# MINUTES OF THE REGULAR MEETING OF THE ADMINISTRATIVE RULES REVIEW COMMITTEE

## Time of Meeting

The regular meeting of the Administrative Rules Review Committee was held Tuesday and Wednesday, July 12 and 13, 1988, Committee Room 22, State Capitol, Des Moines, Iowa.

#### Members Present

Senator Berl E. Priebe, Chairman; Representative Edward G. Parker, Vice Chairman; Senators Donald V. Doyle and Dale L. Tieden; Representative David M. Tabor were present. Staff present: Joseph A. Royce, Counsel; Vivian Haag, Executive Administrator; Bonnie King, Administrative Assistant. Also present: Barbara Booker Burnett, Governor's Administrative Rules Coordinator. Not present: Representative Betty Jean Clark; Phyllis Barry, Administrative Code Editor (Business leave).

#### Convened

HUMAN SERVICES DEPARTMENT Chairman Priebe convened the Tuesday meeting at 10:10 a.m. The Department was represented by Mary Ann Walker, Don Herman, Don Kearney, Mary Nelson, James D. Overland, and several other Department representatives. The agenda follows:

Granting assistance, medically needy, 41.7(2)°1"(1)(2), 41.8(2), 86.12(1), filed emergency after Notice ARC 8911	6/29/88
Intermediate care facilities, intermediate care facilities for the mentally retarded, 81.6(11)°o," 82.5(11)°m" ARC	6/29/88 6/29/88
Medically nearly, 86,10(6) ARC 8914 F. Health maintenance granizations, 88,3(2) ARC 8872 F.	6/29/88 6/15/88
State payment program for services to adults, ch. 132 ARC 8913  Gamblers assistance program, 162.1, 162.3(1), 162.4(3), filed energency after Notice ARC 8921  Changes in rates for Medicaid and service providers, 52.1(3), 54.3(15), 79.1(2), 79.1(5)*e"(3), 79.1(8)*a," 79.1(9)*b"	6/29,88
Refugee cash assistance, conditions of eligibility, 60.7, 60.7(1), 75.1(11)"(." 75.1(21)"c." notice ARC 8331	6/29/88
Administration—food stamp employment and training policies and procedures, 65.28(3), 65.28(6)"b" "c," 65.28(7)	6/29/88 6/29/88
Federal surplus food program, 73.4(3)"d"(2), filed emergency ARC 8942 FE Conditions of eligibility, 75.1(2)"d," 75.1(11)"d""f," 75.1(14)"f," 75.1(19), 75.1(26), 75.1(26)"a" to "d," "g" ARC 8938	6/29/88
Conditions of eligibility, nonassistance child support recovery program, 75.1(14) "c.", 75.1(15) "c.", 75.18, 96.1, 96.2, 96.4, 96.10, 96.12 A RC 8939	6/29/88 6/29/88
80 2(2"ua" to "cc," 85.1(2), 85.2(4), 85.3, 85.4(1), 85.5(1)"]" to "1," 85.5(2), 85.7(2), 85.7(3), 85.8 ARC 8910, also [fled energency ARC 8909	
Administration of child day care program, 130.3(1)"d"(2), 130.3(6), 130.5(1)"i," 153.5(6), 153.5(7) ARC 8923, also filed emergency ARC 8924.  **M#F.E**  Foster home insurance fund, ch 158 ARC 8925, also filed emergency ARC 8924.  **M#F.E**  Resource and referral grants program, ch 159 ARC 8919, also filed emergency ARC 8920.  **M#F.E**  **M#F.E**  **Resource and referral grants program, ch 159 ARC 8919, also filed emergency ARC 8920.  **M#F.E**  **M#F.E**  **Resource and referral grants program.	6/29/88
Foster care project grants, 164.1, 164.2, 164.4(1), 164.4(2)" to "n" "u," 161.9, 161.16 ARC 8946, also filed pmergency ARC 8945	6/29/88

#### 41.7(2) et al.

Walker presented 41.7(2) et al. which increases the ADC schedule of basic needs and revises the medically needy income level as directed by the General Assembly. No comments had been received and no changes were made since Notice. Kearney assured Tieden there was a training period for the Self-Employment Investment Demonstration Program (SEID) and that the waivers may last up to one year.

HUMAN SERVICES DEPARTMENT (Cont.) 81.6(11) 82.5(11) Chairman Priebe announced that 88.3(2), Health Maintenance Organizations, would be the last item on the morning agenda.

In discussion of intermediate care facilities for the mentally retarded, Tieden inquired as to who would determine "reasonable legal fees." According to Walker, the county which audits cost reports would make the decision. She continued that neither Medicare nor Medicaid federal reimbursement principles address specific allowable limits for legal fees.

86.10(6)

In re 86.10(6), payment program for services to adults, \$900,000 was expended in FY '88.

162.1 et al.

In the gamblers assistance program, 162.1, et al., the definition of compulsive gambler was changed and the definition of eligible applicant et al. was expanded to include educational institutions. Mercy Recovery Services and the Chemical Dependency Treatment Programs of Iowa had commented. Tieden failed to see need for more since Iowa had nine programs. Walker replied that this rule was promulgated in response to Iowa State University in order to provide programs in more geographical areas of the state. Walker requested and received temporary deferral of the discussion.

52.1(3) 79.1(9)b Tieden was advised by Herman that 79.1(9)b, the Data Resources Incorporated Skilled Nursing Facility Market Basket Index which is applied annually to reflect health care costs of skilled nursing facilities, would not require additional costs.

150.3(5)p

In response to Priebe, Walker indicated that HF2447, §34, 1988 Iowa Acts requires payment to a recipient in a residential care facility to be made on a flat per diem rate of \$12.72, with a maximum reimbursement of \$17.80. She admitted that there had been problems with the legislation and the Department of Human Services believed the legislative intent was the 3% figure. (Tabor arrived). There was further discussion regarding the legislation.

Priebe commented "You cannot correct a drafting error through the ARRC" and discussed his interpretation of the Act.

73.4(3)

Responding to Tieden, Walker said that in the federal surplus food program, each state adopts its own guidelines. However, forty-eight states, the District of Columbia, Puerto Rico, Virgin Islands, and territories are consistent. Priebe reminded the Department of Human Services that this rule includes the dollar figure. The estimated fiscal impact of 75.1(2)d would be \$86,300.

75.1(2)d

HUMAN SERVICES DEPARTMENT (Cont.) 96.12 There was discussion of 96.12 and Doyle was interested in enforcement fees. Royce advised Walker that fees should be included in 96.12.

Doyle commented that language "no cash or personal checks" was unusual since most places take checks. Royce interjected that, by rule, DHS cannot refuse cash. Royce continued, "there are Supreme Court cases requiring acceptance of cash" and he would research the matter. Department officials agreed that a change would be made.

75.1(21) The Child Support Enforcement Act of 1984 contained a sunset provision of October 1, 1988; thus, subrule 75.1(21) must be rescinded.

The Medicaid program, ARC 8909, was legislative mandate.

In re 92.1, cash bonus program, there are 89 approved clients and 80 approved employers resulting in a savings from clients ceasing to be dependent on welfare.

No questions re Ch 132, 60.7, 65.28(3), 75.1(14) $\underline{c}$  et al., 77.23 et al., 130.3(1) $\underline{d}$ (2)et al., ch 159, and 176.1 et al.

- Ch 158

  Foster home insurance fund, ARC 8924. After brief explanation by Walker, ARRC members were interested in private insurance providers. Nelson indicated the DHS had worked with the Insurance Commission in seeking providers. Only one, Kirke Van Orsdel Insurance, had expressed interest in administering the funds.
- 164.1 et al. Parker challenged the DHS with respect to the emergency filing of amendments to Chapter 164, Foster Care Project, and Walker responded there was a July 1 deadline. Parker noted it was not a federal mandate. He also reminded DHS individuals that, this time, DHS filed numerous emergency rules which werenot a direct result of federal mandate.
- Those also present for review of Health Maintenance Organization, 88.3(2), were: Senator Julia Gentleman, H. Mel Willits, Hospital Association of Greater Des Moines; Judy Davis, William Dweyer, Broadlawns Medical Center; John Bergman, Dean Hennom, Bill Ryan, Robert Kreamer, Sure Care; Russel Campbell and Virgil Deering, Iowa Optometric Association; Glenn Baughman and Karen Thelin, Iowa Child Guidance; Judy Rutledge, Planned Parenthood, Jeanine Freeman, Iowa Hospital Association; Mary Ann Nielsen, Mercy Hospital; Lavonne Cox, Iowa Methodist Medical Center; Tom Slater, Polk County; Lynn Ferrell, Polk County Health Services.

Walker explained that 88.3(2) provides for Polk County recipients to be automatically placed in health

HUMAN
SERVICES
DEPARTMENT
(Cont.)

maintenance organization (HMO) enrollment status unless they complete Form 470--2168, Client Response to the HMO Program, stating that they do not desire HMO enrollment--much comment had been forthcoming.

Bergman spoke in support of HMOs and noted that 202 physicians participate in Sure Care--69 are primary care, and 42 accept Medicaid recipients.

Sure Care stresses preventative medicine, wellness programs, and a quality assurance program for all clients. Every Medicaid recipient will select a primary care physician who becomes a patient care manager for that particular patient. Recipients cannot see a number of different specialists without proper referral from the primary care physician.

Bergman assured the ARRC there was no problem in terms of accessibility of HMO providers and he stressed the advantage of the conversion option. Walker explained the 30-day time period and that recipients may opt out at any time after the 30 days.

In response to Parker, Herman said about 90 percent of Scott County physicians are participating in the HMO with approximately 8,000 eligible persons—in Polk County, 12,000 are eligible. According to Herman, the default rate is approximately 25 percent of the Medicaid population in Scott County. The savings is dictated by the formula used for reimbursing HMOs and the contract is with an actuarial firm. Herman agreed to provide Parker with statistics on Scott and Polk Counties re providers, population, etc.

Freeman expressed opposition by the Iowa Hospital Association——one concern being the HMO suitability for Medicaid recipients. Freeman referenced the Rand study which indicated that individuals of higher income were at low risk for medical care—the HMO system could indeed be very successful for them. However, those with lower income were at higher risk which could result in negative outcome. Freeman was unaware that an open bidding process had occurred. She concluded that DHS selected one HMO without prior open review. Freeman sought answers to the questions raised by the Association.

Priebe recognized and welcomed Senator Julia Gentleman.

Baughman addressed the main concern of Des Moines Child Adolescent Center as being default enrollment. Many clients are unaware that their failure to participate in the enrollment process will decide by virtue of their inaction which mode of health care services they and their families will receive. HUMAN SERVICES DEPARTMENT (Cont.) A second concern relates to the fact that very often referrals are from other than health care contexts, such as the Child Protective Treatment Units, Foster Care Departments, Juvenile Court, and Schools and Day Care staffs.

Finally, Baughman made the point that the DHS staff might be unaware of impact of the default enrollment.

Meyer commented that Broadlawns had been working with DHS and all of the HMOs which are marketing in the Des Moines area. The attempt to mandate failed because Sure Care was the only HMO to bid on the project. He contended that letters sent to recipients were very complicated and Broadlawns had worked with clients in completing the forms. Meyer added that once Medicaid clients become aware of the implications, they are overwhelmingly voting to stay in the traditional system.

Meyer viewed specialty providers as another issue. He cited a large number of young mothers with significantly higher ratio of birth-related problems. One in particular would be the neonatal care. The HMO cannot do business and survive financially by paying providers usual and customary fees for service. There was discussion of the availability of cardiologists. In response to Priebe, Bergman said there are only 16 neonatologists in the City of Des Moines.

Meyer added "The State provides reinsurance so there is no reason at all to have provider agreements."

Priebe recalled when the first HMO started, and he has seen the cost of health care rise every year. He noted it was important for the ARRC to be aware of the fiscal impact.

According to Herman, DHS is in the process of a study re Scott and Dubuque Counties. Based on preliminary results, the savings would be 5 percent. The Department is aware of the Rand study and the implications that high risk persons experience lower outcomes when enrolled in HMO than nonhigh risk. High risk individuals are not necessarily enrolling in HMOs. DHS is increasing the HMO enrollment through the default program in Polk County and does not believe the form to be complicated. There was general discussion.

Farrell pointed out that HMOs could curb costs by controlling "unnecessary services" and she would like to know how HMOs determine the meaning of "unnecessary," particularly in the mental health area. Their experience has been that HMOs are very reluctant to refer for mental health treatment.

HUMAN
SERVICES
DEPARTMENT
(Cont.)

Farrell continued, Polk County is concerned about the sex abuse diagnostic clinic, the Des Moines Child Guidance Center and Broadlawns Interfamily Sexual Abuse Treatment Programs. Those clients on AFDC, who have defaulted into the HMO, will either have to change their Medicaid status or, to receive treatment outside the HMO system, the cost will shift to the county property tax.

Deering noted the shortage of eye care providers—only one of approximately 15 ophthalmologists in central Iowa. HMOs have not worked very well in Minnesota.

Cox, Iowa Methodist, agreed with all of the concerns which had been expressed. She reminded that women may go to Broadlawns for their obstetric precare, "but once in labor, they show up at our doors, and so we do go ahead and deliver those babies."

Obstetricians are on call and take turns. General discussion. Cox also addressed the confusion re the forms and she said, "people just do not understand." Herman disagreed and pointed out the forms were written at the sixth to eighth grade level.

Gentleman commented on the importance of the costsaving aspects of the Medicaid program. She favored a Committee delay. Brief discussion of possible delay. ARRC agreed to consider the matter after lunch.

Overland, responding to Tieden, said there were contracts for 10 programs. The DHS was hopeful of a good solid coverage over the state for the availability of outpatient services. Overland advised that \$765,000 of gamblers assistance funds were available. Tieden was interested in a breakdown on individual costs and Overland replied that would be very unfair right now since it is in the developing stage.

Recessed

Priebe recessed the meeting for lunch at 12:18 p.m.

Reconvened

Meeting was reconvened by Chairman Priebe at 1:42 p.m. Discussion of 88.3(2) continued.

Herman reported there were 732 physicians practicing in Polk County. Approximately 74 percent participate in Medicaid. That concludes to 37 percent physicians participating in Medicaid. Tabor interjected that while it is 37 percent in Polk County, Scott County is 90 percent.

Motion To Delay 30 Days 88.3(2) After further discussion, Parker moved to delay 441--88.3(2) 30 days from its August 1, 1988, effective date.

Mention was made of possible special meeting on the matter.

HUMAN
SERVICES
DEPARTMENT
(Cont.)
Vote

Royce and Walker discussed Committee options with respect to Committee delays.

Motion was adopted with four ayes. Tieden voted "no." No further action.

ENVIRONMENTAL PROTECTION COMMISSION Special Review 135.12(3)

Michael Murphy was present for special review of underground storage tanks. Also present: Representative Teresa Garman and Duane Brodic. Chairman Priebe announced special review of 135.12(3), closure of underground storage tanks used for storage of regulated substances. He indicated that because of the widespread drought, removal of these tanks has created an additional financial burden. Priebe had received numerous requests for some action to delay implementation of the rule.

Brodic expressed his confusion with regard to options regarding these tanks. He preferred to backfill and leave his in the ground.

Priebe commented on his sponsorship of an amendment to HF 2441 which would permit storage tanks to be filled with inert material. He pointed out that much of that legislation was adopted in anticipation of federal standards. As a matter of principle, DNR does not intend to allow that option at this time.

Priebe contended that Iowa rules should be in effect until federal regulations preclude them.

Chairman Priebe recognized Garman who was of the opinion that tanks could be filled with inert materials as provided in the new legislation.

Murphy advised Tabor that monitoring or testing is required for tanks within one year of the effective date of the Act.

Murphy informed Priebe of an in-house Attorney General's interpretation on the matter.

Motion Attorney General's Opinion Tabor moved to request an opinion of the Attorney General on the issue of underground storage tanks.

Motion carried.

The agenda follows:

Chs 4,5

No questions re Chapters 4 and 5.

Brief discussion of termination of Notice which, according to Murphy, would be renoticed at a later date.

NATURAL RESOURCE COMMISSION	Terry Little, Wildlife Bureau, and Rick McGeough, Enforcement Bureau, appeared on behalf of Natural Resource Commission for the following:  Deer hunting regulations, 106.6(2) ARC 8932 Trapping limitations, 110.2, 110.4 ARC 8931 Boat motor regulations, 45.4(2)"b" ARC 8933  M. 6/29/88
106.6(2), 110.2, 110.4	There was brief discussion of 106.6(2), 110.2, and 110.4. No questions.
45.4(2) <u>b</u>	McGeough stated that 45.4(2) b creates identical boat motor and speed restrictions for Lake McBride, Johnson County, and Big Creek, in Polk County. McGeough briefed ARRC with the history of the matter. Parker in the Chair.
ENERGY AND	Victor Kennedy was present for the following:
GEOLOGICAL RESOURCES DIVISION	Energy audits grants program. 7.1(2), 8.6(4)"b" to "d," ARC 8868
7.1(2)et al.	He explained that 7.1(2) et al. conforms with federal requirements.
	In re Chapter 19, Kennedy said the program will aid low-income households who were overcharged for petroleum products from 1974 through 1981. No other questions.
CORRECTIONS DEPARTMENT	Fred Scaletta, Harry Cannon and Paul A. Muller represented the Department for the following:  Jail inspection standards, 50.1, 50.2(3), 50.4, 50.4(2), 50.5(5)"a," 50.6, 50.7, 50.8, 50.8(4), 50.8(8), 50.9, 50.10(1)"f."  50.11 to 50.23 ARC 8889. F 6/15/88  Temporary holding facilities, 51.9(2)"b"(5), 51.11(2)"a"(4) ARC 8890 F 6/15/88  Direct purchasing, 37.3 ARC 8888 N 6/15/88  Infectious disease standard, 40.6 ARC 8887 N 6/15/88
50.15(6)	There was brief discussion of 50.15(6), screening upon admission and monitoring of individuals who are arrested for intoxication to prevent potential self-injury or suicide.
50.14(3)	Brief discussion of 50.14(3), sharing of nonelectric razors.
50.6(9)	In re 50.6(9), Doyle inquired as to use of "intent upon entering." It was the Department's opinion that firearms should not be within secured areas and that "entering" would be permissible. Doyle saw little difference.
	Doyle commented that he has argued for years about use of telephones by inmates—many place collect calls to individuals—generally, their attorneys. Doyle suggested there could be a method whereby inmates could call their attorney without placing a collect call. Muller said facilities in smaller counties permit inmates to call without placing it collect but admitted it is a problem for larger counties because of the telephone equipment.

CORRECTIONS DEPARTMENT (Cont.)

In discussion of appeals, Scaletta noted that inmates are allowed to call collect or calls are paid out of the inmate's account. approval of warden, etc., calls may be placed at expense of the institution, providing client has no funds or account. He concluded, "one way or another, someone, other than the state will pay for the call."

51.9(2)b(5)

No questions re 51.9(2)b(5).

37.3

Cannon presented brief overview of 37.3, direct purchasing rules. Tieden raised question re possible tie in bidding process between an Iowa bidder and an out-of-state bidder. Cannon answered that in a tie, the bid would go to the Iowa bidder.

Tieden was advised there would be problems should someone other than a low bidder be awarded a contract. Priebe resumed the chair.

40.6

Scaletta explained 40.6, infectious disease standards. After discussion, Priebe was skeptical that policies and procedures might be "carte blanche." Scaletta assured him that both Corrections and Health Department procedures were followed. Priebe opposed language "...shall establish policies..." and feared it would create problems.

Priebe preferred uniformity for all eight judicial districts. He noted use of "...consistent with... but not limited to..." and interpreted it to be quite broad in scope. Scaletta replied that would cover some of the services provided which require additional procedures.

Scaletta agreed to consider the recommendation.

JOB SERVICE DIVISION

Joe Bervid and Paul Moran of Job Service presented the following:

3.3(2)h et al. 4.1(48)4.19(96)

Bervid briefed ARRC with respect to items in ARC 8949, 3.3(2)h et al. He pointed out that 4.1(48) and 4.19(96) should be read in conjunction. Rule 4.19 contains standards which Department follows.

4.34(8)

Subrule 4.34(8) addresses the lockout in labor dispute issue. The department had reviewed a supreme court decision which was handed down earlier this year. Job Service has incorporated language and exceptions contained in Ohio and Pennsylvania laws.

Bervid continued that the issue would probably end up before the courts--Department believes rule should give the public an idea of a broad policy,

JOB SERVICE DIVISION

leaving specific cases to individual adjudication--4.34(8)a is important.

He discussed the interim period while negotiations continue on collective bargaining.

Bervid gave background information on the subrule. Doyle referenced  $4.34(8)\underline{b}(3)$ , and asked what type of proof would be required to show who "perpetrated the act." Bervid responded that Job Service is required to hold a hearing where parties could introduce evidence and he assumed standards would be very strict. Preponderance of evidence would be taken.

Doyle assumed if there were sabotage, that criminal charges would be made. Bervid indicated that filing of criminal charges or a conviction would be necessary or very important evidence.

Bervid admitted to Parker that this was open to controversy.

Responding to Tieden, Bervid said the federal government does not define lockout in labor disputes. Also, states vary in their application. No further discussion.

AGRICULTURAL DEVELOPMENT AUTHORITY William Greiner was present and reviewed individual agricultural development bond program, 2.11, ARC 8897, Notice, 6/29/88. He explained that it is a new program for contract sales—the buyer and seller might want to set the interest rate high for tax exempt purposes, and to avoid paying capital gains.

In response to a question from Tieden, Greiner said bonds are now being sold on contract sales between a private seller and a beginning farmer. Department has had the authority, but a problem with disclosure existed and that has been resolved. No other questions.

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT Dr. Walter Felker, State Veterinarian and Betsy Sellers, Charles A. Eckerman, Pesticide Bureau; Daryl Frey, Labor Division Director; John Kluge, DVM, Ames represented the Department for the following:

Also present were James L. Syhlman, Clarence Bishop, and Harry Pape, West Union Cooperative; Art Small, Iowa City; Kent Sovern, DSM; Andrew Baumert, Iowa Pork Producers Assn.; George W. Beran, Pseudorabies Advisory Committee, USDA; Dan L. Davie, Midwest Livestock Producers; Harold Stockdale, Wendy Winterton, John Kluge, Iowa State University, Ames; Richard Harris, Iowa Farm Bureau.

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT (Cont.) Felker presented a statement which had been prepared for the PRV Legislative Study Committee. The industry has a goal of pseudorabies eradication and a meaningful nationwide program in place by January 1, 1989. Iowa has been awarded 26 percent of federal funding or \$340,000 for the fiscal year.

Iowa has the most PRV infected herds in the nation and Felker said, "We must regulate movement of unknown and infected animals in order to minimize the risk of exposure." He commented that Canada has no reported cases of PRV. Also, Illinois, Minnesota, Nebraska, South Dakota and Wisconsin have similar rules in place, and Kansas, Indiana, and North Dakota are developing similar programs. Felker concluded, "Iowa must take a leadership role and not fall behind. We must clean up our swine as rapidly as possible."

Parker said there had been much comment on this issue with most of it centered around the cost. He wondered how feasible it would be to have an economic impact statement in conjunction with Iowa State. Parker and Felker discussed time frame.

Beran made a statement as a member of the USDA Technical Advisory Committee for the Eradication of Pseudorabies. Copies were distributed. Iowa has received \$783,000 of federal program funds—the largest share of any state. The projected budget for FY '89 is over \$980,000. Beran urged no delay in the eradication of pseudorabies.

Harris spoke in support of the rules. A summary had been sent to 1000 Farm Bureau members in the state.

Kluge also supported the rules and commented, "This is the course the industry is going to take across the country, and to preserve the industry in the state, we need rules such as these." He urged their adoption.

Tieden was interested in the history of pseudorabies and vaccinations. Kluge advised that a number of vaccines were due on the market. He cautioned that vaccines do not prevent the disease. General discussion.

Mention was made of the fact that Minnesota has their rules in place and possible problems, if herds are quarantined at the border.

Priebe informed ARRC that the Pseudorabies Task Force Interim Study Committee held seven hearings over the State. Ninety percent were opposed to the new rules, and concern was expressed about monitoring of herds. He contended that the quarantine feed yards immediately restrict the number of buyers. He discussed the history of the disease, and read from minutes of the

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT (Cont.) Task Force Study Committee. It was his understanding that the majority of pork producers do not consider pseudorabies to be a major problem.

Motion

Priebe pointed out that the Task Force Committee voted unanimously to refer the rules to the legislature in the next session and with that "I would so move, as Chair of that Committee, that we refer the rules to the next legislative session."

Parker could understand the interest of the Task Force and the work that has been done. The calls

Motion
To Delay-Economic
Impact
Statement

that he had received centered around the economic situation. People who do not want the rules are concerned with costs. He supported request for an economic impact statement, which would not delay the rules. Parker made a substitute motion to place a 70-day delay on ARC 8852, which would be effective July 20, and to request the Department to prepare an economic impact statement.

Vote

The Parker motion failed by voice vote. Parker, Tabor and Doyle voted "yes"; Priebe and Tieden voted "no."

The original motion by Priebe was before the Committee and he asked to amend it by including a request for an economic impact statement. Parker preferred a 70-day delay. There was continued discussion.

Tabor asked for a point of clarification re the disagreement over what course of action ARRC could take since the 70-day delay failed. Priebe consulted John Dwyer, Secretary of the Senate, for his opinion as to appropriate course to follow, but Dwyer was unable to provide guidance. The Priebe motion failed with Priebe, Tieden and Doyle voting "aye"; Parker and Tabor voting "no." Doyle interjected that an objection would still be in order.

10.22(2)<u>c</u> 10.22(4)<u>c</u>,<u>e</u>,<u>f</u> According to Frey, the subrules establish the private pesticide applicator certification fee at \$15.00 and extend the certification of 25,000 private applicators for a period of one year. No comments.

Ch 9

There was special review of Chapter 9, pesticide containment. Jim Magnuson, Director of Cooperative Development, the Iowa Institute of Cooperation, Ames, was present for the review. He commented that of 283 cooperatives, about 190 were involved in grain marketing farm supply sales. He introduced Jim Syhlman, General Manager, West Union Cooperative. Magnuson said they would like consideration given to agribusinesses and spoke of the potentially adverse impact on the farm. They recognize the critical importance of protecting groundwater resources and

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT (Cont.) are presently taking steps for compliance.

He proposed a delay of the containment requirement from November 12, 1988, to November 12, 1989, but would agree that a requirement to have engineering plans submitted to DNR by original November 12 date would be appropriate.

Syhlman spoke of building structures and prohibitive costs and the problems resulting from the drought conditions. Also, they are facing a drastic reduction in storage at this time.

Priebe stated that he did not believe ARRC could place a delay.

Eckerman reminded that the rules had been adopted November 12, 1986, so the effective date was two years following adoption.

Frey pointed out that the rules were at the urging of the fertilizer chemical association and there have been no requests for delay. General discussion. Priebe was supportive of the one-year extension. There was general consensus that action would need to be taken by the Department.

Tieden commented that Magnuson and Syhlman were very cooperative and had not "bucked rules or the legislature"--just the financial problem.

Motion Minutes Approved

Doyle moved to approve the minutes of the June meeting. Motion carried.

Recessed

Chairman Priebe recessed the meeting at 4:18 p.m.

Reconvened WEDNESDAY July 13, 1988 The meeting was reconvened by Chairman Priebe at 9:10 a.m., Wednesday, July 13, 1988, Room 22, State Capitol.

All members and staff were present with the exception of Representative Betty Jean Clark and Phyllis Barry, Administrative Code Editor.

GENERAL SERVICES DEPARTMENT The General Services Department was represented by Jack Walters, Director; Kathy Williams, Bob Soldat, Dale Nelson; Kristi Little, Superintendent of Printing, and Ann Marie Brick, Assistant Attorney General.

The following agenda was before ARRC:

 GENERAL SERVICES DEPARTMENT (Cont.) Ch 4 Williams explained Chapter 4, which transfers the data processing center to General Services. Several agencies expressed concern for the proposed changes, and General Services responded favorably to the concerns. Williams advised that personal computers would fall within this purview. Walters stated that contracts would be established.

In response to Tieden, Walters stated that General Services has no authority over the agencies--which are responsible for cost analysis and justification. Also, the agencies do object to overview by General Services.

1.6

Walters explained the filed emergency rule 1.6. He noted that opportunities exist when the capitol complex could be used for worthwhile activities. On July 27, bicyclists from RAGBRAI will be overnight in Des Moines and this is an opportunity for 10,000 to enjoy the complex.

Responding to Parker, Brick said no public comment had been received and a public hearing is scheduled for July 20.

1.6(15)

Parker opposed the use of "may" throughout the rule. Of particular interest was paragraph  $1.6(15)\underline{b}(2)$  pertaining to liability insurance. Brick confessed the focus was that the rule be absolute content neutral, as to whether or not to let an event occur. Brick continued there was need for variances regarding the 11 p.m. curfew. One example of a major liability was the fireworks show early in the summer. A lesser liability situation would be the replica of the Vietnam memorial in Washington, D.C. where people would just file by.

Determination of liability will be by the nature of the event, and activity must be civic-minded type. Brick contended use of "shall" might be impossible to meet. According to Parker, "every rule that comes across this desk could create situations where someone would like to have "may." In his opinion, that would be bad public policy and provide too much discretion. The rule should be rewritten to reflect that. He added that he did not oppose what was being done, just the way rules were written.

Crosson had called Royce and wanted assurance that Cultural Affairs was exempt from the variance. Royce asked Walters to review the rules for possible problems. Walters saw no problems.

5.29

No questions re 5.29.

FAIR BOARD

Marion Lucas, Manager and Jerry Coughlan, Office Manager, represented the Fair Board for the following:

Parker in the Chair. He asked about concessions and procedures for obtaining space. Coughlan advised Parker that concessionaires from the previous year have first chance the following year, assuming that facilities are up to quality. There is a list of applications which is reviewed and seniority prevails. The Fair Board maintains the procedural rules.

Responding to Tieden, Coughlan said cost for space is based on square footage, location, etc. Prospective concession managers must submit pictures.

No questions re 1.7.

Burnett asked if comments had been received on their fair information practices rules. Response was in the negative.

ECONOMIC DEVELOPMENT DEPARTMENT Melanie Johnson, Jude Conway, Roselyn Wazny and Doug Getter represented the Department of Economic Development for the following:

Labor-management cooperation program, ch 10 ARC 8879	.F. 6/15/88	
1 tangetud amail huninus prususament program 64 9 64 9/6) 64 5 to 64 7 64 8/3) 64 9/3) 64 9/6) 64 9/6)		
A RC 8881  Public records and fair information practices, ch 100, filed emergency after Notice ARC 8880. FE	A M 6/15/88	
Organization, community economic betterment program, 1.2, 1.3, 22.3, filed emergency ARC 8953	E curuno	
Organization, community economic neuterment program, 1.2, 1.3, 2.3, <u>filed emergency</u> ARC 8903	AJ 6/15/88	

Johnson and Getter gave brief overview of the agenda. No questions re Chapter 10. Priebe resumed chair.

No questions re 54.2 et al., Ch 100.

1.3 22.3 There was brief discussion of amendments to organizational rules and the Community Economic Betterment Program (CEBA).

The size of DED board was increased from 9 to 11 members; the CEBA board was changed from 3 to 4 members. Tieden questioned the change for CEBA. According to Conway, there have been attendance problems.

Ch 23

After overview of Chapter 23 by Conway, there was general comment with no substantive issues being considered.

INSPECTIONS AND APPEALS DEPARTMENT Xenda Lindel-Prine and Robert Haxton presented the
following rules:

Care facilities to whom license issued, 67.3(4), 58.3(4), 69.3(4), 62.3(3), 63.3(5), 64.3(4) ARC 8859	F.	6/15/88
Field survey administration, food and food service inspections, 30.2 to 30.4, 30.6 to 30.8, 30.10, 30.12, 31.1, 32.1"3"		
"4 " 33 2 ARC 8908, also filed emergency ARC 8907	LUFE	6/29/88
"4," 33 2 ARC 8908, also filed emergency ARC 8907	+f.E	6/29/88
Administration of insulin, 57,19(3)"e." 62,15(2)"d." 63,18(3)"c." nutice ARC 8655 terminated ARC 8860	.T.	6/15/88

#### INSPECTIONS AND APPEALS DEPARTMENT (Cont.) 30.2

No questions re 57.3(4) et al.

Haxton explained that the rules address bed and breakfast homes—bed and breakfast inns are hotels with nine or less guest rooms. Inns are licensed and required to have a separate restroom for each guest room. In order to serve food to other than overnight guests, a food service license is necessary. Tieden was assured that bed and breakfast homes cannot house more than two families by law.

Ch 34

In re 34.2(12), Priebe recommended insertion of "shall" for "must."

No questions re 57.19(3) c et al.

#### FOSTER CARE REVIEW BOARD

Lindel-Prine presented the following:

FOSTER CARE REVIEW BOARD[489]
INSPECTIONS AND APPEALS DEPARTMENT[481]\*umbrella\*
Purpose and function, rules and operation for the board, local foster care review boards, 1.1, 1.1(2),
2.1(4)\*3" "8," 2.3, 2.4"12," 2.5(2), 2.5(3), 3.1, 3.3(1)\*c," 33.4(1)\*c" to "e," 3.4(2), 3.4(3), 3.5(1)\*a"(3), 3.6(1), 8.6(3)
ARC 8882

No questions or comments.

### Committee Information

Priebe informed ARRC that the Agriculture Department officials would appear again today. The fact that hog raisers will not be able to sell hogs a week from today is quite serious.

Royce discussed the Committee's request to the Attorney General re the scenic railroad issue, which was before them at the June 14, 1988 meeting. He reported that the attorney general preferred legislation to resolve the matter.

There was brief discussion of salvage which would be reviewed at the August meeting.

#### NURSING BOARD

Ann Mowery and R. Charles Miller attended on behalf of the Board. The following agenda was before ARRC:

Disciplinary proceedings, ch 4 ARC 8918.	.: <i>F</i>	6/29/88
Administrative and regulatory authority I SIGT'S" AMI XND3		17, 10,00
Numerical additional time transfer of the state of the st		0/10/00
Liamanna to provetion DNe/I DNe 21 ARC 9917	<b>N</b> .	0/29/88
Licensure to practice—RNs/LPNs, 3.4(6)"a"(2), 3.5(2)"d" "e" ARC 8855.  Continuing education, 5.3(3)"b" ARC 8856.	/ɣ.	6/15/88
Continuing education, 5.3(3)"b" ARC 8856		6/15/88

There was brief explanation of the amendments and no substantive comment.

Chairman Priebe wished Mowery good luck on her educational venture to Massachusetts.

Break for 10 minutes.

## PERSONNEL DEPARTMENT

Clint Davis, Bureau Chief, represented the Department for the following:

PERSONNEL DEPARTMENT (Cont.)

nassingation, pay: recruitment, application and examination; certification and selection; separation, disciplinary actions and reductions in force; grievances and appeals; leave; equal emphyment opportunity and affirmative action, 3.1(b), 4.1(3), 4.5(1)\*\*a, \*4.5(1)\*\*b\*\*(2), 4.5(3)\*\*a, \*4.5(1)\*\*b\*\*(2), 4.5(3)\*\*a, \*4.5(1)\*\*b\*\*(2), 4.5(3)\*\*a, \*4.5(1)\*\*b\*\*(2), 4.5(3)\*\*a, \*4.5(1)\*\*a, \*4.5(1)\*

Responding to Tieden, Davis said the United Way administrator is the person with whom Personnel contracts to administer the campaign. A contract is for a period of two or three years and then, it is bid again.

Responding to Priebe, Davis stated that 4.5(17) is the general rule on red circling. A variety of circumstances exist when a person's pay could exceed the maximum amount for their job classification. This subrule addresses those situations. No other comments.

#### PUBLIC HEALTH DEPARTMENT

Don Kerns represented the Department for Emergency medical services training fund, Ch 130. Approximately \$660,000 is available for contracts to counties, based upon 50 percent funding by rural population and 50 percent by square miles or area. An additional \$200,000 is available for special projects which impact EMS training on regional or statewide basis. An appeal process is in place. A public hearing had been held with very few comments. Kerns told Tieden that an EMS advisory council would be appointed in August. Kerns and Tieden discussed need and the fact that each city should be represented on the Board so they have a voice on the Board.

## REVENUE and FINANCE DEPARTMENT

Ed Henderson, Don Reed and Lorin Knapp appeared on behalf of Revenue and Finance for review of:

Forms—substitution of official lowa tax returns, 8.25 to 8.35 ARC 8951	
Assessment practices and equalization, 71.12(2)"c," 71.12(3)"c" ARC 8950	
Administration, cigarette tax, tobacco tax, 81.16, 82.4(1), 83.3(1)"3," 83.3(2) ARC 8864	
Public records and fair information practices, 5.9(2)"b" filed emergency ARC 8863	
Semiannual mobile home tax, 74.1 to 74.3, 74.4(1), 74.4(5), 74.5, 74.8, 74.8(1), 74.8(2) ARC 8952	2 AJ. 6/29/88

8.25 to 8.35 No public comments were received and no changes made since the Notice.

71.12 et al. No 81.16 et al. or 5.9(2)

No questions re 71.12 et al., 81.16 et al., or  $5.9(2)\underline{b}$ 

Royce mentioned that Senator Doyle, who was unable to be present, had concern for this issue. This past year the legislature enacted H.F. 105, continuing education for assessors and testing. Royce had been notified that Revenue and Finance had provided auditors with a Bulletin on continuing education for assessors previous to filing rules last Friday. Royce asked, "How can a bulletin be sent when there are no administrative rules in place? He viewed the subject to be quite controversial.

REVENUE and FINANCE DEPARTMENT (Cont.) Ch 74 Amendments to Ch 74 are intended to implement 1987 Acts, chapter 210, which became effective July 1, 1988. The mobile home tax was changed from a calendar to a fiscal year basis. It is helpful to county treasurers. No questions.

### INSURANCE DIVISION

Susan Barnes, Assistant Attorney General, appeared for review of:

There was brief discussion of contracts. No formal action.

AGRICULTURE
AND LAND
STEWARDSHIP
DEPARTMENT
Pseudorabies
16.147(2)etal.

Dr. Walter Felker was present on behalf of Agriculture and Land Stewardship for further consideration of pseudorabies amendments to define requirements for sale or importation of swine. Also present: Andrew Baumert and Jeff Schnell, Staff, Iowa Pork Producers; Jerry Downer and Rick Robinson, Iowa Farm Bureau; D. E. Weaver, United States Department of Agriculture.

Tabor wanted assurance that next week, there would be no interference in marketing of feeder pigs intrastate. Felker responded there would be no change. He continued that every herd which passes a monitored test will be issued a dated card good for one year. There was discussion of the sale barn process.

Priebe stressed the importance of providing information to the public.

Felker promised pork producers that the Department would preserve the "normal marketing channels." In the matter of interstate treatment for feeder pigs, Felker said there has to be compliance with the state of destination--probably, those rules will be tougher. One problem is that many surrounding states do not like the concept of our heavily vaccinated breeding herds. Iowa is the only state that has been "forced into" the vaccination situation.

There was general discussion of practice followed by surrounding states. Also, procedure for confinement was reviewed.

Tabor mentioned the ARRC seemed to have three options; one, to adjourn; two, to reconsider the 70-day delay and the request for an economic impact statement made Tuesday; and three, to reconsider the session delay.

Motion

After further consideration, Priebe moved that ARRC reconsider the motion to delay ARC 8852 into the next session and also to request an economic impact statement. Parker voiced opposition. There was lengthy discussion. Priebe withdrew his motion and

AGRICULTURE
AND LAND
STEWARDSHIP
DEPARTMENT
(Cont.)
Motion
70-Day Delay
Econ. Impact
Statement
Carried

moved to reconsider the Parker motion which was for a 70-day delay and request for an economic impact statement. Motion to reconsider the Parker motion carried.

Priebe announced that the motion to delay ARC 8852 for 70 days from 7/20/88 and the request for an economic impact statement was before the Committee and he so moved. Motion carried by voice vote. Priebe, Tabor, Parker, and Tieden voting "aye." Doyle and Clark absent and not voting.

Tabor took the position that it was incumbent upon the Department to provide information "to memberships and pork producers."

## NO AGENCY REPS

## No agency representatives requested to appear for the following:

the following:	
APPEAL BOARD, STATE[643] MANAGEMENT DEPARTMENT[641] **umbrella**	
Public records and fair information practices, ch 6 ARC 8956	6/29/88
MANAGEMENT DEPARTMENT[61]*embrells* Public records and fair information practices, ch 8 ARC 8900	6/20/99
COUNTY FINANCE COMMITTEE[547]	0/23,00
MANAGEMENT DEPARTMENT[641] "umbrells" Public records and fair information practices, ch 6 ARC 8955	6/29/88
EDUCATION DEPARTMENT[281] School facilities—ashestos containing materials in school buildings, ch 82 ARC 8892	6/15/88
Amend and transfer rules from public instruction department [670] to education department [281] ARC 8954	6/29/88
INDUSTRIAL SERVICES DIVISION[343]	<b>-</b>
EMPLOYMENT SERVICES DEPARTMENT[341] "umbrells" Payroll tax tables, 8.8. filed emergency ARC 8895	6/29/88
LABOR SERVICES DIVISION[347]  EMPLOYMENT SERVICES DEPARTMENT[341] "unbrella"  Hazardous chemicula riska zicht to know 110 MD 110 MD 110 MD 110 D	
110.4(3), 110.5(2)"a"(3), 110.5(2)"g""; 110.5(5) to 110.5(7), 110.4(3), 110.6(3)"b"(3), 110.5(3)"c"(3), 110.5(	6/15/88
Occupational safety and health rules for general industry, 10.20 ARC 8874	6/15/88
LAW ENFORCEMENT ACADEMY[501] Public records and fair information practices, ch 7 ARC 8930, also filed emergency ARC 8929	
LOTTERY DIVISION[705]	0, 40, 00
HEVENUE AND FINANCE DEPARTMENT[701] "umbrella" Operation of the lottery, Lotto America, 4.9(4), 4.9(11), 4.9(12), 12.8 notice ARC 8626 terminated ARC 8902	6/29/88
Lotte, 10.4(3), notice ARC 8628 terminated ARC 8903	6/29/88
Lotto, 10.4(3), notice ARC 8628   terminated ARC 8903   Pull-tab general rules, 11.3, notice ARC 8685   terminated ARC 8901   T.   Lotto America, 12.7(4), notice ARC 8683   terminated ARC 8904   T.   Control of the	6/29/88 6/29/88
MANAGEMENT DEPARTMENT[541] Public records and fair information practices, ch 8 ARC 8893	6/15/88
MEDICAL EXAMINERS BOARD[653]	
POBLIC HEALTH DEPARTMENT[641]" umbrella" Hearings, 12.50(23), 20.5(5)"b"(2) A RC 8894	6/15/88
PAROLE BOARD[615] Public records and fair information practices, ch 14 ARC 8883	6/15/88
FUARMACI DAAMINERS BUAKIJIDI] PIRILE HAITH DEPARTMENTALI "muhembell"	
Correctional facility pharmacy licenses, ch 15 ARC 8934	6/29/88
PROFESSIONAL LICENSURE DIVISION[646] PUBLIC HEALTH DEPARTMENT[64] "Imbirella"	
Chiropractic examiners, 40.11(1) to 40.11(4), 40.13(6) ARC 8936	6/29/88 6/29/88
PROFESSIONAL TEACHING PRACTICES COMMISSION[287] EDUCATION DEPARTMENT[281] *umbrella*	9,20,00
Transfer 640—chs 1 to 7 to 237—chs 1 to 7; adopt uniform rules as 1.3 to 1.5, amend 2.2(1), 2.4(8), 2.5(1), 2.5(2), 2.7(1), 2.8, 2.9(4), 2.9(6), 2.10(2), 2.11, 2.12, 2.13(1), 3.3, 4.5(1), 4.8, filed emergency ARC 8858	6/15/88
REAL ESTATE COMMISSION[193E] Professional Licensing and Regulation Division[193]	9,10,00
COMMERCE DEPARTMENT[B1]*umbrells* Transfer 700—chs 1 to 4 to 193E—chs 1 to 4, 2.12, 3.1 ARC 8861	6/15/88
REGENTS BOARINGS1) Personnel administration, 8.89(2) ARC 8884 Public records and fair information practices, ch 17, filed emergency after Notice ARC 8885	
Public records and fair information practices, ch 17, filed emergency after Notice ARC 8886	6/15/88
Alternative voting systems, 22.6 ARC 8886	6/15/88
- 3924 -	-

No Reps Requested	SOIL CONSERVATION DIVISION[27] AGRICULTure AND LAND STEWARDSHIP DEPARTMENT[21] "numbredla" Surface coal mining and reclamation operations, rescind 780—ch 4; adopt 27—chs 40 to 49 ARC 8877	6/15/88
To Appear (Cont.)	TRANSPORTATION DEPARTMENT[761]  Denials, cancellations, suspensions and revocations; OWI and implied consent, 615.45(1)"c," 615.43(3)"b" "g." 620.3(1)"c," 620.3(2)"a" "g," filed emergency ARC 8850. Essential air service terminal improvement program, 715.2, 715.4(1), 715.4(2), 715.5 filed emergency ARC 8857.  Aircraft registration, ch 750 ARC 8865.	6/15/88 6/15/88 6/15/88
	UTILITIES DIVISION[199] COMMERCE DEPARTMENT[181] "umbrella" Pipeline permit hearings, 10.6 ARC 8878	6/15/88 6/29/88
Adjournment	Tabor moved to adjourn at 12:30 p.m. Motion carried.	
Next meeting	The next meeting was scheduled for Tuesday and Wednesday, August 16 and 17, 1988.	

Respectfully submitted,

Vivian Haag, Executive Administrator Bonnie King, Administrative Assistant

APPROVED:

CHAIRMAN