

**MINUTES OF THE SPECIAL MEETING
OF THE
ADMINISTRATIVE RULES REVIEW COMMITTEE**

Time of meeting The special meeting of the Administrative Rules Review Committee (ARRC) was held on Thursday and Friday, July 8 and 9 in lieu of the statutory date of July 13, in Senate Room 22, State Capitol, Des Moines, Iowa.

Members present: Representative Janet Metcalf and Senator Berl E. Priebe, Co-chairs; Senators H. Kay Hedge, John P. Kibbie, and Sheldon Rittmer; Representatives Horace Daggett, Minnette Doderer, Roger Halvorson and David Schrader. Absent: Senator William Palmer.

Also present: Joseph A. Royce, Legal Counsel, Paula Dierenfeld, Administrative Rules Coordinator; Phyllis Barry, Administrative Code Editor; Mary Ann Scott, Administrative Assistant; Caucus Staff and other interested persons.

Convened Co-chair Metcalf called the meeting to order at 10 a.m. and announced that Committee business would be deferred to a later time in the meeting.

STATE LIBRARY Sharman B. Smith, recently appointed State Librarian, appeared at the Committee's request to discuss the Library's goal for developing required rules. Smith was familiarizing herself with the process and estimated that existing rules would be revised by September. New rules would be developed by November and December. These rules would include the State Library's Collection Development Policy.

It was noted that the State Librarian position had changed so frequently that rule making had not been initiated.

Kibbie suggested priority for rules relative to fees. Smith was amenable and noted that a contract exists regarding participation in open access, access plus, and the FAX network which could readily be converted to administrative rules.

Livestock Health Advisory Council Metcalf announced that Mark Truesdell, Counsel to the Livestock Health Advisory Council, was present to explain why the Noticed rule for allocation of the appropriation for livestock disease research had not been adopted. [Published IAB 4/14/93] He explained that the Council lacked a quorum last September to approve the Notice so it was delayed until late November. A copy of the rules with the proper signature was not returned to Truesdell and the rule was never filed for publication. Royce advised that the Notice had expired and the Council should file a Notice of Termination as required by Code section 17A.4(1)"b." No Committee action.

HUMAN SERVICES The following agenda was reviewed by Mary Ann Walker, assisted by Bob Krebs, Susan Bergwall, Sally Nodolsky, Kathy Ellithorpe, Maya Krogman and Norma Hohlfeld.

HUMAN SERVICES DEPARTMENT[441]

Child support, paternity, 9.10(10), 9.11, 95.11, 96.8, 96.13, ch 98 division I preamble, 98.22(2), 98.24(4), 98.32(2)"a," 98.39, 98.40, 98.44, 98.44(1), 98.44(2), 98.61, 98.62, ch 99, Notice ARC 4044A 6/23/93

Mental illness, mental retardation, developmental disabilities, and brain injury community services, ch 23 title, 23.1, 23.2(1), 23.2(1)"b" and "d," 23.3, 23.3(2)"a"(1) and (6), 23.3(3), 23.4(2)"b"(1), 23.4(2)"c," 23.4(3), 153.40(2), Notice ARC 4045A 6/23/93

DHS (Cont.)

Mental illness, mental retardation, developmental disabilities, and brain injury community services, ch 23 title, 23.1, 23.2(1), 23.2(1)"b" and "d," 23.3, 23.3(2)"a"(1) and (6), 23.3(3), 23.4(2)"b"(1), 23.4(2)"c," 23.4(3), Filed Emergency ARC 4051A 6/23/93

Relief for needy Indians, rescind ch 64, Notice ARC 4058A 6/23/93

Medicaid coverage of day treatment services for persons aged 20 or under, 78.16(6), 78.16(6)"a," "b," and "d," 78.16(7), 78.31(1), 78.31(4)"d"(7)"6" and "7," 78.31(4)"d"(10), 79.1(2), 85.25(1), 85.25(3), 85.26, 88.5(3), 88.25(3), Filed Emergency After Notice ARC 4019A, also Filed ARC 4018A 6/9/93

PROMISE JOBS program — transportation allowance, 93.10(6), 93.10(8)"b," 93.11(9)"c," 93.12(2), 93.14(7), 93.14(10), 93.14(10)"c," 93.15(1), 93.15(1)"e," 93.19(1) to 93.19(3), 93.21(9), Filed ARC 4061A 6/23/93

Payments for foster care and foster parent training, 156.1, 156.6(2), 156.6(4)"a," 156.6(6), 156.7(3), 156.8(3) to 156.8(5), 156.8(7), 156.9(1), 156.9(3)"b," 156.9(4), 156.11, 156.13, 156.18(6), 156.20(1)"c," Filed ARC 4016A 6/9/93

Subsidized adoptions, 201.4(4), 201.5(1), 201.6(1)"a," Filed ARC 4017A 6/9/93

Also present were Bonnie Handsaker, Case Manager, and Carlette Paulson, Director, Psychiatric Services, Mary Greeley Medical Center, Ames; Linda Goeldner, Iowa Hospital Association; Eileen Tramp, Nurse Manager, Adolescent Psychiatry, Mary Greeley, Ames; John Easter, Senior Public Policy Analyst, Iowa State Association of Counties; Paula McManus and Lynne Rutherford, Iowa Lutheran Hospital.

9.10(10) et al.

Walker explained amendments to 9.10(10) et al. which implement several child support initiatives passed by the last session of the legislature.

Bergwall explained to Priebe "locating absent parents" was stricken in 9.10(10) to allow a broader use of information.

Schrader referred to rule 98.61 and expressed opposition to publication of names of obligors in child support cases. He was aware of understaffing and lack of funds for child support recovery but was doubtful this approach would be effective. Bergwall reminded that the rule was implementing legislation passed last session. She added that the costs involved would be minimal—the most cost-effective child support recovery program in the country. Discussion focused on a particular case cited by Schrader where an individual found it virtually impossible to have his record cleared.

Halvorson noted that 98.62 provided for printing of lists only twice annually. The Department advised that if child support payments were satisfied in a three-month period, the name would be removed from the list. Priebe took the position that focus on a particular segment of the population was discriminatory in regard to the list.

Doderer and Rittmer made further inquiries regarding good cause in 98.61(5).

Kibbie was supportive of the direction being taken by the Department.

Ch 23

Amendments to Chapter 23 et al. regarding mental illness, mental retardation, developmental disabilities, and brain injury community services were before the Committee.

Daggett referenced the letter of May 17, 1993, from DHS to County Boards of Supervisors regarding funding of these services. Overland explained there would be a deficit in the amount for the state payment program in FY 94. He cited cost figures and spoke of options being considered. Overland emphasized that the amendments to Chapter 23 were not relative to the state payment program.

- DHS (Cont.) After lengthy discussion and due to the magnitude of the problem, Metcalf announced that further review of the program would be scheduled for the August ARRC meeting. At the recommendation of Schrader, Overland was willing to provide the ARRC with a copy of the AG Opinion regarding this program prior to August.
- Chs 23; 64 No questions or recommendations on ARC 4051A or 4058A.
- 78.16 et al. Amendments to 78.16(6) et al. pertaining to Medicaid coverage of day treatment services for persons aged 20 or under, were reviewed. According to Walker, 36 persons attended the public hearing and 13 letters were received. She summarized changes from the Noticed version.
- Linda Goeldner, Iowa Hospital Association, expressed appreciation for the Department's cooperation in refining the rules. However, the Association took exception to application of the same very high hospital construction standards for off-site services (of the hospital setting). This requirement by the Department of Inspections and Appeals would add to the costs of providing the services from the hospital perspective and in turn generate criticism.
- Goeldner continued that hospitals must precertify any admissions to their program but this was not required for the Community Mental Health Centers. This would create an uneven "playing field."
- Lastly, a bachelor's degree would be required for the addiction counselors—a two-year certificate would be acceptable in other programs.
- Paula McManus, Iowa Lutheran Hospital, pointed out an exception in the rules to allow an occupational and recreational therapy assistant to provide direct service under the direction of an occupational therapist or a mental health professional. She reasoned that these professionals have similar educational and certification requirements as those of an addiction counselor and should be included in the rules.
- Dierenfeld was willing to work with all concerned for a resolution of the differences.
- It was noted that the emergency rules were effective June 1 but those adopted following Notice would take effect August 1. Priebe agreed that these rules would result in additional costs to the hospitals and he reiterated his opposition to emergency rules. Royce reviewed Committee options with respect to the rules.
- Motion to Refer Priebe moved that amendments to Chapters 78, 79, 85 and 88 be referred to the Speaker of the House and President of the Senate for review by the appropriate committees. Motion carried.
- No recommendations by the ARRC on the remainder of the Human Services agenda.
- Priebe in the Chair.

**INDUSTRIAL
SERVICES**

Clair Cramer represented the Division for Emergency filing of amendment to 343—8.8, payroll tax tables, published in IAB 6/9/93 as ARC 4027A.

Halvorson was advised that the statewide average work wage determines changes in the tables (maximum 200 percent) and it is adjusted once yearly. No Committee recommendations.

Metcalf in the Chair.

**SECRETARY OF
STATE**

Representing the Office was Sandy Steinbach, Elections, for the following agenda:

SECRETARY OF STATE[721]

Election forms, 4.3, Notice ARC 4049A 6/23/93

Signature requirements for certain cities, 21.16, Filed ARC 4050A 6/23/93

4.3 In review of amendment to 4.3 found in ARC 4049A, discussion focused on the order in which names appear on a ballot. Rotation of names occur when there are several candidates for an office. The County Auditor has discretion to determine the order of party on the ballot.

21.16 Steinbach summarized new rule 21.16 which pertained to city elections only. No Committee action.

**Agriculture
Deferred**

Metcalf announced that Agriculture agenda would be deferred until 2:45 p.m.

UTILITIES

15.1, 15.12

Vicki Place and Gary Stump were in attendance for Filed amendments to 15.1 and 15.12(3)"a"(3) relating to alternate energy production, published in IAB 6/23/93 as ARC 4060A.

Stump responded to Priebe that the amendments relate to the new wind power with respect to allocation of alternate energy production by the various utilities based on their Iowa electric revenue. No action by the ARRC.

**TREASURER OF
STATE**

Karl Koch appeared for the following:

TREASURER OF STATE[781]

Public units and savings and loans — extension of time to convert existing security and custodial agreements to Form 655-0205, 3.1(2), Filed Emergency ARC 4025A 6/9/93

No questions.

DOT

The Transportation Department was represented by William Zitterick, John Hocker, Thomas McDonald, Valerie Hunter, Tom Sever and Terry Dillinger. Also in attendance was Roger Erpelding, Iowa Department for the Blind. The following agenda was discussed:

TRANSPORTATION DEPARTMENT[761]

Holiday rest stops, ch 105, Notice ARC 4038A 6/23/93

Highway and bridge construction, 125.1, Filed ARC 4036A 6/23/93

Regulations applicable to carriers, 520.1(1)"a" and "b," Filed ARC 4039A 6/23/93

Commercial driver licensing, 607.6(2), 607.29, 607.36, 607.49, Filed ARC 4037A 6/23/93

Ch 105

Zitterick provided a brief overview of new Chapter 105 relating to holiday rest stops. He informed the Committee that two changes would be made prior to

DOT (Cont.)

adoption of the rules. In 105.4(3)"b" and 105.4(4), the request would be submitted to the "Office of Maintenance" rather than the "district maintenance engineer" and in 105.4(1)"a" the vending machine restriction would be deleted.

Zitterick explained that a holiday rest stop was conducted on Memorial Day at the Tiffin rest area near Iowa City to determine loss of revenue to the blind vendor. Information gathered was inconclusive and blind vendors were willing to absorb the loss for the nine days that the holiday rest stop program was conducted. The Department for the Blind was very interested in promoting highway safety and Erpelding found the rules to be acceptable with the changes noted earlier.

It was clarified that during this Labor Day weekend and subsequent holidays, holiday rest stops would be allowed at vending machine locations.

Kibbie questioned the upcoming hearing for oral presentations and possible changes made due to public comment. Zitterick assured Kibbie that the Department did not anticipate opposition to the rules.

The question of liability was raised by Hedge and Zitterick responded that 105.3(6) contained standard liability language. Zitterick assured the Committee that groups would be monitored but there had been no problems in the past.

Discussion then focused on the types of service groups, the selection of these groups by lottery (105.4(4)"b") and notification of same. No Committee action.

125.1 Hocker, Specification Engineer, reviewed filed rule 125.1 regarding the requirement of a contract bond. No Committee recommendations.

520.1 Hunter and Sever presented Filed amendments to 520.1(1)"a" and "b" relating to regulations applicable to carriers. No recommendations.

607.6 Dillinger stated that two changes were made in 607.6 as a result of public comment. He advised Rittmer that the restricted license might be a question of classification but it became a very complicated issue to discern between the two privileges.

In response to Priebe, Zitterick noted that operators of implements of husbandry would not be required to have a commercial license.

Halvorson, Priebe and Zitterick discussed the shortage of staff and testing sites for CDLs.

Recess Metcalf recessed the Committee for lunch and reconvened it at 1:30 p.m.

REGENTS

Phillip Patton, UNI Registrar and Chairperson of the Regents Committee on Educational Relations, was present to give background on a noticed Regents Board amendment to 681—1.3(1), relating to transfer of two-year college credits to a Regents university, published as ARC 4028A in IAB 6/9/93.

Royce was advised that credits from an accredited two-year college should transfer if they fall within the limits of the university. Emphasis would be on courses as opposed to hours toward a degree. According to Patton, the revision would go into effect this fall. Because of the short time frame, there was consensus that the time for implementation be included in the rule.

REGENTS (Cont.) Patton clarified that the revision would continue to limit the total two-year college credits applicable to a bachelor's degree at a Regents institution to one half but no more than 65 hours of the total. Students will have flexibility to earn and transfer hours in the latter part of their studies.

LOTTERY Steven King and Nicky Schissel represented the Division for the following agenda:

LOTTERY DIVISION[705]

REVENUE AND FINANCE DEPARTMENT[701]"umbrella"

Prizes payable after death of winner, 1.29, Notice ARC 4041A 6/23/93

Ticket sales restrictions, 3.12, Filed ARC 4040A 6/23/93

1.29 King explained that new rule 1.29 was needed to address a more aggressive stance by the IRS. In addition, some courts have ruled that the value of the prize must now be included in the estate of a winner.

Priebe inquired about closing Lottery sales at 8 p.m. to which Schissel responded that this was due to time zone differences in this coast-to-coast lottery—each state must have time to "balance."

With respect to taxes on prizes, Schissel offered that some states plan to give winners the option of taking cash or an annuity which would be constructive receipt with taxes being paid up front. She added that the National Association of State and Provincial Lotteries was working on changes at the national level.

3.12 No recommendations on filed amendments to 3.12.

RACING AND GAMING

Lou Baranello briefed the Committee on the following adopted amendments:

RACING AND GAMING COMMISSION[491]

INSPECTIONS AND APPEALS DEPARTMENT[481]"umbrella"

Organization and operation, practice and procedure, track licenses and racing dates, greyhound racing,

thoroughbred racing, riverboat operations, 1.2(2), 4.4, 5.15(3), 5.15(4), 6.3, 7.1, 7.2(10), 7.4(1)"a,"

7.8(4)"a" and "b," 10.1, 10.2(6)"a"(1), (3), (4) and (6), 10.3(13), 10.4(6)"b" and "e," 25.16(2)"a,"

Filed ARC 4035A 6/9/93

1.2(2) et al. Priebe noted use of "will" in some instances and suggested that the agency substitute "shall" wherever appropriate.

Priebe also raised question as to the need for a steward during simulcasting since all decisions were made at the track where the race was run—7.8(4). Baranello cited an example of a lost television signal because of inclement weather where it would be the steward's responsibility to contact the originating track and verify the order of finish and mutuel winnings.

Baranello agreed with Priebe that Item 16, amending 10.3(13), should be rescinded. The subrule pertained to tax-exempt passes. Royce advised that the rescission could be made by emergency rule making.

DENTAL EXAMINERS

Constance Price, Executive Secretary of the Board, presented the following agenda:

DENTAL EXAMINERS BOARD[650]

PUBLIC HEALTH DEPARTMENT[641]"umbrella"

Auxiliary duties which may be delegated by a dentist, 20.1, 20.2(1)"c" and "d," 20.2(2), 20.2(3), 20.3,

Notice ARC 4023A 6/9/93Principles of professional ethics — unnecessary services or procedures, 27.7(7), Notice ARC 4022A ... 6/9/93Discipline, 30.4"39" and "40," Notice ARC 4021A 6/9/93

20.1–2.3

Responding to Doderer, Price said the Board had difficulty in drafting revision of Chapter 20 to expand and clarify auxilliary duties which may be delegated by a licensed dentist. In order to avoid a laundry list of "do's and don'ts," the rules set out duties which may not be delegated in general terms.

Commentors favored allowing dental assistants to perform any reversible function. The Board disagreed contending that protection of the public was their concern. Dental assistants need not be licensed in Iowa so the Board must regulate the licensed dentist.

There was discussion of duties performed by dental assistants.

No comments or questions on the remainder of the Dental Examiners agenda.

CIVIL RIGHTS

Ronald Pothast, Commission Staff, gave a brief overview of Noticed rule 161—3.17, Arbitration, published as ARC 4057A in IAB 6/23/93.

Royce was in agreement with the concept of arbitration but viewed this rule as basically designed as an alternative to filing a case in court. Since arbitration was binding, the right to appeal to district court was forfeited. Royce viewed this approach as regression since most respondents would prefer a contested case in order to maintain appeal rights.

Pothast responded that Royce's concerns were considered by the Commission but they wanted to offer arbitration.

Metcalf commended the Commission for seeking advance input from interested parties. No Committee action.

Committee Business Royce referred members to a copy of a letter received by Secretary of Agriculture Dale Cochran which addressed the implementation of the Organic Nutrient Management Program [93 Acts, HF 623, §14]. Representative Jim Hahn had suggested that the program be implemented by emergency rules.

Priebe was aware of the urgency for a formal procedure so funding could be available for the program this year.

Royce advised that Jim Gulliford, Soil Conservation Division Director, chose not to adopt emergency rules and he offered as a compromise a Notice of Intended Action which would allow the rules to be adopted Emergency after Notice in early August. [27—Chapter 13, "Organic Nutrient Management Program," published as Notice in 7/21/93 IAB as ARC 4121A]

Schrader interpreted Hahn's letter as expressing concern about construction not the distribution of funds. It was Schrader's opinion there would be a big demand for the competitive grant program among the livestock producers. He added that it was this Committee's responsibility to ensure that the rules were fair and appropriate for this competitive grant program and he saw no need for emergency rules.

After further discussion, it was noted that \$900,000 was appropriated for this program and there was a two percent administration fee. The Noticed rules would be on the August agenda of the ARRC.

LABOR SERVICES

Wally Johnson, Deputy Labor Commissioner, represented the Division for the following:

LABOR SERVICES DIVISION[347]

EMPLOYMENT SERVICES DEPARTMENT[341]"umbrella"

General industry — storage and handling of liquefied petroleum gases and explosives and blasting agents, 10.20,

Filed Emergency After Notice ARC 4047A 6/23/93

Lead exposure in construction, 26.1, Notice ARC 4029A 6/9/93

Occupational safety and health standards for agriculture — occupational exposure to cadmium, 28.1,

Notice ARC 3985A *Carried over from June ARRC meeting* 5/26/93

10.20; 26.1

No questions or recommendations on amendments to 10.20 or 26.1.

28.1

The Noticed amendment to 28.1 carried over from the June meeting was before the Committee. Johnson advised that cadmium was a very hazardous, heavy metal chemical, and if ingested by the body, removal was not possible. He stated that cadmium in agriculture had been used extensively in fertilizers and pesticides until banned by EPA. It was not currently being used in the agricultural workplace. Johnson pointed out that the Division does not conduct inspections of farm operations of less than 10 employees. No comments received on the agricultural coverage of this chemical.

Johnson advised that cadmium could be found in paint on farm equipment, for example. Priebe wondered why farm organizations had not responded to the rule and Johnson agreed to contact the Farm Bureau for their reaction.

REVENUE

Carl Castelda, Deputy Director, presented Filed rule 701—40.44, relating to taxation of nonresidents' pensions and annuities, published in IAB 6/23/93 as ARC 4046A.

Castelda stated that 12 organizations made presentations in opposition to the rule at the hearing held May 4, 1993. Historically, the agency had resolved differences before adopting rules but this issue was extremely controversial—not only in Iowa but on the national level as well. It addresses the state's ability to tax pension income of nonresidents who worked in Iowa and their pensions or portions thereof were associated with their employment in Iowa. Castelda continued that the Department feels strongly that they have a legal right to tax these pensions based on statute and a series of U. S. Supreme Court cases and he spoke of the question of how much of the earnings was taxable. The rule provides for all earnings to be taxed because they are directly related to the pensions. The administrative side of the issue was identifying the nonresidents, actually collecting the tax and determining how much of the actual income was associated with employment in Iowa. Castelda stated that the Department had concluded that it was not cost beneficial for the state to pursue collection of the tax from nonresidents at this time.

In an unprecedented action, the Department requested the ARRC to delay rule 40.44 into the next session of the General Assembly. Castelda reiterated that the Department sees the issue as one of state policy. With 100 percent compliance with this rule, the Department estimated collection of approximately \$8 million. In future years, there was potential for increases because of more investments in IRAs, deferred compensation, pension plans, Keogh plans and 401K plans. If the

REVENUE (Cont.) General Assembly, from a policy perspective, reviews the issue and decides against tax on pension income of nonresidents, the next obvious question would be should the residents be taxed? Castelda reasoned that no action by the General Assembly would be a signal that Iowa would become one of five or six states to actively pursue the issue.

Halvorson was supportive of a delay but inquired about the chances of federal intervention. Castelda clarified that federal legislation which was part of the last big tax package was vetoed by President Bush. The Department anticipated that this matter would be part of any tax plan for President Clinton's consideration. Castelda cited a problem with the legislation which would establish a threshold and prohibit states from taxing the first \$20,000 or \$25,000 of pension income earned by a nonresident. Once that threshold has triggered, the state would still be faced with the same administrative difficulties and the Department was hopeful Congress would remove the threshold. Castelda's experience with nonresident pensions was that complaints were lodged by high-income individuals who would be more likely to leave the state.

Motion to Delay Halvorson spoke from an economic development standpoint. He took the position that the rule would not be in Iowa's best interests and he moved that rule 701—40.44 be delayed until adjournment of the 1994 General Assembly.

Doderer commended the Department for their efforts with an unpopular issue. She reasoned that no tax on pension income would be an invitation to move to Florida or another state where it would not be taxed. She viewed the tax as being "very regressive" because those with low income cannot afford to defer taxes. Doderer disagreed that taxation was a disincentive for economic development. Companies consider educational opportunities, services, residential areas, etc. She concluded that the problem should be resolved by all of the states.

Schrader referred to a letter he had received on behalf of the Bar Association which stated there was no clear statutory authority for the Department's action. The letter also stated several other inconsistencies with the federal Constitution, interstate commerce clause, etc.—reasons why 40.44 might not be a good rule. Schrader considered the Department's request to be unusual since the Governor has power to rescind any executive branch administrative rule. [17A.4(6)] He questioned Castelda concerning the law and Castelda cited Code section 422.19 governing taxation of nonresidents. Castelda also referred to the U. S. Supreme Court case where Michigan argued that federal pension income was not related to compensation. The court ruled that there was a direct relationship and that pension was nothing more than deferred compensation. Iowa statute clearly taxes compensation earned by nonresidents. Castelda stressed that the Department was confident that if this issue were litigated the state would clearly win. From the Department's standpoint, it becomes a state policy issue. Castelda concluded that the problem would grow more complex if not addressed.

Schrader pointed out that if the General Assembly fails to take action, the Governor had ultimate veto power for 70 days after the effective date of every rule. He declared, "The rule that nobody wants isn't a gun to the head of the legislature, it is the Executive Branch saying they want something done." He would support the delay.

In response to Hedge, Castelda said that as a general rule, the Department favors coupling with the Internal Revenue Code for ease in administration. Hedge also asked about the federal government's position on pensions of people moving to

REVENUE (Cont.) another country. Castelda thought there were certain levels of income that were exempted by treaty but was unsure if pensions would fall under that category.

Castelda responded to Daggett that he did not think the outcome of the Michigan case would affect the decision of litigation in Iowa. The litigation relates to paying refunds on taxes imposed on retired federal personnel during a time when state employees were exempted from taxation on pensions. It was a pension issue, not a nonresident issue. To avoid confusion, Castelda was willing to discuss the federal pension issue after this meeting.

Rittmer raised question as to the number of states with income taxes on pensions. Castelda recalled that some provide exclusions over certain income tax levels but every state with an income tax does tax pensions—approximately 42 states. Rittmer noted that Illinois has a three percent income tax but they do not tax pensions. He felt that Iowa was competing with other states and this was a problem along the borders. Rittmer opined that Iowa's tax structure should be studied. Castelda responded that the three percent tax in Illinois was basically on gross income whereas Iowa taxes net income after deductions, exclusions, etc. Castelda viewed the Illinois law as fairly regressive in that everyone pays at the same rate regardless of income. He was willing to work to simplify the Iowa tax structure.

Priebe recalled a proposed amendment by former Senator Wells to exempt nonresident pensions if they moved out of state. The amendment did not pass. Priebe declared that persons with deferred tax on pension income realized a very distinct advantage over farmers and small businesses who have paid taxes up front on their income. He urged review of this issue. Priebe spoke of the unfairness to Iowa citizens who remain in Iowa and pay taxes on their deferred income.

Responding to Doderer, Castelda recalled Farm Bureau was one of the 12 organizations that spoke against this rule. He also advised that the minimum filing requirement was \$1000 and when that has been met, residence would not be significant—taxing nonresidents at a higher rate than residents or the tax structure would be unconstitutional. Doderer spoke of the unfairness of this rule and of the Department in requesting the delay and she suggested rescission.

Castelda responded to Priebe that this issue was not brought to the attention of any legislative committees other than last year regarding the Department's ability to require withholding on all payments to nonresidents who are subject to Iowa tax. The General Assembly passed a statute precluding the Department of Revenue from withholding and requiring information reports. The Department lacks the tools at present to collect this tax.

Schrader repeated Castelda's statement made earlier that the Department fully expected this rule to be delayed or they would have made some corrections to it. Castelda agreed, saying that as far as the earnings on this pension income of a nonresident, not taxing it was consistent with other policies that the Department had relating to nonresident taxation. The correction could be made but it would have a minimal impact on earnings and would make computation of the Iowa portion of the tax more complex.

Schrader expressed frustration with what he described as a "shamble of the rule-making process" but would support the delay. Castelda stressed that this was not the intent of the Department.

REVENUE (Cont.) Castelda told Kibbie that reference to refund claims pertained to the money that nonresidents paid the Department voluntarily but shouldn't have based on the AG's opinion received last year on the reciprocal agreement statute. A refund would be made if requested within three years. Castelda also advised Kibbie that the Interim Committee that spent two years on tax fairness did not address the pension taxation issue and did not discuss any issues which should be studied with the Department's involvement.

Kibbie saw no problem with deferring the rule to the legislature. If there was no action by the end of the session, the rule would go into effect and Iowans would be more knowledgeable about taxing of pensions.

Substitute Motion Priebe moved a substitute motion to delay rule 40.44 for 70 days for further study. He was interested in input from the Governor and the Department of Management.

Halvorson favored rescission of the rule by the Department.

Motions failed Priebe's substitute motion failed on a roll call vote of 4 ayes and 5 nays.

Halvorson's motion for a session delay was called. Roll call vote and the motion failed to receive a two-thirds majority.

Motion to Object Halvorson moved to object to rule 40.44.

Substitute Motion Priebe moved a substitute motion to delay the rule for 45 days and expressed dismay that this was becoming a political issue.

Doderer asked if someone on the prevailing side would move to reconsider the 70-day delay.

Castelda expressed a willingness to rescind the rule which would go into effect July 28. He would convey Committee sentiments to the Director.

Hedge reasoned that legislators have a responsibility to study controversial issues such as this one and preferred a Session Delay.

Rittmer stated that his vote was not partisan and he concurred that thorough review of the matter was important. He was willing to support a 70-day delay if it were not a partisan action.

Motion to Reconsider Halvorson moved to reconsider the vote by which the 70-day delay failed. Priebe withdrew his motion for a 45-day delay. Motion to reconsider the vote passed.

Motion to Delay The Halvorson motion to delay rule 701—40.44 for 70-days passed on a voice vote.

AGRICULTURE In attendance for the Department were John Whipple, John Hinshaw and Rollie McCubbin. The following agenda was reviewed:

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Renewable fuel, ch 12, Filed ARC 4059A 6/23/93

SPECIAL REVIEW: Registration of foals, Iowa Code §99D.22

AG (Cont.) Ch 12 Halvorson pointed out a problem in determining when the ethanol production facility had met the 50 percent increase qualifier—12.3(2). If on a quarterly basis, there could be no payments until a minimum of five million gallons had been produced. Halvorson didn't believe anyone would qualify until they had actually reached the five million total. The Department agreed this had not been addressed but it should be.

It was noted that ethanol must be 99 percent pure as provided in the statute—12.3(2)"e."

Halvorson also saw a problem with 12.3(2)"f" which would require ethanol to be denatured and subsequently blended with gasoline. He pointed out that ethanol is used in several other marketing areas.

Motion to Delay Halvorson moved that 21—Chapter 12 be delayed for 70 days in order to research the Code on some of the questions raised. Motion carried.

Foals – Registration Hinshaw, Coordinator, explained the horse and dog breeding program authorized by the legislature in 1983. [99D.22] At the request of Priebe, Hinshaw focused on requirements for certification of Iowa-foaled horses. According to Hinshaw, the Department has two investigators who travel throughout the state and he took the position that there was efficient utilization of staff. Priebe suggested, as a cost-saving measure, that the Department consider allowing certification by veterinarians.

REVENUE Co-chair Metcalf recognized Castelda who reported on the status of the Hagge Case (refunds to retired federal employees).

Recess The Committee was recessed at 4:40 p.m.

Reconvened

Co-chair Metcalf reconvened the meeting at 9 a.m., Friday, July 9, 1993.

REAL ESTATE

Roger Hansen, Executive Secretary, was in attendance for the following agenda:

REAL ESTATE COMMISSION[193E]

Professional Licensing and Regulation Division[193]

COMMERCE DEPARTMENT[181]"umbrella"

Prohibited practices, 1.31, Filed ARC 4048A 6/23/93

Metcalf recalled controversy over rule 1.31 when it was Noticed [IAB 3/31/93, ARC 3853A] and inquired about changes since that time.

Hansen advised that no major changes were made in the existing rule. Their intent was to "fine tune." The Commission had not realized the far-reaching affect these rules would generate with regard to disclosures, requirements, and other ramifications. The Commission felt the rules were adequate to protect the public. They also determined that rebate matters would be left for the Fair Trade Commission or the Attorney General. The Commission could take any action necessary against the licensee.

Halvorson understood that the language in this rule would prohibit tying the sale of one property to the listing or exclusive sale of another property. Hansen agreed and spoke of prior disciplinary action against licensees. Halvorson referred to the newspaper article regarding tying by Iowa Realty and Hansen reminded that rule 1.31 would not prohibit that. He clarified that Iowa Realty was not requiring a builder to list with them.

Priebe interjected that the price of the lot was reduced if you listed with Iowa Realty and they sold it. Hansen understood that it wasn't a reduction but a rebate on the commission (points). In 1985, the Commission had rules prohibiting inducements. These were rescinded after court cases around the country decided this infringed upon competition. The Commission had determined that as long as a rebate or inducement went to a buyer or a seller in a transaction and not to a third-party, nonlicensed person, it would be permissible. If the inducement takes an unfair advantage over a competitor, the Commission would be concerned. He posed the question—"How much is too much?"

Halvorson could foresee that by allowing rebates, the "door would open wider." He pointed out that rebates were not allowed in the insurance industry. Halvorson wondered how the Attorney General could make a determination without a rule defining "rebate." Hansen cited state and federal laws that would prevail with respect to competition.

Daggett asked if the final rule was a compromise. Hansen responded that the Chairman of the Real Estate Commission signed a motion and agreement concerning a lawsuit that was brought against the Commission because of the tying arrangement declaratory ruling of 1992. It was his understanding that opposing factions planned to sign it.

Bill Suangeli, Outside Counsel for First Realty, spoke of his involvement in this rule dispute since its inception. First Realty's opposition to the rule focused on lack of disclosure not on policy on rebates. Suangeli contended that the Attorney General or Fair Trade Commission would be handicapped by lack of a rule requiring disclosure by a licensee as to its rebate program.

**REAL ESTATE
(Cont.)**

Suangeli referred to a copy of two proposed subrules which they had submitted to the Commission by his client (First Realty). (Copy on file with ACO) He reiterated that protection of the public through disclosure was the issue and he urged the ARRC to request such rule making.

Doderer was interested in knowing why the Commission was opposed to a disclosure rule. Hansen spoke of many far-reaching areas—agency relationships, for example. Doderer concurred with the line of questioning pursued by Halvorson.

R. Michael Hayes, In-house Counsel for First Realty, pointed out that disclosure proposals were included in the Notice but subrules 1.31(8) to 1.31(13) were removed at the Commission's last hearing.

David Nelson, General Counsel for Iowa Realty, was on the other side of the issue but stressed that they were not opposed to disclosure. Disclosure would be important when two buyers were competing for a transaction. He explained the splitting of commissions on the listing cards by Iowa Realty rebate program and he spoke of competition as a benefit to the public. Nelson maintained that Iowa Realty does not give a discount on the lot price. He referred to the Country Club Development in Clive which is where they started their rebate program and it was paid from Iowa Realty Company dollars. With respect to the issue on disclosure, Nelson questioned where the line could be drawn when the seller of a property was required to disclose the financial or contractual arrangements that could affect their bargaining position.

In conclusion, Nelson stated that Iowa Realty had no problem with rule 1.31 but if they were not allowed to negotiate and grant rebates, fees might as well be regulated and fixed. He declared that the rule had not been precipitated by a single complaint to the Commission.

Schrader expressed concern with striking the words "tying arrangements" and substituting "prohibited practices" in the rule. Discussion also focused on the use of the word "conditions" in 1.31(1).

Motion to Delay

Doderer moved that rule 193E—1.31 be delayed 70 days for study.

Priebe would support the motion and expressed the opinion that the agency had taken the easy way out.

Hedge and Priebe noted that removal of the disclosure language following the Notice of rule 1.31 was a substantial change.

Royce advised that the adopted version was significantly less restrictive than the Noticed rule.

Motion carried.

September Agenda

Metcalf announced that rule 1.31 would be placed on the ARRC agenda for September.

**INSPECTIONS
AND APPEALS**

The Department was represented by Rebecca Walsh, Robert Olsen, Mary L. Smith and Jay Bennett.

57.12

Metcalf advised that an Economic Impact Statement had been requested on the amendment to 57.12(2)"a," relative to staffing in residential care facilities, which

DIA (Cont.)

was Noticed in IAB 11/25/92. The Impact Statement was published in IAB 3/31/93 and the adopted version was published in IAB 6/9/93 as ARC 4026A.

Walsh explained that the amendment addresses instances where additional staffing in residential care facilities would be appropriate to meet the residents' needs or to ensure their safety. The Statement identified the types of special needs that might require the additional staffing, provided an estimate of frequency and types of these special needs, and amount and costs of the special staffing. Walsh advised that no comments were received on the amendment and no changes were made from the Notice.

Metcalf reminded that the Economic Impact Statement was requested because of potential increased costs for nursing home care. She understood that the Department would make these determinations on a case-by-case basis.

Olsen clarified for Kibbie that this amendment addresses only one level of care in a residential care facility. Since mental health facilities were cutting back on their additions, the county care facilities were placing these people in a residential setting. The Department wants to ensure that adequate staff would be available.

Olsen continued that residential care facilities were keeping clients longer because of increased costs to the county if clients were placed in a safe intermediate care facility.

Kibbie was advised that the state had approximately 500 residential care facilities. Olsen assured him that staff would not be increased if no complaints were received.

Priebe pointed out that very few state dollars were used for residential care. He was concerned about a potential increase of \$30,000 for each facility.

Olsen clarified that the Department needed rules in place to support increasing staff ratio in situations when complaints were received that the care of clients was in jeopardy.

Bennett stated that the 500 figure also included facilities licensed as RCF/MRs and RCF/MIs which have discretionary staffing requirements built into their rules.

Smith mentioned that of the approximately 250 general RCF facilities, probably half of them would contain fewer than 15 beds. At issue was the larger facility where 60 to 200 beds would occupy three floors with clients needing heavy care, e. g., clients who are incontinent or paralyzed and in wheel chairs.

Motion

Priebe moved that 481—57.12(2)"a" be delayed until adjournment of the 1994 General Assembly.

Doderer referred to the Impact Statement and questioned the costs of \$54,300 and \$59,000 per year. Olsen said that this referred to the two instances where additional staff would be needed.

Priebe noted that extra staff was in response to two complaints. Doderer opined that this rule would provide authority to the Department to assure decent care for people who don't have it.

- DIA (Cont.)** Hedge suspected there would be more complaints in an attempt to justify additional staff. Smith maintained that request for additional staff would be substantiated.
- Substitute Motion** Doderer moved a substitute motion to delay 481—57.12(2)"a" for 70 days for further study.
- Department officials were willing to provide additional information at the September ARRC meeting.
- Priebe suggested that legislative staff contact some of these residential care facilities to determine if problems exist.
- Schrader noted the absence of the associations which represent these different types of facilities and he would not vote for the delay.
- Olsen advised Rittmer that there were 22 publicly operated county care facilities. Smith interjected this is where they are seeing the most heavy care people. Rittmer was aware of changing clientele in the facilities but noted that increased regulation would increase costs.
- Motion Carried** Doderer's substitute motion for a 70-day delay carried with Schrader recorded as voting "no." Metcalf restated that this issue would be placed on the September agenda.
- PROFESSIONAL LICENSURE** Carolyn Adams reviewed the following agenda:
- PROFESSIONAL LICENSURE DIVISION[645]**
PUBLIC HEALTH DEPARTMENT[641]"umbrella"
 Massage therapists — continuing education and disciplinary procedures, uniform rules, 130.1, 130.3 to 130.10, chs 131, 136 to 139, Filed ARC 4031A 6/9/93
 Physical therapists and physical therapist assistants — examination fees, 200.9(1), 202.10(1), Filed ARC 4056A 6/23/93
 Physical therapy and occupational therapy — applications, penalty fees, 200.9(3), 200.9(9), 201.5(5)"a" and "b," 201.12(4), 201.12(10), Notice ARC 4043A 6/23/93
 Respiratory care practitioners, 260.10(9), Notice ARC 4030A 6/9/93
- 130.1 et al. No questions or recommendations on amendments to 130.1 et al., 200.9(1) et al., or 200.9(3) et al. (ARCs 4031A, 4056A, or 4043A).
- 260.10 In reviewing amendments to 260.10(9), Priebe suggested inclusion of continuing education requirements. Royce suggested that a summation of the statute could be added to the rule.
- PUBLIC HEALTH** Carolyn Adams represented the Department for the following Public Health agenda:
- PUBLIC HEALTH DEPARTMENT[641]**
 Advisory bodies of the department, ch 191, Notice ARC 4042A 6/23/93
SPECIAL REVIEW: State Plumbing Code, Backflow prevention
- Ch 191 In review of proposed new Chapter 191, discussion centered on quorum requirements on 191.5(3). Based on the fact that advisory groups consist of volunteers who serve on their own time and do not make policy, Royce reasoned that a simple majority would be adequate.

PUBLIC HEALTH
(Cont.)

Schrader and Priebe disagreed.

Dierenfeld opined that these groups do make recommendations and she saw a need for quorum requirements for voting purposes.

In 191.8, Doderer suggested that this be tied into the Code section on gender balance because it could be determined by size of the advisory bodies. In addition, she recommended that political balance and open meetings laws be considered. Adams would take the suggestions under advisement.

With respect to majority, Adams stated that their intent was to make a rule sufficiently broad to cover statutorially mandated advisory bodies as well as those created by department or division directors. Doderer suggested deletion of the first sentence which read, "Two-thirds of the total membership shall constitute a quorum." Priebe suggested a majority plus one. Rittmer would agree with "a majority of those present" to vote.

Hedge voiced opposition to requesting political balance on a committee made up of volunteers.

There was discussion of 191.5(5) which would allow discretion for the director to consider dismissal of a member who had three consecutive unexcused absences. Kibbie was aware of absentee problems with volunteer groups and he suggested striking the word "consider." Metcalf preferred to retain the language since there could be extenuating circumstances to substantiate absences.

Metcalf thought there should be a standard set of rules applicable to all advisory committees.

Discussion returned to quorum.

Royce interjected that once a quorum was present, under both Mason's and Robert's Rules, (he emphasized that the legislature has its own rules) a majority of those present was capable of passing a measure. He continued that in 1978 this was changed for government agencies because of a controversial vote taken by a seven-member board, five of whom were present—three voted "yes," one voted "no" and one abstained. The ARRC then created an informal policy that a majority vote of the entire committee was needed to take action.

No formal action taken on Chapter 191.

Special Review
Backflow Prevention
641—25.5

Present to discuss the special review of the backflow prevention portion of State Plumbing Code (25.5) was Michael Magnant, Program Manager, IDPH. Also present were Mark Fleming of Fleming Landscape; Shirley Peckosh, Iowa Nursery and Landscape Association; Larry Anderson, General Manager, West Des Moines Water Works; Von Hansen, City of Des Moines and Richard Cheeseman, City of Cedar Falls.

Magnant offered background on the model uniform plumbing code which was adopted by the Department in 1983. In September, the UPC made some significant changes to the requirements for backflow prevention, most significant involved the testing of devices on an annual basis by a registered or trained person. The Department included a new section in the amendments which required cities of 15,000 or greater population to develop and enact, by the beginning of 1996, a backflow prevention program beyond UPC standards. That involves evaluating the water services provided by the city and determining if

Backflow (Cont.)

specific water services could present a hazard to the water system. Magnant stated that currently, Des Moines, West Des Moines, Iowa City and Cedar Rapids have passed ordinances related to this new section of the state plumbing code.

Peckosh was not opposed to protection of the water supply but her association was concerned about regulation of single-family residences. Watering the lawn or injecting chemicals would require the same backflow prevention devices.

Magnant cited examples of low water pressure, residential irrigation systems used to inject fertilizers and pesticides, also sprinkler heads installed below the surface of the ground potentially in water, which would obviously contaminate it to some degree. This could provide a source for backup into the public water system. A large number of documented backflow cases come from residences. Magnant described how a simple hose connection on the outside of a house could create backflow. He pointed out that the rule does not specifically dictate the method for a community to adopt the program—there was flexibility.

Fleming spoke of cities' concern about litigation as well as their public water supply. He had not seen statistics on possible contamination from home systems.

Peckosh reasoned that "overprotecting" would be costly to residents.

Anderson had worked with Magnant, the IDPH and others in the Des Moines Metro area to develop a program that would be workable in this area. At that time Iowa had no program. He added that the program before the Committee was number 49 out of 50 states. He was very supportive of the sound, technical program. A model ordinance was offered to Cedar Rapids, Sioux City, or any interested city, through the Iowa Chapter of the American Water Works Association. Anderson was willing to work with the nursery people as well as others to explain the importance of the program. The ordinance adopted in the Des Moines area does not require retrofit in existing homes—only in the high hazard businesses. He added that the Federal Safe Drinking Water Act was making the requirements for protecting the public water supply much more stringent.

Daggett and Anderson discussed the cost factor involved for a private residence and rural areas.

Magnant clarified that as a Department, they were not involved in the model ordinances but the rules do set out basic guidelines for a program.

Fleming could foresee that other cities would pattern the Model followed by Des Moines which could be too expensive.

Schrader said that Fleming's argument should be with the city of Cedar Rapids. He saw no problem with cities having different guidelines.

Hansen, Plumbing Inspector for the City of Des Moines, explained that the ordinance works very well in Des Moines and that the regulations followed the state plumbing code. He maintained that the state plumbing code would need to be changed to address high hazards.

General Referral

Priebe commented on valid points raised by both sides of the issue and asked unanimous consent for rule 641—25.5 to be referred, without prejudice, to the

- Backflow (Cont.) President of the Senate and Speaker of the House for referral to appropriate committees in the House and Senate. There were no objections.
- EPC** Diana Hansen, Jack Riessen, David Wornson and Paul Nelson represented the Environmental Protection Commission for the following:
- ENVIRONMENTAL PROTECTION COMMISSION[567]**
NATURAL RESOURCES DEPARTMENT[561]"umbrella"
 Water quality standards, 61.2(5), 61.3(5)"e," Filed ARC 4033A 6/9/93
 Financial responsibility for underground storage tanks, 136.3, 136.5(1), 136.13 to 136.24, Notice ARC 4032A 6/9/93
- 61.2, 61.3 Hansen briefed the Committee on filed amendments to 61.2(5) and 61.3(5)"e" pertaining to stream use designations.
- Hansen responded to Daggett that the minimum flow was called 7Q10 which describes a river at low flow conditions.
- In response to Schrader, Hansen advised Schrader that streams were categorized differently with more stringent designations.
- No Committee action.
- Ch 136 In review of amendments to Chapter 136, Wornson explained that these amendments represented the final phase of rules applicable to all underground storage tank owners and operators. They were taken directly from the federal rules.
- Hedge was informed that the Iowa Association of Municipalities and Iowa Association of Counties favor the proposed amendments.
- No action taken.
- NATURAL
RESOURCE
COMMISSION** Representing the Commission were Randy Clark, Richard Bishop, Arnie Sohn and Nancy Exline for the following agenda:
- NATURAL RESOURCE COMMISSION[571]**
NATURAL RESOURCES DEPARTMENT[561]"umbrella"
 Sales of goods and services, 1.11, Filed ARC 4052A 6/23/93
 Game management areas — Badger Creek area, 51.3(1)"f," Filed ARC 4055A 6/23/93
 Ice fishing shelters, 55.1, Filed ARC 4054A 6/23/93
 State parks and recreation areas, state forest camping, 61.2, 61.3(1)"a," "b," "c," and "i," 61.3(3), 61.3(5)"b,"
 61.4(1)"a," 61.5(9)"g," 61.5(10), 62.5(4), 62.5(5), Notice ARC 4053A 6/23/93
- 1.11 Clark summarized new rule 571—1.11 which applies to the sale of tangible and intangible personal property—sales by individual commissioners, but not related to sale of state property.
- No Committee recommendations.
- 51.3(1) Bishop told the Committee that no changes were made following the Notice of 51.3(1)"f." The contract had been let to construct the berm to shield the road from the shooting area at the Badger Creek Area. (See also minutes of the May meeting of the ARRC).
- Priebe outlined his solution to building the berm to protect the road and homes of residents nearby.

DNR (Cont.)

Robert Winchell, homeowner who lives in the affected area, had sent a letter to DNR on May 10 stating his objections to the target shooting area. He stressed that the rules had not been enforced even though they had been posted for several weeks. He spoke of evidence of alcohol use in the shooting area and shooting after dark. At Winchell's request, Senator Riordan had requested an AG opinion on state's liability. The opinion rendered was silent on the subject which led Winchell to believe the AG had some questions.

Winchell was critical of DNR for establishing the shooting range without involvement of the neighborhood. He suggested that a new location be established for the range. After lengthy discussion, it was Committee consensus to allow the rule to become effective.

55.1

Clark reviewed filed amendment to 55.1 concerning ice fishing shelters. No questions or comments.

61.2 et al.

Exline explained amendments to 61.2 et al., relating to use of state parks, which include increasing camping fees during heavy use season by \$2 and decreasing them during off season by \$1; time of registration when entering a campground; handicapped accessible picnic areas, shelters and campsites; and increasing fees for electricity by \$1.

Rental and reservation of year-around cabins at Backbone State Park, Pine Lake and Wilson Island were discussed. These cabins could be reserved over the New Year's holiday. Exline explained the system followed for reservations of cabins in great demand. Priebe was advised that no one uses the cabins free of charge.

Schrader thought that most sites were handicapped accessible but Exline explained that a minor difference in a campsite, for instance, could render it inaccessible to the handicapped.

Metcalf asked for a report on the number of designated handicapped sites. Concern was expressed about the handicapped sites not being used.

No formal action.

Committee business

Co-chair Metcalf called for disposition of the minutes of the June meeting. Hedge pointed out a typo on page 5443, fourth paragraph, where the figure should be \$50 million instead of \$50,000. Priebe moved approval of the minutes as corrected. Carried.

Tentative Meeting Dates

Tentative meeting dates were agreed upon: September 14 and 15, October 5 and 6 and November 9 and 10.


Barry sought guidance from the Committee with respect to rules of the Education Department. The Department's enabling statutes had been renumbered in the 1993 Code of Iowa. They had questioned whether Barry could substitute the correct citations editorially and reprint all of their rules. There was Committee consensus that this could set a precedent for other agencies and be costly. They favored renumbering as other substantive rule making was necessary.

Also, Barry reported that she and Dierenfeld had decided to begin accepting rules on 8 1/2 by 11 paper to accommodate the majority who prepare the documents on PCs. She requested Committee approval under Code section 17A.6(1)"c" to include notification of the change in the Iowa Administrative Bulletin. Unanimous consent.

Adjournment

Metcalf adjourned the meeting at 12:15 p.m. The next meeting was scheduled for Monday and Tuesday, August 2 and 3.

Respectfully submitted,


Phyllis Barry, Secretary
Assisted by Mary Ann Scott


Janet Metcalf, Co-chair