

MINUTES OF THE SPECIAL MEETING  
OF THE  
ADMINISTRATIVE RULES REVIEW COMMITTEE

Time of Meeting: Wednesday, Thursday and Friday, August 14, 15, 16, 1985.

Place of Meeting: Senate Committee Rooms 24 and 116, State Capitol, Des Moines, Iowa.

Members Present: Senator Berl E. Priebe, Chairman; Representative James D. O'Kane, Vice Chairman; Senators Donald V. Doyle and Dale L. Tieden; Representatives Edward G. Parker and Betty Jean Clark. Also present: Joseph Royce, Committee Counsel; Kathryn Hove, Governor's Administrative Rules Coordinator; Phyllis Barry, Deputy Code Editor; and Vivian Haag, Executive Administrator.

Convened Chairman Priebe convened the Wednesday session in Committee Room 24 at 10:10 a.m. All members present except O'Kane who was excused. First order of business was the following Conservation Commission rules:

CONSERVATION  
COMMISSION

State game refuges, 3.1	ARC 5749	.....	7/31/85
Waterfowl hunting on Forney Lake and Riverion area, 14.1(5), 14.2	ARC 5616	.....	7/3/85
Marking trap sites, 24.1	ARC 5750	.....	7/31/85
State forest camping, 41.5(4), 41.11	ARC 5751	.....	7/31/85
Rabbit and squirrel hunting season, 102.1 to 102.3	ARC 5618	.....	7/3/85
Mink, muskrat, raccoon, badger, opossum, weasel, striped skunk, fox (red and gray), beaver, coyote, otter, and spotted skunk seasons, 104.1 to 104.4, 104.7	ARC 5616	.....	7/3/85
Common snipe, Virginia rail, sora, woodcock and ruffed grouse hunting seasons, 109.1 to 109.4	ARC 5617	.....	7/3/85
Speed and distance—zoning, 30.5 to 30.24	ARC 5614	.....	7/3/85
Recreation/tourism grants to county conservation boards, ch 71	ARC 5746	.....	7/31/85
Fishing regulations, 108.2(2), 108.2(3), 108.2(5)	ARC 5747	.....	7/31/85
Commercial fishing, 110.7 to 110.9	ARC 5748	.....	7/31/85
Trapping limitations, 114.1	ARC 5619	.....	7/3/85

The Commission was represented by Stanley Kuhn, Chief of Administration; Lester Fleming, Superintendent, Grants in Aid; Richard Bishop, Superintendent, Wildlife; Doyle D. Adams, Superintendent, Parks; Don Bonneau, Fisheries Supervisor, and Rick McGeough, Superintendent, Enforcement.

3.1 Bishop reviewed rule 3.1 and explained that earlier dates were established since teal are moving through at that time. Originally, they had planned to move the early duck season close to the 15th.

24.1 Bishop saw rule 24.1 as clarifying that, on a state wildlife area, beaver can be trapped outside the muskrat season. Priebe was interested in the impact on fox trappers and Bishop said fox could be trapped during open season on the state areas. He added that the intent of the amendments was to reduce staking of muskrat houses and alleviate unfair competition. Parker expressed preference for a ban on snare traps.

CONSERVATION  
COMMISSION  
Continued

Bishop admitted there was "a great deal of pressure for that" but added that the "snare thing" was a problem in which the Commission was "in the middle."

ch 41

Adams discussed amendments to state forest camping. No one attended the public hearing and the rules were unchanged since Notice. In response to Doyle, Adams did not recall a uniform citation for unreasonable noise. McGeough stated that the uniform citation form would be used and the rule quoted on a summons. Doyle wanted to preclude the need for campers to travel a distance back to a particular area to pay a fine. Adams stressed that for the most part only warnings are made during "quiet hours." Doyle recommended that the Commission initiate legislation to provide for a uniform citation. Adams advised Priebe that a generating plant in a camper unit could not be used during the hours of 10:30 p.m. to 6:00 a.m. It was noted that most campers switch to propane use at night. No recommendations were offered for ch 14 amendments or rules 102.1 to 102.3.

ch 14 and  
102

ch 104

Bishop explained changes in ch 104 since Notice. Tieden commented about beaver huts--Bishop said otters had been released at Red Rock and they are using beaver dens and houses. Banning trapping in houses will protect the otters. According to Bishop, transplanting of otters proves very stressful to the females and slows reproduction.

ch 109

In re 109.1 to 109.4, no changes had been made since Notice.

ch 30

Re 30.4 to 30.24, McGeough pointed out that areas, with special speed and distance navigation regulations, have been set out by rule at the request of the Attorney General. Political subdivisions or special lake associations seek special rules for their particular bodies of water for safety or additional recreation for the public.

Tieden referred to problem of noise from air boats and opined the law or rules was so strict that no one could abide by it. He has a manufacturer of air boats in his district and these boats are used extensively on the Mississippi in the winter. McGeough said that the trappers and the Department would have to review the matter to determine whether rule change is needed.

114.1

According to Bishop, rule 114.1 was an attempt to reduce the conflict between trappers and rural land-owners. It has the support of the Trappers Association. The controversial rule will provide "a first step in prohibiting use of snares and conibears in the road right-of-way within 100 yards of inhabited buildings."

CONSERVATION  
COMMISSION  
Continued

Tieden was told there was statutory authority for this action. Priebe had reservations about the 100-yard limitation since dogs and cats roam much greater distances. Bishop admitted there were problems with the rule. There was discussion of interpretation of "land adjacent to the road right-of-way." Priebe mentioned there was sentiment to prohibit conibear traps referred to as "killer traps." Bishop was doubtful there was support for total prohibition of conibears. The Commission has learned that up to 1000 snares have been set without tags. Parker reasoned an easy solution would be to outlaw conibears unless they were under water. He saw the biggest problem to be in wooded hills where holes are cut in a fence to insert the snares. No action taken.

ch 71

Kuhn told the Committee that chapter 71 was intended to provide for distribution of funds to county conservation boards as authorized from sale of lottery tickets. The Commission wants counties to plan for projects prior to availability of the money. Procedures are included to cover areas where funds do not materialize and they also provide ability to adjust projects as circumstances change. Kuhn continued that legislative intent was to generate projects which will result in active tourism and recreation. Some people may see that a divergent from the usual mission of county conservation boards.

71.4(2)

Kuhn advised Clark that in 71.4(2), "forced account labor and equipment" would be that provided by the county conservation board itself, not cost shared.

71.5(2)

Clark viewed 71.5(2)-- assistance floor-- as somewhat confusing. Kuhn said they wanted to establish in essence that the total project would have to be at least \$30,000 with 75 percent of that figure being \$24,000.

Clark was doubtful that application rating system in 71.7(3) would be workable. For example, a depressed community could not afford 25 percent.

71.7(3)

Re 71.7(3), Kuhn told Parker that it was impossible to make a purely quantitative judgment--they are, to some degree, attempting to guide and outline facts.

Priebe had problems with 71.7(3)g and h as to reason county taxes were eliminated and the fact that proximity to interstate and intrastate highways would be a factor. Kuhn responded that all other things equal, although they never are, the project with better access for the touring public should have priority. With respect to g, it was their feeling that local jurisdictions, willing to contribute in excess of 25 percent, should receive favorable consideration. The Commission wants to

CONSERVATION  
COMMISSION  
Continued

encourage donations and grants as opposed to encouraging use of county funds. Kuhn said Priebe's position on proximity to highways was well taken and he was willing to add definition of "easily accessible." Also, Priebe wondered about the rating for special facilities for the handicapped--paragraph j. Kuhn said the Department is encouraging more than the minimum, but they could add weight. Kuhn reiterated the proposed rules were preliminary work in an attempt to be ready when funds are available. The Commission was hopeful counties would submit projects which could be reviewed by December. Distribution of funds will be made on first-come, first-served basis. Since the cash flow is uncertain, the Commission wants to be prepared. Kuhn admitted there may be controversy. Tieden pointed out there was no county conservation board in his county. Kuhn noted that the statute specifies these boards. Doyle asked if there were rules on Loess Hills--Kuhn did not anticipate the need for rules for the state project. In answer to Doyle as to method of purchasing land, Kuhn said a fair number of tax dollars was spent on land without public input.

71.8

Clark raised question in 71.8, second sentence. Kuhn stated that when the Commission approves a project, that will establish, particularly on a multiyear project, the grant budget for each year of the five-year project. Priebe was informed that the funds could be cut off for the remainder of the years--"approval at this point will not constitute approval of funds for the project." Consideration will be given to the county which is moving ahead on a project as opposed to one that has not moved, even with the budget approval. Priebe envisioned projects being placed in precarious positions. Priebe was advised that preliminary notice of the rules was sent to all counties. No Committee action.

ch 108,  
ch 110

Bonneau described briefly the proposals in chapters 108 and 110. The fish and release program was discussed. Bonneau reviewed fish length limits. Tieden spoke of his continuous opposition to waste of our natural resources.

COLLEGE  
AID  
COMMISSION  
6.1

James Shay, Director, represented College Aid Commission and presented rule 6.1 -- advisory council for student programs, published in 7/31/85 Iowa Administrative Bulletin as ARC 5758. Shay told the Committee that the advisory council membership would be expanded to include officers of lending institutions who are a vital part of the financial aid program and the Iowa student loan liquidity corporation. Priebe asked if this were statutory and Shay answered in the negative. Priebe did not oppose the concept but wanted to be sure it was legal. He asked Royce to research the matter and contact Shay. Clark voiced support of legislation if it is needed. No other comments.

8-14-85

ARTS  
COUNCIL

2.3

Jeanann Celli, Executive Director, and Bruce Williams, Visual Arts Coordinator, appeared on behalf of the Council to review the indemnity program, 2.3(21) ARC 5629 Noticed 7/3/85 IAB. Williams briefed the ARRC on the new program by which Iowa will insure against loss or damage certain art and artifacts borrowed from outside the state. They are hopeful it will simplify the lending process for major shows. Tieden inquired as to how expenses were paid and Celli said the handbook sets out the payment. Approximately \$500 is budgeted to allow the voluntary review panel to meet once each year. No comments were received at the hearing.

Celli spoke on the makeup of the council and the advisory committees. Doyle inquired about funding for the indemnity program. Celli replied that "in a sense, it is from the state surplus. Insurance covers up to \$1,000,000-- a \$3,000,000 exhibition would need additional insurance." No recommendations.

AGING,  
COMMISSION  
ON THE

ch 11

Vince Weber was present for the following:

Iowa elderlaw education program, ch 11 ARC 5725A, also filed emergency ARC 5725 ~~ARC 5725~~ 7/17/85

Weber said the rules permit law schools to provide legal services to the elderly. They allow advertising of the availability of the fund, (\$100,000) solicitation and evaluation of proposals and administration of the program. Tieden was told that both law colleges in Iowa would qualify. Persons to be served must be at least 60 years old. The local office for aging would coordinate the program. Doyle asked about the type of services available and was told that examples would be basic assistance with public benefits, consumer protection and advice on wills. Weber indicated the local Bar Association would work closely with the program. There has been no conflict over types of services already in existence. Doyle was skeptical as to how much help would be afforded to those in outlying areas.

Clark interpreted the last clause of 11.4(2)g to permit the rule to be changed at will. Weber defended the emergency filing of chapter 11 to accommodate schools at the beginning of the term. Royce advised it was a classic example of the need for emergency rules--there is available money which the agency wants to utilize.

VOTER  
REGISTRATION  
COMMISSION

No recommendations were offered for the following gender change presented by Dorothy Elliott, Executive Director of Voter Registration:

Data processing contracts, 4.2, filed without notice ARC 5752 ~~ARC 5752~~ 7/31/85

Committee  
Business

Priebe briefed the Committee on his conversation with the Governor with respect to a resolution to the gender issue re administrative rules. Deferred.

SOIL  
CONSERVATION

Ken Tow appeared to review the following:

Iowa financial incentives program for soil erosion control, 5.20(17), 5.53, 5.60(7), 5.74(5)<sup>a</sup>, 5.82(2)<sup>k</sup>, 5.84(13),  
5.41, 5.41(9), 5.58, 5.60(9) ARC 5776 ..... 7/31/85  
Iowa financial incentives program for soil erosion control, conservation practice revolving loan fund, 5.41, 5.55(4)<sup>b</sup>,  
9.10, 9.22(9), 9.23(1), filed emergency after notice ARC 5728 ..... 7/17/85  
Surface coal mining, reclamation operations, 4.35(6)<sup>a</sup>, 4.36(1)(9)<sup>a</sup>(1), 4.321(8), 4.35(1), 4.37(2)<sup>d</sup>, 4.4(1), 4.6(4) ARC 5777, 7/31/85  
Iowa financial incentives program for soil erosion control, 5.20(20), 5.20(25), 5.31, 5.32(3)<sup>c</sup>, 5.32(4), 5.52(6)<sup>c</sup>,  
5.53, 5.54, 5.60(5), 5.60(7), 5.60(8)<sup>d</sup> to "f", 5.70, 5.71, 5.72(3), 5.74(1), 5.74(3), 5.74(4), 5.74(5)<sup>c</sup>, 5.74(6), 5.81,  
5.83, 5.84, 5.91, 5.95(1), 5.95(2) ARC 5778 ..... 7/31/85

Tow said that proposed amendments to chapter 5 were intended to implement 1985 Acts, House File 266[Items 1 to 6] and House File 476.

5.53(2)b

Re maximum of \$1000 for woodland fencing in 5.53(2)b, Tow said this was an arbitrary amount to permit all districts to utilize the \$20,000 appropriated. Priebe reasoned that if the \$20,000 were not used, this would prohibit other districts from using the remaining funds which was too limiting, in his opinion. Committee members recommended the language be revised to permit excess to be utilized by another district. Tieden wondered if this could be applied to regular soil conservation programs which permit excess funds to be available. Tow was amenable to Committee suggestions. Parker was interested in knowing the turn-around time on applications and Tow said the rules provided for ten working days. Tow assured Priebe that the law did require complete fence replacement -- 5.53(4)e. Tow read from the Acts.

5.53(4)e

Doyle had been advised by farmers that "no-till" allowed cutworms to thrive which would seem to discourage most of the \$30 per acre program.

After brief explanation of the filed emergency after Notice amendments, Tieden inquired if facts were being received from the southeast Iowa tillage program-- 5.41(6). Tow recalled the state Soil Conservation Committee had debated whether or not to continue that program--Iowa State maintains it is beneficial. Responsibility for funding the research is also being discussed--should it be Iowa State or the Department. A subcommittee will evaluate the program and make a firm decision.

In response to Tieden, Tow said control practices set out in 5.41(8) were working well with interagency cooperation. Priebe suggested that new language in 9.22(3) be included in 5.53(2)b.

Tow stated that surface coal mining amendments to chapter 4 were scheduled to be effective September 4. In re 4.321(8), Tieden asked the difference between "filing" or "placing" a copy. Tow responded that coal application permits are voluminous and it was not their intent to require recording of them at \$3.00 per page--

SOIL  
CONSERVATION  
Continued

ch 5

County Recorders are willing to provide accessibility.

The adopted amendments to ch 5 were reviewed by Tow. Discussion of the fact that full text of ch 4 was not set out in the Iowa Administrative Code. Tow commented that permanent rules which were presented in 1980 comprise about 295 pages and are in the word processor. The federal government has been sued repeatedly re the surface mining program resulting in nullifying of these regulations. The Department expects major revision in about 6 months. Costs to publish the rules would exceed \$8,000 but there was general consensus it would be preferable to have them in the IAC even though there are only 5 coal miners in the state. Priebe preferred that accessibility of full text of chapter 4 be noted in the preamble. Tow cited a situation where a landowner, living across the road from a mine with a dust or pollution problem, engages an attorney who is unable to find the rules. Tow was willing to submit the rules in 5 or 6 filings for publication. Barry suggested that a summary of the rules be published in the Iowa Administrative Bulletin with complete text in the IAC. Cost per page of the Bulletin averages \$80.00. General concurrence that this would be acceptable. No final decision, however.

Committee  
Business

Further discussion of the gender issue and proposed legislation drafted by Royce. Hove preferred to read "... Code editor shall edit..." There was basic agreement that certain gender-type words should not be changed, e.g. "dumbwaiter." Hove asked if the discussion of the proposed legislation be deferred until she and Priebe could confer. So ordered. Priebe asked Barry what was being done now. Barry pointed out that as editors, her Department was working with agencies to resolve any gender problems when rules are being amended. The Coordinator's office is always apprised of these changes. Barry emphasized that mass filings of gender changes by September 30 as recommended by the Coordinator would place a heavy burden on her staff. Doyle pointed out there will be Code Editing Committee meetings in the fall and the issue could be considered then.

Committee recessed for lunch.

RECESS FOR  
LUNCH

Chairman Priebe reconvened the meeting at 1:40 p.m. and called on the Commerce Commission for the following rules:

COMMERCE  
COMMISSION

Electric energy automatic adjustment, 7 411F'd., 20.9	ARC 5790	N	7/31/85
Energy adjustment clause, 20.9(4), filed emergency	ARC 5665	FA	7/3/85
Energy conservation improvements--pilot programs, ch 30	ARC 5671, also filed emergency	ARC 5670	N, FA 7/3/85
Severability of commission rules, 3 1(1), 3.1(2)	ARC 5789	F	7/31/85

Those in attendance included: Ray Vawter, Diane Munns, Dan Hanson and Maureen Scott. Also present were Donald L. Riggs, Bob Kindred and John Klaus, Ames Municipal Utility.

COMMERCE  
COMMISSION  
Continued

ch 30

8-14-85

Discussion of chapter 30 intended to implement 1985 Iowa Acts, Senate File 450, which requires the Commission to initiate pilot programs for energy conservation improvement by January 1986. Scott said the Commission was still in process of developing the final version of this proceeding.

Klaus took the position that the rulemaking did not follow legislative intent since municipals were not included under Senate File 450. It was his interpretation that permanent policies were to be developed for investor-owned, rate-regulated utilities. The issue was being argued in court. Klaus distributed copies of a letter from Senator Bruner to Varley wherein he stated it was his understanding that Senate File 450 was to encourage the use of energy conservation measures as an alternative to expanding energy production capacity and to reduce peak load use of electricity. Klaus concluded that it seemed logical that useful data should be developed for investor-owned utilities serving a broad cross section of the population--Ames does not fit in this category.

Parker recalled that in the House, it was not their intent to include RECs and Municipals. They tried to add "rate-regulated," wherever possible. He added there were some problems due to the fact that contractors did not want utilities to use personnel for conservation. Parker suspected there had been some misunderstanding--impetus was for basically investor-owned utilities and customers serviced by them. He opined that those utilities have a "penchant to stick with old ideas to try to increase consumption" to justify building more plants.

Priebe asked for response from the Commission. Vawter said they interpreted sections 8 and 9 of the Act to mean that anyone can participate in the pilot program, but the Commission cannot order them to implement it after the project is completed--that is an issue in the court case. Doyle asked when the suit would be heard and if cities other than Ames were involved. Klaus said arguments had been heard and a stay for Ames had been issued. He was not aware of any other litigation. Vawter pointed out that the same rule applies to investor-owned pilot projects. In some instances, they do not want to do a whole town and the Commission would be without rules for them. Discussion of alternatives for ARRC action re the emergency rules. Scott pointed out that the Commissioners sent a letter to members of the Senate prior to passage of the bill to alert them of the Commission's interpretation--the legislation would apply to municipalities and RECs in carrying out pilot projects, initially. The successful program could only be applied to investor-owned utilities. In the letter,

8-14-85

COMMERCE  
COMMISSION  
Continued

the Commission requested clarification of the law. Parker reasoned that the correspondence arrived in the Senate approximately at the same time the bill went to the House. Klaus urged the Committee to take a position today on the legislative intent of the rules. Priebe reminded him the rules would also return to the Committee as adopted following Notice. At that time, formal action could be taken. Priebe reiterated the Committee's opposition to emergency rules for the most part.

Royce cited Committee options--wait until rules are adopted in final form and impose a delay or general referral to legislature, or file objection. A formal objection could be filed today on the grounds the rules exceed statutory authority. Priebe interjected that as a general practice, the Committee takes no formal action on rules involved in litigation. However, he suspected an objection would be voted if the rules were filed in the same form after Notice. He advised the objectionable portion could be rescinded by emergency rule.

3.1

Hanson said the purpose of 3.1 was to make the severability principle of statutory construction explicitly applicable to the Commission's rules. If a portion of a rule were struck down as invalid, the valid portions would remain in effect. The rule was patterned after Code section 4.12. Priebe could not recall similar rules in other agencies. Hanson referenced a discussion by Professor Bonfield pertaining to the Motor Club of Iowa v. DOT--case where the Iowa Supreme Court struck down the entire rule on the grounds that a portion of the rule was invalid. The Commission wants to make the Commission's intent explicit. Doyle wondered if it would be advisable to amend 17A so that all agencies would not be submitting similar rules and he asked to see the court case. Tieden was concerned that a precedent was being set and Clark suggested possible delay into General Assembly. Priebe favored emergency filing to strike the invalid portion of a rule. Otherwise, it would be questionable whether everyone would know that the court had taken action. Doyle moved that a bill be drafted to amend Code section 4.12 by adding "or administrative rules" after the word "statute." Motion carried.

Motion

DEPARTMENT  
OF  
TRANSPORTATION

Department of Transportation representatives present were Julie Fitzgerald, Ruth Skluzacek, Carol Padgett and Martha Koehler. The following was reviewed:

Vehicle registration and certificate of title, (07,D) 11.109, 11.16, 11.35, 11.51(1)"c," 11.51(2)"a" and "c" ARC 5754... 7/31/85  
Records, (01, B) ch 4, divisions (02) and (03) ARC 5691... 7/17/85  
Motor vehicle dealers, manufacturers and distributors, (07,D) 10.1(16), 10.10(2) to 10.10(7), 10.11 ARC 5698... 7/17/85

[07,D]  
ch 11

After brief explanation of amendments to [07,D]ch 11, there were no questions. Changes were reviewed by Skluzacek. Priebe raised question re 10.10(3) and asked if a motor home could be displayed--answer was affirmative--it could not be sold on Sunday, however, since DOT

DEPARTMENT  
OF  
TRANSPORTATION  
Continued

8-14-85

does not issue a permit for Sunday sales. General discussion. Logic for ban on Sunday sales was discussed with Department officials citing the safety factor--there had been a court case. To Priebe, "duration" meant each day of the state fair. Skluzacek was willing to add the "exception of Sundays" for clarification. Doyle was informed that permits were issued for travel trailers and separate rules address this area. Doyle wondered if any dealer could show in Des Moines and Department officials stated that only motor vehicle dealers have to remain within the county.

[01B]  
ch 4

Fitzgerald introduced Kohler, Record Center and Archives and explained chapter 4. Fitzgerald noted that 1984 revisions to the public records law will necessitate substantial rulemaking. She referenced Code sections and pointed out that current DOT manual generally addresses only retention and disposal of records and, in many cases, does not mention those stored on computers. Phase two of the rulemaking will be a complete records inventory--adding all identification required by Code chapter 22, revision of the Manual and adoption of it by reference as of a date certain. The staff has spent hundreds of hours on the lengthy project.

In response to Tieden, Fitzgerald said that the DOT plans to meet with the Freedom of Information Council regarding a 7-page letter to the Department. Tieden asked her to convey some of the comments when the rules are before the ARRC in filed version.

In reviewing [01B]4.2(1), Doyle commented that some clerks of court are hesitant to release lists of persons having arrest warrants outstanding for Code chapter 321 violations. Fitzgerald said this was an issue between county treasurers and clerks of court--[§321.40] Royce called attention to the fact that all agencies would need to promulgate rules to identify all information enumerated in the Fair Information Practices Act.

Fitzgerald said the record of inventory will be at least 1000 pages.

CREDIT  
UNION  
DEPARTMENT

Betty Minor, Director, and James Brody, Deputy, appeared for Credit Union to review:

Small employee groups, frequency of application, 5.5	ARC 5636	N	7 3 85
Home mortgage disclosure, ch 8, filed emergency	ARC 5637	FE	7 3 85
Merger voting procedure--mailed ballot, ch 13, filed emergency	ARC 5638	FE	7 3 85

Minor said there were no requests for public hearing, but six written comments were received. She assured Doyle, that the problem with Rochester Products in Sioux City had been resolved. No questions re ch 8 or ch 13.

ch 8  
ch 9

REAL  
ESTATE  
COMMISSION

8-14-85

Kenneth Smith and Jenny Netcott appeared for Real Estate to review:

Administrative procedure, time-share interval filing fees, 2.8 ARC 5660 .. *N* ..... 7/3/85  
Prelicense education and continuing education, ch 3 ARC 5661 .... *N* ..... 7/3/85

After brief explanation of revised chapter 3, Clark commended the Commission for subrule 3.3(6) as "a step in the right direction." Tieden suspected that continuing education was an attempt to "control the number of licenses." Smith replied, "If that were true, it has not been successful"--there are approximately 15,000. Twenty-four hearings are held a year and he estimated that half of those licenses are revoked. Smith was not a strong supporter of continuing education. Smith commented that the State of Wisconsin was in the process of eliminating mandatory continuing education.

2.3

In a matter not before the Committee, Doyle inquired about reciprocity and Smith referred him to rule 2.3.

Motion  
Minutes  
Approved

Chairman Priebe called for disposition of minutes of the July meeting. Moved by Doyle to approve the July minutes. Carried

Dates

The following tentative meeting dates were agreed upon: Monday and Tuesday, September 9 and 10; October 8 and 9; November 12 and 13; December 2 and 3, 1985, and January 7 and 8, 1986.

Recess

Recess at 3:20 p.m.

Committee agreed to convene at 9:00 a.m. Thursday morning to further discuss proposed gender legislation.

8-15-85

Reconvened Chairman Priebe reconvened the meeting at 9:00 a.m. in Committee Room 24. All members and staff present.

Committee Business Royce Salary Priebe announced that the first item of business would be consideration of Royce's request for salary increase. Moved by Senator Doyle that the salary of Joseph Royce, Committee Counsel, be increased to an annual salary of \$30,076.80 [biweekly, \$1156.80], effective with the pay period beginning August 23, 1985. Motion carried.

Health Dept Economic Impact Chairman Priebe called on Royce re the Economic Impact Statement request from the Health Department by ARRC on March 11. The statement was to address ARC 5324, IAB 2/3/85 relative to mandatory medical checkup for care facility personnel. Royce said that on March 19, the Department sent copies of their statement to him, but did not submit the information for publication in the IAB as required. The problem came to light two weeks ago when final rules were submitted for publication. At that point, it was decided the matter should be presented to the ARRC.

O'Kane took the position that a mistake had been made and the only way to alleviate it was to publish the Economic Impact Statement. Priebe concurred, con- tending "We cannot make exceptions." O'Kane took the chair.

Gender Priebe commented on the gender issue re Iowa Adminis- trative Code and reported he had visited with Senator Junkins by telephone and that Junkins indicated a willingness to do what was necessary to resolve the problem.

Hove recalled that, in 1983, a number of attorneys identified sex discrimination that exists in the Administrative Code. She sent letters to all agencies citing problem areas and asking them to make corrections. Some agencies did not comply. She continued that another mailing was made two or three months ago to most agencies wherein she requested emergency amend- ments to complete the gender changes. Hove doubted there was authority to change the IAC without a formal filing. She added that, as a matter of course, he or she is routinely eliminated from new rules. Prospec- tively, the matter is being resolved without need for a law, but she wanted assurance that the project would be finished.

According to Hove, the Governor wanted the IAC cor- rected without prolonging the process "for ten years." He was willing to support a bill to omit gender filings from the IAB and allow the Code Editor to correct IAC pages where gender problems have been identified.

Committee  
Business  
Continued

Priebe and the Governor had concurred that legislation should be drafted to allow editorial changes to be made in obvious cases without extensive documents published in the Bulletin. He had received calls from two of the larger agencies who complained that they lacked staff for the massive changes, and asked if there would be additional funding. The Code Editor's office is a little concerned about how much time it might take. Priebe would contact Senate leadership for a commitment and asked O'Kane to contact the House. Priebe recognized that cost was a concern. In the meantime, he thought agencies should be notified to continue their effort with existing staff as time permits.

Barry pointed out that Commerce was planning complete revision of their rules and would be unable to meet a September 30 deadline. Hove indicated her office would proceed as they have been until further word from ARRC. Her successor, Barbara Burnett, would be so notified. Hove wanted assurance that the Code Editor's office would continue to edit gender changes in the IAC.

#### CORRECTIONS DEPARTMENT

Carrie Mineart, Executive Assistant, and Charles W. Lee, Assistant Deputy Director, appeared for review of Corrections rules as follows:

Organization and procedures, institutions--mail, furloughs, 15, 1.6(1) "i", 1.6(4), 20.4(4) "c", 20.12(1) "a", "c" and "g."  
20.12(5) "a", 20.12(6) "c" ARC 5775 ..... *N* ..... 7-31-85  
Prison overcrowding state of emergency, 20.10(8), filed emergency ARC 5700 ..... *FE* ..... 7-17-85

chs 1 & 20

Amendments to chapters 1 and 20 included change in departmental structure. Prison Industries has been added as a separate division. Amendment to 20.12 enhances the approval process for furloughs.

Mineart referenced emergency filing which implemented the change in the "CAP" law--20.10(8).

Doyle referred to 20.4(4) and indicated there was a Code section that required letters to the Citizens' Aide to remain confidential. He thought that language should be added in 20.4(4). He challenged language in last sentence of 20.4(4) c re attorneys "identifying" themselves. He was interested in the impact on letters sent by attorneys to incarcerated clients. Lee said the inmate has an opportunity to indicate choice of attorney. Doyle was of the opinion the rule was inconsistent in its direction and should be revised. Lee contended that a return address with the name of the inmate's lawyer has been working well. He emphasized the prison needs to know if a letter is legal mail. O'Kane wondered about correspondence from attorneys unaware of the process and Lee answered "the mail would be opened by prison officials." O'Kane felt the prison

CORRECTIONS  
DEPARTMENT

8-15-85

should contact that attorney before mail is opened. Lee responded that would be an expensive, time-consuming method. Parker was told there had been no problem. Doyle preferred revision of the last sentence of 20.4(4)c.

20.4(4)c

20.12(1)

Discussion of 20.12(1). Tieden was told that the statutory state work release committee is comprised of three individuals who represent the Division of Institutions in Corrections Department, Community-based Corrections Division and the Parole Board. Lee clarified that furlough and work release are not the same. He was not sure if the appointing authority was the Director.

20.10(8)

In re 20.10(8), Mineart said the 45-day time span in the previous CAP law was changed to 60 days in Senate File 552. In response to Tieden, Mineart said the courts had placed a population maximum on the penitentiary--the Legislature placed one on Anamosa.

INSURANCE  
DEPARTMENT

Brad Osmundson was present for the Insurance Department to review:

Deposits by a domestic life company in a custodian bank or clearing corporation, workers' compensation group self-insurance, 32.3, 32.5, 56.1, 56.13(2)"d" and "e," filed emergency ARC 5783 ..... FE ..... 7/31/85  
Securities--registration and operation of broker-dealers, 60.33 to 60.35, 60.39 to 60.41, 50.44 ARC 5724 ..... Y ..... 7/17/85  
Workers' compensation group self-insurance, rates, 66.6(4) ARC 5782 ..... Y ..... 7/31/85

Osmundson briefly explained the amendments. Those in chapter 50 reflect statutory changes which became effective July 1, 1984. Osmundson noted that under Code chapter 502, the securities division originally had authority to decide whether or not a particular securities filing was fair, just and equitable, but the legislature repealed that language. Parker was interested in knowing if the passage of the "reference legislation" had helped. Osmundson had worked in compliance and enforcement and was unsure. He suspected it would be easier for an in-state company to issue stock. No questions re 56.6(4)

56.6(4)

Recess

Chairman Priebe announced a 15-minute recess.

Meeting reconvened at 10:25 a.m. and Chairman Priebe recognized Wm. Armstrong for the following:

BEER AND  
LIQUOR

Liquor licenses--beer permits, native wineries, 4.29 ARC 5673, also filed emergency ARC 5672 ..... N \* FE ..... 7/31/85  
Liquor licenses--beer permit, Sunday sale of wine, return of empty bottles, 4.38, 4.39 ARC 5733, also filed emergency ARC 5732 ..... N \* FE ..... 7/31/85  
Manufacture and sale of native wine, 5.1 ARC 5675, also filed emergency ARC 5674 ..... N \* FE ..... 7/31/85  
License and permit division, bond requirements, 5.9(6) ARC 5735, also filed emergency ARC 5734 ..... N \* FE ..... 7/31/85  
License and permit division, 5.11(1), 5.11(5), 5.12(4), 5.13(4), filed emergency ARC 5677 ..... FE ..... 7/31/85  
Representatives of distillers, rectifiers, manufacturers, brewers, and vintners--purchases, 7.3(1)"c" and "f"(2) ARC 5676 ..... N \* FE ..... 7/31/85  
Complaint procedure, appeal, 10.14 ARC 5739 ..... Y ..... 7/31/85  
Forms, 12.2(7) to 12.2(10), 12.2(12) to 12.2(14) ARC 5737, also filed emergency ARC 5736 ..... N \* FE ..... 7/31/85  
Forms, 12.2(10), 12.2(11) ARC 5738 ..... Y ..... 7/31/85

Armstrong informed the ARRC that Senate File 395 completely changed the laws relative to native wineries. Rules were revised accordingly and filed emergency to

BEER AND  
LIQUOR  
Continued  
ch 455C

8-15-85

become effective concurrently with the law. Responding to Tieden that the importation law was not changed to include wine as an alcoholic beverage, Armstrong pointed out that Code chapter 455C limits the number of "ounces" of any kind of listed beverages which can be brought into the state. The Attorney General has construed that to mean no more than 20 bottles. The Code speaks to so many ounces, not bottles.

5.13(4)  
123.134

Amendments to chapter 5 dealt with new combination liquor licenses. Clark asked for explanation of a class E beer permit--Armstrong cited example of a grocery store selling beer and wine in containers to go off-premise--retail license for beer. Armstrong noted that 5.13(4) was correction of amount of bond. He commented on Code section 123.134 which provides graduated fees for class C beer permit. He said that gas stations were considered grocery stores if they sell 6 items of food, and beer is considered a food by Department of Agriculture.

4.39

Discussion of Sunday sale of wine based upon an AG opinion. Tieden considered 4.39 as mandating return of empty bottles by retailers to the liquor stores. He wondered about enforcement. Priebe recommended deletion of "As a condition to holding a license, beer permit or wine permit,". Armstrong agreed.

5.9(6)

In re 5.9(6), Armstrong said 5.9(6) was needed for those establishments with two licenses, for example some grocery stores have class C beer and class B wine permits.

12.2(8)

12.2(10)  
7.3(1)c,f

Forms in chapter 12 were rewritten to include wine permits, effective July 1, 1985. Clark pointed out that "is" was missing in the NOW THEREFORE paragraphs, second line from bottom. O'Kane saw no need for "is". Discussion of gender problem with "KNOW ALL MEN BY THESE PRESENTS"... Hove thought that was old language, preferable and could be used anywhere. Armstrong said the forms were copied from the bond books. Doyle said it could be changed to "This agreement made between". New forms were just printed July 1, so Committee recommended change the next time forms are printed. Hove concurred. Doyle pointed out a "he" in 12.2(8). Amendment to 10.14 was made at ARRC request. No questions re 12.2(10) or 7.3(1)c and f.

LOTTERY  
AGENCY

Nicky Schissel and Richard D. Markham, Iowa Lottery, were present for discussion of:

General provisions: definitions; licensing; operation of the lottery; hearings; petitions for rulemaking and petitions for declaratory ruling, chs 1 to 4 and 7. filed emergency ARC 5678 ..... FE ..... 7/3/85  
Implementation of lottery, chs 1 to 8. ARC 5785 ..... IV ..... 7/31/85  
Licensing: operation, vendors, instant game general rules, 3.1(4), 1.7 to 4.9, 4.13 to 4.17, chs 6 and 8. filed emergency ARC 5784 ..... FE ..... 7/31/85

LOTTERY  
AGENCY  
Continued

Doyle recalled that he had requested change re the five years' experience for lawyer in 1.2. Schissel reminded him that the new language reads: "Except for initial appointees...", which would exempt the new hire.

3.7(2)f

Tieden challenged 3.7(2)f re the 500 ticket minimum sales. Schissel contended the use of "may" covered his concern. It was left in, in case several licensed retailers have low volume sales. The cost to set up a license is \$25.00--Commission cost has not been figured. Costs incurred include sales representatives who deliver tickets weekly. If retailers sell only 100 tickets per week, the cost to service them would be prohibitive. O'Kane wondered about expense for pre-sales training. Schissel said there are 3 or 4 every day around the state at a minimal cost to the agency.

3.14(2)

Language in 3.14(2) will govern special games in the event Iowa should legalize those. Clark suggested reversing 4.10(3)--4.10(4). In re 7.15, she preferred the forms rather than the description. Schissel agreed it would be clearer and she would consider this.

4.10(3)

4.10(4)

7.15

Tieden was told that minors were prohibited from buying tickets but they can collect. Both Tieden and Clark were concerned about that area. Schissel directed the Committee to ch 4 re payment of prizes. Schissel informed Doyle that "dignity of the state" in 3.7(2)c, was in the law. Royce thought some explanation should be included. Schissel indicated that upon the advice of the AG, "career offender cartel" was added to 3.20(20). In common terms, it would be called the "Mafia." Doyle mentioned a Canadian company that would sell lottery tickets out of the country and wondered if that were legal in the Iowa Lottery--Schissel responded in the negative. It would be a violation of federal postal regulations. Doyle envisioned problems with the subrule. Royce advised modification of 7.14 since a declaratory ruling is never nonbinding. Schissel was amendable. Tieden was informed that the first games will be one-dollar tickets only.

3.7(2)c

3.20(20)

7.14

General discussion of payment of lottery winnings. Schissel said the payment would be made an annuity--over 20 years. If payment is accelerated, profits are decreased. Priebe was aware of concerns by estate lawyers which could keep it open for probate. Schissel said it would be similar to insurance. Doyle cited possible problems where three share the cost of a ticket.

8-15-85

LOTTERY  
AGENCY  
Continued

In re 4.9(5), Clark pointed out that some of the things listed would not be the fault of the buyer of the ticket. Schissel assured her the rule was a safeguard and discretion would be exercised. Unissued tickets would be counterfeit. Priebe contended they would be counterfeit, not unissued. Schissel said this would be if someone gained possession of tickets that were not issued to a retailer or a region. Clark wondered about the issue of a church buying a license since the Code prohibits lottery ticket sales on property used for religious worship. Schissel said that a church with no one in attendance and no services would not be allowed to sell tickets. Tieden was doubtful there could be adequate enforcement re persons under 18 years of age.

Doyle was advised that drawing for free food from used tickets would be considered a raffle and the store involved would need a license. Discussion of 8.3 on instant game criteria. At the suggestion of Priebe, Schissel will review language in 8.3(7)c re invalid tickets. No further comments.

SECRETARY  
OF STATE

11.4

Mary Jane Odell, Secretary of State, introduced Sandra Steinbach, newly appointed Director of Elections, successor to Louise Whitcome who retired, and Mike Burdette, Director of Corporations. They presented the following:

Form of ballot for propositions to impose local option taxes. 11.4 and also notice ARC 5561 terminated ARC 5741.  
also filed emergency ARC 5740 ..... *MT* \* *FE* ..... 7/31/85

O'Kane referenced possible conflict in the rules with the vehicle tax and the fact that Senate File 395 specifically says it should be used for road projects or public transit. Further, the rule also has the percentage to be used for property tax relief--11.4(3). Steinbach said no change had been made in the vehicle tax, and she continued that the conflict in Senate File 395 requires that the amount for any local option tax specify the amount for property tax relief on the ballot and that shall only apply to secondary roads. O'Kane pondered how that could be corrected--statute says specifically that proceeds are to be used for road projects and public transit. He doubted they could do anything about it in the rule but concluded it would be a problem. No action taken.

BANKING  
DEPARTMENT

Tom Huston, Superintendent of Banking; Don Sennuff, General Counsel to the Department, and a new Assistant AG, Larry Kingery, regulated loan supervisor of the Department were present for the following:

Regulated loans, maximum loan amount. 21.2(2), 21.4(2) and "d." 21.6(2), 21.7(1), filed emergency ARC 5662 *FE* ..... 7/3/85  
Interest rate. 21.8, filed emergency ARC 5663 *FE* ..... 7/3/85  
Interest rate. 21.8 ARC 5757 ..... *N* ..... 7/31/85

BANKING  
DEPARTMENT  
Continued

8-15-85

Also present: Floyd Pottrah and R. G. Hileman, Iowa Financial Services Association; Evelyn Ocheltree and John L. Brown, Legal Services Corporation of Iowa; Linda Smith, citizen; Linda T. Lowe, Assistant AG, Consumer Protection Division; Jim Berens, D. Wood and Gary Poettroy, Norwest Financial; Roger Colton, Fisher, Sheehan and Colton, Public Finance and General Economics.

21.8

According to Houston, 1985 Acts, House File 556, allows the state Banking Board to fix the maximum interest rates to be charged. Fixed the rates at 36 percent to 1000 dollars, 24 percent from 1000 to 2800 and 18 percent from \$2800 to \$10,000. Small loans were previously held to a maximum of \$2000. The last rate setting was August 15, 1980. Huston spoke of the decline in the small loan industry--93 offices have closed since August 1980 and many independents have sold to major chains. This brought a need for the law change.

Brown introduced Linda Smith and conducted an interview with her re the impact of the rules on their ability to borrow money and he distributed copies of Smith's budget. Brown maintained that some consumers will be unable to afford the higher interest rates and thus credit will not be more available for them. Wood, speaking for lending institutions, said nothing would make them happier than to lend to consumers at lower rates. However, the industry as a whole has lost money six out of the last seven years as documented in reports. He quoted from Code §536.13(1)b.

Committee members were sympathetic to Smith's situation but pointed out the Department was within their statutory rights--there were no grounds for action. Priebe suggested that Smith contact her legislator for possible law change next session. Colton believed there were grounds for objection and he distributed copies of a statement. He argued that the Banking Board had acted beyond its statutory authority in an arbitrary and capricious manner. He discussed each ground extensively, and quoted from Code §17A.4 re adoption of emergency rules. He continued that the rule was promulgated under emergency provisions which precluded public Notice and comment by the consumer. Colton disagreed that the increase was mandatory since the law provides "may" adopt. Colton said his firm requested the Banking Department to provide the evidentiary basis upon which interest rates were promulgated and they were provided two reports which do not address need for higher interest rates. Colton disputed that there was lack of profit in the industry. He declared that the primary reason for decreasing profit levels in the industry was probably due to decreasing loan volume and the remedy adopted by the Banking Board will exacerbate that problem. Colton urged Committee objection.

BANKING  
DEPARTMENT  
Continued

8-15-85

Sennuff called attention to the Notice on rule 21.8 published in 7/31/85 IAB. Public hearing and comment period were scheduled. He continued that on June 12, 1985, a public bank meeting was held with evidence presented by the public. Sennuff defended the emergency filing.

Priebe called attention to the fact that the Attorney General and the Governor, as well as this Committee, can object to emergency rules. O'Kane reasoned that although the legislation was "bad," he saw no grounds to object to the rule.

Ocheltree responded to the alleged emergency. She stated that a majority of loan companies licensed under Code chapter 536 are also licensed under 536A which permits them to loan money up to \$25,000. As of December 31, 1984, there were approximately 200 loan companies and only 14 of them are significantly affected by this legislation. In her judgment, the interest of the public in being able to comment would certainly outweigh the interest of 14 companies in possibly improving their financial condition for a short period of time. Huston defended the Department's position in trying to comply with what they believed to be legislative intent for a July 1 effective date. He added, "While there may be 14 companies that do not possess industrial loan licenses, I don't know if the Banking Department or Board has a right to decide those 14 are going to be left out."

Doyle wondered if the assumption that all loan companies had automatically gone to the highest percentage was accurate. Kingery said maximum rates were being charged on credit worthiness of the consumer and the security involved. There may be loans made to the maximum and others less. Royce saw no problem with the rule. He noted that "an informal policy" has been to implement a new statute on an emergency basis to get the ball rolling so to speak." However, he could see the argument to the contrary. The emergency rule also increased the interest rate between \$500 and \$2000 and that was not part of the new statutory language.

Brown quoted from Code §536.13, subparagraph 3, "... before fixing any classification of small loans, ... the board shall give reasonable notice of its intention ...and to introduce evidence with respect thereto." Sennuff responded that a letter was sent to each licensee on May 17, 1985. Committee concurred that the adopted after Notice rule would receive close scrutiny.

Huston, responding to question, said interest could not be changed once the contract was made. He called attention to the fact that small loan rates have not

8-15-85

BANKING  
DEPARTMENT  
Continued

increased since August 15, 1980, and interest costs have skyrocketed during that time. He was confident their privilege of setting rates for small loans had not been abused. No formal action taken by the Committee. Before the Committee recessed for lunch, Hove introduced her successor, Barbara Burnett, who will assume the position of Administrative Rules Coordinator on August 19. She said she was looking forward to her new assignment.

Recess

Committee was in recess from 12:30 p.m. to 1:45 p.m.

BOARD  
OF  
PHARMACY  
EXAMINERS

O'Kane assumed the Chair and called on the Board of Pharmacy for the following:

Minimum standards, unethical conduct, 6.5(7), 6.5(8)	ARC 5631	N	7/3/85
Minimum standards, unethical conduct, 6.5(7), filed emergency	ARC 5681	N	7/3/85
Pharmacist managers responsibilities, 6.10	ARC 5632	N	7/3/85
Minimum standards, IV infusion therapy, 6.14	ARC 5633	N	7/3/85
Temporary designation as a controlled substance, 8.20, filed emergency	ARC 5635	FE	7/3/85

6.5(7)  
6.5(8)

Norman Johnson, Executive Secretary, explained that subrules 6.5(7) and 6.5(8) were proposed when it came to the attention of the Board that efforts were being made to deny long-term care facilities patients freedom of choice of pharmacy services. The provisions will make it unethical for the pharmacist to enter into an agreement which would call for their purchasing the drug distribution equipment. He indicated that the words "or tend to negate" would be deleted from 6.5(7) before adoption. Johnson described "drug distribution equipment". Approximately 75 percent of the facilities use the unit dose drug distribution system--a container that permits removal of a dose of medicine without disturbing other medicines. It prevents drug administration errors and reduces the cost to the patient who pays only for dosage received rather than for a month's supply. The equipment consists of a cart with bins and packets for patient. Both Anamosa and Ft. Madison use the system.

Priebe resumed chair.

6.10

Discussion of proposed rule 6.10 which Johnson said would be terminated and rewritten in a manner to make enforcement easier.

6.14

In reviewing proposed rule 6.14, Johnson spoke of major changes being made in health care delivery--one being in drugs. Some patients are being discharged from hospitals sooner than in the past--there is a greater demand for home care. A number of patients require IV therapy at home and pharmacies are being called upon to provide these solutions and this rule will provide guidelines to community pharmacies similar to those followed by hospitals to ensure sterile products. Tieden asked if the pharmacists were trained and Johnson said pharmacists are preparing the product to be administered by the nurse and doctor. Tieden wondered if the "service" were defined and Johnson agreed to check.

BOARD OF  
PHARMACY  
EXAMINERS  
Continued

Doyle mentioned the reference requirements in 6.14(2) and questioned rationale for maintaining a manual which you would have no occasion to use. Johnson said it would be used by those involved in the preparation of sterile products. According to Johnson, suggestion had been made to add the words "other comparable manuals." Johnson suspected this was the U.S. Manual of Pharmacopoeia--the only official compendia for drugs in this country--which is statutory in chapters 155 and 203. Johnson continued that the federal government does not establish drug standards--they are developed through private authorization at the U.S. Pharmacopoeia Convention.

8.20

Allan Zaenger, Iowa Pharmacists Association, supported use of the manual as a reference re generic products. Tieden challenged the filed emergency process for rule 8.20. Johnson said the two drugs have been identified by federal Drug Enforcement Administration as Schedule I Substances needing controls. The so-called designer drugs are synthetic heroins (China White Ecstasy and MDMA) and have a high potential for addiction and abuse. Anyone in possession of these drugs previous to the emergency filing would not be illegal. The temporary designation will become permanent provided the GA concurs within 60 days after convening. The Board plans to file a bill requesting this.

INDUSTRIAL  
COMMISSIONER

Robert Landess, Commissioner, was present to review:

Contested cases, 4.3, 4.6, 4.9(4) to 4.9(7), 4.11, 4.14, 4.18, 4.20, 4.20(12), 4.23, 4.27, 4.29, 4.30 ARC 5779... 7/31/85  
Declaratory rulings, 5.1"1," filed emergency ARC 5781... 7/31/85  
Substantive and interpretive rules, 8.6, 8.7, 8.9 ARC 5780... 7/31/85

ch 4

Amendments to chapter 4 reflect gender changes as requested by the Governor's Administrative Rules Coordinator. No questions. After explanation by Landess, Doyle raised question whether appeal would be dismissed with or without prejudice--4.30. Landess said that since it was an appeal, it would be with prejudice and they could go to court if there were a remedy. There was further discussion of the appeal process and request for rehearing. No recommendations re chapter 8.

ch 8

FAIR  
BOARD

Chairman Priebe called up Committee business scheduled for Friday and reported that he had talked with Jim Taylor, Executive Secretary of the Fair Board, regarding their rules scheduled to become effective August 17. He recalled specific concern re 3.4 in that state fair patrol would be eliminated and its members demoted. Priebe had suggested to Taylor that the matter should be referred to the Legislature.

3.4

45-day delay

Priebe recognized Parker who moved that Fair Board rule 3.4 be delayed 45 days into the GA and that the appropriate standing committees be notified. Priebe briefed O'Kane on the discussion when the Noticed

FAIR  
BOARD

Fair Board rules were considered. Members of the fair patrol had appeared and voiced strong opposition to the rules. Priebe added that both factions have agreed to the delay. O'Kane asked if an AG opinion on the subject was relative and Royce said that it was vaguely tied into that. Parker recalled the opinion dealt with discrimination in Merit job classification for peace officers.

Hove said it was her understanding that rulemaking was intended as a cost-cutting measure, and she questioned ARRC involvement in the management of an agency attempting to cost cut.

Motion  
Carried

Chairman Priebe called for vote on the Parker motion. Motion carried unanimously.

## 82.3(1)a(11)

Delay  
Motion  
Carried

Parker moved that Bureau of Labor rule 82.3(1)a(11) relating to insurance requirements for asbestos removal be delayed 45 days into the GA and that the rule also be referred to the Legislative Council. Motion carried unanimously.

IOWA ADVANCE  
FUNDING  
AUTHORITY

Larry Tuel represented the Authority for the following:  
General, ch 1 ARC 5753 ..... N ..... 7/31/85

He presented comments concerning the general rules that will specify the basic organization and procedures of the new Authority. Discussion of districts and interest in the program. No recommendations were offered.

HUMAN  
SERVICES

Mary Ann Walker, Cynthia Tracy, Ruth Schlesinger, Margaret Ward, Julie Dettmann, Miriam Turnbull, Don Bice, Carl Meisel, Will Miller, Mary Helen Cogley and Jim Krogram were in attendance for the following rules:

Supplementary and medical assistance, level of reimbursement, 54.3(11)"e," 81.6(11)"e," 82.5(11)"e" and "k" ARC 5647 *FE* 7/3/85  
Eldora training school, 103.14(1) ARC 5648 *FE* 7/3/85  
Payment of small claims, 8.1(4), *filed emergency* ARC 5649 *FE* 7/3/85  
Mental health service provider standards, ch 35 ARC 5620 *N* 7/3/85  
Granting assistance, school expense, 41.8(3)"a," *filed emergency* ARC 5650 *FE* 7/3/85  
Payment, assistance standards, 52.1(1), *filed emergency after notice* ARC 5651 *FEAN* 7/3/85  
Payment—residential care, facility participation—basis for reimbursement and upper limits, *ARC 5640*  
52.1(3), 54.3(15), *filed emergency* ARC 5652 *FE* 7/3/85  
Work and training programs, 55.2(1)"b" ARC 5640, also *filed emergency* ARC 5639 *N \* FE* 7/3/85  
Federal surplus food program, 73.4(3)"c" and "d," *filed emergency* ARC 5658 *FE* 7/3/85  
Medical assistance, persons covered, 75.1(6), 75.1(7), 75.1(15) ARC 5742 *N* 7/3/85  
Other policies relating to providers of medical and remedial care, intermediate care facilities, 79.1(2), 79.1(8), 79.1(9),  
81.6(3), 81.6(4), 81.6(16) ARC 5642, also *filed emergency* ARC 5641 *N \* FE* 7/3/85  
Work incentive demonstration program, 90.1, 90.3(1), 90.5, 90.8, 90.9, 90.13, 90.16(2), 90.16(3), 90.17, 90.18 ARC 5743 *M* 7/3/85  
Child foster care facilities, mandatory reporting of child abuse, 112.10 ARC 5744 *N* 7/3/85  
Licensing and regulation of foster family homes, record checks, 113.13(1) ARC 5745 *N* 7/3/85  
General provisions, eligibility, 130.3(3)"u," *filed emergency* ARC 5653 *FE* 7/3/85  
Purchase of service, 150.3(6)"p," *filed emergency* ARC 5654 *FE* 7/3/85  
Social services block grant, 153.5, 153.6(2), *filed emergency* ARC 5655 *FE* 7/3/85  
Payments for foster care, 156.6(1), 156.7(1), 156.9(1), *filed emergency* ARC 5656 *FE* 7/3/85  
Abuse of children, dependent adult abuse, 175.1, 175.8(4), 175.8(4)"f" and "u," 175.8(6), 175.11(2), 175.14,  
175.15, 176.10, 176.13(2) ARC 5644, also *filed emergency* ARC 5643 *N \* FE* 7/3/85  
Foster care services, 202.6(5) ARC 5646, also *filed emergency* ARC 5645 *N \* FE* 7/3/85  
Children in need of assistance or children found to have committed a delinquent act, 209.5(3)"a"(18),  
*filed emergency* ARC 5657 *FE* 7/3/85

In re amendments to supplementary and medical assistance, Walker said no comments had been received.

## 103.14(1)

Discussion of 103.14(1). Walker stated that 103.14(1) was a recommendation of the Commission on Accreditation for Corrections. Department officials said that the

HUMAN  
SERVICES  
DEPARTMENT  
Continued

8-15-85

detention time would not be classified as solitary confinement. O'Kane contended that "being all alone is pretty solitary." It was noted that Human Services Department has jurisdiction over institutions for children and Corrections Department is responsible for adult offenders. Doyle asked if there were a similar rule for girls at Toledo and Turnbull said there was no detention there.

- 8.1(4) Amendment 8.1(4) raises the limit the Department can spend for repairs or personal items for employees. Walker was unsure of the fiscal impact but did not believe there were many claims. Clark stated that \$150 was top and many claims would be less. Tieden requested that Department officials explain the justification for each emergency filing.
- 41.8(3)a Re 41.8(3)a, Walker said the child's allowable school expenses were directed by Legislation to be paid in full; filed emergency filing was directed.
- 52.1(1) Subrule 52.1(1) was also noticed to obtain comments. Personal needs of persons receiving care in a family life home will be increased. O'Kane was told that a family life home was an adult foster home and he thought it should be called that.
- 52.1(3)  
54.3(15) Subrule 52.1(3) and 54.3(15) limit reimbursement rates for residential care facilities to a 2 percent increase--Legislature authorized emergency.
- 55.2(1)b Walker explained that subrule 55.2(1)b exempts clients from the requirement to apply for low interest loans when the plan is jointly financed by IETP and JTPA. Clients may use low interest student loan money in excess of \$800.00 for items not covered by the Department. Program personnel had been waiting for legislation that would have eliminated need for this rule. In response to comment by O'Kane, Walker agreed to visit with program personnel concerning fees for items such as tools and mechanics course. No comments were received on 73.4(3)c and d, which was filed emergency after Notice.
- 79.1 et al After brief explanation of amendments to 79.1 et al, Walker said no comments had been received. Royce referenced a letter from Blaine Donaldson, Storm Lake, who raised question on reimbursement and lack of inflation factor. He pointed out there had been no inflation factor for care facilities for two years. Walker admitted the percentiles were confusing. General discussion. According to Miller there are 424 Intermediate Care Facilities and percentile could be set anywhere. Clark was aware of misunderstanding in that some people believe the calculation includes only a portion of the institutions. Walker said Department estimates \$30.71 per day for reimbursement. Royce summarized Donaldson's

HUMAN  
SERVICES  
DEPARTMENT  
Continued

points: Rules that calculate reimbursement lack built-in increase for the actual replacement costs incurred by the ICFs. Walker interjected that the Department was limited. Miller said they could give up to 5 percent and Walker and Miller concurred that the Department cannot give inflation factor if the ICF cannot be given charges above the maximum. Walker was willing to provide written response to Donaldson. Clark had talked with other institutions which had no problem with the rule. Responding to Priebe, Miller said, "Top cost is a little over \$60 and down to \$21."

130.3(3)u No questions re 130.3(3)u or amendments to chapters 153 and 156.

ch 175 Walker stated that amendments to chapter 175--abuse of children--were intended to comply with 1985 Acts, House File 451, by July 1, 1985. Priebe questioned last sentence in definition of a "facility providing care to a child" which provided, in part, that a public or private school would not be included--175.1. According to Walker, that language was included so the Department will not be investigating child abuse in schools. Priebe thought there was child abuse in schools and he wondered if the Department was exceeding its authority in precluding schools. Walker assured him they were not. Clark pointed out that without the language in question, the teachers would have to be subject to the rule, making them vulnerable for harassment. Walker would review the provision for Priebe before adoption after Notice.

202.6(5) No questions re 202.6(5) or 209.5(3)a(8).  
209.5(3)a(8)

75.1(15) Walker explained that chapter 75 amendments address medical assistance for nursing home patients and the child medical assistance program. Re 75.1(15), Priebe wondered how the Department would resolve use of expression "man-in-the-house." Discussion of the contributions by the man-in-the-house which may impact the child medical assistance program. Schlesinger noted the rule is mandated by federal and court action. O'Kane requested a copy of the federal rule and court order.

Referring to 90.1(1), Priebe wondered why some WIN model counties were mandated and others were not. Walker agreed to provide him information.

No recommendations for 112.10, 113.13(1) or chapter 35.

ch 35 Review of chapter 35. Clark took the position that the rules could be simplified by providing that for accreditation, licensure standards shall apply--require licensure before the county can pay for services. Further, rule 35.2 on governance seemed to mirror the open meetings law and she suggested requiring the advisory board to

8-15-85

HUMAN  
SERVICES  
DEPARTMENT  
Continued

abide by those laws. Ward pointed out the facilities might not be public.

ch 35

In response to Priebe re last paragraph of 35.3(2)c(3), Ward said that confidentiality would be dependent upon the policy of the facility. Priebe wondered if malpractice insurance were mandated and Ward said it would depend upon who pays. Clark suggested that chapter 35 could be summarized and repetition avoided. No action taken.

Treas. of  
State - Sept.

It was agreed that rules of Treasurer of State would be placed on the September agenda.

Hove told the Committee that she would be resigning tomorrow and she expressed her pleasure at having had the opportunity to work with everyone.

Recess

Recess at 3:45 p.m.

NO AGENCY REPRESENTATIVES REQUESTED TO APPEAR FOR THE FOLLOWING:

AGRICULTURE DEPARTMENT[30]  
Bulk food operation, 36.5(4) ARC 5688 ..... *N* ..... 7/17/85  
CAMPAIGN FINANCE DISCLOSURE COMMISSION[190]  
Campaign contributions to state officeholders and candidates for state office, ch 7, filed emergency ARC 5690 ..... *FE* ..... 7/17/85  
CITY FINANCE COMMITTEE[230]  
Law enforcement officer training—reimbursable costs, 6.2, filed emergency ARC 5659 ..... *FE* ..... 7/3/85  
EMPLOYMENT SECURITY[370]  
Employees' contribution and charges, claims and benefits, job placement services, IPERS, forms 3 4137b," 4.2117c,"  
4.6, 4.727f," 4.13117a," 4.2241 and "c," 7.711 to 7.781, 8.103, 8.23, 10.7(7) ARC 5623 ..... *N* ..... 7/3/85  
ENGINEERING AND LAND SURVEYING EXAMINERS, BOARD OF[390]  
Board fees and service charges, re-examination, reporting of acts and omissions, 1.13, 1.257c," 1.3 ARC 5761 ..... *N* ..... 7/31/85  
EXECUTIVE COUNCIL[420]  
HMOs, 6.311, filed emergency ARC 5760 ..... *FE* ..... 7/31/85  
FAIR BOARD[430]  
Parking, traffic, concessions, admittance and use of fairgrounds, 1.4(17)a," ch 2, 3.4, 4.2, 4.6, 4.7, 4.25, 4.28(8),  
ch 8 ARC 5696 ..... *FE* ..... 7/17/85  
LABOR, BUREAU OF[530]  
Fees, ch 42, filed emergency ARC 5699 ..... *FE* ..... 7/17/85  
LAW ENFORCEMENT ACADEMY[550]  
Rules of evidence, 6.4(3), filed emergency ARC 5693 ..... *FE* ..... 7/17/85  
MERIT EMPLOYMENT DEPARTMENT[570]  
Pay for noncontractual employees, 4.4(3), filed emergency ARC 5680 ..... *FE* ..... 7/3/85  
PLANNING AND PROGRAMMING[630]  
Iowa community cultural grants program, ch 18 ARC 5679 ..... *N* ..... 7/3/85  
Retired senior volunteer program, filed emergency ch 20 ARC 5685 ..... *FE* ..... 7/17/85  
TREASURER OF STATE[830]  
Deposit and security of public funds, ch 3 ARC 5729, also filed emergency ARC 5728 ..... *N, FE* ..... 7/17/85  
PUBLIC DEFENSE DEPARTMENT[650]  
Forms for military process, 1.1(1), 1.1(2), filed emergency ARC 5762 ..... *FE* ..... 7/31/85

8-16-85

Reconvened Chairman Priebe reconvened the ARRC meeting at 9:10 a.m. in Committee Room 24. All members and staff present.

CIVIL  
RIGHTS

1.8

Steven Foritano, Assistant Attorney General, represented the Civil Rights Commission to review contested case motions, 1.8, ARC 5759, IAB 7/31/85. O'Kane commented that a constituent, who applauds the Commission, was upset that a case originally filed several years ago was just being considered. Responding to O'Kane's question of time lines similar to those in District 4 Federal Court for contested case, Foritano said Civil Rights had recently undergone rather comprehensive review of the case processing procedures. Recommendations will be made for speedier resolution. He contended delays were due to lack of staff--tremendous number of complaints every month. Although there are no specific time lines, goals have been set. O'Kane preferred a time limit in the rules, possibly four years. Foritano agreed to convey the suggestion to the Commission.

PUBLIC  
SAFETY

Marda Howard, Crime Victim Reparation, Connie White, Manager, Program and Policy, Peter Green and Jen Worthington, Fire Inspection, and Lynelle Sanders, Field Services Director, were present for the following:

Fire safety rules for residential occupancies, 5.800 to 5.805 ARC 5719 ... *N* ..... 7/17/85  
Crime victim reparations, 17.3, 17.6, 17.10, 17.13, 17.14 ARC 5723, also filed emergency ARC 5722 ... *N + FE* ..... 7/17/85  
Missing person information clearinghouse, ch 19 ARC 5721, filed emergency ARC 5720 ..... *FE* ..... 7/17/85

White explained the purpose of the fire safety rules was to update the residential occupancy code and bring it into compliance with state building code. Corrections made for clarification purposes.

ch 5

Royce referenced a complaint he had received from the Mitchellville Mayor concerning inspections in cities of less than 15,000. He indicated the Committee would be receiving mail on the matter. Howard presented crime victim reparation amendments, which bring the rules into compliance with 1985 Iowa Acts, House Files 413 and 462, and ensure eligibility for Iowa under the federal compensation program. Public hearings are in process around the state.

17.3

Discussion of definition of pecuniary loss in 17.3. In Priebe's opinion, the reimbursement for use of a vehicle for transportation for emergencies should not be limited to nine cents per mile. Doyle suggested twenty cents was more realistic. Howard indicated the Department thought nine cents per mile was reasonable since most of the time transportation is by ambulance. The Department hoped to discourage use of personal cars. Priebe reiterated that nine cents was too low for the first trip but perhaps subsequent trips could be limited.

Priebe referenced definition of "assault," third paragraph of new language and wondered if a "neighborhood kid or bully" would come under paragraphs 1 or 2. Doyle opined

PUBLIC  
SAFETY  
Continued

that, technically, part of the assault definition should include battery. It was noted that definition of "crime" was statutory.

Doyle called attention to lack of rules on residency and recommended some clarification to comply with the federal government. He was advised that changes would be made since the Department has 3 more scheduled public hearings.

ch 19

Sanders noted the Missing Persons Information Clearinghouse was created by 1985 Iowa Acts, House File 451. The program began operation July 1 and devoted the first month to administrative tasks.

19.4 (3)

Priebe wondered how many were aware of the 24-hour a day toll-free number and was of the opinion it needed more publicity. Sanders agreed. The Department saw no problem with pictures of missing children on milk cartons being construed as endorsement of a product. Clark questioned 19.4 (3). She thought it would be more understandable to reverse the phrase "if the missing person is an unemancipated minor."

19.5

Doyle pointed out that 19.5 referenced two forms which were not printed. After learning the form was 32 pages in length, ARRC decided it should not be printed in the IAC. In re 19.4 (5), (6), Doyle requested addition of "or group" to allow the PTA to request quantities.

WATER,  
AIR AND  
WASTE  
MANAGEMENT  
DEPARTMENT

The following representatives were present: Mark Landa, Mike Murphy, Morris Preston, Jerry Tonnesson, Randy Clark, Brian Borofka. Agenda was:

Administrative penalties, ch 10	ARC 5769	F	7/31/85
Water quality standards, 60.2, 61.2(1), 61.2(2), 61.2(5), 61.3(1)"h," 61.3(2)"a," 61.3(3)"b," 61.3(5)"e"	ARC 5770	F	7/31/85
Grades of water treatment plants, 81.5(4), 81.6(1)	ARC 5771	F	7/31/85
Controlling pollution, 22.5(2)"a" and "h," 22.5(4)"g," "f" and "j"	ARC 5692	N	7/17/85
Emission standards for contaminants, 23.1(2), 23.1(3)	ARC 5765	N	7/31/85
Withdrawal, diversion and storage of water, 50.1, 50.2, 50.3(2), 50.4(2), 50.4(5), 50.7(5), 51.2, 51.3, 52.3(1)"d," 52.3(2)"e," 52.4(1)"f," 52.4(2)"g," 52.12	ARC 5767	N	7/31/85
Withdrawal, diversion and storage of water, protected water sources, 50.1, 50.2, 50.6(5), 52.2, 52.9, 52.10,	ch 53	ARC 5768	N
Beverage container deposits, 107.2, 107.3(1), 107.6, 107.8(1), filed emergency	ARC 5682	F	7/17/85
Hazardous waste, fees for transportation, treatment and disposal of hazardous waste, 140.1, 140.6, ch 149	ARC 5766	N	7/31/85

ch 10

Murphy presented brief explanation of chapter 10. No questions.

chs 60 & 61

Amendments to chapters 60 and 61 were described by Murphy. The Department postponed adoption until responses had been made to comments from the public hearings. Some communities were concerned about reclassification of rivers through their area.

60.2

Tieden noted omission of a new date in 60.2(455B) and Murphy agreed to provide one to the IAC editors. Committee found that acceptable.

Responding to general question by Tieden, Murphy said that, statewide, the Department removed more classifications than they added. He did not envision impact on

WATER,  
AIR AND  
WASTE  
MANAGEMENT  
DEPARTMENT  
Continued

industrial development.

8-16-85

In 61.2(2), antidegradation policy, Priebe inquired as to why Union Slough was stricken. Preston responded that there were two types of water under the antidegradation policy: One, which was exceptional chemical qualities; another has exceptional value. The chemical quality is not much different but the setting, the habitat, and wildlife make it an exceptional resource.

61.2(2)b

In re 61.2(2)b, Doyle questioned the new language as to whether the state guaranteed a warning and whether lack of one would create liability.

Murphy stated that the Department provides some assurance that the water quality will remain good enough to support the uses of aquatic life. Doyle suggested Murphy request review of 61.2(2)b by the Attorney General. Murphy agreed. Murphy said that 81.5 and 81.6 pertain to operators of small town water supplies where treatment is not provided.

81.5  
81.6

ch 22

Landa briefed Committee on proposed amendments to chapter 22. Priebe reported he had many complaints re the problems at Britt. Landa said that Britt was a containment area and the majority of their problems resulted from storage of waste materials. According to Landa, there are 11 secondary particulate nonattainment areas in the state--attainment deadline is 1987.

ch 23

When presenting amendments to chapter 23, Landa remarked that the Department is proposing 23.1(2), 23.1(3)--adoption of federal regulations pertaining to new source performance standards and emission standards for hazardous air pollutants, and Tonneson supplied information as to which industries would be affected. There was mention that some of the hazardous chemicals are not in use in Iowa--except possibly a few petroleum dry cleaners. Under the hazardous air pollutant standards, two plants are subject sources: Chemplex in Clinton and ADM in Cedar Rapids.

There was discussion of asbestos use. Tieden wondered why use of it was not banned. Landa said the standard prohibited no "visible" emission of asbestos and there was no other suitable product in existence. Landa noted that, from a technical aspect, most standards are developed by research papers from the scientific community and EPA makes the determination. He thought the reason why the state does not prohibit emission of asbestos altogether is, generally, the Legislature has required WAWM to be consistent, and not more restrictive. Priebe asked where asbestos was used in surfacing of roadways and Tonneson replied it was in the asphalt content.

8-16-85

DWAWM  
Continued

Borofka requested simultaneous consideration of ARC 5767 and 5768 pertaining to withdrawal, diversion and storage of water. The Department will grant permits, subject to certain conditions, to water users that were previously nonregulated if applications are received by July 1, 1986.

Clark noted that two different paragraphs existed stating their "scope of division." [50.1] Borofka assured her the paragraphs would be combined at the time of filing.

ch 53

No questions re chapter 53.

There was brief discussion re return of bottles to grocery stores and liquor stores. Murphy indicated there were no substantive changes and he was unaware of conflict.

107.2

Doyle questioned changes in 107.2 re alcohol content and Murphy indicated that was required by law--chapter 455C. No other comments.

140.1  
140.6  
ch 149

Landa gave brief overview of 140.1, 140.6, and ch 149, changes required by statute.

149.8  
149.4(2)b

Doyle was informed that statutory authority for penalty in 149.8 was in Code chapter 455B. Tieden questioned 149.4(2)b, second paragraph, and wondered how the Department would determine the water content weight of waste. Landa admitted it was difficult--it is a sludge and percent water weight is usually known within a few percentage points. There is one hazardous waste disposal site in Black Hawk County. Landa agreed to include a date certain in 149.6(3). Priebe commended the Department for the informative meeting that was held in Humboldt.

Recess

Recessed for 10 minutes.

REVENUE  
DEPARTMENT

Chairman Priebe reconvened the meeting and called on Revenue Department for rules as follow:

Semiannual mobile home tax, 74.1 to 74.7	ARC 5715	7/17/85
Cigarettes and tobacco, 81.1, 81.4(1)f, 81.4(12)d, 81.8(1)a, 81.14, 81.15, 82.2(3), 82.10(1)c, 82.10(2), 82.10(3)a	ARC 5716	7/17/85
Cigarette tax, 82.1(7)a	ARC 5717	7/17/85
Hotel and motel tax, 103.1, 103.2, 103.4(1), 103.5, 103.6(1), 103.8, 103.11, 104.1, 104.2, 104.3(1), 104.4, 104.7, 104.9, 105.3, 105.5, 105.6	ARC 5718	7/17/85
Filing and extensions of tax liens and charging off uncollectible tax accounts, 9.1 to 9.7	ARC 5701	7/17/85
Interest on refunds, 10.3	ARC 5702	7/17/85
Exempt sales, sales and use tax on services, 17.18, 26.18(2)d	ARC 5704	7/17/85
Exempt sales, 17.19	ARC 5703	7/17/85
Taxable and exempt sales, special fuel, 18.37(1)	ARC 5705	7/17/85
Receipts exempt from use tax, 32.3, 32.4	ARC 5706	7/17/85
Individual income tax, fiduciary income tax, 39.6, 40.4, 40.24, 40.25, 42.7, 43.3(8), 46.1(1)d, 89.8(10)	ARC 5786	7/31/85
Research activities credit, 42.2(6), 52.4(5), notice	ARC 5317 terminated	7/17/85
Research activities credit, 42.2(6), 52.4(5)	ARC 5708	7/17/85
New jobs credit, 42.2(7), 52.4(6)	ARC 5787	7/31/85
Iowa corporation income and franchise tax, short period returns, 52.2(3), 58.2(2)	ARC 5709	7/17/85
Motor fuel, special fuel, 64.1(3), 64.4(3), 65.20	ARC 5710	7/17/85
Classification of real estate, 71.1(6), 71.1(7)	ARC 5788	7/31/85
Reimbursement to the elderly and disabled for property tax paid and rent constituting property tax paid, 73.1, 73.4, 73.5, 73.8 to 73.13, 73.17 to 73.21, 73.23, 73.26, 73.27, 73.29, 73.31	ARC 5624	7/3/85
Reconversion of real estate to a mobile home, 74.6	ARC 5625	7/3/85
Property tax credits and exemptions, 80.3(1), 80.3(6), 80.6(1), 80.7(1), 80.7(4) to 80.7(6), 80.9(1), 80.9(2)a, 80.9(3), 80.9(6)a	ARC 5711	7/17/85
Cigarettes and tobacco, 81.16, 82.4(1)c, 83.3(1)3, 83.3(2)	ARC 5712	7/17/85
Inheritance tax, fiduciary income tax, 86.2(1), 86.3(6), 86.5(11), 86.5(12), 86.7, 86.7(1), 86.7(2), 86.7(4), 86.7(5), 86.10(1), 89.4(9)f	ARC 5713	7/17/85
Games of skill, chance, bingo and raffles, 91.6(1)f, 92.8, 94.4, 94.10(6)	ARC 5714	7/17/85

REVENUE  
DEPARTMENT  
Continued

Those appearing include:

Carl Castelda, Deputy; Ben Brown, Estates; Clair R. Cramer, Policy Section Technical Services Division; Michael Cox, James B. Hamilton, and John Christensen. Also present: Rod Van Krog, CIRSI, Marshalltown, and Ron Hockman, Development Center Director, Hope Haven, Burlington.

No discussion re amendments to chapters 74, 81, 82, 103, 104 and rules 9.1--9.7, 10.3.

17.18  
26.18(2)d

Castelda presented brief review of 17.18 and 26.18(2)d, exempt sales, sales and use tax on services, implementing 1985 Acts, Senate File 580. Retroactive to July 1, 1985, rental of films, video tapes and discs and other media is exempt from tax if the lessee imposes a charge for the viewing or rental and this charge is subject to tax.

17.19

Tieden recalled this area had been very controversial. Castelda thought the problems had been resolved by the legislation. Castelda continued that exempt sales, 17.19, implements 1985 Iowa Acts, Senate File 564, relating to sales and use tax exemptions for certain nonprofit organizations--basically, residential care facilities and rehabilitation facilities which are licensed by Department of Human Services. A requested public hearing will be held September 19. The controversy stems over whether an exemption for the purchase of building materials is applicable. The Department contends it is not. Castelda added that contractors are consumers of building materials equipment who pay sales tax to the vendor. The Department has no plans to provide a refund or grant an exemption. However, they have notified care facilities that fall under purview of Senate File 564, that if they purchase the materials directly, that is a sale of obtainable personal property the same as other tangible personal property and they can obtain the sales tax exemption at that time. Castelda told Clark that corrective legislation was possible and the Department has made notation to the GA.

18.37(1)

Castelda gave brief overview of 18.37(1)--no comments.

Castelda reported on the public hearing held August 8 relative to Noticed amendments to chapters 16 and 18--ARC 5569, 6-5-85, IAB. The amendments were intended to clarify which printing supplies sold by a trade shop to a commercial printer are tax exempt. Royce commented on results of the hearing. Meredith Publishing has contended that, under the statute, rules cannot be restricted to commercial printers. From a legal standpoint, the Department feels that is correct and a termination of Notice will be filed on the existing rulemaking changes. The concept of the legislation was to provide tax benefit to small printers that subcontract work to other printers to place them on the same level as "big printers." Claims have exceeded \$400,000 for the \$50,000 which was

REVENUE  
DEPARTMENT  
Continued

set aside for refunds--none has been paid. Tax years go back to 1973.

After discussion, mention was made of referencing this to the GA--Priebe was interested in legislative intent. Priebe did not believe the legislative intent was to exempt the big printers. Castelda said the Department sought clarification from the GA two years ago and a bill passed the House, but not the Senate. Meredith Corporation successfully lobbied against the bill on the condition they would work with the Department. Revenue heard nothing and finally reached agreement with the printing industry on the rules. After the rules were filed, Meredith alleged that use of "commercial printer" was a deliberate attempt to exclude them. Castelda stressed that was not their intent and statutory language will prevail. O'Kane wondered about the chance of settling the matter. Castelda indicated Meredith was outside the refund issue and has chosen to escrow tax money instead of paying the Department. O'Kane suggested that the issue be monitored to see if it can be settled and, if necessary, the ARRC could take action prior to Legislative Session. Castelda said it would be at least 4 months before new rules will be ready. Discussion of possible solutions to the problem. After further discussion, no committee action was taken.

32.3  
32.4  
  
ch 326

Castelda explained exemptions for mobile homes and for vehicles used in interstate commerce. It was his understanding the trucking industry would ask for some clarification on the exemption, tying it more to Code chapter 326 and the Revenue Department has agreed to work with the industry and the DOT. Castelda was unable to provide figures re fiscal impact, but thought the trucking industry would have some figures.

52.2  
58.2

After brief overview of 52.2 and 58.2, Tieden inquired as to how many available dollars were in the federal corporation income tax. Castelda did not have the answer.

Castelda provided general information re charge offs: As of July 31, current balance in accounts receivable system is just slightly over 138 million dollars; \$72 million is held in abeyance due to litigation or protest; another \$12.5 million will be sliding into that account, resulting in approximately \$84 million in protest before the agency--569 active protests--140-160 cases per attorney. Almost \$22 million is classified as noncollectible. Most of the tax in abeyance and protest is 50% sales and use tax and 35% corporate income tax; balance, 15 percent individual and inheritance tax.

No comment re 64.1 et al.

8-16-85

REVENUE  
DEPARTMENT  
Continued

71.1(6)

Cox explained rule 80.9--amendments to forest and fruit tree exemptions, pollution control exemptions, assessment on computers and industrial machinery. After 1985, the state will no longer reimburse counties for lost revenue. Cox said that 71.1(6) would be applicable to industrial equipment acquired in 1985 and assessed in 1986.

81.16 et al

Responding to Tieden's question, Cox said law designates inspection by the county assessor or the county conservation board. No questions re 81.16 et al.

Castelda, in commenting on the inheritance tax rules, referenced controversy which had surfaced--the provision that, before a personal representative could terminate an estate, the Department is to be given 30 days' notice. When studying the situation, the Department did not envision controversy--just wanted to protect the state. Persons were going to the courts, were not being discharged, Revenue was not notified, and outstanding tax would be owed. When the Department attempted to assess the executor, Court prohibited that action unless the estate was reopened. Apparently, this is a cumbersome process for attorneys and persons doing title work. Department had consulted with Bar Association. Revenue permits waiving of notice requirement and that has been done by the Director. Alternatives will be sought and a legislative package will be compiled to strike the notice requirement from the statute.

O'Kane wondered if they would accept a shorter notice. Castelda thought not. Brown explained some of the pros and cons of the issue and discussed them with Doyle.

91.6(1)  
92.8, 94.4,  
94.10(6)

Castelda expressed the Department's concern for an amendment which permits payment of wages based on the number of people at a bingo occasion. [94.4] Although Revenue considered it unworkable, decision was made to obtain that information by having players sign in at the door. The Department asked for guidance from the Committee on the matter.

O'Kane recalled that the rationale was bingo operations are regulated to such an extent that no further duty should be placed on the operators. He recommended asking the operator to report daily number of players--he reasoned that signatures and addresses were excessive regulation. Castelda was amenable to O'Kane's suggestions.

Castelda spoke of the Department's continuing frustration as to what they, as an agency, should do to regulate bingo. Thirty licenses are under investigation subject to revocation, another 45 have audits in progress and they have become involved in lawsuits, etc. He declared that "for something that is supposed to go to good causes and for charity, there is a lot of competition and people are playing legal games with the Department" in order to keep things operating.

REVENUE  
DEPARTMENT  
Continued

The Department has many attorneys assigned to deal with bingo problems. O'Kane noted that he has had no problems in his area.

Doyle inquired whether security personnel would be counted in addition to the bingo employees. He wondered about the situation when fewer players participated than anticipated. The Department agreed to research the matter.

17.19

Chairman Priebe recognized Hockman who commented on rule 17.19. For years, Hope Haven was exempt from tax on their nonprofit facility then an IRS ruling imposed a tax. Legislation passed this year intended to correct the unfair tax. Hockman did not believe it was legislative intent to tax their construction materials. The point that facilities can evade rule 17.19 by purchasing the materials places them in a difficult situation with contractors. He asked ARRC to review the matter and to act to uphold intent of legislation. Castelda had nothing further to add to his earlier statement. He admitted that during the rulemaking process, rules are informally reviewed by the AGs office, which approved the proposal. Castelda was unsure the building materials issue was discussed in detail and expressed a willingness to hold in abeyance if the ARRC requests an AG opinion. Priebe interjected the law might need to be changed. Castelda would be willing to suggest a legislative change. O'Kane moved that ARRC seek formal opinion from the AG. Motion carried. No questions.

Motion

Refer to AG

71.1(6)

71.1(7)

chs 74, 80

Brief discussion of the Iowa lottery which began on Thursday. Cox explained 71.1(6), 71.1(7), a machinery and equipment exemption tied to property tax--the Department envisions problems. Discussion of 71.1(6). Amendments to chapters 74 and 80 were described by Cox as "minor revisions."

Recessed  
Reconvened

Chairman Priebe recessed the Committee for lunch at 11:50 a.m. and reconvened at 1:00 p.m. The following rules were considered.

PUBLIC  
INSTRUCTION  
DEPARTMENT

Area vocational schools and community colleges, jobs now capitals account, 5.35 to 5.39 ARC 5669...*N*..... 7/3/85  
Extracurricular interscholastic competition, 9.2(42), 9.2(45), 9.2(47), 9.2(48) ARC 5772...*N*..... 7/31/85  
Special education, 12.5(42), 12.5(43)"a," 12.5(44), 12.5(45), 12.17(4)"b," 12.18(2)"f," 12.3(48), 12.3(49), 12.36(6), 12.37(15),  
12.41(1), 12.43(3), filed emergency ARC 5763...*FE*..... 7/31/85  
Classification of certificates, administrative, 14.1, 14.12, 14.13, filed emergency ARC 5687...*FE*..... 7/17/85  
Equivalent instruction standards, ch 63 ARC 5774, also filed emergency ARC 5773...*N*\**FE*..... 7/31/85

Dr. Robert Benton, Commissioner, Kathy Collins, Legal Consultant, Frank Vance, Special Education Division, John Martin, Director, Instruction and Curriculum, and Charles Moench, AEA, represented the Department.

ch 9

Amendments to chapter 9 were reviewed by Collins. The rules allow students to participate in extracurricular activities in another school district offering the activity, if there is sharing of academic programs. The contingency

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued

ch 63

requirement and filing time were changed. Tieden asked if the statute had been changed and the response was negative. DPI originally decided to impose the contiguous requirement but now propose to remove it. Benton noted the original rules contained a sunset clause so, in effect, DPI is bringing the rule into permanent compliance. The following were present for discussion of the equivalent standards--chapter 63: Evelyn Hill, uncertified teacher; Barry Wingert, unapproved Home Schoolers; Robert Newton; Frank Nelson, Susan Ackelson, Merle Fleming, Assistant Attorney General; Olen R. Adams, Davenport, Gary F. Berglund, and numerous other citizens interested in education outside a traditional school setting. Newton was granted permission for signatures of Committee members and Staff. Discussion of chapters 5 and 12 deferred temporarily.

14.1  
14.12  
14.13

Benton explained 14.1, 14.12, and 14.13, classification of certificates, generated by new legislation. Clark requested information from Dr. Benton as to the number of approved administrative or supervisory programs, which schools had them, and she asked to see the curriculum. Benton agreed to provide information when available.

In opening remarks, Collins cited Code §299.1, the state compulsory school attendance law as the foundation upon which they built equivalent instruction rules. The third unnumbered paragraph of the section provides exemption from the public school attendance "upon equivalent instruction by a certified teacher 'elsewhere'" which covers nonpublic schools of all types, but the categories in Iowa are nonpublic schools which have sought and obtained approval status through compliance with the Department's requirements; nonpublic, nonapproved schools, those who have chosen not to seek department approval or who have not been able to obtain it, but who must statutorily report certain information to the local school board under Code §299.3; private instruction which presumably encompasses home instruction--certain information must also be reported to the local board. Collins continued, "Therefore, if you track the distinction between public school attendance and that obtained elsewhere, DPI rules on equivalent instruction apply to all categories of nonpublic schools." The Iowa Code specifies what subjects are to be taught at given age levels and the curriculum guidelines found in new rules mirror the Code. The local school board is to report to the county attorney those who fail to comply with the compulsory attendance statutes. It is the same local school board which must make an initial determination re equivalent instruction. The portion of DPI rules respecting the allocation of time reflect the 180-day minimum requirement from the Code and leaves the per diem allocation of time to be assessed by the local board.

8-16-85

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued

Collins spoke of duties of the school boards and she referenced IAC 670--3.4(4), definition of teachers' duty, and Iowa Teaching Practices Commission--640--4.1 IAC, inherent professional responsibility.

Requirements for nonpublic and public school children do not differ. Collins admitted the Courts have struggled. She emphasized that the rules contain nothing new but merely consolidate sporadically placed requirements.

ch 63

Collins pointed out that chapter 63 had been published as a Notice simultaneously with the emergency filing. A public hearing was also scheduled for August 22, 1985, because DPI recognized the vital importance of public input. Prior to May 22, 1985, the highest court in Iowa had ruled that equivalent instruction by a certified teacher was not a vague, undefinable phrase-- State v. Moorehead, 1981. On May 22, the Iowa Supreme Court indicated it might be rethinking its position in Moorhead, although a vagueness challenge was made at the trial court level--Johnson v. Charles City--the issue was not on appeal. The Board concluded that equivalent instruction rules should be created. Collins contended that the most forceful argument for emergency adoption was the benefit to the public by the implementation of the rules prior to the new school year. Collins stressed that DPI is sincerely responsible to the public and modification will be made if public hearing reveals the necessity. Collins suspected controversy could be attributed to speculation by the lay public on the "basis of misinformation, misinterpretation, hearsay and rumors."

In conclusion, Collins urged the Committee not to be swayed by the public argument that the rules were a new concept.

Chairman Priebe announced that persons from the audience would be heard. Karen Mann, Ames, Christian parent, spoke of her goals for quality education for children and disagreed that curriculum content and equivalent instruction were of prime importance. She preferred to measure results in the student and a daughter's test results from 2 years of home schooling were presented. "One-on-one" contact was significant, in her opinion. Mann had been certified to teach but after 10 years, did not renew her certificate. Religious convictions prevented her from taking the human relations training. She contended her competence as a teacher was unchanged. As a parent, Mann found Code §257.25 to be troublesome.

Olen Adams, Baptist Temple, Davenport, emphasized that he was not present to speak against the public system--but "we believe the biblical authority to be nonapproved schools." Adams spoke to the unfairness of the emergency adoption of chapter 63. He viewed the rules as "another

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued

8-16-85

direct act of control over the church" and cited the Bill of Rights and the Constitutions. Adams had tried for 10 years to get legislation to alleviate "this problem of control over our churches--most recently, Senate File 311." He declared that none of the universities and colleges look to certified teachers for entrance requirements. ACT and SAT tests are used. He contended being certified was a contract between the state and the individual. Iowa is one of seven to nine states requiring certification for teachers in private or church schools. Adams concluded that facts of quality education consistently show that church schools have scored higher than state school systems. He urged freedom to education their children, their goal being to "produce students with biblical character and high academics."

Ackelson expressed concern over emergency filing.

David Morris, attorney, representing the Berglunds, addressed the legality of the emergency filings. He took the position that clearly there were no compelling reasons for emergency implementation and urged that the emergency filing be ruled invalid. Morris mentioned federal law suit and the Charles City case.

Priebe emphasized that the Governor and Attorney General, as well as this Committee, have authority to object to the rules. Morris informed Doyle that the Berglunds brought an action to enjoin and receive declaratory relief as to whether the emergency rules met standards of good cause and practicality. Today the judge was asked to rule on a motion to stay, pending hearing on the issue. The issue will be presented to the court. Doyle pointed out that a pending court case would affect action many legislators take. Morris stressed that the substance of rules was not being challenged.

Fleming stated that she represented the agency in court this morning.

Frank Nelson, Des Moines, spoke to 63.3, which he believed should be clarified with respect to certified teacher as a consultant. He had been involved in Des Moines public school home instruction assistance program and wanted to continue. The Des Moines school system had asked for a declaratory ruling.

Collins said there were no facts supplied as to how much time the teacher spent. The Code requires children to attend some public school or, in lieu of that, to obtain instruction elsewhere. The local board of any district will approve home instruction.

It was noted that "homebound instruction" differs from "home education." Mr. Wingert of Woodbine, viewed the

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued

rules as violating their first amendment rights. Collins reiterated that legislation would be needed to eliminate certification requirements. Wingert maintained that teachers could not take the human relations course and remain faithful to Christ. Clark advised, "You could take a course without believing it."

Duncan, of Missouri Valley, had been a home school educator for three years. He expressed his deep religious concern about children's education. He viewed the school board today as "nothing more than elders in a humanistic church."

Berglund contended the state could not use standards which discouraged alternatives not identical to the public school. He discussed certification and the fact that it did not improve quality of education. Berglund described their alternative form of education as based upon the tutorial method far superior to standing before a class of 20 or 30 children, some of whom could care less about education. Berglund suspected the state was not so much interested in the education of our children, but in the control of them. He saw the emergency rules as outlawing home schooling in the state and many will be "suffering persecution and prosecution" because of the new policy.

Berglund concluded that "the modern day educational pharisees are envious of our record and want to control us by telling us we cannot educate our children at home without supervision of a state certified teacher." Several others spoke in opposition to the rules and many expressed concern that they would be jailed for noncompliance.

Collins reiterated that Dr. Benton and the Department understood the fervor and good intentions of all present. She was concerned re misconceptions and refuted some of the statements. She said the multicultural nonsexist requirement was not in the rules. Collins made the point that DPI had never received requests to develop equivalent standards. She clarified that 36 states have certification for teachers. According to Collins, Iowa statute is significantly different from many other states. She reminded that Code chapter 290 provides for appeal to local school boards. Collins recalled that Des Moines asked for the declaratory ruling 3 weeks prior to adoption of the revised rules. Newton asked for and received copies of the 4-page letter sent by DPI to superintendents.

ch 290

Tieden asked if the Amana exemption would be affected and learned that it would not. However, they must follow these rules.

In Doyle's opinion, no action could be taken by the Committee when the judge has already read some evidence

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued  
ch 12

in hearing. For that reason, he asked to defer further discussion on the emergency rule until the September meeting. Unanimous consent, so ordered.

No recommendations were offered re chapter 12.

HEALTH  
DEPARTMENT

The following rules of the Health Department were before the Committee:

Social workers, code of ethics, 161.212 to 161.217 ARC 5764 ..F..... 1/31/85  
Certificate of birth--registration fee, ch 95 ARC 5694A, also filed emergency ARC 5694 ..N.Y.F.F..... 7/17/85  
Financial assistance to eligible end-stage renal disease patients, 111.1(2), 111.1(3) and "c," 111.1(14)a" and "b," 111.5, 111.5(4) to 111.5(6), 111.6(1), 111.7(3), 111.7(6)a" to "d," 111.8, 111.9(6), 111.9(8), 111.11(2), 111.11(3), Tables 1 and 2, filed emergency after notice ARC 5755 ..F.E.A.N..... 7/31/85  
Deaf services of Iowa, ch 126 ARC 5689 ..N..... 7/17/85  
Physical and occupational therapy examiners, 138.8, 138.104 ARC 5626 ..N..... 7/3/85  
Psychology examiners, disciplinary actions, 140.204 ARC 5627 ..N..... 7/3/85  
Chiropractic examiners, 141.11(1), 141.11(2), 141.11(3)a," 141.13(6), 141.24(29), 141.63(3), 141.38(2) ARC 5621 ..N..... 7/3/85  
Mortuary science examiners, declaratory rulings, 147.6 ARC 5683 ..N..... 7/17/85  
Mortuary science examiners, CE, disciplinary procedures, 147.107, 147.204 ARC 5684 ..N..... 7/17/85  
Barber examiners, apprenticeship, 152.9 ARC 5697 ..N..... 7/17/85  
Speech pathology and audiology examiners, disability or illness, 156.7 ARC 5695 ..N..... 7/17/85

Those in attendance were: Peter Fox, David Ancell, Mike Guely of the Health Department. Also present were Eloise M. Lietzow, Director, and Mike Soliday, Liaison, Deaf Services of Iowa; William Angrick, Ombudsman, and Ruth L. Mosher, Deputy, Citizens Aide/Ombudsman Agency.

161.212  
161.217  
Delayed

Chairman Priebe called up chapter 161. After brief discussion, Clark moved to delay rules 161.212 to 161.217 for 70 days to allow time for further study of rules relating to Social Workers, Code of Ethics. ARRC agreed to place the matter on the September agenda.

ch 95

David Ancell gave overview of chapter 95, intended to implement 1985 Acts, House File 451, section 1, mandating a \$10 birth registration fee.

Re adoptions, Ancell said they are attempting to define who the parent is in that particular situation--applicable when the mother gives up the child immediately after birth. The fee would be charged to the original mother. Responding to Tieden, Ancell said a delayed certificate of birth could be filed by a 65-year old wanting social security.

ch 111

Mike Guely summarized chapter 111 and reported on changes. Clark was told that tables in 111.11 were set in larger type in the Administrative Code. No questions posed on amendments to 138.8, 138.104, 140.204, chapters 141, 147, 152.9 nor 156.7.

NURSING  
HOME ADM

No questions re the following Nursing Home Administrator rules:  
Licensure, 2.6(4)d," 3.8, 2.2(1)a," 2.3(2)a," 2.4(2)f," 3.2(4) ARC 5756 ..F..... 1/31/85

PUBLIC  
INSTRUCTION  
DEPARTMENT  
ch 5

Moench was present for Jobs Now Capitals Account, chapter 5 review. He mentioned 5.36, whereby colleges could obtain allocation of funds based on the total population and the per capita income of merged area schools. There was discussion of the fact that various merged area schools have a levy in existence for purchase of new equipment.

8-16-85

PUBLIC  
INSTRUCTION  
DEPARTMENT  
Continued

Moench was unaware if Sioux City had passed the 3-cent levy, which sunsets in 1988.

Clark took the position that the "formula placed too much money with too few people." Moench defended the formula which is based on the population of the merged area and a small adjustment is made for those below the per capita income. He saw no problem with displacement of people.

Responding to Tieden's question, Moench said the increments were the difference between the state average per capita and the lowest per capita of any of the merged areas, divided by five. There is no limitation on the matching funds so federal funds, 3-cent levy, contributions from industry and business could be used. Tieden noted that the rule provided no deadline for the oral comments.

Recess

HEALTH  
DEPARTMENT

Committee was in recess to move to Committee Room 116 to review chapter 126 of rules of the Health Department relative to deaf services.

CH 126

Guely reported that approximately 12 people attended the public hearing. As a result, clarifying language will be added to the rules. He pointed out that one area of contention with contractual interpreters was resolved. The Legislature appropriated \$6000 to hire freelance interpreters to assist the three staff interpreters in an attempt to satisfy all of the requests. Guely was apprehensive that the IRS would determine that an employer-employee relationship exists for the proposed contractual interpreters.

O'Kane and Guely discussed the definitions of "freelance interpreter" and "contractual interpreter." O'Kane suggested possible clarification of the definition of "freelance interpreter."

Guely alluded to differences of opinion between the Department and the State Ombudsman in the area of confidentiality in use of interpreters--126.6.

A second issue dealt with the interpreters' code of ethics--126.7(4). The Department takes the position that a network of communication is needed between subordinate and supervisor in an agency situation--126.7(4).

Angrick recollected part of the problems perceived from a year and a half ago when he issued a critical report on lack of rules in DSI. At that time, he related what he considered a violation of confidence under Code ch 622B, when a DSI interpreter was used. Angrick suspected there may have been misunderstanding in interpretation of Code chapters 601I and 622B. He insisted that any person or agency receiving interpretative services pursuant to

HEALTH  
DEPARTMENT  
Continued

8-16-85

chapter 622B should know to what extent the confidentiality will be maintained. His preference was that the client agency or individual who will utilize interpreting services knows that they are in control of that relationship and the development of that relationship--this was not particularly clear, in his judgment. Angrick took the position that statutory change was needed. He saw no particular assignment for the authority to collect and maintain for deaf services information that is confidential by law. He recalled difficulty getting this type of provision in the Ombudsman statute. Angrick reiterated that distinction should be made with respect to information confidential by law and information that is personal or sensitive which should be held in confidence.

Wheeler interjected that the point was well taken but he added that the Department was simply trying to address confidential information in written form and open to public scrutiny under chapter 22. General discussion.

Mosher saw no need for an "information network" to exist in any faction of the population. Wheeler disagreed that such a network existed--information would not leave the agency. Angrick suggested that the rules could be significantly improved by rearranging and condensing subject matter. All references to confidentiality should be in one rule, in his opinion.

Priebe raised question re the guaranteed payment of one hour minimum for interpreters when they are required to wait only 20 minutes. Guely said, it has been their experience that most people are not over 20 minutes late. Priebe thought they should wait longer than 20 minutes and Doyle concurred--126.8(1)d(7). Priebe also challenged the mileage provision in 126.8(1)d(8) and observed that "nothing is conducted above Highway 30--half of the state is completely left out."

Lietzow responded that the minimum waiting time should be at least 20 minutes. She referenced limited funds as reason for the 100-mile limitation. After further discussion, Priebe suggested removal of the mileage limitation and provide for assignment of contractual interpreters. Guely agreed to review this area. Department officials defended selection of the three regions as serving the highest number of deaf people.

Tieden asked that changes from Notice be included in the preamble when the rules are filed. Guely agreed.

O'Kane expressed an opinion that the rules were basically good. However, he concurred with the Ombudsman on several of the issues and urged good communication between the two agencies in an attempt to resolve differences before the rules are adopted.

8-16-85  
Adjourned Meeting was adjourned at 5:00 p.m. by the Chairman.

The next meeting was scheduled for Monday and Tuesday,  
September 9 and 10.

Respectfully submitted,

*Phyllis Barry*

Phyllis Barry, Secretary  
Vivian Haag, Assistant  
Bonnie King, Assistant

APPROVED:

*Bob E. Truels*

Chairman

Date