already located in a pilot project city when another Iowa community is competing for the same project and both the pilot project city and the other Iowa community are seeking assistance from the ~~department~~ authority.

d. Option of a business to enter into withholding agreement. A business shall not be obligated to enter into a withholding agreement with a pilot project city and the authority.

e. ~~2013 sunset~~ Sunset date. A pilot project city and the authority shall not enter into a withholding agreement with a business after June 30, ~~2013~~ 2018.

f. ~~Department~~ Board approval of withholding agreements. Prior to entering into a withholding agreement with a business, a pilot project city shall request ~~department~~ board approval of the withholding agreement. The process for requesting approval from the ~~department~~ board is described in subrule 71.5(1).

71.4(3) Required components of a withholding agreement. A withholding agreement shall be disclosed to the public and shall contain all of the following:

a. A copy of the adopted local development agreement between the pilot project city and employer that outlines local incentives or assistance for the project using urban renewal or urban revitalization incentives, if applicable, including and how withholding funds generated by the city will be used.

b. to i. No change.

71.4(4) Length of withholding agreements. A withholding agreement may have a term of up to ten years, as negotiated by the authority, the pilot project city, and the employer. A withholding agreement specifying a term of years or a total amount of withholding credits shall either terminate upon the

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

expiration of the term of years specified in the agreement or upon the award of the total amount of withholding credits specified in the agreement, whichever occurs first.

71.4(5) *Withholding generated through the program.*

a. Once a pilot project city, the authority, and an employer have entered into a withholding agreement, an amount equal to 3 percent of the gross wages paid by the business to each employee under a withholding agreement shall be credited from the payment made by the employer pursuant to Iowa Code ~~Supplement~~ section 422.16. If the amount of withholding by the employer is less than 3 percent of the gross wages paid to the employees covered by the withholding agreement, the employer shall receive a credit against other withholding taxes due by the employer or may carry the credit forward for up to ten years or until depleted, whichever occurs first.

b. The employer shall submit the amount of the credit quarterly, in the same manner as withholding payments are made to the department of revenue, to the pilot project city.

c. An employee whose wages are subject to a withholding agreement shall receive full credit for the amount withheld under the targeted jobs withholding tax credit program as provided in Iowa Code ~~Supplement~~ section 422.16.

71.4(6) *Use of withholding funds.* A pilot project city shall allocate the withholding funds into a designated account ~~in the special~~ withholding project fund for the ~~urban renewal area in which the targeted jobs are located~~ project. All funds deposited shall be used or pledged by the pilot project city for ~~an urban renewal~~ a project related to the employer pursuant to the withholding agreement.

71.4(7) No change.

71.4(8) *Termination of a withholding agreement.* Following the termination of a withholding agreement, the employer credits shall cease and any funds received by the pilot project city after the agreement has been terminated shall be remitted to the state treasurer to be deposited in the general fund of the state. The pilot project city shall notify the department of revenue ~~and the department of economic development~~ within 30 days of the termination of the withholding agreement. If the authority, following an 18-month performance period beginning on the date the withholding agreement is approved by the board, determines that the employer does not meet the requirements of the withholding agreement relating to retaining jobs, if applicable, the agreement shall be terminated by the authority and the pilot project city and any withholding credits for the employer shall cease. If the employer has created or retained the required number of new jobs under the agreement, and the number of jobs falls below the required level, the employer shall not be considered in default until 18 months after the date of the decrease in new jobs. If the authority, following a three-year performance period beginning on the date the withholding agreement is approved by the board, determines that the employer has not met or is incapable of meeting the requirements of the withholding agreement relating to creating jobs, if applicable, or the requirement of the withholding agreement relating to the qualifying investment prior to the end of the withholding agreement, the authority may reduce the future benefits to the employer under the agreement or negotiate with the other parties to terminate the agreement early.

71.4(9) *Participation in other programs.* An employer may participate in the Iowa industrial new jobs training program under Iowa Code ~~Supplement~~ section 260E.5 or may claim a supplemental withholding credit under Iowa Code ~~Supplement~~ section 15E.197, at the same time the employer is participating in the targeted jobs withholding tax credit program. The withholding credit under section 260E.5 and the supplemental withholding credit under section 15E.197 shall be collected and disbursed prior to the collection and disbursement of the withholding credit under the targeted jobs withholding tax credit program.

ITEM 8. Amend subrule 71.5(1) as follows:

71.5(1) *Request for ~~department~~ board approval of withholding agreement.*

a. *Request for approval form.* Prior to entering into a withholding agreement with an employer ~~and the authority,~~ a pilot project city must receive approval from the ~~department~~ board, on behalf of the authority. The ~~department~~ authority shall develop ~~and make available to the pilot project cities~~ a standardized form to be used by pilot project cities to request ~~department~~ board approval of a proposed withholding agreement. To request ~~department~~ board approval of a proposed withholding agreement,

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

a pilot project city shall ~~provide the department~~ submit the standardized form to the authority with the following information:

(1) A general description of the project, including how the pilot project city will utilize withholding funds generated by the project.

(2) Base employment of the number of full-time equivalent positions at a business as established by the ~~department~~ authority and the pilot project city, using the business's payroll records, as of the date that a business files an application with a pilot project city for financial assistance under the program.

(3) Information regarding the number of targeted jobs in the project, the wages of the targeted jobs, and the types of jobs created by the project.

(4) A budget for the project, showing the total project cost, the amount of local matching funds committed to the project, and the amount of withholding funds the pilot project city will receive from the project.

~~(5) A copy of the proposed withholding agreement to be entered into between the pilot project city and the employer.~~

~~(6)~~ (5) A letter or resolution of support from the local government showing support for the project.

b. *Timing of submittal.* Requests for ~~department~~ board approval of a proposed withholding agreement may be submitted at any time. The ~~department~~ authority will review requests for approval of a proposed withholding agreement in as timely a manner as possible.

c. *Department Board action on requests for approval.* The department board, on behalf of the authority, may approve, or deny, or suggest changes to a withholding agreement according to the provisions of this chapter. Each withholding agreement and the total amount of the withholding credits allowed under the withholding agreement shall be approved by the board after taking into account the incentives or assistance received by or to be received by the employer under other economic development programs. The department board shall only deny an a withholding agreement if the agreement fails to meet the requirements as stated in subrule 71.4(2) and paragraph 71.6(1) "b" or the local match requirement as stated in subrule 71.4(7) or if an employer is not in good standing as to prior or existing agreements with the department authority. The board shall have the authority to negotiate a withholding agreement and may suggest changes to any of the terms of the withholding agreement, including the total amount of withholding credits. A pilot project city and employer will be notified in writing of the department's board's decision regarding the proposed withholding agreement.

ITEM 9. Reletter paragraphs **71.6(1) "b"** to **"d"** as **71.6(1) "c"** to **"e."**

ITEM 10. Adopt the following **new** paragraph **71.6(1) "b"**:

b. Pursuant to rules adopted by the authority, the pilot project city shall provide to the authority information documenting the compliance of each employer with each requirement of the withholding agreement, including but not limited to the number of jobs created or retained, the wages associated with the targeted jobs, and the amount of investment made by the employer. The pilot project city shall provide this information annually by September 1. The authority shall, in response to receiving such information from the pilot project city, assess the level of compliance by each employer and provide to the pilot project city recommendations for either maintaining employer compliance with the withholding agreement or terminating the agreement for noncompliance under subrule 71.4(8). The authority shall also provide each such assessment and recommendation report to the department of revenue.

ITEM 11. Amend relettered paragraph **71.6(1) "c"** as follows:

c. The employer, in conjunction with the pilot project city, shall provide information documenting the total amount of payments and receipts from the special withholding project fund under the withholding agreement, including all agreements with an between the pilot project city and the employer to suspend, abate, exempt, rebate, refund, or reimburse property taxes, to provide a grant for property taxes, to provide a grant not related to property taxes, or to make a direct payment of taxes. The employer and the pilot project city shall submit this information to the department authority annually by September 1 covering the prior fiscal year (July 1 to June 30). The department authority shall verify the information provided by the pilot project city and determine whether the pilot project city and

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

the employer are in compliance with Iowa Code section 403.19A and this chapter. The ~~department~~ authority will verify job creation or retention using the method described in 261—Chapter 188.

ITEM 12. Amend relettered subparagraph **71.6(1)“e”(4)** as follows:

(4) Payments and receipts as described in paragraph 71.6(1)“b c.”

ITEM 13. Adopt the following new rule 261—71.7(403):

261—71.7(403) Applicability.

71.7(1) Except as provided in rule 261—71.2(403), this chapter applies to withholding agreements entered into on or after July 1, 2013, in accordance with 2013 Iowa Code section 403.19A as amended by 2013 Iowa Acts, Senate File 433. Withholding agreements entered into prior to July 1, 2013, shall be governed by this chapter as it existed prior to the enactment of 2013 Iowa Acts, Senate File 433.

71.7(2) Paragraph 71.6(1)“*b*” applies to withholding agreements entered into prior to July 1, 2013, or entered into on or after July 1, 2013.

71.7(3) The authority will work with pilot project cities and businesses to amend existing agreements to reflect the requirements of subrule 71.7(2) of this rule.

ITEM 14. Amend paragraph **187.5(3)“f”** as follows:

f. The table below describes the approval procedures that shall be followed for all negotiated settlements, write-offs or discontinuance of collection efforts for state direct financial assistance programs, federal programs, and other programs administered by the authority.

PROGRAM	STATE/FEDERAL	RECOMMENDATION BY	FINAL DECISION BY
HQJP	State	DDC	Board
GIVF	State	DDC	Board
EZ (Business)	State	DDC	Board
EZ (Housing)	State		Director
INNOVATION	State	TCC	Board
LCG	State	DDC	Board
FILM	State		Director
ASSISTIVE	State		Director
EDSA	Federal	DDC	Board
CDBG	Federal		Director
NSP	Federal		Director
HOME	Federal		Director
BROWN	State	BRN	Director
TSB LOAN	State	TSB	Director
ETAP	State		Director
ACE	State		Director
TJWTC	State	<u>DDC</u>	<u>Director</u> <u>Board</u>

[Filed Emergency After Notice 2/21/14, effective 2/24/14]

[Published 3/19/14]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1381C

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 203.2 and 203C.5(1), the Department of Agriculture and Land Stewardship hereby amends Chapter 90, "State Licensed Warehouses and Warehouse Operators," and Chapter 91, "Licensed Grain Dealers," Iowa Administrative Code.

The amendments specifically add to the rules a provision contained in the Iowa Code that requires a grain warehouse operator or a grain dealer to submit additional financial statements upon the Department's request. The amendments set out what will be included in the additional financial information and when the information will be due. A technical correction is also made.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 8, 2014, as **ARC 1280C**. No comments were received from the public. These amendments are identical to those published under Notice.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 203.3 and 203C.6.

These amendments will become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Renumber subrule **90.8(13)** as **90.8(14)**.

ITEM 2. Adopt the following **new** subrule 90.8(13):

90.8(13) Other financial statements. The bureau chief may require a warehouse operator to submit financial statements on a monthly or quarterly basis to verify the operator's financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.

ITEM 3. Amend subrule 91.8(8), introductory paragraph, as follows:

91.8(8) Appraisals. Competent appraisals on file with the bureau shall be valid for use in determining asset value for a maximum period of three years. Thereafter, a new appraisal for asset valuation shall be required and shall be used for a like period of time. In the event the certified public accountant expresses doubt as to the licensee's ability to continue as a going concern, the bureau shall not allow an appraisal to be used to meet net worth requirements. The bureau shall not allow an appraisal to be used to determine the percentage of total liabilities to total assets as it relates to subrule ~~91.17(2)~~ 91.17(3), paragraph "e," concerning the suspension of a licensee's authorization to use credit-sale contracts. All assets included in the appraisal shall be depreciated by the bureau using the following schedule:

ITEM 4. Renumber subrule **91.8(13)** as **91.8(14)**.

ITEM 5. Adopt the following **new** subrule 91.8(13):

91.8(13) Other financial statements. The bureau chief may require a grain dealer to submit financial statements on a monthly or quarterly basis to verify the grain dealer's financial status or compliance with Iowa Code section 203C.6. These financial statements shall be filed with the bureau by the end of the next month and by the end of every month thereafter until no longer required by the bureau. These financial statements shall contain a minimum of a balance sheet and statement of income and shall be prepared in accordance with generally accepted accounting principles.

[Filed 2/27/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1375C**CHILD ADVOCACY BOARD[489]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 237.18, the Child Advocacy Board hereby renumbers Chapter 4, “Public Records and Fair Information Practices,” as Chapter 5 and adopts a new Chapter 4, “Court Appointed Special Advocate Program,” Iowa Administrative Code.

The new Chapter 4 establishes standards for the Court Appointed Special Advocate (CASA) Program as directed by Iowa Code subsections 237.18(2)“g” and 237.18(7). The CASA Program provides advocates for children who have been abused or neglected, are under court jurisdiction and are often placed in out-of-home care. The new chapter formalizes requirements for the selection and screening of volunteers, preservice training, ongoing education, and assignment and supervision of volunteers who serve as CASAs.

Additionally, the new chapter addresses the requirement in Iowa Code section 237.18 that rules be written to address expansion of the CASA Program to additional areas of the state and to formalize the volunteer position of court appointed special advocate coach. This volunteer position may be filled by a CASA who has at least two years of successful case experience or equivalent experience in a substantially similar role and additional specialized training. The volunteer coach will extend the capacity of Child Advocacy Board staff to provide oversight and supervision to a far larger number of children. The current staffing and volunteer service model is sufficient to provide CASAs for only about 1,000 of the more than 5,000 abused and neglected Iowa children in out-of-home care at any given time. Implementation of the coach position will promote expansion of the program’s capacity exponentially. Jurisdictions in other states that have implemented similar staffing and volunteer service models have more than tripled their capacity to provide oversight and coaching to CASAs without decreasing the quality of their programs.

Finally, the rules:

- Designate the program certification standards of the National Court Appointed Special Advocate Association as the national guidelines to which the Iowa CASA Program will adhere,
- Delineate the children eligible for CASA Program service, and
- Set forth basic requirements for an annual program report to the General Assembly, Governor and Supreme Court.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 1285C** on January 8, 2014. The Department received comments from two respondents. Those comments and the Department’s responses are as follows:

The first respondent noted that rule 489—4.2(237) refers to court authorization to designate a CASA coach. The respondent asked whether this designation will require a change in the definition of court appointed special advocate in Iowa Code subsection 232.2(22). The Child Advocacy Board does not anticipate any need for change in Iowa statute since volunteer coaches will be experienced and certified CASAs who complete special training that prepares them to assist a coordinator in overseeing the work of the CASA who is assigned to a case. The coordinator will assign both the CASA and the associated coach when the court requires a CASA to be assigned to a case. The first respondent suggested several minor edits of language, which have been incorporated to clarify the meaning of the adopted rules.

The second respondent noted that rule 489—4.5(237) includes children adjudicated delinquent in the group of children considered eligible for appointment of a CASA. The respondent stated that a guardian ad litem (CASA is included in the statutory definition of guardian ad litem) is not appointed in delinquency cases.

In proposing rule 489—4.5(237), the Child Advocacy Board relied on the definition of CASA in Iowa Code section 232.2, which is seen as having general applicability throughout Iowa Code chapter 232. The definition reads as follows: “‘Court appointed special advocate’ means a person duly certified by the child advocacy board created in section 237.16 for participation in the court appointed special advocate program and appointed by the court to represent the interests of a child in any judicial proceeding to which the child is a party or is called as a witness or relating to any dispositional order involving the

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child resulting from such proceeding.” On further analysis, the Board has determined that the existing language of the statute provides sufficient guidance and has revised rule 489—4.5(237) to indicate that any child for whom a court appoints a CASA is eligible for the assignment.

The Child Advocacy Board adopted these amendments on February 24, 2014.

This rule making does not provide for waivers in specified situations but does permit the administrator of the Iowa Child Advocacy Board to determine that a CASA coach candidate meets alternate experience requirements and to make limited exceptions to negative background check findings for court appointed special advocates and coaches when the negative finding poses no risk to the safety or well-being of children.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 237.18.

These amendments will become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Renumber **489—Chapter 4** as **489—Chapter 5**.

ITEM 2. Adopt the following **new** 489—Chapter 4:

CHAPTER 4
COURT APPOINTED SPECIAL ADVOCATE PROGRAM

489—4.1(237) Purpose. The child advocacy board is required by Iowa Code section 237.18 to establish procedures and protocols for administering the court appointed special advocate program.

4.1(1) Definitions.

“*Administrator*” means the person selected by the child advocacy board to lead, direct and manage the staff and programs established by the board.

“*Certified*,” when used as a descriptor of a court appointed special advocate, means that an applicant has been determined by the child advocacy board to have the required qualifications to become a court appointed special advocate and has completed the application requirements, background checks, screening and selection process and training established pursuant to the rules in this chapter.

“*Coordinator*” means the staff member of the child advocacy board who is responsible for planning and implementation of the court appointed special advocate program in a county or cluster of counties in the state.

“*Court appointed special advocate*” or “*CASA*” or “*advocate*” means a person who has volunteered and is duly certified by the child advocacy board for participation in the court appointed special advocate program and appointed by the court to represent the interest of a child in any judicial proceeding to which the child is a party or is called as a witness or relating to any dispositional order involving the child resulting from the proceeding. Unless otherwise enlarged or circumscribed by a court or juvenile court having jurisdiction over the child or by operation of law, the duties of a court appointed special advocate with respect to a child pursuant to Iowa Code section 232.2(22) “b” shall include the following:

1. Conducting in-person interviews with the child, if the child’s age is appropriate for the interview, and interviewing each parent, guardian, or other person having custody of the child, if authorized by counsel.

2. Conducting interviews with the child, if the child’s age is appropriate for the interview, prior to any court-ordered hearing.

3. Visiting the home, residence, or both home and residence of the child and any prospective home or residence of the child, including each time placement is changed.

4. Interviewing any person providing medical, mental health, social, educational, or other services to the child, before any hearing referred to in paragraph “2” of this definition.

5. Obtaining firsthand knowledge, if possible, of the facts, circumstances, and parties involved in the matter in which the person is appointed.

6. Attending any hearings in the matter in which the person is appointed.

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7. If the child is required to have a transition plan developed in accordance with the child's case permanency plan and subject to review and approval of a transition committee under Iowa Code section 235.7, assisting the transition committee in development of the transition plan.

4.1(2) *Program mission.* The court appointed special advocate (CASA) program certifies and guides trained community volunteers to serve as an effective voice in court for abused and neglected children, strengthening efforts to ensure that each child is living in a safe, permanent and nurturing home.

4.1(3) *Program goal.* The CASA program will provide certified advocates for every abused and neglected child for whom an advocate is authorized by an Iowa court.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

489—4.2(237) Program requirements.**4.2(1) *Operation requirements.***

a. The state board delegates responsibility to the administrator to hire, train and manage sufficient CASA coordinators throughout the state to plan and coordinate a CASA program in every county of the state. The administrator shall determine the number of court appointed special advocates or coaches an individual coordinator may supervise and coach.

b. The coordinator is responsible for recruiting, screening, selecting, training and supervising a sufficient number of court appointed special advocates to serve every child for whom a district court judge assigns the coordinator to provide a CASA.

c. If the number of CASA volunteers required for the county or counties for which the coordinator is responsible exceeds the number approved pursuant to paragraph 4.2(1) "a," the coordinator shall recruit a sufficient number of CASA coaches to supervise and coach the CASA volunteers needed to meet the court's requirements.

d. A CASA coach shall supervise and coach up to ten CASA volunteers at any given time. If the CASA coach has an individual CASA assignment, the coordinator may further limit the number of additional CASA volunteers supervised by the coach.

e. The coordinator accepts case appointments from the local judge and assigns an advocate to each case to which a CASA is appointed. When the local organizational structure includes a CASA coach, the coach is consulted in the decision about the appointment.

f. The CASA selection is made in a manner that provides the best match available between the knowledge, skills, abilities, availability and preferences of the advocate and the needs and preferences of the child. The assignments shall be made in a manner that avoids conflicts of interest, risk to the child's or advocate's safety and jeopardy to the program's integrity.

g. Upon selection of the CASA who will serve on an individual case, the court and all interested parties are notified of the selection.

h. The selected CASA continues to serve on the case until the assignment is terminated by the court.

4.2(2) *CASA advocate and coach qualifications.* Potential coaches and advocates shall meet the following qualifications:

a. Have a genuine interest in advocating for children and their rights and needs.

b. Have time available and a schedule which allows completion of mandatory duties.

c. Commit initially to a one-year case assignment as a CASA and understand that a CASA is expected to continue case responsibilities until the case or the assignment is terminated by the court.

d. Have the ability to interact with people involved in the child welfare system.

e. Have the ability to communicate effectively both in verbal and written presentations.

f. Be at least 19 years of age or older.

g. Not be a person employed by the state board or the department of human services, the department of inspections and appeals, the district court, or an agency with which the department of human services contracts for services for children.

4.2(3) *Additional qualifications for CASA coaches.* In addition to meeting all requirements in subrule 4.2(2), a CASA coach shall have served for two years as a CASA advocate on assigned cases and shall be in good standing. The administrator may approve comparable alternate experience for a coach.

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4.2(4) Application requirements. A CASA coach candidate is invited by a coordinator to serve in the role of coach. A coach candidate who is in good standing as a CASA has no additional application requirements. A coach candidate who has received approval for alternate comparable experience and any CASA applicant shall complete the following requirements:

- a. Submit a program application to the program office.
- b. Provide the names and addresses of at least three nonrelative personal references.
- c. Participate in at least one personal interview with the local coordinator.
- d. Complete mandatory CASA preservice training, consisting of a minimum of 30 hours of course time.

e. Take a confidentiality oath, administered by the presiding juvenile court judge, or designee, for whom the CASA will be performing official duties.

f. Authorize a release of information for the CASA program to conduct a complete criminal history check of the applicant's background, including division of criminal investigation, Federal Bureau of Investigation, motor vehicles division, child abuse registry and sex offender registry checks. Applicants who refuse to sign required background check releases will not be considered for acceptance into the CASA program. The following criteria are applied when a background check yields a finding:

(1) Any applicant found to have been convicted of, or having charges pending for, a felony or misdemeanor involving a sex offense, child abuse or neglect or related acts that would pose a risk to children or to program credibility is not accepted as an advocate.

(2) An applicant with a documented criminal domestic abuse, child physical abuse, or child sexual abuse offense or child physical or sexual abuse documented on the abuse will not be approved.

(3) An applicant found to be convicted of other types of misdemeanors or felonies that would not pose a risk to children or program credibility may be approved by the administrator after review in consultation with the coordinator.

(4) A coordinator may request an exception from the administrator if an applicant has a negative background check finding. Examples of offenses that may qualify for an exception include an operating while intoxicated offense older than four years, with documented completion of successful treatment; a drug offense older than eight years, with documented completion of successful treatment; and a felony conviction of truth and veracity offenses more than ten years old.

4.2(5) Volunteer selection protocol. The state board delegates responsibility to the administrator to establish in the program's policy and procedures manual complete direction for weighing all application qualifications and requirements to determine final selection of applicants to become CASA and CASA coach volunteers.

4.2(6) Staff responsibilities specific to the court appointed special advocate program.

a. The program administrator who reports to the child advocacy board is responsible for the following duties and may delegate the duties to designated staff:

- (1) Manage the program statewide.
- (2) Establish and modify the program policy and procedures manual and the program training curriculum and resources needed for program operation.
- (3) Supervise local programs operated by the program coordinators.
- (4) Prepare program reports and updates, including expansion recommendations for the state board.
- (5) Prepare annual program reports to the governor, general assembly and courts.
- (6) Initiate and maintain contact with judicial districts regarding a change in or expansion of the CASA program.

b. The program liaison, under the direction of the administrator, directs and coordinates implementation of the program by carrying out the following duties:

- (1) Supervise and evaluate the work of program coordinators and field support staff and administer personnel and related policies and procedures for the field.
- (2) Represent the best interests of the program with the department of human services, the courts, and allied agencies on behalf of the CASA program.
- (3) Develop performance standards for program coordinators and field support staff.

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(4) Analyze data and prepare local and statewide reports on CASA program performance in the field and take corrective action as needed to resolve problems and achieve goals.

c. When the coordinator assigns both a CASA coach and advocate to serve a child, the coordinator shall carry out the following coach oversight duties:

- (1) Recruit, screen, interview, train and support coaches.
- (2) Meet with coaches at least monthly to review cases and, as needed, to assign each case to an advocate.
- (3) Organize discovery on a new case and set up a file for the coach and advocate.
- (4) Meet with coaches to discuss any problems and plans involving advocates.
- (5) Conduct 60-day and annual reviews of coaches' work.
- (6) Notify coaches of conferences, seminars and meetings that will provide developmental opportunities.
- (7) Provide ongoing coaching, support and encouragement to coaches, who in turn will assist the advocates in working with the children to whom they are assigned.
- (8) Before distributing them to the appropriate parties, complete the final edit of court reports written by advocates and edited by coaches.
- (9) Attend court hearings as needed by coaches or advocates.
- (10) Provide help as needed to coaches and advocates when they are closing a case.
- (11) Become a subject matter expert in one specialized area and provide assistance statewide to coaches and advocates who have questions about the topic.
- (12) Maintain professional relationships with the court, the department of human services, attorneys, and other service providers.
- (13) Provide the link between administrator and program liaison and local coaches and advocates.

d. Upon receipt of court authorization to designate an advocate only to serve a child, the coordinator shall carry out the following duties related to oversight of the advocate:

- (1) Assign the advocate to the case.
- (2) Inform the advocate of the assignment and verify the advocate's acceptance of the case.
- (3) Prepare initial discovery documents and review them with the advocate, making note of important documents.
- (4) Track court hearings and confirm the advocate's attendance.
- (5) Maintain familiarity with CASA policies and procedures.
- (6) To obtain case updates and address any issues, maintain monthly contact with advocates who have cases; remind advocates to keep their contact log entries and training hours up to date and to timely submit court reports.
- (7) Maintain log of current cases and contacts with advocates.
- (8) On a daily basis, check e-mails for updates and give timely approval to pending contact logs and court reports.
- (9) Review and edit court reports and send to interested parties.
- (10) Be available to attend court hearings with advocates or on their behalf, and document actions taken.
- (11) Attend required training and educational opportunities to enhance skills.

e. When a CASA coach has been assigned to oversee an advocate, the coach provides coaching and support to the advocate to ensure that each child involved receives sound advocacy and early permanency planning. The responsibilities of the coach include:

- (1) Support and coach up to ten advocates in their work with children.
- (2) Together with the coordinator, assign advocates to cases.
- (3) Inform advocates of assignment and verify their acceptance of the case.
- (4) Receive initial discovery documents from the coordinator and review them with advocates, making note of important documents.
- (5) Report to the coordinator monthly, or as needed, to discuss advocate progress, cases and other issues that have arisen.
- (6) Notify the coordinator of critical events in a case.

CHILD ADVOCACY BOARD[489](cont'd)

- (7) Track court hearings and confirm advocates' attendance.
 - (8) Consult with the coordinator regarding any advocate performance concerns.
 - (9) Maintain familiarity with CASA policies and procedures.
 - (10) To obtain case updates and address any issues, maintain monthly contact with advocates who have cases; remind advocates to keep their contact log entries and training hours up to date and to timely submit court reports.
 - (11) Maintain log of current cases and contacts with advocates.
 - (12) On a daily basis, check e-mails for updates and give timely approval to pending contact logs and court reports.
 - (13) Review and edit court reports and send them to the coordinator for final review and dissemination.
 - (14) Be available to attend court hearings with advocates or on their behalf, and document actions taken.
 - (15) If unavailable, schedule coverage by contacting the coordinator, who can provide assistance.
 - (16) Attend required training and educational opportunities to enhance skills.
- f.* A CASA advocate is a trained community volunteer appointed by the court to speak in the best interests of children who have been neglected or abused. The CASA has the following responsibilities:
- (1) Agree to take a case as recommended by the coordinator or coach and to maintain confidentiality of all information regarding the case.
 - (2) Independently review all documents and records for the case and interview the child, parents, social workers, teachers and others to gain an understanding of the situation and the child's needs.
 - (3) Observe the child at least once a month; if this is not feasible, document the reason.
 - (4) Maintain regular contact with the child's legal counsel, department of human services workers and other persons with personal knowledge or direct involvement in the child's case; advise the child's legal counsel, or any other legal party, of any changes that might require modification of a court order.
 - (5) When feasible, attend all preplacement and placement review staffings regarding the child.
 - (6) Identify and request appropriate evaluation, examinations, and testing of the child.
 - (7) Write a report of findings and make fact-based recommendations in a court report. The report shall include the results of the CASA's initial investigation of the child's case, including but not limited to recommendations regarding placement of the child and other recommendations based on the best interests of the child. The CASA shall submit subsequent reports detailing the continuing situation of the child's case as long as the child remains under the jurisdiction of the court. The CASA shall prepare other reports as required by the court and submit them to the coordinator or coach, who will make suggestions for improvement. Final review of the advocate's report is completed by the coordinator prior to dissemination of the report to the court and all interested parties.
 - (8) Review motions, pleadings, court orders and notices, prior to attending a hearing.
 - (9) Attend court hearings to advocate for the child's best interests and provide testimony when necessary.
 - (10) Inform the court promptly of important developments in the case.
 - (11) Maintain complete records of the case, including appointments, interviews and information gathered about the child and the child's environment.
 - (12) Submit monthly case updates to the coach or coordinator.
 - (13) Return case files to the program upon case closure.
 - (14) Seek ways to continually improve knowledge and skills.

4.2(7) Establishing additional procedures and protocols.

a. The state board is responsible under the statute for establishment of procedures and protocols which must be consistent with the provisions of the statute.

b. Responsibility is delegated by the state board to the administrator to establish and submit to the board for approval a program policy and procedures manual which provides detailed guidance to child advocacy board staff and volunteers on application of these rules and the statutes that govern the operation of the court appointed special advocate program.

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c. Child advocacy board staff and volunteers are required to comply with the protocols and procedures established by the state board and the provisions of the policy and procedures manual established by the administrator and approved by the board.

d. Day-to-day implementation of program policy is delegated by the state board to administrative staff. Staff is responsible for bringing questions about policy issues to the state board for clarification or changes of state policy.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

489—4.3(237) Training. All child advocacy board staff, state board members, court appointed special advocates, and court appointed special advocate coaches shall complete preservice and ongoing in-service training.

4.3(1) Preservice training. Court appointed special advocates and CASA coaches shall complete successfully a minimum of 30 hours of preservice training prior to final selection as a child advocacy volunteer. The training shall include, but is not limited to, the following content areas:

- a.* The role of the volunteer CASA coach and advocate;
- b.* The applicable laws, the child protection system and the role of the court;
- c.* Cultural awareness when working with vulnerable children and families;
- d.* Understanding family factors that affect safety, permanency and well-being of children in need of assistance;
- e.* Understanding of child development and the social, emotional, psychological, educational, attachment, transition and resiliency needs of children and youth;
- f.* Communication, collaboration and dealing with conflict as a CASA program volunteer;
- g.* Gathering of information in the CASA program volunteer role;
- h.* Meeting expectations for case monitoring and reporting; and
- i.* Use of supervision, coaching and other supports to enable effective practice.

4.3(2) Ongoing education. Every CASA and CASA coach shall complete a minimum of 12 hours of in-service training or education annually. This training or education shall include required training sessions for all volunteers whenever it is determined essential to achieve program goals or individual child outcomes by the state board or administrator. The local coordinator shall require specific training sessions or courses for an individual CASA or CASA coach volunteer whenever doing so is necessary to meet the volunteer's development needs or the needs of a specific child being served. Each volunteer may select the remaining portion of the required annual training hours from a list of training offerings approved by the coordinator or from alternative offerings provided that prior approval by the coordinator is obtained.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

489—4.4(237) Adherence to national guidelines. The National Court Appointed Special Advocate Association has established a national quality assurance system for CASA programs. The primary goal of the system is to strengthen CASA organizations and support their efforts to provide high-quality child advocacy and achieve the maximum level of excellence. The national CASA self-assessment tools, one for state organizations and another for local programs, are used once every four years to measure compliance with quality standards. The quality standards cover organizational mission; governance, ethics and compliance with laws and regulations; planning, assessment and evaluation; human resource management; financial and risk management; public relations; quality assurance; national CASA affiliation; new organization development; and inclusiveness and diversity. The child advocacy board has participated in this rigorous self-assessment process and has obtained certification of compliance with the standards. The board shall continue to maintain compliance with the standards and, within the limits of available funding, shall deploy resources to maintain compliance in the future.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

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489—4.5(237) Children eligible for assignment of a court appointed special advocate. The court appointed special advocate program serves any child for whom the court appoints a court appointed special advocate.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

489—4.6(237) Annual program report. The child advocacy board shall issue an annual report to the general assembly, the governor and the supreme court. The report shall provide information about the number of volunteers providing service through the court appointed special advocate program, the number of children served by the program, and the benefits children and their families have obtained from the program.

This rule is intended to implement Iowa Code sections 17A.3 and 237.18.

[Filed 2/24/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1372C

COUNTY FINANCE COMMITTEE[547]

Adopted and Filed

Pursuant to the authority of Iowa Code section 333A.4, the County Finance Committee hereby amends Chapter 3, "Studies and Reports," Chapter 4, "County Budget," and Chapter 5, "Annual Financial Reports," Iowa Administrative Code.

The amendment to Chapter 3 is intended to update the name of the referenced organization with the current Governmental Accounting Standards Board. The amendment to subrule 4.1(1) brings the County Finance Committee administrative rules into sync with currently used terminology. The amendment to subrule 5.3(2) reflects a change in reporting according to Governmental Accounting Standards Board Statement No. 65. The purpose of the rescission of subrule 5.4(2) and rule 547—5.5(331) is to eliminate outdated language.

A waiver provision is not included.

Notice of Intended Action was published in the Iowa Administrative Bulletin on October 30, 2013, as **ARC 1136C**. The Department received no comments during the comment period. There is only one nonsubstantive change from the Notice. In Item 7, an implementation sentence was added for Chapter 5.

The County Finance Committee adopted these amendments.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code section 333A.4(1).

These amendments will become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Amend subrule 3.1(1) as follows:

3.1(1) In an attempt to provide complete and accurate financial information of county government, all studies, reports and designed forms shall, where practicable, use the recommendations of the ~~national council of governmental accounting~~ Governmental Accounting Standards Board; shall be applicable to every county in the state of Iowa; and shall be capable of producing data essential to the general public and the legislative and governing bodies of this state.

ITEM 2. Amend subrule 4.1(1) as follows:

4.1(1) "Class of proposed expenditures" (also known as "functions") means any one of the following ~~12~~ major areas of county services:

a. Public safety and legal services.

b. ~~Court services.~~

e. b. Physical health and ~~education~~ social services.

COUNTY FINANCE COMMITTEE[547](cont'd)

- ~~d. c.~~ Mental health services, intellectual disabilities, and developmental disabilities.
~~e.~~ Social services.
~~f. d.~~ County environment and education.
~~g. e.~~ Roads and transportation.
~~h. f.~~ State and local government Governmental services to residents.
~~i. g.~~ Interprogram services Administration.
~~j. h.~~ Nonprogram services.
~~k. i.~~ Debt services service.
~~l. j.~~ Capital projects.

ITEM 3. Amend paragraph **4.1(2)“e”** as follows:

- ~~e.~~ Charges for services service.

ITEM 4. Amend subrule 5.3(2) as follows:

5.3(2) Report of financial condition. The report of financial condition, as required by Iowa Code section 331.403, subsection 1, shall provide details for the assets, deferred outflows, liabilities, deferred inflows, and fund balances of the various county funds.

ITEM 5. Rescind and reserve subrule **5.4(2)**.

ITEM 6. Rescind and reserve rule **547—5.5(331)**.

ITEM 7. Adopt the following **new** implementation sentence in **547—Chapter 5**:
 These rules are intended to implement Iowa Code section 333A.4.

[Filed 2/20/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1374C

EDUCATIONAL EXAMINERS BOARD[282]

Adopted and Filed

Pursuant to the authority of Iowa Code section 272.2, the Board of Educational Examiners hereby amends Chapter 13, “Issuance of Teacher Licenses and Endorsements,” Iowa Administrative Code.

Current Board rules state that there is a minimum bachelor’s degree grade point average requirement in order for the teacher intern license to be issued. Department of Education rules in 281—Chapter 77 address grade point average requirements for candidates’ admission to the program, and the rules make an allowance that candidates may be admitted conditionally if they have not met the minimum grade point average. This amendment will allow Board rules to mirror the Department of Education language.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 8, 2014, as **ARC 1272C**. A public hearing was held on February 5, 2014, with written comment accepted until 4 p.m. on February 7, 2014. No one attended the public hearing, and no written comments were received. The amendment is identical to that published under Notice.

The amendment is subject to waiver pursuant to 282—Chapter 6.

The Board of Educational Examiners adopted this amendment on February 14, 2014.

After analysis and review of this rule making, there is no anticipated impact on jobs.

This amendment is intended to implement Iowa Code section 272.2(1)“a.”

This amendment will become effective April 23, 2014.

The following amendment is adopted.

Amend subrule 13.9(3) as follows:

13.9(3) Teacher intern requirements. A teacher intern license shall be issued upon application, provided that the following requirements have been met. The applicant shall:

EDUCATIONAL EXAMINERS BOARD[282](cont'd)

- a. Hold a baccalaureate degree with a minimum cumulative grade point average of 2.50 on a 4.0 scale from a regionally accredited institution or meet the admission criteria set forth in 281—subrule 77.11(2).
- b. Meet the requirements of at least one of the board's secondary (5-12) teaching endorsements listed in rule 282—13.28(272).
- c. Possess a minimum of three years of postbaccalaureate work experience. An authorized official at a college or university with an approved teacher intern program will evaluate this experience.
- d. Successfully complete the teacher intern program requirements listed in subrule 13.9(4) and approved by the state board of education.
- e. Successfully pass a basic skills test at the level approved by the teacher education institution.

[Filed 2/21/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1376C**INSPECTIONS AND APPEALS DEPARTMENT[481]****Adopted and Filed**

Pursuant to the authority of Iowa Code sections 231C.3 and 231D.2, the Department of Inspections and Appeals hereby amends Chapter 69, "Assisted Living Programs," and Chapter 70, "Adult Day Services," Iowa Administrative Code.

The amendments clarify the parameters assisted living and adult day services programs must follow in order to avoid licensure as a food establishment pursuant to Iowa Code chapter 137F. Licensure as a food establishment will not be required as long as food activities are limited as outlined in the amendments.

Notice of Intended Action was published in the Iowa Administrative Bulletin on January 22, 2014, as **ARC 1291C**. No comments were received. The adopted amendments are identical to those published under Notice of Intended Action.

The Department does not believe that the amendments impose any financial hardship on any regulated entity, body, or individual.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 231C.3(1) and 231D.2.

These amendments shall become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Amend subrule 69.28(6) as follows:

69.28(6) Programs engaged in the preparation and service of meals and snacks shall meet the standards of state and local health laws and ordinances pertaining to the preparation and service of food and shall be licensed pursuant to Iowa Code chapter 137F. The department will not require the program to be licensed as a food establishment if the program limits food activities to the following:

a. All main meals and planned menu items must be prepared offsite and transferred to the program kitchen for service to tenants.

b. Baked goods that do not require temperature control for safety and single-service juice or milk may be stored in the program's kitchen and provided as part of a continental breakfast.

c. Ingredients used for food-related activities with tenants may be stored in the program's kitchen. Tenant activities may include the preparation and cooking of food items in the program's kitchen if the activity occurs on an irregular or sporadic basis and the items prepared are not part of the program's menu.

d. Appropriately trained staff may prepare in the program's kitchen individual quantities of tenant-requested menu-substitution food items that require limited or no preparation, such as peanut butter or cheese sandwiches or a single-service can of soup. The food items necessary to prepare the menu substitution may be stored in the program's kitchen. These food items may not be cooked in the

INSPECTIONS AND APPEALS DEPARTMENT[481](cont'd)

program's kitchen but may be reheated in a microwave. A two- or four-slice toaster may be used for tenant-requested menu-substitution items, but no bare-hand contact is permitted.

e. Tenants may take food items left over from a meal back to their apartments. The program may not store leftovers in the program's kitchen.

f. Warewashing may be done in the program's kitchen as long as the program utilizes a commercial dishwasher and documents daily testing of sanitizer chemical ppm and proper water temperatures. Verification by the department of these practices may be conducted during on-site visits.

ITEM 2. Amend subrule 70.28(6) as follows:

70.28(6) Programs engaged in the preparation and service of meals and snacks shall meet the standards of state and local health laws and ordinances pertaining to the preparation and service of food and shall be licensed pursuant to Iowa Code chapter 137F. The department will not require the program to be licensed as a food establishment if the program limits food activities to the following:

a. All main meals and planned menu items must be prepared offsite and transferred to the program kitchen for service to participants.

b. Baked goods that do not require temperature control for safety and single-service juice or milk may be stored in the program's kitchen and provided as part of a continental breakfast.

c. Ingredients used for food-related activities with participants may be stored in the program's kitchen. Participant activities may include the preparation and cooking of food items in the program's kitchen if the activity occurs on an irregular or sporadic basis and the items prepared are not part of the program's menu.

d. Appropriately trained staff may prepare in the program's kitchen individual quantities of participant-requested menu-substitution food items that require limited or no preparation, such as peanut butter or cheese sandwiches or a single-service can of soup. The food items necessary to prepare the menu substitution may be stored in the program's kitchen. These food items may not be cooked in the program's kitchen but may be reheated in a microwave. A two- or four-slice toaster may be used for participant-requested menu-substitution items, but no bare-hand contact is permitted.

e. Warewashing may be done in the program's kitchen as long as the program utilizes a commercial dishwasher and documents daily testing of sanitizer chemical ppm and proper water temperatures. Verification by the department of these practices may be conducted during on-site visits.

[Filed 2/26/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1371C

MANAGEMENT DEPARTMENT[541]

Adopted and Filed

Pursuant to the authority of Iowa Code section 8.6, the Department of Management hereby amends Chapter 1, "Organization and Operation," Chapter 5, "Petitions for Rule Making," Chapter 6, "Declaratory Orders," Chapter 7, "Agency Procedure for Rule Making," and Chapter 8, "Public Records and Fair Information Practices," and rescinds Chapter 10, "Iowa Targeted Small Business Interim Guidelines," and Chapter 15, "Local Government Innovation Fund Committee," Iowa Administrative Code.

These amendments, which are nonsubstantive, correct the address to which various rule-making petitions, inquiries, and comments are to be submitted to the Department, include changes that reflect the current organizational structure of the Department, and reconcile definitions.

The amendments will not necessitate additional expenditures by political subdivisions or agencies and entities which contract with political subdivisions and will not have an impact on small business.

A waiver provision is not included.

MANAGEMENT DEPARTMENT[541](cont'd)

Notice of Intended Action was published in the Iowa Administrative Bulletin on October 16, 2013, as **ARC 1124C**. The Department received no comments during the comment period. These amendments are identical to those published under Notice of Intended Action.

The Department of Management adopted these amendments on February 20, 2014.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 8.6, 17A.9, 25.1, 22.11 and 25B.6.

These amendments will become effective April 23, 2014.

The following amendments are adopted.

ITEM 1. Amend rule 541—1.4(8) as follows:

541—1.4(8) Duties of the department. The department of management plans, develops, and recommends policy decisions for management of state government; administers local budget laws (cities, counties, and schools); oversees and ensures compliance with affirmative action; implements policies through coordination and budget processes; and monitors and evaluates the consistent, efficient, and effective operation of state government. The department consists of ~~the director's office, the Iowa Washington, D.C. office, administrative services division, five planning/budgeting divisions, budgeting, planning and early childhood operations~~ and the following agencies or boards: state appeal board, ~~criminal and juvenile justice planning agency,~~ city finance committee, county finance committee, and ~~the Iowa advisory commission on intergovernmental relations~~ early childhood Iowa state board.

ITEM 2. Amend rule 541—1.5(8) as follows:

541—1.5(8) Definitions.

"City budget" means the budget adopted by city officials which incorporates specified requirements as stated in Iowa Code section 384.16.

"Contract compliance director" means the individual designated to oversee and impose sanctions in connection with state programs emphasizing equal opportunity through affirmative action, contract compliance policies and procurement set-aside requirements.

"County budget" means the budget adopted by the board of supervisors pursuant to Iowa Code chapter 331.

"Department" means the department of management.

"Director" means the director of the department of management as appointed by the governor and subject to senate confirmation.

"Employing agency" means an agency or department of the state of Iowa.

"History of the state employment data" means the agencies, salaries, job classifications, and dates of employment by the state of Iowa of a named individual.

"Individual data" means all personally identifiable information not included in the definition of "history of the state employment data."

"Management director" means the director of designated clusters of state agencies and the director of local budgets, as appointed by the director of the department of management.

"Summary data" means the information that is presented in such a manner as to preclude the identification of an individual by name or other identifier.

1.5(1) to 1.5(5) No change.

This rule is intended to implement Iowa Code ~~section~~ sections 8.6 and ~~section~~ 25.1 as amended by 1993 Iowa Acts, chapter 180, section 72.

ITEM 3. Amend rule 541—1.6(8) as follows:

541—1.6(8) Central office and communications. Correspondence and communications with the department of management shall be addressed or directed to the department's office located ~~in Room 12,~~ at Department of Management, 1007 East Grand Avenue, State Capitol Building, Room 13, Des Moines, Iowa 50319-0015; telephone (515)281-3322.

MANAGEMENT DEPARTMENT[541](cont'd)

1.6(1) Correspondence and communication with the state board of appeals shall be addressed to its central office ~~in Room 12, at Department of Management, 1007 East Grand Avenue, State Capitol Building, Room 13, Des Moines, Iowa 50319-0015; telephone (515)281-3322.~~

~~**1.6(2)** Correspondence and communications with the criminal and juvenile justice planning agency shall be addressed to Executive Hills East, Suite 205, Des Moines, Iowa 50319; telephone (515)281-3241.~~

~~**1.6(3)**~~ **1.6(2)** Correspondence and communications with the county finance committee shall be addressed to ~~Room 12, Department of Management, 1007 East Grand Avenue, State Capitol Building, Room 13, Des Moines, Iowa 50319-0015; telephone (515)281-3322.~~

~~**1.6(4)** Correspondence and communications with the advisory commission on intergovernmental relations shall be addressed to Room 12, State Capitol Building, Des Moines, Iowa 50319; telephone (515)281-3322.~~

~~**1.6(5)**~~ **1.6(3)** Correspondence and communications with the city finance committee shall be addressed to ~~Room 12, Department of Management, 1007 East Grand Avenue, State Capitol Building, Room 13, Des Moines, Iowa 50319-0015; telephone (515)281-3322.~~

ITEM 4. Amend **541—Chapter 5**, preamble, as follows:

The department of management ~~incorporates the petitions for rule making segment of the Uniform Administrative Rules which is printed in the first volume of the Iowa Administrative Code with the following amendments~~ hereby adopts, with the following exceptions and amendments, the Uniform Rules on Agency Procedure relating to petitions for rule making which are published on the Iowa general assembly's Web site at <https://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf>.

ITEM 5. Amend rule 541—5.1(17A) as follows:

541—5.1(17A) Petition for rule making. In lieu of the words “designate office,” insert “~~Room 12, 1007 East Grand Avenue, State Capitol, Room 13, Des Moines, Iowa 50319-0015.~~” In lieu of the words “AGENCY NAME,” the heading on the petition form should read:

BEFORE THE DEPARTMENT OF MANAGEMENT

ITEM 6. Amend rule 541—5.3(17A) as follows:

541—5.3(17A) Inquiries. In lieu of the words “designate official by full title and address,” insert “Director, Department of Management, ~~Room 12, 1007 East Grand Avenue, State Capitol, Room 13, Des Moines, Iowa 50319-0015.~~”

ITEM 7. Amend **541—Chapter 6**, preamble, as follows:

The department of management ~~incorporates the declaratory orders segment of the Uniform Rules on Agency Procedure printed in the first volume of the Iowa Administrative Code with the following amendments~~ hereby adopts, with the following exceptions and amendments, the Uniform Rules on Agency Procedure relating to declaratory orders which are published on the Iowa general assembly's Web site at <https://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf>.

ITEM 8. Amend rule 541—6.1(17A) as follows:

541—6.1(17A) Petition for declaratory order. In lieu of the words “(designate agency),” insert “department”. In lieu of the words “(designate office),” insert “the Director's Office, Department of Management, 1007 East Grand Avenue, State Capitol, Room 12 13, Des Moines, Iowa 50319-0015”. In lieu of the words “(AGENCY NAME),” the heading on the petition form should read:

BEFORE THE DEPARTMENT OF MANAGEMENT

ITEM 9. Amend subrule 6.3(3) as follows:

6.3(3) In lieu of the words “(designate office),” insert “the Director's Office, Department of Management, 1007 East Grand Avenue, State Capitol, Room 12 13, Des Moines, Iowa 50319-0015”. In

MANAGEMENT DEPARTMENT[541](cont'd)

lieu of the words “(designate agency)”, insert “department”. In lieu of the words “(AGENCY NAME)”, the heading on the petition form should read:

BEFORE THE DEPARTMENT OF MANAGEMENT

ITEM 10. Amend rule 541—6.5(17A) as follows:

541—6.5(17A) Inquiries. In lieu of the words “(designate official by full title and address)”, insert “the Director, Department of Management, 1007 East Grand Avenue, State Capitol, Room ~~12~~ 13, Des Moines, Iowa 50319-0015”.

ITEM 11. Amend subrule 6.6(2) as follows:

6.6(2) In lieu of the words “(specify office and address)”, insert “the Director’s Office, Department of Management, 1007 East Grand Avenue, State Capitol, Room ~~12~~ 13, Des Moines, Iowa 50319-0015”. In lieu of the words “(agency name)”, insert “department”.

ITEM 12. Amend **541—Chapter 6**, implementation sentence, as follows:

These rules are intended to implement ~~1998 Iowa Acts, chapter 1202, section 13~~ Iowa Code section 17A.9.

ITEM 13. Amend **541—Chapter 7**, preamble, as follows:

The department of management ~~incorporates the agency procedure for rule making segment of the Uniform Administrative Rules which is printed in the first volume of the Iowa Administrative Code with the following amendments~~ hereby adopts, with the following exceptions and amendments, the Uniform Rules on Agency Procedure relating to agency procedure for rule making which are published on the Iowa general assembly’s Web site at <https://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf>.

ITEM 14. Amend subrule 7.5(1) as follows:

7.5(1) Written comments. In lieu of the words “identify office and address,” insert “Department of Management, 1007 East Grand Avenue, Room ~~12~~ 13, State Capitol, Des Moines, Iowa 50319-0015.”

ITEM 15. Amend subrule 7.6(2) as follows:

7.6(2) Mailing list. In lieu of the words “designate office,” insert “Department of Management, 1007 East Grand Avenue, Room ~~12~~ 13, State Capitol, Des Moines, Iowa 50319-0015.”

ITEM 16. Amend subrule 7.11(1) as follows:

7.11(1) General. In lieu of the words “specify office and address,” insert “Department of Management, 1007 East Grand Avenue, Room ~~12~~ 13, State Capitol, Des Moines, Iowa 50319-0015.”

ITEM 17. Amend **541—Chapter 7**, implementation sentence, as follows:

These rules are intended to implement Iowa Code chapter 17A ~~as amended by 1998 Iowa Acts, chapter 1202,~~ and Iowa Code section 25B.6.

ITEM 18. Amend **541—Chapter 8**, preamble, as follows:

The department of management hereby adopts, with the following exceptions and amendments, ~~rules of the Governor’s Task Force on Uniform Rules of Agency Procedure relating to public records and fair information practices which are printed in the first volume of the Iowa Administrative Code~~ the Uniform Rules on Agency Procedure relating to public records and fair information practices which are published on the Iowa general assembly’s Web site at <https://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf>.

ITEM 19. Amend paragraph **8.3(2)“b”** as follows:

b. Mail requests shall be addressed to: Director, Department of Management, 1007 East Grand Avenue, State Capitol, Room 13, Des Moines, Iowa 50319-0015.

ITEM 20. Amend paragraph **8.3(2)“d”** as follows:

d. Telephone requests should be made to (515)281-~~5192~~ 3322.

MANAGEMENT DEPARTMENT[541](cont'd)

ITEM 21. Rescind and reserve **541—Chapter 10**.

ITEM 22. Rescind **541—Chapter 15**.

[Filed 2/20/14, effective 4/23/14]

[Published 3/19/14]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/19/14.

ARC 1382C

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 421.14, 422.68 and 426C.9, the Department of Revenue hereby amends Chapter 80, "Property Tax Credits and Exemptions," Iowa Administrative Code.

The subject matter of new rule 701—80.30(426C) is the business property tax credit. This rule implements new Iowa Code chapter 426C which created a business property tax credit available to certain properties classified as commercial, industrial or railroad.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 27, 2013, as **ARC 1200C**. A public hearing was held on December 17, 2013, at the Wallace State Office Building, Des Moines, Iowa.

The Department received public comments. The Department selected to implement some of the changes recommended by the public comments and to reject other recommended changes.

In subrule 80.30(1), the definition of "Contiguous parcels," paragraph "1," as published under Notice of Intended Action has been revised in response to public comment to replace the term "river" with "waterway."

The same paragraph has also been revised in response to public comment to clarify the presumption that two parcels separated by a roadway, alleyway or waterway are not contiguous rather than the presumption that such parcels are contiguous.

Paragraph "3" of the definition of "Contiguous parcels" has been revised to insert the phrase "that are taxed as buildings" into the following sentence: "This arrangement is more commonly referred to as buildings or permanent improvements that are taxed as buildings upon leased land."

Subrule 80.30(2) as published under Notice of Intended Action has been revised to delete the words "of land" after the word "parcel" and to include the words "business property tax" before the phrase "credit is claimed" as suggested by public comment.

Paragraph 80.30(3)"b" as published under Notice of Intended Action has been revised to delete the phrase "signed by the owner of the property or the owner's qualified designee and," and to include the word "first" before the phrase "is claimed" as suggested by public comment.

Subparagraph 80.30(6)"a"(1) as published under Notice of Intended Action has been revised to replace the phrase "parcels that are part of" with "individual parcels or multiple parcels that comprise," and the phrase "for the unit" has been added after "credit" at the end of the sentence as suggested by public comment.

Subrule 80.30(6) has also been revised to include a new lettered paragraph "c" that clarifies the application of the credit to parcels that were partially exempt during a portion of the fiscal year.

Paragraph 80.30(9)"g" as published under Notice of Intended Action has been revised to omit proposed Example 4 because the example was inaccurate and misleading. Proposed Example 5 has been renumbered as Example 4.

Where applicable, references to 2013 Iowa Acts, Senate File 295, have been updated for sections codified in the 2014 Iowa Code.

Any person who believes that the application of the discretionary provisions of this rule would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

REVENUE DEPARTMENT[701](cont'd)

After analysis and review of this rule making, no adverse impact on jobs has been found.

This rule is intended to implement Iowa Code chapter 426C.

This rule will become effective April 23, 2014.

The following amendment is adopted.

Adopt the following new rule 701—80.30(426C):

701—80.30(426C) Business property tax credit.

80.30(1) Definitions. For purposes of this rule, the following definitions shall govern.

“*Contiguous parcels*” means any of the following:

1. Parcels that share a common boundary. There is a rebuttable presumption that parcels separated by a roadway, alley, or waterway do not share a common boundary. The burden of proof shall be upon the property owners to provide evidence or verification that parcels separated by a roadway, alley, or waterway share a common boundary. Parcels owned to the middle of a road, waterway, alley, or railway in fee simple title are considered to share a common boundary.

2. Parcels within the same building or structure regardless of whether the parcels share a common boundary.

3. Permanent improvements to the land that are situated on one or more parcels of land that are assessed and taxed separately from the permanent improvements if the parcels of land upon which the permanent improvements are situated share a common boundary. This arrangement is more commonly referred to as buildings or permanent improvements that are taxed as buildings upon leased land.

“*Dwelling unit*” means an apartment, group of rooms, or single room that is occupied as separate living quarters, or, if vacant, is intended for occupancy as separate living quarters, in which a tenant can live and sleep separately from any other persons in the building. A vacant dwelling unit that does not have active utility services is not considered to be intended for occupancy. Dwelling units do not include hotels, motels, inns, or other buildings where rooms are rented for less than one month.

“*Multiresidential property*” means, for valuations established on or after January 1, 2015, any of the following types of property:

1. Mobile home park as defined in Iowa Code section 435.1.

2. Manufactured home community and land-leased community as defined in Iowa Code sections 335.30A and 414.28A and 2013 Iowa Acts, chapter 123, section 28.

3. Assisted living facility as defined in Iowa Code section 231C.2. Assisted living facility also includes:

- A health care facility as defined in Iowa Code section 135C.1;
- A child foster care facility under Iowa Code chapter 237; or
- Property used for a hospice program as defined in Iowa Code section 135J.1.

4. Property primarily used or intended for human habitation containing three or more separate dwelling units.

5. That portion of a building that is used or intended for human habitation and a proportionate share of the land upon which the building is situated, regardless of the number of dwelling units located in the building, if the use for human habitation is not the primary use of the building and such building is not otherwise classified as residential property.

Multiresidential property does not include hotels, motels, inns, or other buildings where rooms or dwelling units are usually rented for less than one month.

“*Parcel*” means each separate item shown on the tax list, manufactured or mobile home tax list, schedule of assessment, or schedule of rate change or charge. For fiscal years beginning on or after January 1, 2016, “parcel” also means that portion of a parcel assigned to be commercial property, industrial property, or railway property pursuant to 2013 Iowa Acts, chapter 123, section 28.

“*Person*” means individual, corporation, limited liability company, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

“*Property unit*” means contiguous parcels all of which are located within the same county, with the same property tax classification, are owned by the same person, and are operated by that person for a common use and purpose.

REVENUE DEPARTMENT[701](cont'd)

80.30(2) In general. Except as provided in subrule 80.30(8), for property taxes due and payable in fiscal years beginning on and after July 1, 2014, one business property tax credit is available to each parcel classified and taxed as commercial property, industrial property, or railway property unless the parcel is part of a property unit for which a business property tax credit is claimed. For property taxes due and payable in fiscal years beginning on and after July 1, 2014, one business property tax credit is available to each property unit made up of property assessed as commercial property, industrial property, or railway property.

80.30(3) Application for credit.

a. Notwithstanding paragraph 80.30(3) “*b*,” for a business property tax credit against property taxes due and payable during the fiscal year beginning July 1, 2014, the claim for credit shall be received in the office of the applicable city or county assessor not later than January 15, 2014.

b. For a business property tax credit against property taxes due and payable during fiscal years beginning on and after July 1, 2015, no business property tax credit shall be allowed unless the first application for business property tax credit is received in the office of the applicable city or county assessor on or before March 15 preceding the fiscal year during which the credit first is claimed. For example, the first application for a business property tax credit against property taxes due and payable during the fiscal year beginning July 1, 2016, must be received in the office of the applicable city or county assessor on or before March 15, 2016.

c. A claim filed after the filing deadlines set forth in paragraphs 80.30(3) “*a*” and 80.30(3) “*b*” will be applied against property taxes due and payable for the following year.

d. Once filed, the claim for credit is applicable to subsequent years, and no further filing shall be required as long as the parcel or property unit satisfies the requirements of the credit. If the parcel or property unit ceases to qualify for the credit, the owner shall provide written notice to the assessor by the date for filing claims in paragraph 80.30(3) “*b*” following the date on which the parcel or property unit ceases to qualify for the credit. When all or a portion of a parcel or property unit that is allowed a credit is sold or transferred or ownership otherwise changes, the buyer, transferee, or new owner who wishes to receive the credit shall refile the claim for credit. When a portion of a parcel or property unit that is allowed a credit is sold or transferred or ownership otherwise changes, the owner of the portion of the parcel or property unit for which ownership did not change shall refile the claim for credit.

e. In the event March 15 falls on either a Saturday or Sunday, applications for the business property tax credit may be received in the office of the applicable city or county assessor the following Monday.

f. In the event March 15 falls on a state holiday, applications for the business property tax credit may be received in the office of the applicable city or county assessor the following business day.

g. For assessment years 2013, 2014, and 2015, Table 1 shows the applicable claim receipt deadlines and the taxes toward which the claim applies.

Table 1

	Assessment Year 2013	Assessment Year 2014	Assessment Year 2015
Claim Receipt Deadline	January 15, 2014	March 16, 2015*	March 15, 2016
For Taxes Payable	September 2014 & March 2015	September 2015 & March 2016	September 2016 & March 2017

* March 15, 2015, falls on a Sunday.

h. An assessor may not refuse to accept an application for business property tax credit. Assessors shall remit claims for credit to the county auditor with a recommendation to allow or disallow the claim. If it is the opinion of the assessor that a business property tax credit should not be allowed, the

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assessor's recommendation to the county auditor shall include in writing the reasons for recommending disallowance.

i. Upon receipt from the assessor of the claims and recommendations, the county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim for credit, the board shall send written notice by mail to the claimant at the claimant's last-known address. The written notice shall state the reasons for disallowing the claim for the credit. Notwithstanding the foregoing, the board is not required to send notice that a claim for credit is disallowed if the claimant voluntarily withdraws the claim.

80.30(4) Appeals.

a. Initial appeal. Any person whose claim is disallowed by the board of supervisors may appeal that action to the district court of the county in which the parcel or property unit is located. Notice of appeal must be given to the county auditor within 20 days from the date on which the notification of disallowance was mailed by the board of supervisors.

b. Reversal. If the board of supervisors' disallowance of the claim for credit is reversed upon appeal, the credit shall be allowed on the applicable parcel or property unit. The director of revenue, the county auditor, and the county treasurer shall provide the credit and change their books and records accordingly. If the claimant has paid one or both of the installments of the tax payable in the year or years in question, the county treasurer shall remit the amount of the credit to the claimant and submit a request to the department for reimbursement from the business property tax credit fund. The amounts payable as credits awarded on appeal shall be allocated and paid from the balance remaining in the business property tax credit fund established in Iowa Code section 426C.2.

80.30(5) Audit.

a. Authority and period. The director of revenue may audit any credit provided under 2013 Iowa Acts, chapter 123. However, the director shall not adjust a credit allowed more than three years from October 31 of the year in which the claim for credit was filed.

b. Recalculation or denial. If an audit reveals that the amount of the credit was incorrectly calculated or that the credit should not have been allowed, the director shall recalculate the credit, if applicable, and notify both the claimant and the county auditor of the recalculation and the reasons it is being made.

c. Recapture. If the credit has already been paid, the director shall notify the claimant, the county treasurer, and the applicable assessor of the recalculation or denial of the credit. If the claimant still owns the parcel or property unit for which the credit was claimed, the county treasurer shall collect the tax owed in the same manner as other due and payable property taxes are collected. If the claimant no longer owns the parcel or property unit for which the credit was claimed, the department may recover the amount of tax owed by filing a lien under Iowa Code section 422.26 or by issuing a jeopardy assessment under Iowa Code section 422.30. Upon collection, the amount of the erroneously allowed credit shall be deposited in the business property tax credit fund.

d. Appeal of recalculation or denial. The claimant or the board of supervisors may appeal any decision of the director to the state board of tax review. The state board shall review the director's decision in accordance with Iowa Code section 421.1, subsection 5. The claimant, the board of supervisors, and the director may all seek judicial review of the state board of tax review's decision pursuant to the provisions of Iowa Code chapter 17A.

e. False claim and penalty. Any person who makes a false claim for the purpose of obtaining a credit or who knowingly receives the credit without being legally entitled to it is guilty of a fraudulent practice. The claim for a credit for such a person shall be disallowed, and the director shall send a notice of disallowance. If the credit has been paid, the amount shall be recovered in the manner described in paragraph 80.30(5) "c."

80.30(6) Property eligible for credit.*a. Eligible parcels.*

(1) Except as provided in subrule 80.30(8), individual parcels or multiple parcels that comprise a property unit that is classified and taxed as commercial property, industrial property, or railway property under Iowa Code chapter 434 are eligible for the business property tax credit for the unit.

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(2) Parcels that, in part, would satisfy the requirements for classification as multiresidential property as defined in 2013 Iowa Acts, chapter 123, section 28, where the primary use of the building is not for human habitation with three or more units and the building is not otherwise classified as a residential property are eligible for the business property tax credit against valuations established prior to January 1, 2015.

b. Eligible property units. Except as provided in subrule 80.30(8), only property units made up of property assessed and taxed as commercial property, industrial property, or railway property under Iowa Code chapter 434 are eligible for the business property tax credit. To be eligible as a property unit, all of the parcels that make up the property unit must be:

- (1) Located within the same county;
- (2) The same property classification;
- (3) Owned by the same person;
- (4) Contiguous as defined in subrule 80.30(1); and
- (5) Operated by that person for a common use and purpose.

c. Taxable status of parcels and property units.

(1) A parcel that is fully exempt from property tax is not eligible to receive the business property tax credit. A property unit that is comprised of one or more parcels that are fully exempt from property tax is not eligible to receive the business property tax credit.

(2) An application for the business property tax credit shall be denied if a parcel or parcels are fully exempt from property tax at the time the application for credit is filed with the city or county assessor.

(3) Determination of eligibility of parcel or property unit based on taxable status.

1. The taxable status of the property on July 1 of the assessment year shall determine the eligibility of the parcel or property unit to receive the credit. If the parcel or property unit becomes exempt from property tax prior to July 1 of the assessment year, the credit shall be disallowed. If the parcel or property unit was taxable on July 1 of the assessment year, but becomes exempt after July 1, the parcel or property unit may receive the credit only in the prorated amount that corresponds to the amount of tax paid in that fiscal year, if any.

2. The assessor shall give notice to the auditor of partial credits allowed due to a change in taxable status of a parcel or property unit. The auditor shall update the auditor's file and give notice on forms prescribed by the department to the department of revenue of partial credits allowed due to a change in taxable status of a parcel or property unit.

(4) The owner of any parcel or property unit that has been granted the credit but becomes exempt from property tax prior to July 1 of the assessment year shall provide written notice to the city or county assessor by the date for filing claims.

(5) The taxable portion of any partially exempted property shall receive the credit only in an amount applicable to the taxable portion.

80.30(7) Common use and purpose. Whether parcels are operated for a common use and purpose depends on all the facts and circumstances of each set of parcels. The following nonexclusive examples illustrate common use and purpose.

EXAMPLE 1. ABC Properties is in the business of building, owning, leasing, and managing large retail spaces. ABC builds and owns a large shopping mall that covers contiguous parcels, all of which are located within the same county. Although the retail establishments that lease retail space in the shopping mall offer different products and services, the shopping mall is owned and operated by ABC for the common use and purpose of being a lessor. Thus, the parcels that make up the mall are eligible as a single property unit.

EXAMPLE 2. John's LLC owns four commercial parcels located within the same building, and they are, therefore, contiguous as defined in subrule 80.30(1). John's owns and operates two parcels as a beauty parlor. John's rents the other two parcels to a bicycle shop. The four parcels, together, do not have a common use and purpose. However, the two parcels used by John's as an owner-operator of the beauty parlor business are operated with the common use and purpose of providing beauty services and are eligible as one property unit. The two parcels that John's rents to the bicycle shop are operated with

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the common use and purpose of being rented out for profit as a landlord and are eligible as a second property unit.

80.30(8) Property ineligible for credit. All of the following are not eligible to receive a business property tax credit or to be part of a property unit that receives the business property tax credit:

a. Property that is rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code, as amended, and that is subject to assessment procedures relating to Section 42 property under Iowa Code section 441.21, subsection 2, for the applicable assessment year.

b. Mobile home park as defined in Iowa Code section 435.1.

c. Manufactured home community and land-leased community as defined in Iowa Code sections 335.30A and 414.28A and 2013 Iowa Acts, chapter 123, section 28.

d. Assisted living facility as defined in Iowa Code section 231C.2. Assisted living facility also includes:

(1) A health care facility as defined in Iowa Code section 135C.1;

(2) A child foster care facility under Iowa Code chapter 237; or

(3) Property used for a hospice program as defined in Iowa Code section 135J.1.

e. Property primarily used or intended for human habitation with three or more separate dwelling units.

80.30(9) Application of credit.

a. A person may claim and receive one business property tax credit for each eligible parcel unless the parcel is part of a property unit for which a credit is claimed.

b. A person may claim and receive one business property tax credit for each property unit.

c. A credit approved for a property unit shall be allocated to the several parcels within the property unit in the proportion that each parcel's total amount of property taxes due and payable bears to the total amount of property taxes due and payable on the property unit.

d. The classification of property used to determine eligibility for the business property tax credit shall be the classification of the property for the assessment year used to calculate the taxes due and payable in the fiscal year for which the credit is claimed.

e. Once filed and allowed, the credit shall continue to be allowed on the parcel or property unit for successive years without further filing of an application unless the parcel or property unit ceases to qualify for the credit under Iowa Code chapter 421C.

f. When all or a portion of a parcel or property unit is sold or transferred or ownership otherwise changes, the new owner must reapply for the credit. The owner of the portion of a parcel or property unit that did not change shall also reapply for the credit.

g. The following noninclusive examples illustrate the application of the business property tax credit under various circumstances.

EXAMPLE 1. On February 13, 2015, Mr. Jones files with his county assessor an application for the business property tax credit for taxes due and payable in the fiscal year beginning July 1, 2015. The property that Mr. Jones claims is eligible for the credit is a single parcel that is classified as commercial property. The property is not rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code. The property is not a mobile home park, manufactured home community, land-leased community, or assisted living facility nor is it primarily used or intended for human habitation with three or more separate dwelling units. Therefore, Mr. Jones' application should be approved as a credit against the taxes due and payable in the fiscal year beginning July 1, 2015.

EXAMPLE 2. Same facts as in EXAMPLE 1, but Mr. Jones files his application on March 17, 2015. Mr. Jones' application should be approved, but the credit will be against taxes due and payable in the fiscal year beginning July 1, 2016.

EXAMPLE 3. Davidoff LLC owns two parcels of land, both of which are classified as industrial property. Each parcel is being operated for a common use and purpose. The parcels are separated by a road. If Davidoff owns the property parcels to the middle of the road in fee simple title, the parcels are considered contiguous and would qualify as a unit, and Davidoff would be eligible for a single business property tax credit. If a third party, including the state, a municipality, or other government entity,

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owned the road in fee simple title, the parcels would not be considered contiguous, and Davidoff would be eligible for two separate business property tax credits.

EXAMPLE 4. In Madison County, Iowa, there is a wind farm that consists of four wind turbines that are taxed separately as permanent improvements to the land. All the wind turbines are owned by Windy LLC. The turbines sit upon four parcels of land that share a common boundary. Each parcel of land is owned by a different owner. The four wind turbines are contiguous because the wind turbines are taxed as permanent improvements to the land, they are situated upon four parcels of land that share a common boundary, and the land is assessed and taxed separately from the wind turbines. The four wind turbines qualify as a property unit and would be eligible for one business property tax credit.

80.30(10) Calculation of credit.

a. Auditor certification. On or before June 30 of each year, the county auditor shall certify to the department the following:

- (1) The claims allowed by the board of supervisors in that county;
- (2) The actual value, prior to the imposition of any applicable assessment limitations, of the parcels and property units for which credits were allowed in that county; and
- (3) The information applicable to the location of the parcels and property units.

b. Department process and methodology.

(1) Department of management information. The department shall obtain from the department of management tax district and applicable consolidated rates.

(2) Initial amount of actual value. For each parcel or property unit certified by the county auditor, the department shall calculate, for each fiscal year, an initial amount of actual value to use for determining the amount of credit for each such parcel or property unit that provides the maximum possible credit according to the credit formula and limitations prescribed by Iowa Code section 426C.3(5). The department shall also calculate the initial amount of actual value so as to provide that the total dollar amount of credits against the taxes due and payable in the fiscal year equals 98 percent of the moneys in the business property tax credit fund following the deposit of the appropriation for the fiscal year, including any interest or earnings that have been credited to the fund.

(3) Credit amount. The amount of the credit shall be calculated as follows:

Step 1. Determine the lesser of the actual value calculated in paragraph 80.30(10) "a" and the initial value calculated in subparagraph 80.30(10) "b"(2).

Step 2. Multiply the amount determined in Step 1 by the difference between the assessment limitation percentage applicable to the parcel or property unit under Iowa Code section 441.21(5) and the assessment limitation applicable to residential property under Iowa Code section 441.21(4). For purposes of this calculation, such difference shall be stated as a percentage.

Step 3. Divide the product of Steps 1 and 2 by \$1000.

Step 4. Multiply the quotient obtained in Step 3 by the consolidated levy rate or average consolidated levy rate per \$1000 of taxable value applicable to the parcel or property unit for the fiscal year for which the credit is claimed as certified by the county auditor under Iowa Code section 426C.3(5).

(4) Allocation to parcels. The business property tax credit approved for a property unit shall be allocated to the several parcels within the property unit in the proportion that each parcel's total amount of property taxes due and payable bears to the total amount of property taxes due and payable on the property unit.

(5) Limitation on information. Notwithstanding the foregoing, the department's calculations shall be based upon the certified information it has received by June 30 of each fiscal year. Any information, whether certified or uncertified, received after June 30 of each fiscal year will not be included in the department's credit calculations for the applicable fiscal year.

This rule is intended to implement Iowa Code chapter 426C.

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