

MINUTES OF THE REGULAR MEETING
OF THE
ADMINISTRATIVE RULES REVIEW COMMITTEE

Time of Meeting: Monday, Tuesday, Wednesday, April 11-13, 1983.

Place of Meeting: Senate Committee Room 24, State Capitol, Des Moines, Iowa.

Members Present: Representative Laverne W. Schroeder, Chairman, Senator Berl Priebe, Vice Chairman, Senators Dale Tieden and Edgar Holden; Representatives Ned Chiodo and Betty J. Clark.
Also present: Joseph Royce, Committee Counsel, Kathryn Graf, Governor's Administrative Coordinator; Phyllis Barry, Deputy Code Editor, and Vivian Haag, Administrative Assistant.

Convened Chairman Schroeder convened the meeting one day earlier than the statutory date in frigid room 24 at 7:30 a.m.

CONSERVATION COMMISSION John Beamer, Superintendent, Land Acquisition, and Robert Barratt, Wildlife Superintendent, represented Conservation Commission for review of:

CONSERVATION COMMISSION[290]
Relocation assistance, 65.1(1), 65.2(4) "e" to "g", 65.3(2) "b" ARC 3644 *N*
Rabbit and squirrel hunting seasons, ch 102 ARC 3645 *N*
Pheasant, quail, and gray (Hungarian) partridge hunting seasons, ch 103 ARC 3646 *N*
Mink, muskrat, raccoon, badger, opossum, weasel, striped skunk, fox, beaver, coyote, otter and spotted skunk seasons, 104.1 to 104.4, 104.6 ARC 3647 *N*
Deer hunting regulations, 106.1, 106.2, 106.4 ARC 3648 *N*
Waterfowl and coot hunting seasons, amendments to ch 107 ARC 3653 *N*
Common snipe, Virginia rail, sora, woodcock and ruffed grouse hunting seasons, ch 109 ARC 3649 *N*
Wild turkey fall hunting regulations, 112.1, 112.2, 112.4 ARC 3650 *N*

ch 65 In reviewing amendments to chapter 65, Beamer said it had been 10 years since the rule was first implemented and the federal cost sharing agencies had changed method of determining payment. In answer to Priebe, Beamer had no knowledge of involvement on the part of General Services, Buildings and Grounds, in the relocation process.

ch 102 Barratt advised Priebe there were no changes in the rabbit and squirrel hunting seasons. Tieden took the position that hunting seasons should end December 31. He could see no justification for extending the season one or two days into the next year and requiring a new license on January 1. Schroeder contended two licenses would be needed for one hunting season.

Motion After general discussion, Priebe moved that a letter be sent to the Conservation Commissioners requesting that hunting seasons terminate to coincide with the December 31 expiration date for licenses. In the case of seasons which overrun the December 31 date,

CONSERVATION the beginning date could be advanced. An alternative
 COMMISSION proposal was to establish a one-month grace period for
 Continued license renewal. The motion to send a letter to Conser-
 Motion to vation Commissioners was adopted.
 Cons. Comm.

In response to Schroeder, Barratt admitted that the jack-rabbit population was low and probably would be until Iowa has more grasslands.

ch 103 Priebe asked that the record show that his opposition to the pheasant season continues. He suspected that the hearings had not been well publicized. According to Barratt, news releases had been sent twice. He assured Tieden they were not "trying to fool anybody." Conservation was complying with chapter 17A. Barratt reminded ARRC that, last fall, the Commission predicted "The season would be open, but the success rate would be down." He noted that Minnesota had imposed a closed season but there was no noticeable change in the bird population.

ch 104 In re 104.6, Tieden raised concern about the high incidence of rabies in skunks and opposed a continuous closed season on spotted skunk--104.6(109). Barratt explained that the spotted skunk [civet cat] was uncommon and not a carrier of rabies. Tieden disagreed. Schroeder was advised that problems between trappers and hunters of red and gray foxes were unresolved because of the present laws.

ch 106 According to Barratt, no major changes were proposed for deer hunting rules except for inclusion of designated zones at time of purchasing license. Schroeder questioned verbiage in 106.1(2). Barratt recalled this was the recommendation of the AG several years ago.

Schroeder reiterated his continuing opposition to 106.1(3)--shooting hours. Barratt said bow hunters are few in number and hunting is good only at daylight and dusk. He opined that risk of shooting another person is greater with guns. Barratt insisted they had not received complaints.

ch 107 Chapter 107--waterfowl and coot hunting. Canada geese hunting zones were reviewed for Tieden. No recommendations.

ch 109 No questions re amendments to chapter 109.

ch 112 Barratt reported there would be no change in wild turkey hunting. Schroeder favored use of county lines for zone description, but Barratt pointed out the advantage of roads since the county lines were not marked.

Schroeder urged uniformity of hunting hours for bow and arrow and shotguns. Barratt said the Commission preferred 30 minutes after sunset but agreed to consider ARRC request. Barratt advised Tieden that U. S. Corps of Engineers, or his Congressman, should be contacted with respect to fishing regulations below locks and dams.

No other comments.

PUBLIC SAFETY
DEPARTMENT

Connie White, Manager of Program and Policy Department, Lt. Dewey Jontz, Administrative Assistant to Operations Officer, State Patrol, and Captain Blaine Goff, Administrative Assistant to the Commissioner, appeared to review rules pertaining to vehicle impoundment--Noticed amendments to chapter 6, ARC 3627, IAB 3/16/83.

The amendments are intended to bring the Department's rules into compliance with current statute--the Department would inventory all property in a vehicle and make notation of any parts of the vehicle which appear to be missing or damaged. Schroeder raised question with respect to statutory authority for the inventory. Jontz saw no problem--he spoke of the responsibility to the public and the liability of the police agency. He emphasized the practice followed was not a "search." Schroeder thought 6.4(2)d would be improved by adding more detail.

General discussion of 6.5(4)--notification of impoundment. Chiodo observed use of "mailing date" for computing time. Royce pointed out the statute requires "certified mail." Department officials assured the Committee their intent was to follow the statute. They noted use of "certified mail" in 6.5(1) and thought 6.5(4) alluded to that.

According to Jontz, vehicles from other states create greatest problems. Officials utilize telephones in their searches, but Jontz had no available information relative to cost.

Schroeder referred to 6.2(4)c relative to impoundment of a vehicle situated on a public highway. He was interested in seeing any statistics which the Department had in this area.

ARTS
COUNCIL

Marilyn Parks appeared on behalf of Arts Council for the following agenda:

ARTS COUNCIL[100]

Organization, grants officer, programs, forms, 1.2, 2.1(1)c, 2.3, 2.3(1)c, 2.3(5)b(1), 2.3(5)h, 2.3(7), 2.3(9)b(5,6), 2.3(15)e(2), 3.2(3), 3.4(2), 3.4(6), 3.5(4), filed emergency ARC 3611 *N* 3/16/83
 Programs, forms, 2.3(2)b(1), 2.3(2)b(2), 2.3(3)c, 2.3(12), 2.3(14), 2.3(15), 3.1(12), 3.2(7), 3.5, 3.11, filed emergency after notice ARC 3613 *FEAN* 3/16/83
 Forms, 3.6(2), 3.7, 3.1(13), filed emergency ARC 3612 *EA* 3/16/83
 Grants-in-aid, 2.3(2)a(3,5,6), 2.3(6), 2.3(7)a(1), 2.3(10)a(7), 2.3(10)a(7) ARC 3610 *N* 3/16/83

ch 2

Discussion of amendments to chapter 2. Parks advised Chiodo that "arts for special constituencies" was substituted in 2.3 since the arts and older Americans funds are no longer available.

2.3(1)c

Holden learned that the National Endowment for the Arts in 2.3(1)c was the sole funder of the grants program. He questioned the justification for use of emergency procedure. Royce thought his point was well taken but supported the rules as being basically noncontroversial. Holden preferred the normal filing procedure whenever possible. Parks agreed to convey his sentiment to the Council.

Tieden was told that the Council's meeting date was changed to accommodate review of grants program applications.

4-11-83

ARTS
COUNCIL
Continued

Responding to question by Schroeder in 3.1(13), Parks stated that the photograph was not copyrighted and would not be sold to a commercial newspaper.

Parks explained that the state had no definition of "legal residency" and 2.3(2)a was the Council's attempt to define it. However, Holden preferred "sole purpose" as opposed to "sole discretion" in the paragraph. Parks apologized for the "somewhat confusing, albeit house-cleaning-type of rules."

BEER & LIQUOR
COMMISSION

Rolland Gallagher and William Armstrong were present for review of:

BEER AND LIQUOR CONTROL DEPARTMENT[150]

Necessity of customers in state liquor stores signing a verification of eligibility to purchase form, 4.32 ARC 3641. *N*..... 3/30/83

Gallagher distributed copies of the form and explained that 4.32 was a rewrite of the rule that had been withdrawn a few months ago. The form is intended as a protection to the 1000 state liquor store employees who "sell 25 million bottles" annually. Schroeder recommended that completed forms be retained at the store for verification purposes. Gallagher was amenable. He referenced the growing problem with minors' use of false ID's.

Discussion of when it is advisable for agencies to submit forms under rulemaking. It was noted that an accurate description usually suffices.

ENERGY POLICY
COUNCIL

Ben Guise was present to review:

ENERGY POLICY COUNCIL[380]

Benevolent measures and audits, technical assistance and energy conservation programs for public institutions, 7.3(1)"f",

8.2(2)"b"(6), 8.4(2)"a"(9), 8.4(2)"b"(7), 9.5(5), 8.6(4)"a"(2), 8.7(1) ARC 3657. *N*..... 3/30/83

According to Guise, one goal of EPC is to encourage energy management with grant money. Schroeder was informed that public schools are recipients of the majority of the grants--state universities receive very little.

8.7(1)

Guise explained that the 7 percent limitation in 8.7(1) was utilized to encourage initiative on the part of applicants and the money would be distributed as a motivational tool.

INSURANCE
DEPARTMENT

The following agenda was reviewed by Fred Haskins and Denise Horner, Legal Staff, Insurance Department:

INSURANCE DEPARTMENT[510]

Benevolent associations, reporting requirements on licensees, insurance holding company systems, 8.4(2),

amendments to ch 9, 45.1 ARC 3604. *N*..... 3/16/83

Prearranged funeral plans, ch 19, filed emergency after notice ARC 3605. *FEAN*..... 3/16/83

Nonprofit health service corporations, ch 34 ARC 3659. *N*..... 3/30/83

Also present: Paul E. Brown, Iowa Life Insurance Association; Dick Neil, Bankers Life Company; Brice Oakley, Senior Associate Counsel, Blue Cross/Blue Shield of Iowa; and Steve Halsted, Iowa Funeral Directors Association.

INSURANCE No questions with respect to 8.4(2), chapter 9 and 45.1.

DEPARTMENT

Continued

19.1

Haskins told Priebe that 19.1 was filed emergency after notice since funeral homes must file the forms by March 1. Haskins admitted that action should have been initiated earlier. Comments had been received from the industry and the emergency version differed from the Notice upon the advice of the Administrative Rules Coordinator. It was noted that a \$3 per page fee is imposed for each filing with the county recorder. In addition, directors must pay \$3 for each trust agreement. Haskins advised Holden that the form may be revamped before March 1, 1984.

Halsted compared noticed forms with the adopted versions. He contended that the insertion of "Interest earned [on trusts] as of the date of the filing" in Form 1E-2 was not statutory. The Iowa Funeral Directors preferred the noticed form.

Holden interjected that states are encouraging use of 8½x11" paper. Graf was more concerned with wording than format. General discussion. Graf had viewed the first forms as an attempt to limit certain types of trust agreements from disclosure which, in her opinion, was not the intent of the law.

Chiodo reasoned there should be an explanation accompanying the form. Halsted failed to see how the revised form clarified anything. Graf thought funeral trust fund deposits as interpreted by Halsted were too limiting. The Committee requested Halsted and Graf to confer for resolution of differences and suitable forms.

ch 34

Discussion of chapter 34. Royce opined the standards in 34.3 were not substantive. He took the position that an informal procedure for arbitration should be included in 34.5.

According to Horner, 34.5(2) will be revised. In 34.5(4), any decision rendered by a hearing officer not within the Department will be reviewed. Royce was of the opinion that it was more like a contested case and that should be reflected in the rule. Tieden inquired as to who made the determination of fairness. Royce admitted that was a big issue and this particular standard was inadequate--ultimately, the courts would decide.

Horner said fairness would be judged--the Commissioner has a fiduciary responsibility because of his pervasive regulatory authority over the entity.

Oakley indicated Blue Cross was especially interested in the payment formula and would make a presentation at the April 19 hearing. Also, they share Royce's concern.

Brown was hopeful for reasonable rules and had made suggestions to the Department.

4-11-83, 4-12-83

BUREAU OF LABOR Walter Johnson, Deputy Commissioner, Waldo Larsen and Harold McLamb appeared for the following:

LABOR, BUREAU OF[530]

Occupational safety and health rules for general industry, 10.20 ARC 3634...N..... 3/16/83
Occupational safety and health rules for agriculture, 28.1 ARC 3635...N..... 3/16/83
Boiler safety and inspection procedures, chs 41 to 49 ARC 3658...N..... 3/30/83

9:25 a.m. Priebe in the chair. No questions were posed re 10.20 and 28.1.

chs 41-49 Johnson explained that the boiler rules had not been updated since 1959 except for one addition made in 1967.

Tieden inquired as to makeup of the ad hoc committee created to draft the revision. According to Johnson, there were approximately 20 representatives of the insurance industry, manufacturers, boiler users, steamfitters and repairmen. Johnson advised Tieden that a date certain would not be possible in 41.11 since the material is found only at the Bureau of Labor. Clark concurred.

Johnson was unaware of specific opposition to the rules at this time.

No Agency Reps No agency representatives were requested to appear for the following:

AGING COMMISSION ON[20]

Alter or renovated facility, 8.23(3), 8.23(4), filed emergency ARC 3614...FE..... 3/16/83

EMPLOYMENT SECURITY[370]

Date of actual receipt — documents, appeals and payments, 2.16(1), 3.12(2), 4.2(2), 6.4(1), notice ARC 3370

terminated ARC 3642...N..... 3/30/83

IPEKS, 8.6(9), 8.11(8), 8.12(9) ARC 3643...N..... 3/30/83

Claims and benefits, past acts of misconduct, 4.32(3) ARC 3663...F..... 3/30/83

ENVIRONMENTAL QUALITY DEPARTMENT[400]

Publicly owned treatment works, plan of action required, 15.1(22), 19.6(6) ARC 3607...F..... 3/16/83

IOWA FAMILY FARM DEVELOPMENT AUTHORITY[523]

Beginning farmer loan program, issuance of bond, 2.12 ARC 3608...N..... 3/16/83

Soil conservation loan program, issuance of bond, 4.4 ARC 3609...N..... 3/16/83

PUBLIC SAFETY DEPARTMENT[620]

Fire marshal, oil burning equipment, 5.350 ARC 3628...F..... 3/16/83

TRANSPORTATION, DEPARTMENT OF[820]

Vehicle registration, designated location, cancellation of certificate of title [07.D] 10.1(6), 11.15.

filed emergency ARC 3603...FE..... 3/16/83

General requirements for implementing the safer-off-system roads program, [06.P] ch 5 ARC 3651...N..... 3/30/83

Availability of instructional memorandums to county engineers; preparation of secondary road construction programs, budgets, and county engineer's annual reports, [06.Q] chs 1 to 6, 14, 15, 17 and 18 ARC 3652...N..... 3/30/83

Recess The Committee was recessed at 9:35 a.m. to be reconvened Tuesday, April 12, 7:30 a.m.

Reconvened Chairman Schroeder reconvened the Committee at 7:30 a.m. Tuesday, April 12, 1983, 7:30 a.m., Room 24, State Capitol. All members and staff were present.

DOT - Economic Impact Priebe brought up the matter of the economic impact statement which the Committee had requested on Transportation rule [07E] 1.6. He had been advised that implement dealers and the Farm Bureau had worked out a compromise and Priebe moved to lift the request for an economic impact statement. Motion carried.

4-12-83

REVENUE Carl Castelda, Gary Nicholson, Charles Haack and Gene Eich
DEPARTMENT appeared on behalf of Revenue Department to consider the
following:

REVENUE DEPARTMENT(730)

| | | | |
|--|----------|-------|---------|
| Sales and use tax, 14.1 to 14.3, 15.19(3), 15.1, 18.31(2), 19.2, 26.1, 34.5(9) | ARC 3616 | | 3/16/83 |
| Determination of tax for freight-line and equipment car companies, ch 75 | ARC 3617 | | 3/16/83 |
| Determination of value of railroad companies, ch 76 | ARC 3665 | | 3/30/83 |
| Determination of value of utility companies, ch 77 | ARC 3618 | | 3/16/83 |

Also present: Dick Barr, Iowa Railraod Association; Rick Phillips, Iowa Taxpayers Association; and John V. Donnelly. Attorney for MCI.

Gastelda briefly reviewed sales and use tax rules. No questions were raised.

ch 75

The remainder of the agenda related to property tax and Eich reviewed chapters 75, 76 and 77. Chapter 75 was drafted at the request of the State Board of Tax Review for more specificity with respect to the definition of "loaded mile." Filing reports and penalty procedures are also set out in the rules. Priebe recalled two court cases concerning equipment cars--North American Car Company and Trailer Train Company. Revenue continues to bill Trailer Train for unpaid taxes. Eich explained, if Revenue wins the case, penalty and interest will be paid. It was pointed out that the interest rate will be 14 per cent for this calendar year. The penalty cannot exceed 25 per cent.

chs 76,77

Eich pointed out that chapters 76 and 77 were adopted five years ago. He spoke of the valuation process as being a "gray" area and their attempt to determine what is market value. In response to Priebe, Eich said the debt would be part of the process of determining market value -- 77.3(2). He referenced 3 pending pipeline cases which will undoubtedly take years to settle.

Several of the seven in attendance at a public hearing favored keeping the value as low as possible to help with rates. The Department takes the position that it is their responsibility to determine a market value and that rates were the responsibility of the regulatory agency.

Eich called attention to the areas of change: Definition of "comparable sale"--77.1(15); income approach--currently the provision for deferred taxes is added to the income and then capitalized. The Department believes a better method would be to determine income value and add deferred taxes. Rate regulated companies are not allowed to earn on assets purchased from the use of deferred taxes. In the stock and debt approach, there were two changes. The Department will value operating property. Eich stated that Revenue would operate under the old rules until judicial review is complete. He was doubtful these rules would have an impact on a court case.

Phillips reasoned the rules would not resolve the controversy and could start more. Barr indicated that railroad repre-

REVENUE DEPT. Cont'd representatives have concern and plan to appear at the public hearings. Donnelly presented a brief statement. He emphasized they were not a rate-based or rate-regulated utility and preferred to leave the matter to the Court. Schroeder contended that all companies providing long distance service should be treated in the same manner.

77.4 Tieden asked for explanation of difference between second paragraph in 77.4(1) and 77.4(2). According to Eich, for a rate-regulated company and a nonrate-regulated company, there would be two different methods of handling the deferred tax. He could not predict fiscal ramifications for 1983. The new rules were compared with the 1982 version. Also, companies have been aware of the deferred tax issue for 3 years. He continued the method of stock and debt was advanced by several pipeline companies and by other utility companies. Schroeder asked for comparison between the old and new rule.

Eich stated that many states use the same principles -- 3 indicators of value. However, they use different approaches. Holden referred to the MCI handout and challenged their position. Graf supported the MCI request to provide detailed analysis on the proposed rules at the convenience of the ARRC.

Motion Priebe moved that ARRC meet May 19, assuming the legislative session is recessed, to further consider this matter as a special order of business--Revenue chapters 76 and 77. Chairman Schroeder asked that pertinent information be submitted prior to the meeting. Motion carried.

SOCIAL SERVICES DEPT. The following rules of Social Services Department were before the Committee:

SOCIAL SERVICES DEPARTMENT [770]

| | | | |
|--|---------------------|----------|--------------|
| ADC, income, suspension, 41.7(9)f | ARC 3621 | F | 3/16/83 |
| ADC, need standards, 41.8(2)a and "b" | ARC 3622 | F | 3/16/83 |
| State supplementary assistance, residential care, 52.1(3)a | ARC 3623 | F | 3/16/83 |
| Medical assistance, hysterectomies, 78.1(16)f | ARC 3624 | F | 3/16/83 |
| Medical assistance, appeal by provider of care, 79.4 | ARC 3625 | F | 3/16/83 |
| Payments for foster care, group care, 137.9(2) | ARC 3626 | F | 3/16/83 |
| Penitentiary, furlough eligibility, 17.6(1)f, notice | ARC 3547 terminated | ARC 3620 | N.T. 3/16/83 |
| ADC, resources, income, 41.6(1)f, 41.6(4), 41.7(1), 41.7(7)c(3.5), 41.7(9)c(1.2) | ARC 3633 | | |
| also filed emergency | ARC 3632 | N. F. E. | 3/16/83 |
| Medical assistance providers, maternal health centers, 77.23, 78.25, 79.1(2) | ARC 3664 | N | 3/30/83 |
| Block grant, local purchase planning process, 131.6, notice | ARC 3561 terminated | ARC 3619 | N.T. 3/16/83 |
| Juvenile community-based grants, ch 166 | ARC 3631 | N | 3/16/83 |

Judy Welp, Mary Louise Filk, Kathe Kellen, C. S. Ballinger, Dan Gilbert, Morris Gater and Jim Krogman were present on behalf of the Department.

41.7(9) No questions with respect to 41.7(9)f. In re 41.8(2)a and b, Schroeder inquired as to limitations on telephone, newspapers and magazines. Welp replied that it was not a limit--the recipient receives a flat grant each month.

52.1 No questions re 52.1(3)a, 78.1(16) and 79.4. In review of
78.1 137.9(2), discussion centered around payment for children
79.4 placed out of state. It was noted that each state has a different rate system. Krogman informed Schroeder that, currently, 100 children are involved--54 are receiving residential treatment, 1 is in a group home and 45 are with families.

4-12-83

SOCIAL SERVICES Cont'd Krogman assured Clark that discretion is used in selecting the type of care. Placement is screened by the Foster Care Review Committee and the Central Office.

ch 41 In discussion of ADC amendments to chapter 41, Welp said there was some controversy as to what should be allowed. The rules will allow for the reduction of a recipient's ineligibility period by reducing countable earned and unearned income and by allowing recipients receiving nonrecurring lump sum income to expend moneys for necessary expenses in life-threatening circumstances.

"Life-threatening" has been defined as payments on medical services or necessary home repairs--a car would not be included. Welp cited an example: A recipient with a lump sum of \$2500 with needs of \$250 would be ineligible for 10 months. Welp informed the Committee there were differing opinions as to what should be allowed as a life-threatening circumstance. Clark favored equitable exemption.

Welp informed Priebe that hearings were scheduled [ARC 3633, 3/16/83 IAB] but that "advocate groups brought pressure" for the emergency filing. She added that guidance from the federal level in defining "life-threatening" situations has been slow. Gater announced that a pamphlet, explaining the situation, was being printed. Priebe reiterated his opposition to use of the emergency filing. Clark could foresee "painful situations as an outgrowth of this rule."

Welp explained to Graf that an amount spent in a life-threatening circumstance would be subtracted from the lump sum and eligibility would be reduced from 10 to 9 months. Welp was confident that advocate groups would make recommendations for defining "life-threatening."

77.23 et al There were no questions posed with respect to 77.23, 78.25, 79.1(2), 131.6.

ch 166 Schroeder was informed that the juvenile community-based grants program had been funded for approximately 5 years but rules had not been adopted. Welp was willing to provide Tieden a copy of the application form.

Clark referred to 166.15 on reallocation of funds and asked if there were many funds remaining. Krogman indicated that, at certain times, there would be. Welp advised Tieden that funding for maternal health centers would be a lump sum under Medicaid. She had no figures but suspected it would not be line itemed. No formal action taken on Social Services rules.

HEALTH DEPT. The following rules were before the Committee:

HEALTH DEPARTMENT[470]
Health care facilities, restraints, 58.43(7)d", 59.48(7)d", 58.43(7)i", 59.48(7)i", 64.49(7)i" ARC 3660...F..... 3/30/83
Homemaker-home health aide services, standards, 80.32(7)f", filed emergency ARC 3640...F..... 3/30/83
Psychology examiners, licensee-post approval of activities, 140.10(3) ARC 3661...N..... 3/30/83
Chiropractic education, 141.11(1), 141.11(2), 141.11(3)a", 141.13(6) ARC 3606...N..... 3/16/83
Optometry, branch offices, 143.9, 144.12(15) ARC 3662...N..... 3/30/83
Cosmetology school, instructors, 149.2(5), notice ARC 3108 terminated ARC 3639...N..... 3/30/83
2/8/82

4-12-83, 4-13-83

HEALTH Those in attendance for the Department were: Peter Fox, Ronald
DEPT. D. Eckoff, Nancy Welter, Grace M. West and Dr. Ted Scurletis.
Cont'd Due to conflicting meetings, a Health Care Facilities repre-
sentative was not present.

149.2(5) It was noted that 149.2(5) Notice was terminated and that
pending legislation addresses the matter. No questions re
80.3(2)f.

Schroeder and Priebe expressed opposition to the rescission
of 140.103(3). It required a licensee to apply for credit of
educational activity within 30 days of completion if not pre-
viously approved. Schroeder assured Fox that he would move to
object if the subrule is filed.

ch 141 No questions re 143.9, 144.112(15). In re amendments to chapter
Chiro- 141, chiropractic education, an agency representative was not
practic requested to appear.

Recess Chairman Schroeder announced that Employment Security rules
would be considered at 8:00 a.m. on Thursday, April 14, 1983
and he recessed the Committee at 8:50 a.m.

Recon- Committee was reconvened Wednesday, April 13, 7:35 a.m.,
vened Senate Committee Room 24, State Capitol. All members and
staff were present.

PLANNING Delores Abels-Farmer, Larry Tuel, Jim Lynch and Dave Patton
& PRO- were present on behalf of the Office of Planning and Program-
GRAMMING ming. The following agenda was before the Committee:

PLANNING AND PROGRAMMING[630]
Iowa state economic opportunity office, ch 9, filed emergency ARC 3634 ...FE..... 3/30/83
Iowa intergovernmental review system, ch 11 ARC 3629 ...N..... 3/18/83
Energy conservation, winterization and emergency assistance programs, chs 15, 17, 1b and 20, filed emergency
ARC 3655 ...FE..... 3/30/83
Iowa job training partnership program, ch 19 ARC 3638, also filed emergency ARC 3637 N+FE..... 3/16/83

Also present: James Elsa, Executive Director, East Central
Iowa Council, Cedar Rapids.

Farmer explained that the federal government eliminated the
Community Services and Economic Opportunity Offices in 1982.
Therefore, chapter 9 was no longer applicable. Chapters 15,
17, 18 and 20 were rescinded since none of the programs are in
effect at any level of government.

ch 11 Tuel explained that chapter 11 was revised in accord with
presidential Executive Order 12372. OPP has been involved
in the system for about 10 years. States are allowed to im-
plement a simplified intergovernmental review system for the
purpose of coordinating federal grants-in-aid and federal-
state plans and grants applied for by both state and local
units of government. An attempt is being made to simplify
the whole process.

Tieden inquired how the states consulted with local clearing-
houses. Tuel replied that clearinghouses are formed under

PLANNING & IOWA Code chapter 473A or 28E and units of government banded
PROGRAMMING together for the purpose of regional planning and functions.

11.9 In response to Schroeder, Tuel said 11.9 should read "Review
of grant applications developed by institutions...". Tuel
11.3 told Clark that Appendix A referenced in 11.3(1) contains
various federal programs which change frequently and is
usually updated annually. Consensus of the Committee was
that this fact should be expressed in the rule.

ch 19 According to Patton, chapter 19 was "the first of a flurry
of rules that would be filed." No other questions.

Minutes Holden moved that the minutes of the March meeting be ap-
proved. Motion carried.

Recess Chairman Schroeder recessed the Committee for 5 minutes.

ARCHITEC- David Frevert and Lois Kalleen were present to review regis-
TURAL tration, rules of conduct, disciplinary action, 1.1(1), 1.2,
EXAMINERS chapters 2, 4 and 5, ARC 3573, filed, IAB 3/2/83.

4.1(1)a Holden reiterated his opposition to 4.1(1)a and recalled he had
requested that the rule be rewritten. In his opinion, the
letter he received from the Board did not respond to his
concern. He suggested that the words "practicing in the
same locality" be stricken from the end of paragraph "a".

Frevert, responding to Committee questions, said that
locality would have different environmental and cultural
conditions. Holden interpreted the provision as applying
a comparative test with architects in the same locality.

Frevert distributed copies of guidelines of the rules of
conduct adopted by the National Council and there was dis-
cussion. The Board preferred to stay with national standards.

Tieden was advised there is no reciprocity with states that
do not subscribe to the National Council. Tieden wondered
who decided the competency. Graf could see problems with
judging competency.

Priebe asked that "by" be changed to "to" in last sentence
of 4.4(1)a. Graf suggested "to architects in good standing
in Iowa." Royce pointed out possible problems if it became
necessary to lift the Iowa license of an architect who was
out of state.

Frevert agreed to present the Committee's proposals to the
Board on May 19.

Recess Committee was in recess at 8:20 a.m. for five minutes.

COMMERCE Alice Hyde, Commerce Counsel, was present for review of:
COMMISSION

COMMERCE COMMISSION[250]

Utilities, reporting of management meeting expenses, 19.2(5)"k", 20.2(5)"j", 21.2(14), 22.2(6)"l" ARC 3630 .F..... 3/16/83
Nonoutgoing toll local telephone service, 22.1(3), 22.2(5)"v", 22.3(14) ARC 3636 .M..... 3/16/83

4-13-83

COMMERCE Also present: J. Kent Jerome, Iowa Telephone Assn. and Don
COMMISSION Williams, Northwestern Bell Telephone. Hyde explained that
Cont'd adopted rules concerning management meeting expense reports
were modified after Notice. A utility must report expenses
charged to Iowa ratepayers resulting from an assembly of di-
rectors or officers outside of any state in which the company
provides service. Day-to-day business operations would not
be included. A utility may request that certain information
filed would be kept confidential under Iowa Code chapter 68A.
21.2(14) Hyde said that 21.2(14) was standard for gas, electric and
water utilities.

Ch 22 Hyde explained that on December 22, 1983, FCC adopted a plan
whereby each local telephone company could bill a local cus-
tomer a minimum of \$2 to \$4 for access to interexchange or
local distance interstate toll network. Amendemnts to 22.3(14)-
and 22.1(3) would permit local customers option to refuse out-
going toll service and avoid that charge. Holden and Tieden
were concerned as to the impact.

Jerome spoke of conflicting guidance from the FCC and the
Commerce Commission and of the mandate for \$4 a month average
per line to be collected the first year.

Williams addressed seemingly unresolvable problems.

In response to Priebe, Hyde said the conflict between federal
and state was a difficult legal issue which would undoubtedly
be decided in the courts.

In response to Tieden's comment, Jerome estimated that, by
1990, the customer would "pick up" the total cost of the non-
traffic sensitive portion. No Committee action.

RAILWAY Les Holland, Dan Franklin and Steve Roberts appeared on be-
FINANCE half of Railway Finance Authority to consider the following:
AUTHORITY

RAILWAY FINANCE AUTHORITY[695]
Organization and operation, ch 1: Items of general applicability, ch 2: Financial assistance, ch 3: Projects,
ch 4: ARC 36-58 3/30/83

Holland summarized the changes from the Notice. The rules
were sent to 17 carriers, investment bankers, bond council,
shippers and 25 associations representing shippers but no
comments were received.

Holland called attention to 3.1(1)e, last line, where a minus
sign was inadvertently inserted instead of a division symbol.
In re 1.4(1), Clark took the position that meetings held "on
call of the chair" should be specific. Holland explained
that since there are no funds to spend, regular meetings were
unnecessary. Clark reasoned that with the provision for pub-
lic participation at open meetings in 1.5, perhaps there
should be at least 4 meetings each year.

Holland stated that the purpose of the Board was to serve as
a Bank to provide financial assistance and to process

4-13-83

RAILWAY
FINANCE
AUTHORITY
Continued

and approve or disapprove applications for funding. Because of litigation, there is no money at this time, thus, no need for a Board meeting.

Holden thought 1.5 should provide some assurance that there would be a response to requests. Roberts noted that public announcement was addressed in 4.2.


Discussion of 1.4(3) which provided "No secret ballots shall be permitted in an open session." It was agreed that "in an open session" should be deleted to avoid implication that a secret ballot could be used in closed session.

Recess Vice Chairman Priebe recessed the Committee at 9:00 a.m. to be reconvened Thursday, April 14, 1983, 8:30 a.m.

Employment Security The Committee met briefly April 14 at 10:25 a.m. to consider Employment Security [Job Service] rules as listed on page 1920 herein. There being no questions or comments, the Chair asked and received unanimous consent to adjourn the meeting at 10:30 a.m.

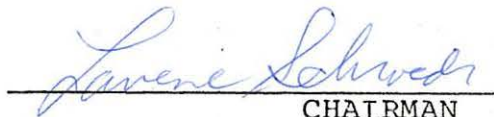
Next Meeting The next meeting was scheduled for Tuesday, Wednesday and Thursday, May 17, 18 and 19, in lieu of the statutory date of May 10, 1983.

Respectfully submitted,



Phyllis Barry
Assisted by Vivian Haag

APPROVED:


CHAIRMAN