

MINUTES OF THE REGULAR MEETING OF THE

ADMINISTRATIVE RULES REVIEW COMMITTEE

Time of meeting: The regular meeting of the Administrative Rules Review Committee (ARRC) was held Tuesday, December 8, 1998, and Wednesday, December 9, 1998, in Room 118, State Capitol, Des Moines, Iowa.

Members present: Senator H. Kay Hedge, chair, and Representative Christopher Rants, vice chair; Senators Merlin E. Bartz, John P. Kibbie, William Palmer, and Sheldon Rittmer; Representatives Danny Carroll, Minnette Doderer, Janet Metcalf, and Keith Weigel.

Also present: Joseph A. Royce, Legal Counsel; Kathleen K. Bates, Administrative Code Editor and Teresa Vander Linden; Jackie Van Ekeren Romp, Administrative Rules Coordinator; caucus staff and other interested persons.

Convened •Vice chair Rants convened the meeting at 10:05 a.m.

HUMAN SERVICES DEPARTMENT Mary Ann Walker, Shari Seivert, Shellie Goldman, Anita Smith, and James Chesnik represented the department. Other interested parties included Paul Stanfield of Iowa Catholic Conference, Martin Ozga of Legal Services Corporation of Iowa, Leila Carlson of the National Association of Social Workers.

ARC 8451A No questions on 1.10 concerning the HAWK-I board.

ARC 8464A Proposed amendments to chs 7, 40, 41 and 93 pertain to the limited benefit plan.
•Seivert explained to Weigel that the department contracts with workforce development to provide work and training services and review the circumstances of each participant choosing a limited benefit plan. A person in a first limited benefit plan may opt into FIP without a period of ineligibility by expressing a willingness to cooperate and completing significant contact or action with PROMISE JOBS.

ARC 8465A No questions on proposed amendments to FIP, FMAP, and FMAP-related Medicaid program rules.

ARC 8512A No questions on proposed amendments to ch 53, rent subsidy program.

ARC 8426A No questions on 65.47 concerning food stamp eligibility for certain aliens.

ARC 8511A No questions on amendments to ch 75 concerning resources of the community spouse.

ARC 8450A Smith distributed brochures and outlined the proposed HAWK-I program.
Stanfield expressed concern that people would not buy the coverage because the premiums, ranking third in the nation, are too high and suggested instead \$5 per family per month. Stanfield noted that brochures were printed before adoption of the rules. Ozga concurred with Stanfield that costs are too high, especially the \$25 charge for emergency room service not resulting in hospitalization. Other concerns involve the need to exhaust the grievance system of the contractor before appealing to the department and the lack of EPSDT and full mental health coverage.
Carlson stated that denial of enrollment for failure to meet premium payment deadlines is a concern to families whose income may be irregular or dependent upon receipt of child support payments. Carlson regarded the emergency room copayment as excessive, criticized the lack of provision for nonphysician providers, and stressed the need for care coordination.
•Smith advised Kibbie that "prudent layperson" standards may be added to allow the medical provider to waive the \$25 emergency room copayment.
Walker indicated that the board is considering comments from those who attended the public hearings and will proceed with emergency adoption.
Smith stated that providers will be determined by insurance companies since the public prefers that the program appear more like insurance rather than public assistance.
•Smith responded to Kibbie that of the four bids for third party administration, one was from Iowa. ESI of Dallas, Texas, was selected.
•Doderer offered the opinion that this program was intended to enable people to obtain necessary medical care, but the premiums and emergency room charges will discourage participation. Goldman responded to Doderer that the desire of the focus group was to cover as many children as possible, and the program may be modified as more data becomes available. Smith observed that while some parties believe that everyone should pay something for the coverage and others feel that \$10 is too much, there is no cost to families that are below 150 percent of the federal poverty level.
•Rittmer agreed that emergency room visits may be abused, but noted that problems with young children develop quickly and require immediate treatment.
•Metcalf considered \$10 per month reasonable for this broad package of benefits, which would preferably include "prudent layperson" standards.
•Smith told Carroll that time constraints for developing new plans or modifying existing plans, reporting requirements and insufficient premiums probably accounted for the lack of carrier response. Carroll observed that the premiums are reasonable and the program should be implemented as soon as possible.

Human Services Department (cont'd)

•Smith clarified for Bartz that Medicaid was expanded to 133 percent of the federal poverty level; families between 133 and 150 percent will be covered by HAWK-I at no charge; and that the \$10 per child premium will apply to families whose incomes are between 150 and 185 percent of the federal poverty level. Bartz noted that although "gross income" is used on the chart, the term is not defined in the rules. Bartz asked why EPSDT was not included. Smith said that like private health insurance coverage, this plan includes well child, well baby and immunizations, but is less costly than EPSDT. Bartz noted that the definition of "good cause" should not include the words "or other good cause." Bartz further requested that the department provide Royce with the fiscal notes they have prepared.

•Weigel agreed that at the very least "prudent layperson" language should be included for emergency room copayment, but would prefer dropping the \$25 fee and lowering the premium to \$5 per family regardless of the number of children because these charges are impediments to getting people to sign up for the coverage and provide insurance for their children.

•Rittmer pointed out the need for flexibility on premium payment deadlines so people would not lose coverage due to a late payment.

•Metcalf reminded the committee that the department has heard their concerns, but since the rules are not out of compliance with the Code, they should be implemented January 1.

•Kibbie stressed the importance of the preventive side of health care and the need for people whose incomes are irregular to be able to continue coverage even if their income drops.

ARC 8428A	No questions on 77.9 and 78.9 pertaining to surety bonds for home health agencies.
ARC 8427A	No action on proposed HCBS waiver for persons with physical disabilities.
ARC 8466A	No questions on termination of notice for federally funded abortions.
ARC 8510A	No comments on 79.1(8)"a" concerning pharmacy reimbursements.
ARC 8509A	No questions on amendments to ch 81 concerning Medicaid payment to nursing facilities.
ARC 8429A	No questions on nursing facility reimbursement rate.
ARC 8430A	No questions on 153.51 to 153.59 concerning the state payment program.
ARC 8431A	No questions on maintenance payment to a child in independent living, 156.12(1).
ARC 8432A	No questions on ch 163 pertaining to adolescent pregnancy prevention grants.
ARC 8502A	No questions on proposed amendment to the family preservation program.
ARC 8467A	No questions on proposed rehabilitative treatment and services rates in 185.112.
Special Review	No questions on the emergency amendment of chs 51, 75 and 177 pertaining to community spouse resources.

REVENUE AND FINANCE DEPARTMENT deferred until January 1999 meeting.

RACING AND GAMING COMMISSION Karyl Jones represented the commission. Jeff Farrell was present from the attorney general's office.

ARC 8456A	No action on proposed amendment of 25.14(2) pertaining to presence of peace officers on riverboats during gaming hours.
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ARC 8457A	Amendments pertain to satellite terminals, college student aid commission noncompliance, number of gaming machines, safety vests and poker.
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•Kibbie asked how criteria in Items 3 and 6 would be measured; Jones responded that individual commissioners may weight the criteria differently. Farrell added that the rule sets out the criteria that commissioners consider so that applicants can respond. Kibbie indicated an intent to refer these items to the legislature.

•Bartz suggested that the requirement for no "material violation" of statutes, rules or orders in the previous 12 months be limited to industry-related violations.

Motion to delay	Metcalf moved a session delay be imposed on Items 3 and 6.
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Motion carried	The motion to delay Items 3 and 6 of ARC 8457A until the end of the next legislative session passed.
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Committee business

Minutes	Metcalf moved the minutes be approved. The motion carried.
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January meeting	The next meeting was set for January 5.
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Doderer asked that the agenda list the number of the Bulletin in addition to the date.

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF Melanie Johnson and Georgia Soliday represented the department.

ARC 8453A	No questions on proposed amendment to 51.3, self-employment loan program.
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ARC 8454A	No action on proposed increases for the entrepreneurial ventures assistance program, 60.4 and 60.5.
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EDUCATIONAL EXAMINERS BOARD Anne Kruse and Gary Borlaug represented the board.

ARC 8526A No questions on the middle school endorsement.

ARC 8468A No action on amendments to ch 17 allowing four renewal credits for national board certification.

Committee business Royce distributed the committee rules of procedure.

Following discussion of possible changes, Royce agreed to provide a draft for the committee to consider in January.

EDUCATION DEPARTMENT Ann McCarthy, Ann Marie Brick, and Terry Voy represented the department.

ARC 8455A No questions on ch 96, local option sales and services tax for school infrastructure.

Special Review On behalf of a constituent who operates day care centers, Metcalf requested a special review of school bus rules.

Brick stated that the department's position has not changed since 1984 when it was determined that privately owned vans used by day care centers to provide transportation to and from school are not subject to ch 44 rules. Federal rules prohibit dealerships from selling or leasing vehicles for more than ten passengers used to transport students to and from school unless they meet school bus standards.

•Doderer reported a complaint from constituents regarding fumes from buses parked for hours with engines running.

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT Ron Rowland and Mike Mamminga represented the department.

ARC 8445A Amendments to ch 76 propose adoption of federal regulations for meat and poultry inspections.

ENVIRONMENTAL PROTECTION COMMISSION Anne Preziosi, Scott VanderHart, Dave Wornson, Joseph Obr, Mel Pins, John Tack, and Richard Smith represented the commission.

ARC 8458A No action on ch 137, Iowa land recycling program and and response action standards.

ARC 8493A No questions on amendments pertaining to HMIWI and MWC.

ARC 8494A •Pins responded to Hedge's inquiry that many waste tires from Iowa go to a large plant in South Dakota that provides electricity for parts of Canada. Tires have a higher heat value per pound than coal and emissions are less.

•Pins explained to Rittmer that tires burned at low temperatures (600°) produce many noxious fumes, but at 2700° or more there are very few emissions.

•Bartz was informed that whole tire burning is allowed.

NATURAL RESOURCE COMMISSION Rich Smith, John Phoenix, Janet Ott, John Pearson, Daryl Howell, Arnie Sohn, Steve Dermand and Richard Bishop represented the commission. Other interested parties included Diana Horton, a botanist on the University of Iowa faculty, and Pat McAdams, an assistant professor of geology at William Penn College.

ARC 8531A No action on amendments to ch 15 pertaining to licenses.

ARC 8528A Free lifetime fishing licenses are proposed for persons with severe mental or physical disabilities.

•Dermand told Doderer that the department used the human services definition of severe and does not anticipate a large number of such licenses.

ARC 8532A No questions on proposed 39.1 and 39.2 concerning boating passenger capacity ratings.

ARC 8533A In 40.34 the no-wake zone on the Mississippi at Sabula was expanded.

ARC 8527A No questions on proposed amendment to 49.5 adding a portion of the Des Moines River to the meandered streams list.

ARC 8442A •Ott indicated to Bartz that it would be difficult to estimate the amount of income to the general fund that will result from the increased fees because many of the facilities had little use prior to renovation.

ARC 8444A Proposed ch 77 pertains to endangered and threatened plant and animal species. Listings of "endangered" indicate rarity in the region; "threatened" indicates rarity within the state only. Howell reported that the total number of threatened and endangered species changed very little, and many responses have been received from the public.

•Metcalf was informed that all federally listed species are included in the Iowa listing.

•Doderer challenged the different treatment of border and interior areas of the state.

•Bartz was advised that the previous chapter listed only vascular plants, whereas the proposed chapter also includes bryophytes, fungi and lichens. The proposed list includes 143 plants, 108 of which are vascular plants.

•Weigel observed that while threatened and endangered species receive equal protection under the law, public perception might be better served by eliminating the distinction.

Horton stated that the selection criteria for the proposed list are unacceptable in that peripheral portions of the state and species found in disturbed habitats are not included. The proposed list includes nearly 50 percent fewer vascular plants than last year's list. Pearson countered that the outer two tiers of counties were not excluded.

Natural Resource Commission (cont'd)

McAdams voiced concerns and will submit written comments.

•Bartz was assured that the 5 plants on the federal endangered species list are included in the 143 threatened and endangered plants on the Iowa list.

ARC 8443A No questions on 91.3(2) concerning possession limits for geese.

ARC 8530A No action on proposed amendments pertaining to nonresident deer hunting.

ARC 8538A No questions on wild turkey spring hunting.

CORRECTIONS DEPARTMENT Fred Scaletta and John Baldwin represented the department.

ARC 8537A A proposed amendment to 20.10 would change the method of collecting the \$5 incarceration fee by imposing a 6 percent surcharge on canteen purchases.

•Baldwin indicated to Rants that the Code allows institutions to operate a canteen and collect fees to pay the staff that run the canteen. Because of accounting difficulties involved with the collection of the \$5 fee, the department proposes collection of the fee under its canteen authority. Inmates have the option of not using the canteen. No sales tax is collected at the institutions where, because of bulk purchasing, prices are lower. All purchases, whether by inmates or their families, will be subject to the surcharge.

ARC 8447A No questions on 20.14 pertaining to offender transportation.

ARC 8448A Ch 38, sex offender management and treatment, includes provisions for hormonal treatment which have not yet been implemented because those provisions apply to offenses committed on or after July 1, 1998, and no orders have been received.

Special Review Representative Garmand's requested review of telephone commissions, 20.20, was postponed due to Garmand's absence.

COMMUNITY ACTION AGENCIES DIVISION James Newton and John Burnquist represented the division.

ARC 8539A No action on proposed 5.6 dealing with recoupment of payments under the weatherization program.

ARC 8540A No question on proposed 10.8 pertaining to recoupment of payments under the low-income energy assistance program.

HISTORICAL DIVISION Patricia Ohlerking represented the division.

ARC 8519A No questions on amendments to the historical resource development program, ch 49.

MEDICAL EXAMINERS BOARD Ann Martino represented the board.

ARC8515A No questions on proposed amendments to 12.16 concerning evaluation of facilities and treatment providers for the IPRC.

EMERGENCY MANAGEMENT DIVISION David Miller and John Benson represented the division.

Other interested parties included Sandi Hutchcroft of the Iowa E911 Communications Council, Ned Chiodo of Airtouch Communications, Brian Johnson of United States Cellular, and Jarrid Lee of Palo Alto County emergency management.

ARC 8517A Miller summarized ch 10, which implements the E911 telephone system, and the comments received during the comment period.

•Metcalf asked if the role of the administrator was limited to the wireless portion of the system. Miller responded that the division is responsible for administration of the entire 911 program; previous authority was for 911 planning and implementation and execution of surcharge orders after surcharge referenda were passed by local governments. Surcharge orders and how they are implemented and methods of remission are different for wire and wireless. The division does not intend to direct local dispatch centers and is committed to work with the E911 council.

Hutchcroft identified three areas of concern: the need to clarify the definition of program manager and the roles of local service boards; the need for stronger language, or reference to the Iowa Code, relating to automatic dialers, alarm systems, and announcing devices; and clarification of the definition of PSAP.

Miller indicated that the division is also concerned about automatic dialers, alarm systems and announcing devices; however, the state attorney general has concluded that authority in that area rests with the utilities division of the department of commerce. There would be no problem with including in the rules a reference to the Iowa Code. Miller further responded that he believes that the reference to "state or local jurisdictions" in the definition of PSAP would exclude the entities that concern the council.

•Kibbie voiced concern about people not being apprised of changes from the notice and asked about the amount anticipated from the surcharge. Miller said that the division is always present at the E911 council meetings and other parties involved in 911 were also notified of the changes which resulted from public input. Surcharge revenues are difficult to estimate because of proprietary information in the wireless industry; but based on other states, the \$.50 surcharge may yield \$3 to 5 million.

Royce suggested the committee consider whether the benefits of the changes made following the notice outweigh the benefits of delaying implementation.

Emergency Management Division (cont'd)

•Rittmer pointed out that since the rules won't go into effect until January 6, the committee can further consider these rules at the meeting January 5. Responding to Rittmer's inquiry, Miller estimated that 9 to 11 counties have no 911 service, but some are in the implementation phase. By the end of next year only 3 or 4 won't have enhanced 911, although a couple of them may have countywide basic service. As far as the use of the surcharge moneys, Miller responded that local 911 surcharges have not changed. The statewide wireless surcharge is prioritized in FCC rules and in state law. Benson added that local PSAPs will receive funds first in order to become able to accept wireless calls; but once wireless service begins, the wireless industry will have first priority. The rule incorporates the same language as the statute for the communication fund.

•Weigel was informed that except for buildings and personnel, local agencies can use the funds for any eligible purpose. Hutchcroft told Weigel that the council wants the surcharge to start in January. Weigel wondered if the amount of the surcharge needs to be increased. Miller responded that the industry indicated costs for the first phase of implementation, allowing the answering point to receive wireless calls with number identification, would run \$.15 to .25. Costs will go up in the second phase, location identification and sending the calls to the appropriate PSAP, and the charge may need to be increased.

Chiodo urged the committee not impose a delay as parties can continue to work out remaining concerns after the rules are in effect.

Johnson agreed that the rules need to go into effect even though issues remain.

•Kibbie expressed an inclination to impose an objection or delay.

•Bartz requested that the E911 council and the emergency management division work together to resolve the three issues and bring written material to the committee on January 5. Benson expressed confidence that the issues can be resolved.

•Weigel asked that the rules be on the agenda for January 5 and that no action be taken until that time.

PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD, IOWA COMPREHENSIVE Pat

Rounds represented the board.

ARC 8469A No questions on an amendment to provide for reinstatement after a lapse in coverage.

ARC 8470A No questions on the proposed amendment concerning UST system upgrade deadlines.

ARC 8471A No questions on the proposed report deadline.

TRANSPORTATION DEPARTMENT Dennis Ehler, Erik Eriksen, Dick Hendrickson, Dave Titcomb, Elizabeth Baird, Gary Harris, Jon Ranney, Tom Cackler, Will Zitterich and Norm McDonald represented the department. Interested parties included Gary Miller of the Des Moines Public Schools and the Iowa Association for Safety Education, Anne Kruse of the Board of Educational Examiners, Daron Van Helden of AAA and Fred Wagner, a driver education teacher.

ARC 8460A No questions on 121.2 and 121.3 amending the adopt-a-highway program.

ARC 8420A No questions on proposed amendments to chs 400 and 401.

ARC 8463A No questions on amendments to ch 400, 411.6 and 450.2(2).

ARC 8461A Titcomb summarized amendments concerning driver's licenses.

•Rants was advised that a change from the notice includes provisions for a criminal background check for certification of behind-the-wheel instructors in response to concerns from driver education instructors.

•Weigel was informed that for a person with an intermediate license, the 12-month period begins on the date of the incident, until the person reaches the age of 18. Kruse referenced written concerns of the board of educational examiners in the areas of authority, definition of instruction and instructional staff, lack of provisions for ethical standards, and evaluation. The board is concerned that these rules might result in a further shortage of driver education instructors. The rules are being implemented during the course of a school year and teachers are already under contract. There are questions pertaining to how persons are trained, certified and hired as part of a school's instructional staff, whether schools have been notified of these changes, and whether driver education teachers currently under contract will be reassigned to additional classroom instruction instead of behind-the-wheel instruction. Kruse suggested that the teachers' union needs to be notified if contracts will be affected. The behind-the-wheel certification requires only 24 contact hours as opposed to the coaching authorization which sets a minimum of 50 contact hours.

VanHelden pointed out that there is a shortage of instructors and the DOT was instructed by the legislature to certify these needed behind-the-wheel instructors.

Transportation Department (cont'd)

- Kibbie asked why these issues weren't raised when the rules were under notice. Eriksen summarized the history of the legislation and the involvement of the Iowa Association for Safety Education from the inception. The department involved representatives from the departments of education and public safety in developing the certification process. Eriksen stated that 17 seminars were held statewide to inform local driver education personnel and school administrative personnel of the implications of the legislation. No concerns were raised until after the rules were adopted. The behind-the-wheel instructors certified by the DOT are intended to function in addition to the existing instructional staff, and the department is confident that concerns can be worked out.
- Wagner pointed out that the term "laboratory" includes both behind-the-wheel and simulator instruction and recommended a delay.
- Motion to delay Rants moved a 70-day delay on Item 6 of ARC 8461A.
- Hedge questioned whether the words "within the district" would prohibit open-enrolled students from driving to school. Eriksen stated that they can also drive in a contiguous district.
- Bartz wondered if all open-enrolled students live in a contiguous district.
- Weigel asked that the department be placed on the January agenda so that if issues are resolved, the delay can be lifted.
- Motion carried The motion to delay Item 6 for 70 days carried.
- ARC 8462A No action on ch 716, commercial air service airport infrastructure program, which is intended to provide money for improving vertical infrastructure at Iowa's ten commercial service airports.
- Special Review Bartz requested a review of Iowa Code section 321.463, weight limits on straight grain trucks. Bartz acknowledged that the DOT rules are in compliance with the Code; however, they result in fining of trucks hauling certain commodities and not others. For example, a constituent fined while hauling grain in a six-axle straight truck would not be fined if hauling cattle or construction equipment. Cackler said that the bridge exemption applies to construction equipment and livestock; provisions for larger trucks apply equally to all commodities. Cackler distributed information and pointed out discrepancies between interstate and intrastate highway legislation. In 1980 the legislature passed requirements which modify the federal formula for shorter vehicles. Following discussion of Bartz's request regarding enforcement, there was agreement that until the statute changes, the committee will not recommend an action that is contrary to statute.

PUBLIC HEALTH DEPARTMENT Mike Marshall represented the department.

- ARC 8504A No questions on 1.2(1)"a," reportable disease list.
- ARC 8505A No questions on 7.4(6), immunization schedule.
- ARC 8446A No questions on proposed amendments to ch 41 pertaining to mammography.
- ARC 8507A No questions on lead hazard notification process, 69.2 to 69.9.
- ARC 8508A No questions on lead professional certification, amendments to ch 70.
- ARC 8503A No questions on ch 91, which provides for the Iowa domestic abuse death review team.
- ARC 8496A Proposed amendments to ch 101 pertain to burial-transit permits and removal, transportation and disposition of a dead body or fetus.
- Carroll asked if the rules apply to fetal deaths that are the result of an abortion; Marshall responded that the rules do not apply to fetal deaths under 20 weeks' gestation. In instances in which the law requires a fetal death certificate, the burial-transit certificate is also required.
- ARC 8506A No questions on amendments to chs 132 and 139 pertaining to EMS.
- ARC 8497A No questions on proposed ch 150, Iowa regionalized system of perinatal health care.

DENTAL EXAMINERS BOARD Constance Price represented the board. Oakley appeared on behalf of the Iowa Dental Hygiene Association.

- All ARCs listed in the agenda were considered as a group.
- In response to Metcalf's inquiry about the resolution of concerns relating to the dental hygiene committee and educational requirements for dental assistants, Price indicated that the scope of practice review committee review is underway and the dental examiners board is not proceeding with those issues at this time.
- Oakley commended the board and the committee for the dialog that was established and the resolution of the issues.
- Weigel questioned the appropriateness of using "notwithstanding" language in rules. Royce indicated that the language may be the result of the sweeping legislation on college student aid noncompliance.

INSPECTIONS AND APPEALS DEPARTMENT

Nancy Ruzicka represented the department. Lorelei

ARC 8516A

Brewick appeared on behalf of the Iowa Association of Nurse Anesthetists.

Amendments to ch 51 provide for critical access hospitals.

•Metcalf called attention to a letter from the Iowa Association of Nurse Anesthetists which states that Iowa law does not require them to be supervised. Ruzicka responded that the federal rule for critical access hospitals, which requires supervision of nurse anesthetists, supersedes the Iowa rule.

•Rants clarified that the supervision requirement applies only to critical access hospitals and not general hospitals. Ruzicka concurred and stated that while the question has been raised as to whether critical access standards would be imposed on general hospitals, the department will impose the standards under which the hospital is licensed and certified.

Brewick voiced the association's concern that the department may apply the critical access hospital requirement for supervision of nurse anesthetists to general hospitals. Assurance was given by the department that such would not be the case unless the general hospital was seeking to become a critical access hospital. Ruzicka stated that a hospital cannot be licensed as both, but is either licensed and certified as a critical access hospital or licensed and certified as a general hospital. The department will not require any hospital to become a critical access hospital; it a financial option that hospitals will have to allow them more Medicare benefits than they have under their current payment system.

PERSONNEL DEPARTMENT Gregg Schochenmaier represented the department.

ARC 8438A

Royce indicated that Davis had inadvertently been given the incorrect time could not appear for the proposed amendments to chs 1, 3, 4 and 8. There were no questions.

ARC 8472A

Schochenmaier stated that proposed 15.6 and 15.13, pertaining to deferred compensation, represent agreement among interested parties. The plan creates competition among vendors, resulting in reduced fees and the best plans being offered to state employees. Written materials, including the fees disclosure, were distributed.

•Metcalf asked about the bidding process. Of the ten bidders, three Iowa companies are included. The department does not promote any company; employees may choose based on summaries provided by the companies.

GENERAL SERVICES DEPARTMENT Bill Bruce represented the department.

Economic Impact

Bruce summarized the economic impact statement on 5.21, stressing that it is not complete and is based in part on estimates.

•Rittmer emphasized the importance of notifying entities in advance so changes can be taken into consideration when budgets are prepared and recommended that the annual review be for a year in advance.

INSURANCE DIVISION Roseann Mead and Craig Goettsch represented the division.

ARC 8440A

No questions on proposed amendments concerning electronic filing, insurance producers, forms and examinations.

ARC 8439A

Proposed chs 10 and 11 pertain to insurance producers.

•Weigel inquired about self-study, which currently can account for 100 percent. Mead reported that the proposal to limit self-study to the national designation program probably will not be adopted, but safeguards may be added to the existing practice to protect the integrity of the course process. Possible safeguards might include monitored examinations or the addition of a statement to certify under penalty of perjury that the person completed the examination independently.

ARC 8518A

Mead stated that the proposed amendment of 35.20(1) pertains to the state exemption from requirements for life and accident self-funded plans, but that any questions will need to be addressed by Susan Voss.

•Bartz sought the reason for the change and the effect on state employees.

•Carroll requested that the amendment be placed on the January 5 agenda.

ARC 8449A

No questions on termination of the notice regarding pharmaceutical disclosures due to the expiration of the 180-day period.

ARC 8441A

No questions on emergency adopted disclosure requirements in 35.31, 36.7(1)"m," 40.23, 71.19, and 75.12.

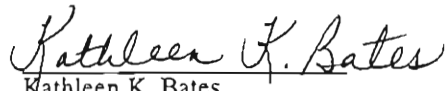
ARC 8473A

No questions on 50.94 to 50.97 pertaining to investment advisers, investment adviser representatives, and federal covered advisers.

DECEMBER 8 and 9, 1998
Adjourn

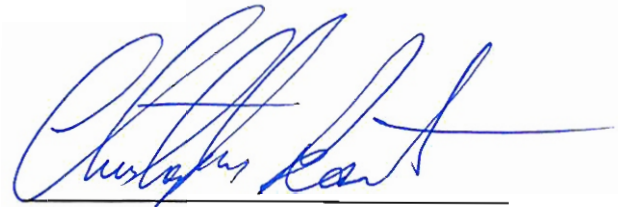
The meeting was adjourned at 12:20 p.m.

Respectfully submitted,


Kathleen K. Bates

APPROVED:


Chair H. Kay Hedge


Vice chair Christopher Rants