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 Monday, February 8, 1993, in Senate Room 22, State Capitol, Des Moines.

Members present

Senator Berl E. Priebe, Chairman; Senators H. Kay Hedge, John P. Kibbie, William Palmer and Sheldon Rittmer; Representatives Horace Daggett, Minnette Doderer, Roger Halvorson, Janet Metcalf and David Schrader.

Senators Palmer and Rittmer had been appointed to fill unexpired terms of Senators Donald Doyle and Dale Tieden ending April 30, 1995. Representatives Daggett, Doderer and Halvorson had been appointed to fill unexpired terms of Representatives Maulsby, Pavich and Teaford ending April 30, 1995.

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

Call to order

Chairman Priebe called the meeting to order at 7 a.m. and the following Human Services agenda was reviewed:

HUMAN SERVICES

HUMAN SERVICES DEPARTMENT[441]

Representatives from the Department included Mary Ann Walker and Norma Hohlfeld.

Ch 79; 81

No questions or recommendations on amendments to 79.1(5) and 79.1(9) et al. found in ARC 3699A and 3698A.

Ch 93

Amendments to Chapter 93, Promise Jobs Program, were reviewed. Hohlfeld explained to Hedge that references to "county boards of supervisors and local county agencies" were removed in 441—93.3(249C) since JTPA will assume the responsibility for employment and training services to ADC recipients.

In response to Metcalf about potential fiscal impact, Hohlfeld reminded that failure by the state to comply would result in reduction of federal funding.

130.3; Ch 179

No questions on ARC 3672A or 3697A.

(Cont.) 81.13(7)

HUMAN SERVICES For the benefit of the new members, Barry explained the objection to 81.13(7)"c"(1), and advised that this rule would be before them at the next meeting. Walker agreed that this rule change was the result of a federal directive and would have no impact on the objectionable language.

Objection Retained

Schrader moved to retain the objection voted 8/11/92 to 81.13(7)"c"(1). Motion carried.

ECONOMIC DEVELOPMENT

Lane Palmer and Michael Doyle were in attendance from the Department for the following agenda:

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF 12611

Emergency shelter grants program, 24.4"5," 24.7, 24.10(4), 24.10(5), 24.11(1)"f,"

Filed Emergency ARC 3684A	1/6/93
Home investment partnership program, 25.9(2), Filed ARC 3683A	1/6/93
Iowa export trade assistance program, 61.2, 61.3"2," 61.5(1), 61.5(5), 61.6, Notice ARC 3682A	1/6/93

Ch 24; 25.9

There were no recommendations for amendments to Chapter 24 or 25.9(2).

Ch 61

Doyle reviewed amendments to Chapter 61 regarding the export trade assistance program and described the process for obtaining background information on individual prospects prior to appointments.

Metcalf inquired if there were significant changes in the way the Department of Agriculture funds its trade missions and Doyle responded in the negative. He continued that the Department first started taking grain missions this fiscal year and that the Agriculture Department has no other source of funds for this type of trade mission. Doyle assured Metcalf that this very popular program was beginning its sixth year and more and more new companies were involved in new markets around the world.

There was discussion on allocation of funds.

Priebe expressed the opinion that one trade mission coordinator for Economic Development, Department of Agriculture and INTERNET would be a logical approach. Kibbie reasoned that cooperation between Agriculture and DED was a "step in the right direction." No Committee action.

LAW ENFORCE-

J. Scott Moline, Acting Director, and William Callaghan, Legal Counsel, briefed MENT ACADEMY members on amendments to 501—3.3, 3.4, and 3.6, Standard certifying course for approved law enforcement facilities, published as Notice of Intended Action in IAB 1/20/93 as ARC 3695A. Callaghan recalled that a proposal on this issue was terminated last fall upon the suggestion of this Committee that it be brought up again when the Legislature was in session. The ARRC noted that elimination of the "short course" had met with opposition from small cities and Hawkeye Institute of Technology, Cedar Falls, in particular. Cost of the training and time required to be away from law enforcement duties were cited as problems.

> Callaghan advised that under current law, Hawkeye Tech could not offer the 400-hour course. However, that institution could provide other types of training such as in-service training which was not available at the Law Enforcement Callaghan added that under current rules, two-year or four-year courses were offered at the Academy. He offered background on development of the short course and added that this was the first time the rules had been amended to eliminate the short course.

LAW ENFORCE. (Cont.)

Callaghan, responding to Halvorson, emphasized that the Legislature, over the past few years, had mandated more and more training—domestic abuse, AIDS, hepatitis, to name a few. According to Callaghan, chiefs from many small communities had requested delay in implementation of this rule until July 1 for budgetary reasons.

Responding to Doderer, Callaghan said there was no universal standard test but officers would be tested on the required course. Callaghan explained that the Academy offers limited retraining but they lack resources for basic training. After further discussion of required training or lack of it, Moline stated that they normally provide eight hours of crisis intervention domestic abuse training but they could not teach "common sense." In-service training is available during the summer.

In reply to Rittmer, Moline indicated that up to 270 officers were trained in their courses in Cedar Rapids and Des Moines. Approximately 25 attend the short course at Hawkeye Tech, if they conduct one class per year. Officers who receive training out of state would be granted certification if they medicall the Iowa requirements.

Kibbie favored a program to enable officers to attend classes available in their areas with testing and certification at the Academy. Moline disagreed with that approach contending that the smallest community deserves the best law enforcement available which could best be provided by the Academy trained officer.

It was noted that Hawkeye Tech essentially served northeast Iowa.

Potential litigation and costs arising from insufficient training were discussed.

Moline agreed to review requirements of border states and respond to Halvorson.

Representative Don Schultz (D-Waterloo) had been apprised of the rule making by Bob Curtis, Coordinator of the Police Science Program at Hawkeye Tech. Schultz spoke of the unfairness of restricting all training to the Des Moines Academy. He relayed that Mr. Curtis would be happy to explain the Hawkeye Tech program to the Committee. He echoed previous remarks and urged a Committee delay of the rules.

It was Committee consensus to wait until the rules were Filed to take any formal action.

SUBSTANCE ABUSE COMMISSION

Mike Guely, Bureau Chief, presented 643—Chapter 2, Criteria for awards or grants, Noticed as ARC 3704A in IAB 1/20/93. The Commission was proposing to adopt by reference the text of the Public Health Department's rules on the subject. Guely outlined revisions made from the initial filing of these rules over a year ago which included publishing in the Bulletin (IAB) a Notice of Availability of Funds. No Committee action.

NURSING BOARD

Lorinda Inman, Executive Director, was in attendance for the following agenda:

NURSING BOARD(655)

PUBLIC HEALTH DEPARTMENT[641] "umbrella"

Licensure to practice — RN/LPN, advanced registered nurse practitioners — fee increases,

3.1, 7.1, Notice ARC 3679A	1/6/93
Disciplinary proceedings — HIV- or HBV-infected nurses, 4.18(2)"g," Filed ARC 3669A	1/6/93
Nursing practice for RN/LPN, 6.4(2), 6.4(3), 6.5(1)"c"(3), Filed ARC 3668A	1/6/93
Advanced registered nurse practitioners, 7.1, 7.2(8), Filed ARC 3667A	1/6/03
Registered nurse certifying organizations/U.C.C.R., 12.3, Filed ARC 3666A	1/6/93

3.1, 7.1

Inman noted that licensure fees were increased in 3.1 and 7.1 to generate sufficient revenue to cover the appropriation granted for FY 1994.

No recommendations by the ARRC on amendments to 4.18(2)"g."

6.4, 6.5

In review of amendments to 6.4(2) and 6.5(1) regarding the definition of nurses, Inman advised Halvorson that the Physicians Assistants Board has indicated some concern for small clinics without registered nurses. She saw no problem because an LPN was not allowed to work for physicians assistants without the supervision of a physician or registered nurse. There was Committee concern that LPNs might be working outside the scope of their practice.

Priebe pointed out that the Physicians Assistant Act refers to "nurse" and he opposed the rules.

Inman stressed that the term "nurse" was not defined in the Iowa Code. Royce interjected that regarding the PA issue, the statute refers to "nurse"—LPN." He declared that under no circumstance could a rule circumvent the statute.

Inman indicated that the AG office had assisted with developing these rules. They relied on Code §147.107(3) which allows only the registered nurse to assist the physician.

Motion to Refer

Kibbie moved that 655—6.4(2), 6.5(1)"c"(3) be referred to the President of the Senate and Speaker of the House for review by the appropriate committee of the House and Senate. Motion carried.

Question arose as to Kibbie's motion which would not preclude the amendments from going into effect on February 10.

Motion Reconsidered Doderer moved to reconsider the vote by which the Kibbie motion was adopted. Motion carried.

Motion Session Delay Kibbie then moved to delay amendments to 655—6.4(2) and 6.5(1)"c"(3) until adjournment of the 1993 General Assembly and that they be referred to the Speaker and President of the Senate for review by the appropriate committees. Motion carried.

7.1, 7.2(8)

Amendments to 7.1 and 7.2(8) were before the Committee. Metcalf questioned the Board's authority to adopt the definitions in 7.1(152) without Code mandates and she also expressed concern that the rule lacked detail as to duties of the practitioners. Inman recalled past criticism about lengthy rules.

12.3 No recommendations on "housekeeping" amendments to rule 12.3.

EDUCATION

Ed Ranney, Guidance Consultant; Edith L. Eckles, Director, Educational Excellence Program; and Kathy Collins were in attendance from the Department for the following agenda:

EDUCATION DEPARTMENT[281]	1 // 102
Postsecondary enrollment options, 22.1 to 22.4, Filed ARC 3670A	1/0/33
Phase III, educational excellence program, ch 91, Notice ARC 3671A	1/6/93
70-day delay - Carried over: Procedures for charging and investigating incidents of abuse of	
students by school employees, 102.2, 102.3, 102.4(2), 102.8(5), 102.9(1), 102.9(3) to 102.9(5),	
102.10, 102.11"2," 102.12, 102.14, 102.15, Filed ARC 3614A	12/9/92

Several other interested persons were also in attendance.

22.1-22.4

Ranney gave a brief overview of amendments to 22.1 to 22.4 regarding postsecondary enrollment options. No recommendations.

Ch 91

Chapter 91, Phase III, Educational Excellence Program, was before the Committee. Eckles gave a brief overview of the rules and noted changes made in the program since its inception [Code chapter 294A]. The rules provide guidance to schools and area agencies submitting application for Phase III funding. Eckles said twelve irrelevant comments were received during the open comment period pertaining to state outcomes, outcome-based education, global education, teacher empowerment, human growth and development, students performing community services and the national assessment of educational progress. Six supportive comments relative to the Phase III rules were received from public school educators and associations which represent them. Three commenters suggested delay of the legislated Phase III application due date but the Council advised that the Department lacked authority for such action.

Chairman Priebe recognized interested persons from the audience for their views on the proposed rules.

Marla Quenzer, Urbandale, distributed handouts and contended that "transformation" and "outcomes" were not defined. She quoted remarks from the transcript of the hearing on the rules. Quenzer concluded that Chapter 91 uses the methods of voluntary compliance and supplemental pay to introduce what will become a mandate. She recommended that the ARRC delay Chapter 91 to allow time to study her handouts which are on file in the office of Administrative Code Editor.

Steve Ehlers, a Newell farmer, directed his comments to the financial aspect of this program and the impact on his children. He opposed funding of a system that has failed to accomplish the basic minimums in education. He mentioned the current 20 percent illiteracy rate compared to .4 of one percent in 1800. In conclusion, Ehlers cautioned that financial burdens placed on the few remaining farmers would ultimately result in Iowa no longer being an agricultural state.

Linda Kenney, Cedar Rapids, an Administrative Assistant for the Iowa Education Action Coalition, explained that the coalition was composed of approximately 4,000 families, representing about 250 cities. The coalition took the position that the public hearing was biased and they decided to appeal to a decision-making body. Kenney urged that clear, plainly stated definitions be set out in the rules.

Sam Warren, a practicing educator in Iowa, who holds a doctor's degree from Columbia University contended that Phase III was premature and somewhat inappropriate for Iowa. He continued that Outcome-based Education was a

EDUCATION(Cont.) radically different approach and he suspected that the whole story had not been told and that the legislature was uninformed on this subject. He quoted from a letter from Dr. Lepley [Education Department] which included a flow chart on Outcome-based Education in Iowa. The chart emphasized core content as attitudes and dispositions as opposed to math, reading, science and social studies. Warren opposed authority to control attitudes and psychological makeup of children and urged caution in approving these rules without full discussion and informed decision making on the part of the legislature. At Doderer's request, Warren stated that he was superintendent of the Des Moines Christian School.

> Mary Carbone, West Des Moines, represented her family and herself as a taxpayer. She relayed her daughter's experience with a pilot program that dealt with environmental issues. In discussing the matter with the Department, Carbone was informed that this was a program designed to affect the attitudes and values of the students and if the parents had not been advised of this program in advance, the school was in violation of federal law. Carbone did not intend to pursue litigation against the school, but wanted to alert the Committee that all facts were not available on Outcome-based Education. Carbone had attended the public hearing on the rule and assumed that her comments there would be considered not germane.

> Elaine Jaquith, Waterloo School Board Director, spoke of her frustration in lack of information concerning the Phase III comprehensive School Transformation and Outcome-based Education. Her remarks were contained in the prepared statement on file with the Administrative Code Editor. Because of what she labeled as a case of deception, Jaquith had voted to approve funding of Outcome-based Education which she had actively campaigned against.

> David Leach stressed inconsistencies in the proposed rules and maintained that Iowa Code sections 280.12 and 280.18 should be rewritten before they were referenced. He mentioned potential lawsuit and noted that evidence of intent exists in the Blueprint for School Transformation which was recently released—Iowa K-12 Education Reform Study Committee.

> Denise Jones, a certified teacher, parent and taxpayer, said she had left teaching 13 years ago to devote more time to family. She echoed previous remarks and stressed the outrage of parents, grandparents, and teachers across the state who were angered about the direction education was taking. She urged courage of convictions and viewed children as being "innocent pawns in a power play." Jones concluded that the focus of education was shifting from the academic disciplines to training students in social, political, environmental, cultural, even sexual issues. She referred to Iowa Code section 279.50 as the "new ABCs of education."

> Dr. Jim Sutton, representing the ISEA, spoke in defense of the rules as supporting all of the covenants and agreements made among major organizations when Phase III was developed. They were that local control and bargaining would be maintained; funding would supplement and not supplant existing money; that there would be some minor overhead for the schools involved; that the rules would not be centralized, but decentralized; that the rules would be the minimum possible tool. Sutton argued that the rules implement a law in effect with an appropriation. He disagreed that the rules were vague and "top down" but that they were consistent with Iowa's unique program—the only decentralized and reform program in the United States to transform schools from being corporate kinds of environments to being learning environments. Sutton defined transfor-

EDUCATION(Cont.) mation as providing personalized instruction to enable children to have their talents developed to the fullest and outcome-based education was deciding on a goal and making a determination as to achievement at the end. Sutton continued that Iowa was unique in attempting to provide mass education on an individual basis and admittedly it was "a little vague." He recognized that anyone was entitled to an opinion but no one was entitled to their own set of facts. According to Sutton, the one reference to outcome-based education was for the purpose of grandfathering in any districts which currently have those elements in their plans.

> In conclusion, Sutton stressed that knowledge was not a subversive activity—the spirit they were seeking to optimize was liberty which pursuit has always been supported by the church, state and schools. Goals of American education have not changed for 150 years and Phase III was still within these goals and His only suggestion was to coordinate the Phase III dates with bargaining dates.

> Marcella Gruver, Waterloo, a concerned citizen, read her remarks from a prepared statement wherein she was critical of outcome-based education. Her statement is on file with the Administrative Code Editor.

> David Wilkinson, a social studies teacher in the Des Moines Public Schools, had served as a Phase III coordinator since 1987 and worked with all aspects of the program in the district, including development of applications, reports and communications with the Department of Education. From his perspective, the rules were reasonable and responsible. Wilkinson was especially pleased to see the rules implementing comprehensive school transformation. It was his opinion that this alternative as a Phase III plan had great potential. Phase III was intended for a lateral approach in the Des Moines schools—a combination plan performance base and supplemental pay. Wilkinson said that a task force of teachers, administrators, board members and community representatives had considered converting their Phase III efforts to the comprehensive school transformation plan. He urged support of the rules.

> Paul McKinley, a semiretired businessman and parent from Chariton, told the ARRC that he became interested in public education two years ago when he observed deterioration in education reflected in his employees (about 200 in three factories) who were high school, college and postcollege graduates. He had gathered considerable information from trade magazines which evaluated the educational system in this country. Although education was not a subversive activity, McKinley had difficulty in obtaining information on content or substance from some of the administrators in his community. He was convinced that the public was unaware of the impact of changes in the schools. McKinley relayed an experience of his daughter in science class (with the Iowa teacher of the year). In an ungraded quiz, the question was asked, "What causes the most long-term pollution?" and the answer was having a baby. He found this type of learning very offensive.

> McKinley noted that U. S. children performed at or near the bottom of all nations on all international tests but believed they had scored well. McKinley concluded that self-esteem was being taught without content and he urged caution in proceeding with the rules.

> Allura Lulleman from northwest Iowa thanked the Committee for the privilege of appearing before them. She presented six petitions containing 121 signatures circulated in her area in one day. The petition read: "We, the undersigned, oppose the entire concept of school transformation because outcome-based educa-

EDUCATION (Cont.)

tion remains experimental, has not yet proved itself superior, is extremely costly, and has been rejected in an number of school districts in the nation. We oppose its implementation in Iowa schools." Lulleman recalled a recent experience in visiting a remedial reading class of 5 first grade students where the teacher was totally ineffective. She encouraged members to visit the schools.

Schrader recalled his membership on the Education Committee that developed the Phase III program in 1987 with intent to provide a broad opportunity for Iowans in their school districts and through their administrators and teachers to implement new and creative ideas. He continued that some of the plans and their contents had disturbed many and additional legislation was passed. Schrader commended the Department of Education for addressing the legislature's concerns by including broad parameters for the local communities to develop and implement their plans without destroying the concept.

Priebe reminded that Chapter 91 was under Notice and no formal action was likely until the rules were adopted and published in the IAB. The Noticed version could be adopted 35 days after January 6, 1993.

Priebe was hopeful that final rules would not be before the ARRC before May.

It was Kibbie's observation that many statements made today were not relative to Phase III. He referred to a two-year study of transformation recently completed which includes everything that requires legislative approval. Kibbie emphasized that this material would be presented to the two education committees of the legislature and he agreed that it should be studied closely.

Daggett asked that definitions of "multidimensional" and "outcome" be included in the rules.

Priebe suspected that Phase III funds had not been monitored closely leaving much discretion to local districts. He urged those in the audience with concerns to work with their districts and file complaints with the Department.

The 70-day delay of amendments to 281—Chapter 102 was before the Committee.

Motion – Ch 102 Delay Lifted

Schrader moved to withdraw the 70-day delay on amendments to 281—Chapter 102 published in 12/9/92 IAB as ARC 3614A. Priebe questioned Department officials as to status of their negotiation with opponents of the amendments. Collins advised that the Department and ISEA have agreed to review the issues of concern when the rules are amended again. Motion carried.

INSURANCE

Karen Hanson, Attorney, Health Affairs Coordinator, was in attendance to review new adopted 191—Chapter 80, Well-baby care—insurance coverage for pediatric preventive services, filed as ARC 3688A in IAB 1/6/93.

Halvorson inquired what happens to the deductibles that would normally apply for expenditures under a group policy and Hanson responded that they would be waived with copayments in effect.

No Committee recommendations.

Minutes

Doderer moved that the minutes of the January meeting be approved as submitted. Motion carried.

	2-8-93
RACING AND GAMING	Linda Verderler, Administrator of the Commission, introduced Louis Baranello, Acting Assistant, Parimutuel Operations, who reviewed the following agenda:
	RACING AND GAMING COMMISSION[491] INSPECTIONS AND APPEALS DEPARTMENT[481]"umbrella" Racetrack or riverboat license holder penalties, self-propelled riverboats, commission approval for business
	arrangements, 4.4, 24.14(7), 25.12, Filed ARC 3689A
	7.1, 7.14(11), 10.1, 12.1, 12.10, 12.11, Notice ARC 3690A
4.4 et al.; 7.1 et al.; Ch 8	No questions or recommendations by the Committee.
PROFESSIONAL LICENSURE	Barbara Nervig, Interim Manager, and Kathy Williams and Barbara Charls, Administrative Assistants, were present for the following agenda:
	PROFESSIONAL LICENSURE DIVISION[645]
	PUBLIC HEALTH DEPARTMENT[641]"umbrella" Hearing aid dealers, 120.1(4), 120.3, 120.6(4), 120.12(6), 120.212(11)"d," Filed ARC 3686A
Ch 120	Amendments to 120.1(4) et al. were reviewed. No recommendations.
Ch 180	Schrader expressed his opinion that new rule 180.9(154) was in conflict with Iowa Code section 154.9. He believed the requirement that patients be furnished without charge a copy of their prescription would be all-inclusive (of contact lenses or eyeglasses).
Motion to Delay 70 days	Schrader moved that rule 645—180.9(154) be delayed 70 days for further study. Motion carried.
VETERANS AFFAIRS	Marge Knudson and Dale L. Renauld presented the following agenda:
	VETERANS AFFAIRS COMMISSION[801] Organization and procedures, uniform rules, rescind 613 — chs 1 to 5, adopt 801 — chs 1 to 4, 6, Filed Emergency ARC 3681A
01 1 4 6	1/20/93

Chs 1-4, 6

No questions or recommendations on ARC 3681A.

Ch 10

New Chapter 10, Iowa Veterans Home, was before the Committee and Knudson noted minor changes from the Notice regarding liquid assets considered available for member support payments and rule 10.52 was clarified with respect to interviews of IVH members by the news media.

At Metcalf's request, Renauld elaborated on the liquid assets issue.

On another issue, Kibbie commented that Iowa Code chapter 150 requires the boards of supervisors to maintain graves of veterans and he asked that the Commission investigate any possible neglect. Renauld responded that areas of neglect had been corrected.

CIVIL RIGHTS

Ronald Pothast represented the Commission for the following:

CIVIL RIGHTS COMMISSION[161]

No questions or recommendations.

EPC

Present from the Environmental Protection Commission were Darrell McAllister, Bureau Chief, Anne Preziosi and Christine Spackman. The following agenda was reviewed.

ENVIRONMENTAL PROTECTION COMMISSION[567]

NATURAL RESOURCES DEPARTMENT[561]"umbrella"

20.2 et al.

Amendments to 20.2 et al. were reviewed by Preziosi with no comments or recommendations.

42.21

McAllister gave a brief overview of amendments to 42.2 and there were no recommendations.

DOT

Dennis Ehlert and William Zitterick from Transportation Department and Roger Overton from Iowa Department of the Blind were present for the following agenda:

TRANSPORTATION DEPARTMENT[761]

400.25 et al.

No questions on amendments to 400.25 et al. which were identical to the Notice.

Rest Stops

The special review requested by Doderer was before the members. She was seeking explanation of a policy change with respect to rest stops. In the past, service clubs had been allowed to serve free coffee at rest stops on holidays. The denial of this activity had been brought to her attention.

Zitterick described the Holiday Rest Stop Program which was intended to allow sponsors to offer free refreshments at interstate rest areas to entice motorists to break for safety. The program was started in 1975 and was changed somewhat last year because it had grown so large. Sponsors were giving away fried chicken, hot dogs, barbecued meat sandwiches, etc. The Department wanted to avoid competition for the area businesses and restaurants. Zitterick spoke of recent work with the Iowa Department of the Blind to install vending machines at some of the interstate rest areas operated by a blind vendor. They did not want the Holiday Rest Stop Program to compete with the revenue generated at the vending machine locations. Doderer reasoned that free coffee would actually generate more business for the vending machines.

DOT (Cont.)

Overton explained that some groups were using the refreshments for fund raisers. Blind vendors took the position that the program should be limited to free coffee with no voluntary donations.

Overton clarified that the blind vendor not the Commission for the Blind receives the profit from the vending machines. Doderer was concerned about unfairness in excluding other service organizations.

Motion

Doderer moved that the Department of Transportation be requested to draft rules governing the Holiday Rest Stop Program. This would allow for public input. Motion carried.

Doderer questioned whether these nonprofit entities could be denied the opportunity to provide refreshments at rest stops in the meantime.

Committee
Business
Reorganization
Co-chairs

Reorganization of the Committee was discussed.

Kibbie moved that Representative Janet Metcalf and Senator Berl Priebe be selected to serve as Co-chairs of the ARRC. Motion carried.

ACCOUNTANCY EXAMINING

William Schroeder, Executive Secretary of the Board, and Glenda Loving, Executive Assistant, were in attendance for the following:

ACCOUNTANCY EXAMINING BOARD[193A]
Professional Licensing and Regulation Division[193]
COMMERCE DEPARTMENT[181]"umbrella"

3.4 et al.

Warren Jenkins, Deputy Auditor of State, spoke on Chapter 17, peer review. He indicated that the Auditor's office had submitted comments to the Accountancy Examining Board when the rules were under Notice. Jenkins stated that the Auditor's Office was required by federal law to participate in a peer review program once every three years, just as CPA firms do. The rules as adopted by the Accountancy Board would seem to preclude the National State Auditor's Association Peer Review Program as an acceptable program. Because of the nature of state audit organizations, the Auditor's Office could not meet the requirements.

Schroeder responded that the language in the rules allow substantially similar review and information could be submitted to the Board for their review to make that determination. This was explained in a letter sent to the Auditor's Office. Schroeder added that this was probably a moot question since the Auditor's Office had not registered as a firm.

Jenkins stated they had been working with the Board to resolve some differences of opinion as to whether or not the Auditor was required to register under the Board rules. He concluded that requirements in the rules appear to preclude NSAA from being a substantially similar review.

Priebe suggested that the two agencies be allowed to resolve differences before the matter would be placed on another ARRC agenda.

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NO REPS	No Agency representative was requested to appear to review the following:
	ACCOUNTANCY EXAMINING BOARD[193A]
	Professional Licensing and Regulation Division[193]
	COMMERCE DEPARTMENT[181]"umbreila"
	Fees, peer review, 3.4(3), 3.9(1), 14.1, ch 17, Filed ARC 3700A
	BANKING DIVISION[187]
	COMMERCE DEPARTMENT[181]"umbrella"
	Electronic transfer of funds, ch 10, Notice ARC 3675A1/6/93
	CREDIT UNION DIVISION[189]
	COMMERCE DEPARTMENT[181]"umbrella"
	Electronic transfer of funds, ch 24, Notice ARC 3676A
	LANDSCAPE ARCHITECTURAL EXAMINING BOARD[193D]
	Professional Licensing and Regulation Division[193]
	COMMERCE DEPARTMENT[181]"umbrella"
	Examinations and registration — fee schedule, 2.10, Filed ARC 3702A
	SAVINGS AND LOAN DIVISION[197]
	COMMERCE DEPARTMENT[181]"umbrella"
	Electronic transfer of funds, ch 14, Notice ARC 3677A
	TREASURER OF STATE[781]
	Deposit and security of public funds in banks — compliance period extended, 13.1(2),
	Filed Emergency ARC 3701A 1/20/93
	UTILITIES DIVISION[199]

COMMERCE DEPARTMENT[181]"umbrella"

Respectfully submitted,

Phyllis Barry, Secretary (Assisted by Mary Ann Scott

Chairman