



# MINUTES

## MAY 2020 MEETING ADMINISTRATIVE RULES REVIEW COMMITTEE

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### MEMBERS PRESENT

Senator Waylon Brown, Chair  
Senator Mark Costello  
Senator Robert Hogg  
Senator Pam Jochum  
Senator Zach Whiting

Representative Megan Jones, Vice Chair  
Representative Steven Holt  
Representative Joe Mitchell  
Representative Amy Nielsen  
Representative Rick L. Olson

EX OFFICIO, NONVOTING MEMBER: Michael Boal, Deputy Legal Counsel, Office of the Governor

LSA CONTACTS: Organizational staffing provided and minutes prepared by Jack Ewing, Administrative Code Editor, 515.281.6048, and Kate O'Connor, Legal Counsel, 515.281.6329

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### BULLETINS NEEDED FOR THIS MEETING: 4/8/20

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#### Procedural Business

Senator Brown convened the regular, statutory meeting of the Administrative Rules Review Committee (ARRC) at 9:05 a. m. on Friday, May 8, 2020. All members present were in attendance via a telecommunications connection. Mr. Ewing discussed procedures for conducting the meeting via videoconference. The minutes of the April 3, 2020, meeting were approved. The next meeting was scheduled for Tuesday, June 9, at 9:00 a. m. Committee members noted that it was likely the next meeting would be held by videoconference as well. The meeting was adjourned at 9:35 a.m.

#### Fiscal Overview

Ms. Christin Mechler, Fiscal Legislative Analyst, presented the LSA fiscal report. Committee members asked if there is a fee associated with the Department of Transportation's driver improvement program and, if so, how much the department would gain as a result of first-time offenders convicted of unlawfully passing a school bus entering the program as provided in ARC 5017C. Ms. Mechler was unsure and stated that a fiscal staffer would follow up by email. Committee members asked what the funding level of the Juvenile Detention Home Fund is currently. Ms. Mechler indicated a fiscal staffer would follow up on this question as well.

#### HUMAN SERVICES DEPARTMENT

Representing the agency: Nancy Freudenberg

ARC 5024C (NOIA), Licensing and Regulation of Foster Family Homes, Rules 113.3(4), 113.5-113.7, 113.11, 113.12(5), 113.14(1)  
No discussion on ARC 5024C.

Rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (NOIA), Amended Notice of Intended Action (ANOIA), Notice of Termination (NOT), Adopted and Filed Emergency (AFE), Filed Emergency After Notice (FEAN), and Adopted and Filed (AF).

## **RACING AND GAMING COMMISSION**

Representing the agency: Brian Ohorilko

ARC 5016C (AF), Sports Wagering; Fantasy Sports Contests, Chs. 1, 3-6, 8, 13, 14

A motion was made by a committee member for a session delay on the portion of the rulemaking related to debt setoff of sports wagering winnings.

Committee members inquired why the same language that had been the subject of a prior session suspension was included in the rule, thus requiring further committee action. Mr. Ohorilko assured the committee that the commission does not make a habit of bringing back rules that the committee has suspended.

Mr. Ohorilko explained that it is a unique situation as the rule references a statute and therefore a problem exists regardless of whether or not the same language that was the subject of the prior session suspension is included in the rule. Mr. Ohorilko further explained that this is an efficient way to work with the General Assembly to have the debt setoff apply to federal tax reporting requirements if that is the legislative intent. Mr. Ohorilko further explained that the commission did not want to interfere with the two bills introduced at the beginning of the 2020 Session that address the debt setoff issue.

Committee members expressed support for the motion for a session delay if after the current session resumes the two bills are on track to address the debt setoff issue.

Committee members noted that the issue created by the debt setoff language has not been resolved legislatively due to the suspension of the current session of the General Assembly. Committee members asked Mr. Ewing to clarify whether it is necessary procedurally to delay debt setoff language in the rulemaking to effectuate the committee's August 2019 session suspension. Mr. Ewing explained that the session suspension was imposed on the commission's emergency rulemaking and noted that the committee may suspend, but not delay, emergency rulemaking. Mr. Ewing explained that in order for the committee's session suspension to function as intended, it would be necessary for the committee to impose a session delay on the regular adopted rule currently under review by the committee. Mr. Ewing further explained that the current situation was a result of double-barreled rulemaking in which emergency rules and regular rules are published at the same time. Committee members indicated support for a session delay to allow the committee's session suspension to be effective.

Mr. Wes Ehrecke made a public comment on behalf of the Iowa Gaming Association (IGA). Mr. Ehrecke indicated that the IGA supports the motion. He further explained that companion bills House File 2623 and Senate File 2240 are moving through the legislative process with bipartisan support and will resolve the debt setoff issue.

### **Session Delay**

A motion for a session delay of the portion of ARC 5016C adopting 491-13.2(7)(i) carried on a 10-0 roll call vote.