

**MINUTES OF THE OCTOBER 2000 MEETING  
OF THE  
ADMINISTRATIVE RULES REVIEW COMMITTEE**

**Time of meeting:** A special meeting of the Administrative Rules Review Committee (ARRC) was held Monday, October 9, 2000, in House Committee Room 19, State Capitol, Des Moines, Iowa.

**Members present:** Representative Clyde Bradley, chair, and Senator H. Kay Hedge, vice chair; Senators Merlin E. Bartz, Patricia M. Harper, John P. Kibbie, and Sheldon Rittmer; Representatives Danny Carroll, Geri Huser, and Janet Metcalf. Representative Minnette Doderer was excused.

**Also present:** Joseph A. Royce, Legal Counsel; Kathleen K. Bates, Administrative Code Editor; caucus staff and other interested persons.

**Convened** Chair Bradley convened the meeting at 9:45 a.m.

**WORKFORCE DEVELOPMENT DEPARTMENT** Tony Dietsch, Duane Leitch, Jane Goeken, Michael Wilkinson and Joseph Bervid represented the department.

**ARC 0006B** Ch 13 pertains to the new employment opportunities fund. Two projects, one in Des Moines for minority youth and one in Waterloo for immigrants and refugees, are in operation; and two other projects, one in Cedar Rapids for persons with disabilities and one in Des Moines for ex-offenders, are anticipated. In response to Metcalf's request, an outline of the Waterloo program will be provided to committee members.

**ARC 0057B** Ch 14, new Iowans centers, is intended to help immigrants feel more welcome in the state by providing support services, placement systems, and legal services. Pilot centers in Sioux City and Muscatine will open through the workforce development centers in partnership with other community organizations. Wilkinson assured Harper that workforce development center employees will be trained in the program. Wilkinson responded to Hedge's inquiry about goals and criteria to measure success by stating that initially the department will be tracking individuals, nationalities, services requested and provided, and level of customer satisfaction. Bartz suggested development of a long-term plan for continuation of the centers after the expiration of state funding.

**ARC 0055B** No questions on ch 41 concerning waivers of rules.

**HUMAN SERVICES DEPARTMENT** Karla Fultz McHenry and Cindy Haverkamp represented DHS.

**ARC 0087B** No questions on Medicaid eligibility for pregnant women and infants.

**ARC 0130B** No action on amendments pertaining to rehabilitative services for adults with chronic mental illness.

**ARC 0088B** No questions on Medicaid reimbursement amendments.

**ARC 0131B** No questions on Medicaid reimbursement of critical access hospitals.

**ARC 0132B** Income limits for HAWK-I program eligibility are increased. Bradley was advised that the number of applications has greatly increased; about 13,000 are now enrolled. McHenry will provide a chart to illustrate the extent of the program.

**ARC 0089B** No questions on amendments to ch 95 concerning crediting of child support payments.

**ARC 0090B** Amendments to chs 130 and 170 affect child care services. Bartz was informed that the increase in the difference between reimbursement rates is intended to serve as an incentive for centers to become registered.

**ARC 0091B** No questions on amendments to ch 150.

**ARC 0092B** No questions on 156.6(1).

**ARC 0093B** Chs 161 and 162 pertain to the Iowa senior living trust fund and grants for nursing facility conversion and long-term care services development. Bartz asked the department to review the eligibility criteria, particularly cases in which no harm resulted from a deficiency, and asserted that ineligibility for a level "J" deficiency, one that places the health and safety of residents in jeopardy, is not specified in statute. Haverkamp stated that when ownership of a facility changes, recertification as a Medicaid provider is required by statute. Rittmer was advised that the department received about 70 applications, primarily for conversion of nursing homes to assisted living; 36 applications were for adult day care and others were for transportation and other senior services.

**ARC 0094B** Amendments to ch 163 concern the adolescent pregnancy prevention grant program. McHenry responded to Carroll that abstinence programs will continue to be funded if the community's total program is comprehensive in scope. In response to Carroll's observation that in computing the percentages the department is counting births, not pregnancies, McHenry stated that birth statistics are used because abortion data is confidential.

**ARC 0086B** No questions on proposed amendments concerning rehabilitative treatment services.

**ARC 0095B** No questions on RTSS provider rates.

**ARC 0151B** No action on waiver of administrative rules. Metcalf expressed interest in seeing an example of how waivers will be reported to the committee.

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Human Services Department (continued)

- ARC 0152B No questions on amendments concerning FIP, Medicaid, SSA and PROMISE JOBS.
- ARC 0145B No action on division V of ch 25 concerning risk pool funding. McHenry responded to Carroll that the risk pool board received applications in April of this year and, in the first cycle, the appropriation exceeded requests. McHenry indicated that the decision of the risk pool board is final. Kibbie maintained that consumers, family members or providers should be represented on the board.
- ARC 0157B No questions on refugee cash assistance.
- ARC 0153B No questions on amendments to chs 75 and 76.
- ARC 0146B No action on amendments to Medicaid rules regarding transfer of assets. Bradley voiced concern about the reference to future income.
- ARC 0154B No questions on Medicaid reimbursement amendments.
- ARC 0155B No action on statewide pilot regarding pharmaceutical case management services.
- ARC 0156B No questions on amendments, which include addition of "best interests of the child" language as requested by Bartz, regarding consideration of race or ethnicity in adoptions and foster care placements.
- ARC 0147B No questions on proposed amendments concerning dependent adult abuse.

**ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF** Mary Lawyer, Melanie Johnson, Mike Fastenau, C. J. Niles and Michael Gartner represented IDED.

- ARC 0125B No questions on reorganization of the department's rules.
- ARC 0120B No action on proposed amendments to ch 11, certified school to career program.
- ARC 0122B No comments on ch 20, accelerated career education program.
- ARC 0124B Fastenau indicated that the department receives inquiries daily and estimates 30 potential brownfield redevelopment sites.
- ARC 0119B Amendments are proposed to ch 211, community attraction and tourism development. Gartner summarized three issues to be considered before the rules are finalized: reserving 1 percent for public art; revising the application form to be less complex and time-consuming; reconsideration of a wage floor. Bartz asked that definitions in CAT and Vision Iowa projects be coordinated.
- ARC 0118B No action on proposed chs 212 and 213. Gartner outlined the proposed timeline for adopting and implementing the proposed rules.

**ENVIRONMENTAL PROTECTION COMMISSION** Brent Parker represented EPC.

- ARC 0136B Proposed ch 93 pertains to the onsite wastewater treatment system assistance program, a revolving loan program with emphasis on existing housing. In responding to Carroll's inquiry about variance among counties, Parker indicated that the program will serve as an incentive for counties to improve sanitation. By means of clarification, Parker informed Bartz that originally the EPA indicated that systems requiring NPDES permits could use federal funds only if the systems were publicly owned, but EPA has modified its stand to allow federal funds for publicly managed systems. Counties are the public entities managing and inspecting the systems for individuals who receive loans. Metcalf asked that the commission revise the language to clarify that the funds are not related to those administered by the treasurer's office. Hedge was informed that the federal money is in the form of a grant to the state to be loaned to individuals, with new loans being made as loans are repaid. Parker told Huser that the inspection at the time of sale has a two-year limit. Bartz asked the commission for a letter setting out any restrictions that the EPA places on the funds.

**NATURAL RESOURCE COMMISSION** Richard Bishop represented the commission.

- Excused: ARC 0101B, ARC 0104B, ARC 0130B, ARC 0102B, ARC 0166B, ARC 0165B
- ARC 0099B The rescission of 76.1(2) removes timber rattlesnakes and common garter snakes from the list of nonprotected game.
- Motion to delay Bartz moved a session delay on the rescission of 76.1(2).
- Motion carried The motion to delay the rescission of 76.1(2) until the end of the next legislative session carried.
- Committee business Metcalf moved approval of the minutes of the September meeting. The motion carried. The next meeting will be November 14, 2000.

**REVENUE AND FINANCE DEPARTMENT** Carl Castelda represented the department.

- ARC 0142B No questions on 7.60 regarding waiver or variance.
- ARC 0140B No questions on amendments to chs 17 and 18 concerning sales tax exemptions.
- ARC 0139B No action on proposed 18.61, which provides a sales tax exemption, with a sunset at the end of this year, for information delivered via certain media.
- ARC 0141B No questions on the sales tax holiday.

## Revenue and Finance Department (continued)

ARC 0138B

Amendments to chs 107 and 108 provide for recovery of fees for administering the local option tax. Metcalf asserted that since the 106 school districts that have the local option tax represent 70 percent of the population of the state, the cost of administering the tax should be borne by the general fund rather than those districts. A further concern expressed by Metcalf involves the precedent that the fee, which did not have consideration by the ways and means committee, may establish. Harper maintained that the committee should support the bill as passed by the legislature.

Motion to delay

Metcalf moved a session delay be imposed on 107.16 and the amendment to 108.4.

Motion carried

The motion to delay 107.16 and the amendment to 108.4 until the end of the next legislative session carried. Bradley stated that the delay provides an opportunity for reconsideration of legislative action and is not directed at the department.

In response to Kibbie's request for clarification, Castelda stated that tax revenues are deposited in the general fund of the state, interest is earned while the money is in the general fund, the department does not have access to the interest earned by the general fund, and 60 to 70 percent of moneys in the general fund are returned to local government under various programs. Huser asked that the committee be advised before session of any repercussion from the delay that may affect constituents. Castelda responded that the department would provide the committee a copy of a letter prepared for the legislative fiscal bureau outlining anticipated ramifications.

ARC 0179B

No questions on ch 3 regarding the voluntary disclosure program.

ARC 0180B

No questions on ch 4, multilevel marketer arrangements.

ARC 0181B

No questions on 15.13, transportation charges for electricity and natural gas.

ARC 0178B

No questions on proposed 17.35 concerning sale or rental of information services.

ARC 0183B

No questions on amendments pertaining to taxation of condominiums, barns and one-room schoolhouses.

ARC 0182B

No questions on cigarette and tobacco retail permits.

**PUBLIC SAFETY DEPARTMENT**

Mike Coveyou, Jen Worthington, and George Howe represented the department. Bill Dikis represented Architects of Iowa.

ARC 0148B

Pursuant to proposed 5.620(7)"b," existing group homes will have until November 1, 2001, to comply with the requirement for sprinkler systems in facilities that are locked.

ARC 0164B

Fees for plan reviews by the building code bureau are proposed in 16.131(2)"c" and "d." Kibbie suggested that the fees for plan reviews may be excessive. Howe indicated that the department is open to comments and revisions and wants to ensure that the fees are reasonable in terms of the level of services provided. Bradley was advised by Coveyou that the fee structure is based on the uniform building code; Howe added that the department is willing to consider other options.

Dikis commented that while AIA supported the legislation, the fees are higher than expected as compared with a private sector fee assessed on a per-hour basis.

**PERSONNEL DEPARTMENT**

Gregg Schochenmaier and Greg Cusack represented the department. Carroll Bidler represented the department of public safety.

ARC 0150B

Bidler detailed proposed amendments to ch 24, peace officers' retirement, accident and disability system, which is administered by the department of public safety.

ARC 0170B

In reviewing amendments to ch 21, IPERS, Cusack directed attention to contribution rates for special service members. The statute specified increased benefits for special service members, but did not include a change in contribution rates. Bradley requested a written summary of the department's recommendation regarding floating rates.

**AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT**

Ron Rowland, Donna Gwinn, Jake Wakefield and Dr. John Schiltz represented the department.

ARC 0110B

No action on proposed ch 23, dairy trade practices.

ARC 0111B

No questions on amendments to ch 64 pertaining to chronic wasting disease.

ARC 0109B

No action on amendments to ch 66 concerning livestock movement.

ARC 0135B

Proposed amendments to ch 68 concern dairy farms and plants. In response to the inquiry about Amish dairy farmers, Hedge was informed that compliance with the requirement for an agitator does not require use of electricity.

ARC 0108B

No action on amendments concerning emergency storage space for licensed warehouses.

ARC 0134B

Proposed ch 95 pertains to operation of the peer review committee and civil penalties for violations of grain warehouse rules. Bartz suggested the department contact Senator Miller regarding the rules.

**EDUCATION DEPARTMENT**

Jeanette McCreery and Ann McCarthy represented the department. Linda Goeldner represented the Iowa Nurses Association.

ARC 0185B

Proposed 12.3(11) requires districts to adopt policy regarding school health services, media services and guidance programs. Goeldner stated that school nurses lobbied for the legislation.

ARC 0186B

No questions on ch 80 regarding standards for paraeducator preparation programs.

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PUBLIC HEALTH DEPARTMENT Gary Ireland, Mariette Brodeur and Cathy Callaway represented the department.

ARC 0163B Rescheduled for November review.

ARC 0161B No action on the proposed amendment to 90.1 pertaining to the child death review team.

ARC 0162B No questions on training in the use of AEDs, automated external defibrillators, by nontraditional providers of emergency medical services.

Special review Callaway presented the tobacco use, prevention and control rules which will be filed emergency. Callaway indicated that there has been some confusion about community partnerships.

INSURANCE DIVISION Susan Voss represented the division.

ARC 0133B No action on proposed elimination of \$100,00 lifetime maximum benefit for transplant coverage on guaranteed standard policies for individuals and small group policies.

ARC 0097B No action on amendments to chs 35, 71 and 75 concerning contraceptive coverage.


ARC 0126B Voss indicated that much public comment is expected on proposed ch 77 concerning multiple employer welfare arrangements.

Adjourn The meeting was adjourned at 3:22 p.m.

Respectfully submitted,

  
Kathleen K. Bates

APPROVED:

  
Chair Clyde Bradley

  
Vice Chair H. Kay Hedge