IOWA ADMINISTRATIVE BULLETIN

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PREFACE

The Iowa Administrative Bulletin is published biweekly pursuant to Iowa Code chapters 2B and 17A and contains Notices of Intended Action and rules adopted by state agencies.

It also contains Proclamations and Executive Orders of the Governor which are general and permanent in nature; Regulatory Analyses; effective date delays and objections filed by the Administrative Rules Review Committee; Agenda for monthly Administrative Rules Review Committee meetings; and other materials deemed fitting and proper by the Administrative Rules Review Committee.

The Bulletin may also contain public funds interest rates [12C.6]; usury rates [535.2(3)"a"]; agricultural credit corporation maximum loan rates [535.12]; and other items required by statute to be published in the Bulletin.

PLEASE NOTE: Underscore indicates new material added to existing rules; ~~strike through~~ indicates deleted material.

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Publications Editing Office (Administrative Code) Telephone: 515.281.3355 Email: AdminCode@legis.iowa.gov

CITATION of Administrative Rules

The Iowa Administrative Code shall be cited as (agency identification number) IAC (chapter, rule, subrule, paragraph, subparagraph, or numbered paragraph).

This citation format applies only to external citations to the Iowa Administrative Code or Iowa Administrative Bulletin and does not apply to citations within the Iowa Administrative Code or Iowa Administrative Bulletin.

441 IAC 79	(Chapter)
441 IAC 79.1	(Rule)
441 IAC 79.1(1)	(Subrule)
441 IAC 79.1(1)"a"	(Paragraph)
441 IAC 79.1(1)"a"(1)	(Subparagraph)
441 IAC 79.1(1)"a"(1)"1"	(Numbered paragraph)

The Iowa Administrative Bulletin shall be cited as IAB (volume), (number), (publication date), (page number), (ARC number).

IAB Vol. XII, No. 23 (5/16/90) p. 2050, ARC 872A

Note: In accordance with Iowa Code section 2B.5A, a rule number within the Iowa Administrative Code includes a reference to the statute which the rule is intended to implement: 441—79.1(249A).

Schedule for Rulemaking—2026

REGULATORY ANALYSIS SUBMISSION DEADLINE	REGULATORY ANALYSIS PUB. DATE	HEARING AND COMMENTS 20 DAYS	FIRST † POSSIBLE NOTICE SUBMISSION DEADLINE	NOTICE PUB. DATE	HEARING AND COMMENTS 20 DAYS	FIRST POSSIBLE ADOPTION DATE 35 DAYS	FIRST POSSIBLE ADOPTED FILING SUBMISSION DEADLINE	ADOPTED PUB. DATE	FIRST POSSIBLE EFFECTIVE DATE 35 DAYS	FIRST POSSIBLE EXPIRATION OF NOTICE 180 DAYS
Dec. 17 '25	Jan. 7	Jan. 27	Jan. 29	Feb. 18	Mar. 10	Mar. 25	Mar. 26	Apr. 15	May 20	Aug. 17
Dec. 31 '25	Jan. 21	Feb. 10	Feb. 12	Mar. 4	Mar. 24	Apr. 8	Apr. 9	Apr. 29	June 3	Aug. 31
Jan. 15	Feb. 4	Feb. 24	Feb. 26	Mar. 18	Apr. 7	Apr. 22	Apr. 23	May 13	June 17	Sep. 14
Jan. 29	Feb. 18	Mar. 10	Mar. 12	Apr. 1	Apr. 21	May 6	**May 6**	May 27	July 1	Sep. 28
Feb. 12	Mar. 4	Mar. 24	Mar. 26	Apr. 15	May 5	May 20	May 21	June 10	July 15	Oct. 12
Feb. 26	Mar. 18	Apr. 7	Apr. 9	Apr. 29	May 19	June 3	June 4	June 24	July 29	Oct. 26
Mar. 12	Apr. 1	Apr. 21	Apr. 23	May 13	June 2	June 17	**June 17**	July 8	Aug. 12	Nov. 9
Mar. 26	Apr. 15	May 5	**May 6**	May 27	June 16	July 1	July 2	July 22	Aug. 26	Nov. 23
Apr. 9	Apr. 29	May 19	May 21	June 10	June 30	July 15	July 16	Aug. 5	Sep. 9	Dec. 7
Apr. 23	May 13	June 2	June 4	June 24	July 14	July 29	July 30	Aug. 19	Sep. 23	Dec. 21
May 6	May 27	June 16	**June 17**	July 8	July 28	Aug. 12	Aug. 13	Sep. 2	Oct. 7	Jan. 4 '27
May 21	June 10	June 30	July 2	July 22	Aug. 11	Aug. 26	**Aug. 26**	Sep. 16	Oct. 21	Jan. 18 '27
June 4	June 24	July 14	July 16	Aug. 5	Aug. 25	Sep. 9	Sep. 10	Sep. 30	Nov. 4	Feb. 1 '27
June 17	July 8	July 28	July 30	Aug. 19	Sep. 8	Sep. 23	Sep. 24	Oct. 14	Nov. 18	Feb. 15 '27
July 2	July 22	Aug. 11	Aug. 13	Sep. 2	Sep. 22	Oct. 7	Oct. 8	Oct. 28	Dec. 2	Mar. 1 '27
July 16	Aug. 5	Aug. 25	**Aug. 26**	Sep. 16	Oct. 6	Oct. 21	**Oct. 21**	Nov. 11	Dec. 16	Mar. 15 '27
July 30	Aug. 19	Sep. 8	Sep. 10	Sep. 30	Oct. 20	Nov. 4	**Nov. 4**	Nov. 25	Dec. 30	Mar. 29 '27
Aug. 13	Sep. 2	Sep. 22	Sep. 24	Oct. 14	Nov. 3	Nov. 18	**Nov. 18**	Dec. 9	Jan. 13 '27	Apr. 12 '27
Aug. 26	Sep. 16	Oct. 6	Oct. 8	Oct. 28	Nov. 17	Dec. 2	**Dec. 2**	Dec. 23	Jan. 27 '27	Apr. 26 '27
Sep. 10	Sep. 30	Oct. 20	**Oct. 21**	Nov. 11	Dec. 1	Dec. 16	**Dec. 16**	Jan. 6 '27	Feb. 10 '27	May 10 '27
Sep. 24	Oct. 14	Nov. 3	**Nov. 4**	Nov. 25	Dec. 15	Dec. 30	**Dec. 30**	Jan. 20 '27	Feb. 24 '27	May 24 '27
Oct. 8	Oct. 28	Nov. 17	**Nov. 18**	Dec. 9	Dec. 29	Jan. 13 '27	Jan. 14 '27	Feb. 3 '27	Mar. 10 '27	June 7 '27
Oct. 21	Nov. 11	Dec. 1	**Dec. 2**	Dec. 23	Jan. 12 '27	Jan. 27 '27	Jan. 28 '27	Feb. 17 '27	Mar. 24 '27	June 21 '27
Nov. 4	Nov. 25	Dec. 15	**Dec. 16**	Jan. 6 '27	Jan. 26 '27	Feb. 10 '27	Feb. 11 '27	Mar. 3 '27	Apr. 7 '27	July 5 '27
Nov. 18	Dec. 9	Dec. 29	**Dec. 30**	Jan. 20 '27	Feb. 9 '27	Feb. 24 '27	Feb. 25 '27	Mar. 17 '27	Apr. 21 '27	July 19 '27
Dec. 2	Dec. 23	Jan. 12 '27	Jan. 14 '27	Feb. 3 '27	Feb. 23 '27	Mar. 10 '27	Mar. 11 '27	Mar. 31 '27	May 5 '27	Aug. 2 '27
Dec. 16	Jan. 6 '27	Jan. 26 '27	Jan. 28 '27	Feb. 17 '27	Mar. 9 '27	Mar. 24 '27	Mar. 25 '27	Apr. 14 '27	May 19 '27	Aug. 16 '27
Dec. 30	Jan. 20 '27	Feb. 9 '27	Feb. 11 '27	Mar. 3 '27	Mar. 23 '27	Apr. 7 '27	Apr. 8 '27	Apr. 28 '27	June 2 '27	Aug. 30 '27

PLEASE NOTE:

Rules will not be accepted by the Publications Editing Office after **12:00 p.m. noon** on a submission deadline unless prior approval has been received from the Administrative Rules Coordinator and the Administrative Code Editor. If the submission deadline falls on a legal holiday, submissions made on the following business day will be accepted.

†To allow time for review by the Administrative Rules Coordinator prior to the Notice submission deadline, Notices should generally be submitted in RMS four or more business days in advance of the deadline. The first possible Notice submission deadline noted above may not allow sufficient time for this. **Agencies should plan accordingly.**

****Bold and asterisks indicate change of regular submission deadline****

The Administrative Rules Review Committee will hold its regular, statutory meeting on Monday, February 9, 2026, at 10 a.m. in Room 116, State Capitol, Des Moines, Iowa. For more information, contact Jack Ewing at jack.ewing@legis.iowa.gov. The following rules will be reviewed:

ADMINISTRATIVE SERVICES DEPARTMENT[11]

Employee paid leave, 63.3(4), 63.21 Notice **ARC 9972C** 1/21/26

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Office organization, rescind ch 1 Filed **ARC 9989C** 1/21/26
Public records and fair information practices, rescind ch 2 Filed **ARC 9990C** 1/21/26
Petitions for rule making, rescind ch 3 Filed **ARC 9991C** 1/21/26
Declaratory orders, rescind ch 4 Filed **ARC 9992C** 1/21/26
Office procedure for rule making, rescind ch 5 Filed **ARC 9993C** 1/21/26
Waivers, rescind ch 7 Filed **ARC 9994C** 1/21/26

COUNTY FINANCE COMMITTEE[547]

MANAGEMENT DEPARTMENT[541]"umbrella"

Definitions; general provisions, ch 1 Filed **ARC 0006D** 1/21/26
Studies and reports, rescind ch 3 Filed **ARC 0007D** 1/21/26
County budgets, rescind ch 4 Filed **ARC 0008D** 1/21/26
Annual financial reports, rescind ch 5 Filed **ARC 0009D** 1/21/26

ECONOMIC DEVELOPMENT AUTHORITY[261]

Organization, ch 1 Filed **ARC 9995C** 1/21/26
Iowa community development block grant program, ch 23 Filed **ARC 9996C** 1/21/26
Broadband forward and telecommuter forward certifications, ch 24 Filed **ARC 9997C** 1/21/26
Red tape review, rescind chs 31, 43, 44, 75, 117, 165, 171, 212 to 214, 400, 401 Filed **ARC 9998C** 1/21/26
Downtown loan guarantee program, ch 36 Notice **ARC 9976C** 1/21/26
Main street Iowa program, ch 39 Notice **ARC 9975C** 1/21/26
Community catalyst building remediation program, ch 45 Notice **ARC 9974C** 1/21/26
Endow Iowa tax credits, ch 47 Notice **ARC 9973C** 1/21/26
Employee stock ownership plan (ESOP) formation assistance, ch 56 Filed **ARC 9999C** 1/21/26
Targeted jobs withholding tax credit program, ch 71 Filed **ARC 0001D** 1/21/26
Site development program, ch 77 Filed **ARC 0002D** 1/21/26
Seed investor tax credit program, ch 114 Filed **ARC 0003D** 1/21/26
Tax credits for investments in qualifying businesses, rescind ch 115 Filed **ARC 0004D** 1/21/26
Tax credits for investments in certified innovation funds, ch 116 Filed **ARC 0005D** 1/21/26
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Declaratory orders, ch 6 Notice **ARC 9982C** 1/21/26
Rules of practice in contested cases; contracts for services and public improvements; waivers from administrative rules, chs 7, 8, 13 Filed Emergency After Notice **ARC 9932C** 1/7/26
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Medicaid fraud control unit, rescind ch 73; adopt ch 83 Filed **ARC 0012D** 1/21/26
Public assistance debt recovery unit (PADRU), ch 90 Filed **ARC 0013D** 1/21/26
General provisions for social and charitable gambling, ch 100 Filed **ARC 0014D** 1/21/26
Amusement concessions, ch 101 Filed **ARC 0015D** 1/21/26
General provisions for all amusement devices, ch 104 Filed **ARC 0016D** 1/21/26
Registered amusement devices, ch 105 Filed **ARC 0017D** 1/21/26
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Notification of law enforcement agency by hospital prior to discharge of a person with serious mental impairment, rescind ch 88 Filed **ARC 0024D** 1/21/26
Division of criminal investigation criminalistics laboratory, ch 150 Filed **ARC 0025D** 1/21/26
Firefighter training and certification, ch 251 Filed **ARC 9964C** 1/7/26
Public safety survivor benefits fund, rescind ch 292 Filed **ARC 0026D** 1/21/26

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Professional Licensing and Regulation Bureau[193]
Seller property condition disclosure, 14.1(7) Filed **ARC 0027D** 1/21/26

RECORDS COMMISSION[671]

Organization and state records manual, ch 1 Notice **ARC 0029D** 1/21/26
Records series retention and disposition schedules process, ch 2 Notice **ARC 9971C** 1/21/26
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Development process for government information policies, standards, and guidelines, adopt ch 4; rescind ch 14 Notice **ARC 9969C** 1/21/26
Temporary records—access process, destruction process; e-mail retention, rescind chs 5, 6, 15 Notice **ARC 9968C** . . 1/21/26

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Traffic signals and beacons on primary roads, rescind ch 140 Notice **ARC 9878C** 1/7/26
Speed zoning on primary highways, rescind ch 142 Notice **ARC 9877C** 1/7/26
Traffic signal coordination, ch 143 Notice **ARC 9875C** 1/7/26
Improvements and maintenance on primary road extensions, ch 150 Notice **ARC 9880C** 1/7/26
Traffic safety improvement program, ch 164 Notice **ARC 9876C** 1/7/26
Statewide standard for permitting certain implements of husbandry, rescind ch 181 Filed **ARC 9965C** 1/7/26
License suspension—use of electronic communication device while driving, 615.5, 615.6 Notice **ARC 9883C** 1/7/26
Items of general application for railroads, ch 800 Notice **ARC 9874C** 1/7/26
Railroad safety standards, ch 810 Notice **ARC 9873C** 1/7/26
Close-clearance warning signs along railroad tracks, ch 813 Notice **ARC 9884C** 1/7/26
Coordination of public transit services, ch 910 Notice **ARC 9872C** 1/7/26
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State transit assistance, ch 920 Notice **ARC 9871C** 1/7/26

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Workforce development board, ch 1 Filed **ARC 9966C** 1/7/26

WORKFORCE DEVELOPMENT DEPARTMENT[871]
Employer liability appeal submission, 23.52(3) Notice **ARC 9940C** 1/7/26
Contested case proceedings, ch 26 Notice **ARC 9939C** 1/7/26

ADMINISTRATIVE RULES REVIEW COMMITTEE MEMBERS

Regular, statutory meetings are held each month at the seat of government as provided in Iowa Code section 17A.8. A special meeting may be called by the Chair at any place in the state and at any time.

Senator Dave Rowley
Vice Chair
Senate District 5

Senator Mike Bousselot
Senate District 21

Senator Dan Dawson
Senate District 10

Senator Janet Petersen
Senate District 18

Senator Cindy Winckler
Senate District 49

Representative Chad Ingels
Chair
House District 68

Representative Austin Harris
House District 26

Representative Joshua Meggers
House District 54

Representative Amy Nielsen
House District 85

Representative Rick Olson
House District 39

Jack Ewing
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Stan Thompson
Administrative Rules Coordinator
Governor's Ex Officio Representative
Capitol, Room 18
Des Moines, Iowa 50319
Telephone: 515.281.5211

The following list will be updated as changes occur.

"Umbrella" agencies and elected officials are set out below at the left-hand margin in CAPITAL letters.

Divisions (boards, commissions, etc.) are indented and set out in lowercase type under their statutory "umbrellas."

Other autonomous agencies are included alphabetically in SMALL CAPITALS at the left-hand margin.

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BLIND, DEPARTMENT FOR THE[111]
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    Engineering and Land Surveying Examining Board[193C]
    Landscape Architectural Examining Board[193D]
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    Real Estate Appraiser Examining Board[193F]
    Interior Design Examining Board[193G]
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VOTER REGISTRATION COMMISSION[821]
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  Labor Services Division[875]
  Workers' Compensation Division[876]
  Workforce Development Board, State[877]

Regulatory Analysis

Notice of Intended Action to be published: 281—Chapter 120
"Early ACCESS Integrated System of Early Intervention Services"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 256B.3(23)
State or federal law(s) implemented by the rulemaking: 34 CFR Part 303 (2025)

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 8:30 to 9 a.m.	Room B100 Grimes State Office Building Des Moines, Iowa Via videoconference: meet.google.com/sgp-ipwb-ixo

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Education no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Thomas A. Mayes
Grimes State Office Building
400 East 14th Street
Des Moines, Iowa 50319
Phone: 515.281.8661
Email: thomas.mayes@iowa.gov

Purpose and Summary

This proposed rulemaking eliminates a potential source of confusion by removing unnecessary and confusing cross-references to the dispute resolution procedures under Part B of the Individuals with Disabilities Education Act (IDEA). Some, but not all, of the procedures under Part B apply to Part C of IDEA (Early ACCESS). This proposed rulemaking removes references to procedures that do not.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs noted for this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Families and Early ACCESS providers will benefit from the clarity provided by this proposed rulemaking.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

There is no known quantitative impact.

- **Qualitative description of impact:**

There is no known qualitative impact.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no known costs.

- **Anticipated effect on State revenues:**

There is no effect on State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Rulemaking is required to conform to the terms of IDEA.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

There are no less costly alternatives. Rulemaking is required to conform to IDEA.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

There are no plausible alternatives to rulemaking.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Rulemaking is required to conform to the terms of IDEA.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is no impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend rule 281—120.811(34CFR303) as follows:

281—120.811(34CFR303) Dispute resolution: practice before mediators and administrative law judges. Unless otherwise provided by this chapter, any mediation conference or due process hearing under Division VI of this chapter shall be conducted according to rules ~~281—41.1000(256B,34CFR300)~~ 281—41.1002(256B,34CFR300), 281—41.1009(17A,256B) through 281—41.1012(17A,256B), and 281—41.1014(17A,256B) through 281—41.1016(~~256B,34CFR300~~ 17A).

Regulatory Analysis

Notice of Intended Action to be published: 441—Chapter 86
"Healthy and Well Kids in Iowa (Hawki) Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 514I as amended by 2025 Iowa Acts, Senate File 474, division IV

State or federal law(s) implemented by the rulemaking: Iowa Code chapter 514I as amended by 2025 Iowa Acts, Senate File 474, division IV

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 a.m.	Microsoft Teams Meeting ID: 231 027 605 005 81 Passcode: b4Cu3c7i

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Victoria L. Daniels
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliancerules@hhs.iowa.gov

Purpose and Summary

This proposed rulemaking serves to implement 2025 Iowa Acts, Senate File 474, division IV, by amending rule 441—86.7(514I).

2025 Iowa Acts, Senate File 474, division IV, pertains to Iowa's Children's Health Insurance Program (CHIP), Hawki. Within division IV, section 47 creates new Iowa Code section 514I.8B and provides that following the first 30 days of commitment to a public institution, the Department will suspend rather than terminate an otherwise eligible individual's eligibility for Hawki. The Iowa Code section also requires the Department to adopt rules to implement the new Iowa Code section.

This new Iowa Code section is intended to implement Section 5121 of the federal Consolidated Appropriations Act, which similarly requires suspension rather than termination of eligibility after 30 days of commitment to a public institution for incarcerated individuals otherwise eligible for CHIP.

Prior to fully implementing this federal change, the Department must receive federal approval for a State Plan Amendment (SPA), which has not yet been submitted pending receipt of federal funding approval from the Centers for Medicare and Medicaid Services. For this reason, when the adopted filing is submitted for this proposed rulemaking, it will contain a future effective date contingent upon that federal approval of the SPA.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs associated with this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Individuals who are otherwise eligible for Hawki who are committed to public institutions may benefit from this proposed rulemaking by having their Hawki eligibility suspended as opposed to terminated.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

The Department does not currently have any quantitative information related to the number of individuals who may be impacted in the future by this proposed rulemaking.

- **Qualitative description of impact:**

This proposed rulemaking is intended to implement 2025 Iowa Acts, Senate File 474, division IV.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The Department may incur personnel and other administrative costs associated with this proposed rulemaking.

- **Anticipated effect on State revenues:**

This proposed rulemaking and the underlying legislation will have no effect on State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

The proposed rulemaking is required by 2025 Iowa Acts, Senate File 474, section 47.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

The proposed rulemaking is required by 2025 Iowa Acts, Senate File 474, section 47.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This proposed rulemaking has no impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend rule 441—86.7(514I) as follows:

441—86.7(514I) Cancellation or suspension. The child's eligibility for the hawki program shall be canceled or suspended before the end of the 12-month enrollment period for any of the following~~:~~.

86.7(1) to **86.7(4)** No change.

86.7(5) *Admission to a public institution.* The ~~child shall be canceled from the program if the child is in a public institution at the time of the annual review~~ child's eligibility for the program shall be suspended after the first 30 days a child is in a public institution. Eligibility will be suspended for the term of the child's commitment, provided that all other eligibility criteria are met. Eligibility will resume upon the child's discharge, provided all other eligibility criteria are met.

86.7(6) and **86.7(7)** No change.

ARC 9972C

ADMINISTRATIVE SERVICES DEPARTMENT[11]

Notice of Intended Action

Proposing rulemaking related to leave and providing an opportunity for public comment

The Administrative Services Department hereby proposes to amend Chapter 63, "Leave," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.413.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2025 Iowa Acts, House File 889.

Purpose and Summary

The intended purpose of this proposed rulemaking is to provide administrative guidance for two areas of paid leave that are now law pursuant to 2025 Iowa Acts, House File 889. Certain State employees in their first four years of employment who do not use sick leave during a full month of employment can now choose to convert that month's sick leave for one-half day of additional vacation time. In addition, 2025 Iowa Acts, House File 889, provided that a State employee parent who gives birth or adopts a child is entitled to four weeks of paid leave. A State employee parent who does not give birth is entitled to one week of paid leave.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025. A public hearing was held on the following date(s):

- December 16, 2025

The Department received written comments from the nonprofit ACEs 360 in favor of the parental leave rules as a way to support families and strengthen workforce recruitment and retention. The organization also encouraged the Department to collect data to determine whether the leave benefits will help reduce workforce turnover costs.

Fiscal Impact

It is impossible to know how many State employees will either convert sick leave for vacation time or take paid parental leave. The Department does not anticipate a fiscal impact, but costs would be funded through agency budgets.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 11, 2026. Comments should be directed to:

Tami Wiencek
Department of Administrative Services
Hoover State Office Building
1305 East Walnut Street
Des Moines, Iowa 50319-0114
Phone: 515.725.2017
Fax: 515.281.6140
Email: tami.wiencek@iowa.gov

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

February 11, 2026 1 to 2 p.m.	Via Google Meet Dial: 1.218.460.2066 PIN: 537 489 743#

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Amend subrule 63.3(4) as follows:

63.3(4) There is no limit on the accumulation of sick leave. An employee in the first four years of employment who has accrued at least 80 hours of sick leave may elect to accrue additional vacation in lieu of the normal sick leave accrual. A conversion shall not be made if the accrued sick leave is less than 80 hours in the pay period in which the conversion would be made. After the fourth year of employment, an employee who has accrued at least 240 hours of sick leave may elect to accrue additional vacation in lieu of the normal sick leave accrual. ~~An employee who has made an election to convert sick leave to vacation will be credited with four hours of vacation for each full month when sick leave is not used during that month.~~ A conversion shall not be made if the accrued sick leave is less than 240 hours in the pay period in which the conversion would be made. An employee who has made an election to convert sick leave to vacation will be credited with four hours of vacation for each full month when sick leave is not used during that month. The conversion of sick leave shall be prorated for employees who are normally scheduled to work less than full-time (40 hours per week). An employee's maximum vacation accrual may be increased under this subrule up to 96 hours.

ITEM 2. Adopt the following **new** rule 11—63.21(8A,70A):

11—63.21(8A,70A) Paid parental leave. Employees entitled to leave under the federal Family and Medical Leave Act of 1993 shall be provided paid parental leave pursuant to Iowa Code section 70A.24.

ARC 9976C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rulemaking related to downtown loan guarantee program and providing an opportunity for public comment

The Economic Development Authority hereby proposes to rescind Chapter 36, "Downtown Loan Guarantee Program," Iowa Administrative Code, and to adopt a new Chapter 36 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 15.106A and 15.431.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15.431.

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 36 and adopt a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Downtown Loan Guarantee Program administered by the Authority pursuant to Iowa Code section 15.431. The program provides loan guarantees for eligible downtown revitalization projects.

The updated chapter will be more concise throughout. Unnecessary definitions and language that duplicates statute will be omitted.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 1, 2025. A public hearing was held on the following date(s):

- October 21, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Authority no later than 4:30 p.m. on February 12, 2026. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Phone: 515.348.6163
Email: lisa.connell@iowaeda.com

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 3:30 to 3:45 p.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review
February 12, 2026 11 to 11:15 a.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Authority and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 261—Chapter 36 and adopt the following **new** chapter in lieu thereof:

CHAPTER 36
DOWNTOWN LOAN GUARANTEE PROGRAM

261—36.1(15) Definitions.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Authority's website" means the information and related content found at www.opportunityiowa.gov.

"Borrower" means a business that is approved for a loan by a lender and that has applied for assistance under the program.

"Director" means the director of the authority.

"Iowa finance authority" means the public instrumentality and agency of the state created by Iowa Code section 16.1A.

"Lender" means a federally insured financial lending institution that issued a loan to a borrower.

"Program" means the downtown loan guarantee program established pursuant to Iowa Code section 15.431 and this chapter.

261—36.2(15) Eligibility. To be eligible for approval of a loan guarantee, a borrower must demonstrate that all conditions in Iowa Code section 15.431(2) are met.

261—36.3(15) Application submittal and review process.

36.3(1) To apply for assistance under the program, the borrower and lender shall submit an application to the authority in the manner prescribed by the authority. Applications will be accepted

and processed by authority staff on a continuing basis, or the authority may establish application periods as announced on the authority's website.

36.3(2) The application will include, at a minimum, the following: name(s) and address(es) of the borrower and participating lender, amount of loan, amount of loan guarantee requested, and certification of compliance with state law and lending practices.

36.3(3) The authority may refuse to accept incomplete or ineligible applications.

36.3(4) The authority may refuse to accept applications because of insufficient funds.

36.3(5) Authority staff, in conjunction with Iowa finance authority staff, will review applications and make a recommendation as to whether an application should be approved and the guarantee percentage. The director may approve, deny, or defer an application.

261—36.4(15) Loan guarantee limitations. Loan guarantees are subject to the limitations in Iowa Code section 15.431(3) through 15.431(10). Extensions are subject to approval by the director.

261—36.5(15) Annual fee. The lender shall pay an annual loan guarantee fee not to exceed 2 percent of the loan amount for the duration of the loan guarantee. The fee applicable to each approved loan guarantee will be established by the program agreement executed pursuant to rule 261—36.6(15).

261—36.6(15) Agreement. Upon approval of an award, authority staff will prepare an agreement between the authority, the lender, and the borrower. The agreement, at a minimum, shall include the conditions of the award, including the applicable annual fee to be paid by the lender pursuant to rule 261—36.5(15), the guarantee percentage, the responsibilities of each party, and the potential actions in instances of noncompliance.

261—36.7(15) Reporting. The borrower and lender shall submit any information reasonably requested by the authority in sufficient detail to permit the authority to prepare any reports required by the authority, the authority board, the general assembly, or the governor's office.

These rules are intended to implement Iowa Code section 15.431.

ARC 9975C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rulemaking related to main street Iowa program and providing an opportunity for public comment

The Economic Development Authority hereby proposes to rescind Chapter 39, "Main Street Iowa Program," Iowa Administrative Code, and to adopt a new Chapter 39 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 15.106A and 15.108(3).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 15.106A and 15.108(3).

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 39 and adopt a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Main Street Iowa Program. Communities selected by the Authority for participation in the program may

receive technical assistance and financial assistance that enables the communities to revitalize traditional commercial districts.

The updated chapter will be more concise throughout. A new definition of "designated main street Iowa community" is incorporated and will contribute to added clarity throughout the chapter. The definition of "eligible applicant" is updated to allow for the possibility of a combined application submitted by two or more cities, if invited by the Authority. References to the "National Main Street Center" are replaced with the current name of that organization, "Main Street America."

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 1, 2025. A public hearing was held on the following date(s):

- October 21, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Authority no later than 4:30 p.m. on February 12, 2026. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Phone: 515.348.6163
Email: lisa.connell@iowaeda.com

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 3:30 to 3:45 p.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review
February 12, 2026 11 to 11:15 a.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Authority and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 261—Chapter 39 and adopt the following **new** chapter in lieu thereof:

CHAPTER 39
MAIN STREET IOWA PROGRAM

261—39.1(15) Purpose. Communities selected by the authority for participation in the main street Iowa program pursuant to this chapter will receive technical assistance from the authority's main street Iowa staff, professional staff of Main Street America, and other professional consultants to facilitate the communities' local main street programs and may receive financial assistance from the authority.

261—39.2(15) Definitions. The following definitions apply to the main street Iowa program unless the context otherwise requires:

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Designated main street Iowa community" means a community that has been selected for participation in the program pursuant to this chapter.

"Director" means the director of the economic development authority.

"Eligible activity" includes organization, promotion, design, and economic vitality activities to create a positive image and an improved economy in a city's traditional commercial district.

"Eligible applicant" means a city in Iowa that files a joint application with a local nonprofit organization established by the community to govern the local main street program. Two or more cities may submit a combined application if invited to submit such combined application by the authority.

"Main Street America" means a nonprofit subsidiary of the National Trust for Historic Preservation, a nonprofit organization chartered by the United States Congress. Main Street America owns the licensed, trademarked Main Street Four-Point Approach™ (main street approach).

"Program" means the main street Iowa program established in this chapter.

"Traditional commercial district" means a downtown or neighborhood area that is walkable and is dominated by historic or older commercial architecture and contiguous commercial uses. A traditional commercial district defines the target area of the local program efforts.

261—39.3(15) Program administration.

39.3(1) *Subcontracting.* The authority may contract with Main Street America for technical and professional services, as well as with other appropriate consultants and organizations.

39.3(2) *Advisory council.* The director may appoint a state main street advisory council composed of individuals knowledgeable in traditional commercial district revitalization to advise the authority on the various elements of the program.

261—39.4(15) Application and selection process.

39.4(1) The authority will make standard application forms available only to prospective applicants that have attended an application workshop conducted by the authority. A completed application shall be submitted to the authority no later than the date specified in the application and contain the information requested in the application.

39.4(2) The director will determine the number of applicants to be selected for inclusion in the program.

39.4(3) The authority will select applicants for participation in the program based on the criteria in rule 261—39.5(15).

39.4(4) The authority will notify applicants selected for participation in the program in writing.

261—39.5(15) Selection criteria. The authority will consider the following factors to select applicants for participation in the program:

39.5(1) The applicant has a well-planned budget demonstrating sustainable funding for ongoing operations and evidence of adequate local sources of funding to support the traditional commercial district revitalization organization and its programming.

39.5(2) The applicant has garnered broad-based financial and philosophical community support for the local program, including support from the city.

39.5(3) The applicant has provided evidence of willingness by local stakeholders to get involved in the effort.

39.5(4) The applicant has demonstrated its commitment to the main street approach and has hired or will hire an executive director to manage the local program.

39.5(5) The applicant is committed to historic preservation and preservation-based economic development, has a track record of preservation planning, and has a commitment to future preservation projects.

39.5(6) The applicant has provided evidence of traditional commercial district planning efforts and clearly defined goals.

39.5(7) The applicant has defined an organizational structure to manage local program efforts.

39.5(8) The applicant demonstrates an eagerness to learn and implement traditional commercial district revitalization strategies and techniques.

39.5(9) The applicant has clearly defined the boundaries of the proposed traditional commercial district and has articulated the reasons behind the location of the boundaries.

39.5(10) The applicant has identified a traditional commercial district that has clear potential for success, as demonstrated by the presence of the following elements:

a. Existence of historic character of the traditional commercial district.

b. Plans for the traditional commercial district demonstrate a recognition of traditional commercial district trends and address the challenges unique to that district.

c. Present market capacity defined by a current business environment upon which the district can build its revitalization efforts.

d. Present physical capacity defined by building stock and built environment upon which the district can build its revitalization efforts.

261—39.6(15) Reports. Designated main street Iowa communities shall submit performance reports to the authority as required that document the progress of the program activities.

261—39.7(15) Program agreement and noncompliance. Each designated main street Iowa community shall enter into a standard program agreement with the authority. The program agreement will describe the obligations of the authority and the designated main street Iowa community. If the authority finds that a designated main street Iowa community is not in compliance with the requirements of the program or the terms of the program agreement, the authority may terminate the program agreement.

These rules are intended to implement Iowa Code sections 15.106A(1)*"i"* and 15.108(3).

ARC 9974C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rulemaking related to community catalyst building remediation program and providing an opportunity for public comment

The Economic Development Authority hereby proposes to rescind Chapter 45, "Community Catalyst Building Remediation Program," Iowa Administrative Code, and to adopt a new Chapter 45 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15.231.

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 45 and adopt a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Community Catalyst Building Remediation Program administered by the Authority pursuant to Iowa Code section 15.231. The program provides grants to cities for the remediation or redevelopment of underutilized buildings.

The updated chapter will be more concise throughout. Language that duplicates statute and language that is duplicated within the chapter will be omitted.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 1, 2025. A public hearing was held on the following date(s):

- October 21, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Authority no later than 4:30 p.m. on February 12, 2026. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Phone: 515.348.6163
Email: lisa.connell@iowaeda.com

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 3:30 to 3:45 p.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review
February 12, 2026 11 to 11:15 a.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Authority and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 261—Chapter 45 and adopt the following **new** chapter in lieu thereof:

CHAPTER 45
COMMUNITY CATALYST BUILDING REMEDIATION PROGRAM

261—45.1(15) Definitions. For purposes of this chapter unless the context otherwise requires:

"Agreement" means a contract for financial assistance under the program describing the terms on which the financial assistance is to be provided.

"Applicant" means a city applying for financial assistance under the program.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Building" means a structure located in a city that is used or intended to be used for:

1. Commercial or industrial purposes;
2. Residential purposes; or
3. Both commercial or industrial and residential purposes.

"Community catalyst" means a building(s) located in an area central to a city's economic development activities that, if remediated, would stimulate additional economic growth or reinvestment in the community, especially private sector financial investment.

"Costs directly related" means expenditures that are incurred for acquisition, deconstruction, disposal, redevelopment, or rehabilitation of a community catalyst to the extent that the expenditures are attributable directly to the remediation or redevelopment of the community catalyst. "Costs directly related" includes expenditures for site preparation work, surveying, construction materials, construction labor, architectural services, engineering services, building permits, building inspection fees, and interest accrued on a construction loan during the time period allowed for project completion under an agreement entered into pursuant to the program. "Costs directly related" does not include expenditures for furnishings, appliances, accounting services, legal services, loan origination and other financing costs, syndication fees and related costs, developer fees, or the costs associated with selling or renting the dwelling units whether incurred before or after completion of the project.

"Director" means the director of the authority.

"Economic growth" means the creation of additional jobs, growth of new or existing businesses, development of new housing units, increased property values, or potential population growth.

"Emergency project" means the same as defined in Iowa Code section 15.231(2)*"b."*

"Financial assistance" means a grant made by the authority under the program.

"Program" means the community catalyst building remediation program established pursuant to Iowa Code section 15.231 and this chapter.

"Project" means a proposed plan for the remediation of underutilized buildings in a city that is expected to have a significant positive impact on the city. "Project" must include at least one building but no more than two buildings. For two buildings to be considered part of the same project, the buildings must be contiguous and under the same ownership. All community catalyst buildings to be remediated must be included in the proposed plan upon application, and the proposed plan must demonstrate the steps and actions necessary to further remediation and redevelopment efforts in a comprehensive and coordinated manner.

"Public nuisance" means the same as defined in Iowa Code section 657A.1 and includes buildings with blighting characteristics as defined by Iowa Code section 403.2.

"Redevelopment" means development activities associated with a project that are undertaken for the purpose of remediating underutilized buildings; for constructing new buildings or improvements at a site where formerly existing buildings have been demolished; or for rehabilitating, reusing or repurposing existing buildings or improvements at a project site. "Redevelopment" typically includes projects that result in the elimination of blighting characteristics as defined by Iowa Code section 403.2.

"Remediation" or *"remediating"* means the redevelopment, repair, improvement, rehabilitation, disposal, or deconstruction of at least one but no more than two underutilized buildings at a site included in a project.

"Underutilized building" means a building that is vacant or mostly vacant, is blighted or severely deteriorated, and contains potential safety hazards including structural instability, code noncompliance, vermin infestation, vandalism or potential for vandalism, vagrancy, hazardous materials, or generally unsafe or hazardous conditions. The building may or may not be considered a public nuisance.

261—45.2(15) Program description.

45.2(1) *Amount, form, and timing of assistance.*

a. The amount of financial assistance awarded will be determined by the authority based on the total amount of funds available to the authority for the program and based on the project details. Each applicant shall receive no more than one award of financial assistance per project per fiscal year. The maximum amount of financial assistance per applicant per fiscal year shall not exceed $100,000.

b. The authority shall allocate moneys based on population as prescribed in Iowa Code section 15.231(3).

45.2(2) *Application.*

a. Information on submitting an application under the program is available on the authority's website.

b. Each fiscal year during which funding is available, applications for financial assistance other than applications for emergency projects submitted pursuant to paragraph 45.2(2)*"d"* will only be accepted during the established application period(s) identified by the authority on the authority's website.

c. An application shall not be considered submitted for review until the application is completed and all required supporting documentation and information are provided.

d. Cities that identify an emergency project may submit an application for financial assistance at any time. All applications for financial assistance for emergency projects must meet all other requirements of this program and shall be scored using the same criteria as are applied to other applications.

45.2(3) *Use of funds.* An applicant shall use funds only for reimbursement of the costs directly related to the project. The authority may require documentation or other information establishing the actual costs incurred for a project. Failure to use the funds for reimbursement of the costs directly related to a project shall be grounds for default under the agreement entered into pursuant to this chapter.

261—45.3(15) Program eligibility, application scoring, and funding decisions.

45.3(1) *Program eligibility.* An applicant must meet the following eligibility criteria to qualify for financial assistance under this program:

a. The applicant must be a city. If the project building(s) are owned by an entity other than the city, the city must provide information to the authority regarding ownership and the relationship between the owner and the city.

b. A building that constitutes the project must be an underutilized building and a community catalyst as determined by the authority.

c. The project must include financial or in-kind resources contributed by the city.

d. The applicant must complete the application and provide all other information and documents reasonably required by the authority.

45.3(2) *Application scoring criteria.* Each complete and eligible application will be scored by authority staff using criteria set forth by the authority, which may include the following:

a. Economic impact of the project. The authority will take into account the potential economic growth and investment that is reasonably expected to occur as a result of the project. The applicant must provide information demonstrating that the expected economic impact of the project is reasonable based on existing factors.

b. Local government support. The level and amount of local government support, including financial support, will be considered for each applicant.

c. Readiness. The authority will assess whether the project is well-prepared and ready to begin within a reasonable amount of time.

d. Project plan and timeline. The authority will assess whether the applicant has prepared a detailed project plan and timeline for the execution of the project.

e. Project financing. The authority will assess whether the applicant has secured financing and is financially prepared to complete the project.

45.3(3) *Funding decisions.*

a. Each application and its average numerical score will be referred to the director with a recommendation as to whether to fund the project and, if financial assistance is recommended, a recommendation as to the amount of financial assistance.

b. The director will make the final funding decision on each application, taking into consideration the amount of available funding, the average numerical score of the application, and the recommendations made by authority staff. The director may approve, deny, or defer any application.

c. An application must receive the average minimum score established by the authority to receive funding. A score exceeding the minimum does not guarantee that the applicant will receive financial assistance.

d. Each applicant will be notified in writing of the funding decision.

e. A project that does not receive financial assistance may reapply.

261—45.4(15) Agreement and reporting.

45.4(1) Each applicant that is approved for financial assistance under the program shall enter into an agreement with the authority that specifies the terms on which the financial assistance is to be provided, including the terms described in Iowa Code section 15.231(4) and 15.231(5). The recipient shall execute the agreement before funds are disbursed.

45.4(2) The authority and the applicant may amend the agreement at any time upon the mutual written agreement of both the authority and the applicant.

45.4(3) An applicant that has been approved for financial assistance under the program shall submit information reasonably required by the authority to make reports to the authority's board, the governor's office, or the general assembly.

These rules are intended to implement Iowa Code section 15.231.

ARC 9973C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rulemaking related to endow Iowa tax credits and providing an opportunity for public comment

The Economic Development Authority hereby proposes to rescind Chapter 47, "Endow Iowa Tax Credits," Iowa Administrative Code, and to adopt a new Chapter 47 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 15E and section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 15E.

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 47 and adopt a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to Endow Iowa tax credits, available pursuant to Iowa Code chapter 15E, subchapter XXII as amended by 2025 Iowa Acts, Senate File 657. The tax credits encourage investment in community foundations to enhance the quality of life for residents through philanthropic activity.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025. A public hearing was held on the following date(s):

- December 2, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Authority no later than 4:30 p.m. on February 12, 2026. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315

Phone: 515.348.6163
Email: lisa.connell@iowaeda.com

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 3:45 to 4 p.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review
February 12, 2026 11:15 to 11:30 a.m.	Via Microsoft Teams Information about Teams participation can be found at opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Authority and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 261—Chapter 47 and adopt the following **new** chapter in lieu thereof:

CHAPTER 47
ENDOW IOWA TAX CREDITS

261—47.1(15E) Purpose. The purpose of endow Iowa tax credits is to encourage investment in community foundations to enhance the quality of life for residents through philanthropic activity.

261—47.2(15E) Definitions.

"Authority" means the economic development authority created pursuant to Iowa Code section 15.105.

"Community affiliate organization" means the same as defined in Iowa Code section 15E.303.

"Corporation or other business entity" means any business organized for profit or a nonprofit entity that includes the name of a business organized for profit.

"Endow Iowa qualified community foundation" means the same as defined in Iowa Code section 15E.303.

"Endowment gift" means the same as defined in Iowa Code section 15E.303.

"Permanent endowment fund" means a fund held in an endow Iowa qualifying community foundation to provide benefit to charitable causes in the state of Iowa. Endowed funds are intended to exist in perpetuity. "Permanent endowment fund" does not include a fund that contains the name of a corporation or other business entity on or after June 6, 2025.

"Tax credit" means the amount a taxpayer may claim against the taxes imposed in Iowa Code chapter 422, subchapters II, III, and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.329.

261—47.3(15E) Authorization of tax credits to taxpayers. The authority shall authorize tax credits to qualified taxpayers pursuant to the provisions of Iowa Code section 15E.305.

47.3(1) If the authority receives applications for tax credits in excess of the amount available pursuant to Iowa Code section 15E.305(2), the applications shall be prioritized by the date the authority received the applications. Applications received in excess of the amount of tax credits available will be denied by the authority. A taxpayer shall submit an application to the authority for the tax credit no later than 12 months from the date of the donation that qualifies the taxpayer for the tax credit.

47.3(2) An individual who intends to claim a tax credit of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual will only be issued a tax credit if the individual submits an application as an individual. Alternatively, an individual may claim a portion of a tax credit issued to the partnership, limited liability company, S corporation, estate, or trust. The maximum amount of tax credits that may be issued to a taxpayer pursuant to Iowa Code section 15E.305(2)*"a"* will be applied to each tax credit issued, whether issued to an individual or partnership, limited liability company, S corporation, estate, or trust.

47.3(3) For donations made on or after January 1, 2026, the authority will verify that the requirements in Iowa Code section 15E.305(4) are met prior to issuance of a tax credit. For donations made on or after January 1, 2026, the endow Iowa qualified community foundation that administers a permanent endowment fund for which a taxpayer requests a tax credit must demonstrate that the endow Iowa qualified community foundation does not collect administrative fees or other fees that exceed 5 percent of the amount of any permanent endowment fund it holds. An endow Iowa qualified community foundation shall provide documentation demonstrating compliance with the fee cap upon request by the authority.

47.3(4) To receive the tax credit, a donor shall file a claim with the department of revenue in accordance with any applicable administrative rules adopted by the department.

261—47.4(15E) Distribution process and review criteria. The authority shall develop and make available a standardized application pertaining to the allocation of endow Iowa tax credits.

47.4(1) Of the annual amount available for tax credits, 25 percent shall be reserved for those permanent endowment gifts made to community affiliate organizations. If by September 1 of any year the entire 25 percent reserved for permanent endowment gifts corresponding to community affiliate organizations is not allocated, the amount remaining shall be available for other applicants.

47.4(2) The authority will ensure the reservation of tax credits for endowment gifts of $30,000 pursuant to Iowa Code section 15E.305(2)*"b."*

47.4(3) Applications will be accepted and awarded on an ongoing basis. The authority will provide information on the available allocation of tax credits on its website.

These rules are intended to implement Iowa Code chapter 15E, subchapter XXII.

ARC 9987C

ENVIRONMENTAL PROTECTION COMMISSION[567]

Notice of Intended Action

Proposing rulemaking related to uniform rules and providing an opportunity for public comment

The Environmental Protection Commission (Commission) hereby proposes to rescind Chapter 2, "Public Records and Fair Information Practices," Iowa Administrative Code, and to adopt a new Chapter 2 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 17A and section 22.11.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

561—Chapter 2 establishes the Department of Natural Resources' (Department's) policies and procedures for the maintenance of records. This chapter facilitates public access to open records and provides the procedures for identifying and protecting confidential records. The chapter implements provisions of the Fair Information Practices Act. The Commission proposes to adopt 561—Chapter 2 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 567—Chapter 13.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on Friday, February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Fax: 515.725.8201
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference A meeting registration link will be provided prior to the hearing

A Zoom link and conference call number will be provided prior to the hearing to those who make a request to take part in the virtual hearing. Persons who wish to make oral comments at the virtual public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing. Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language access: If you speak a non-English language, the Department offers you language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Asistencia lingüística gratuita: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 567—Chapter 2 and adopt the following **new** chapter in lieu thereof:

CHAPTER 2
PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

567—2.1(17A,22) Adoption by reference. The commission adopts by reference 561—Chapter 2.

This rule is intended to implement Iowa Code section 22.11.

ARC 9985C

ENVIRONMENTAL PROTECTION COMMISSION[567]

Notice of Intended Action

Proposing rulemaking related to uniform rules and providing an opportunity for public comment

The Environmental Protection Commission (Commission) hereby proposes to rescind Chapter 4, "Agency Procedure for Rule Making," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.4 through 17A.4B and 455A.6(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The existing chapter provides the procedure for rulemaking; however, the rules are unnecessary and redundant to the provisions for rulemaking codified in Iowa Code sections 17A.4, 17A.4A, and 17A.4B. Because the rules simply duplicate the process provided by the Iowa Code, they can be rescinded by

this proposed rulemaking consistent with the mandate to remove redundancy and unnecessary provisions pursuant to Executive Order 10. The Commission proposes to rescind Chapter 4.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 567—Chapter 13.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department of Natural Resources (Department) no later than 4:30 p.m. on Friday, February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Fax: 515.725.8201
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference A meeting registration link will be provided prior to the hearing

A Zoom link and conference call number will be provided prior to the hearing to those who make a request to take part in the virtual hearing. Persons who wish to make oral comments at the virtual public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing. Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

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Asistencia lingüística gratuita: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind and reserve **567—Chapter 4**.

ARC 9986C

ENVIRONMENTAL PROTECTION COMMISSION[567]

Notice of Intended Action

Proposing rulemaking related to uniform rules and providing an opportunity for public comment

The Environmental Protection Commission (Commission) hereby proposes to rescind Chapter 5, "Petitions For Rule Making," and to adopt a new Chapter 5, "Petitions for Rulemaking," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.7, 17A.9 and 455A.6(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The Iowa Administrative Procedure Act requires an agency to adopt rules describing how it will receive and review rulemaking petitions. 561—Chapter 5 governs the Department of Natural Resources' (Department's) process for receiving and reviewing rulemaking petitions. 561—Chapter 5 adopts by reference the Uniform Rules on Agency Procedure related to petitions for rulemaking with Department-specific provisions. The Commission proposes to adopt 561—Chapter 5 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 567—Chapter 13.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on Friday, February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Fax: 515.725.8201
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference A meeting registration link will be provided prior to the hearing

A Zoom link and conference call number will be provided prior to the hearing to those who make a request to take part in the virtual hearing. Persons who wish to make oral comments at the virtual public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing. Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language access: If you speak a non-English language, the Department offers you language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Asistencia lingüística gratuita: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any

individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 567—Chapter 5 and adopt the following **new** chapter in lieu thereof:

CHAPTER 5
PETITIONS FOR RULEMAKING

567—5.1(17A) Adoption by reference. The commission adopts by reference 561—Chapter 5.

This rule is intended to implement Iowa Code section 17A.7.

ARC 9982C

ENVIRONMENTAL PROTECTION COMMISSION[567]

Notice of Intended Action

Proposing rulemaking related to declaratory orders and providing an opportunity for public comment

The Environmental Protection Commission (Commission) hereby proposes to rescind Chapter 6, "Declaratory Orders," Iowa Administrative Code, and to adopt a new Chapter 6 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.9 and 455A.6(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The Iowa Administrative Procedure Act requires an agency to adopt rules describing how it will receive and process declaratory orders. 561—Chapter 6 governs the Department of Natural Resources' (Department's) process for receiving and reviewing declaratory orders. The proposed Chapter 6 adopts by reference the Uniform Rules on Agency Procedure related to declaratory orders with Department-specific provisions. The Commission proposes to adopt 561—Chapter 6 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission or a waiver of the discretionary provisions, if any, pursuant to 567—Chapter 13.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on Friday, February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Fax: 515.725.8201
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

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Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference A meeting registration link will be provided prior to the hearing

A Zoom link and conference call number will be provided prior to the hearing to those who make a request to take part in the virtual hearing. Persons who wish to make oral comments at the virtual public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing. Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language access: If you speak a non-English language, the Department offers you language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Asistencia lingüística gratuita: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 567—Chapter 6 and adopt the following **new** chapter in lieu thereof:

CHAPTER 6
DECLARATORY ORDERS

567—6.1(17A) Adoption by reference. The commission adopts by reference 561—Chapter 6.

This rule is intended to implement Iowa Code section 17A.9.

ARC 9988C

INSPECTIONS AND APPEALS DEPARTMENT[481]

Amended Notice of Intended Action

Proposing rulemaking related to the occupational therapy licensure compact and providing an opportunity for public comment

The Department of Inspections, Appeals, and Licensing hereby proposes to amend Chapter 804, "Licensure of Occupational Therapists and Occupational Therapy Assistants," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 148B and sections 147E.1, 272C.3 and 272C.10.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 17A, 147, 148B and 272C and section 147E.1.

Purpose and Summary

The proposed amendments define the requirements for participation in the Occupational Therapy Licensure Compact; add background check requirements for initial licensure, licensure by endorsement, and license reactivation for all occupational therapist (OT) and occupational therapist assistant (OTA) applicants; add a fee for the issuance of a compact privilege to practice in Iowa; and waive the compact privilege fee for an active duty military member or spouse.

Reason for Amendment of Notice of Intended Action

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on July 9, 2025, as **ARC 9393C**. No public comments were received. These amendments have been revised since publication of the Notice to include background checks for current license holders and during licensure reactivation when a license has been inactive for two or more years and the licensee cannot provide evidence of active practice in another state.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Board of Physical and Occupational Therapy for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Board no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Venus Vendoures Walsh
Department of Inspections, Appeals, and Licensing
6200 Park Avenue, Suite 100
Des Moines, Iowa 50321
Phone: 515.242.6529
Fax: 515.281.7969
Email: venus.vedoures-walsh@dia.iowa.gov

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 12 noon to 12:30 p.m.	Via videoconference call meet.google.com/zbq-cgkp-dyg Or dial: 1.484.816.4349 PIN: 884 017 245#

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Board and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Adopt the following **new** definitions of "DCI" and "FBI" in rule **481—804.1(147)**:
"DCI" means the Iowa division of criminal investigation.
"FBI" means the Federal Bureau of Investigation.

ITEM 2. Renumber subrules **804.2(3)** and **804.2(4)** as **804.2(5)** and **804.2(6)**.

ITEM 3. Adopt the following **new** subrules 804.2(3) and 804.2(4):
804.2(3) Submit required waivers and fingerprints pursuant to the board-approved process to facilitate a national criminal history background check by the DCI and the FBI. The cost of the criminal history background check by the DCI and the FBI shall be assessed to the applicant.
804.2(4) Direct the examination service to submit examination scores directly to the board.

ITEM 4. Renumber rules **481—804.4(147)** through **481—804.9(17A,147,272C)** as **481—804.5(147)** through **481—804.10(17A,147,272C)**.

ITEM 5. Adopt the following **new** rule 481—804.4(147E):

481—804.4(147E) Occupational therapy licensure compact. The rules of the occupational therapy compact commission are incorporated by reference. An occupational therapist or occupational therapist assistant may engage in the practice of occupational therapy in Iowa without a license issued by the board if the individual has a current compact privilege to practice in Iowa issued by the occupational therapy compact commission. The state fee for issuance of a compact privilege to practice in Iowa shall be $60, which will be collected by the occupational therapy compact commission. The state fee for issuance of a compact privilege to practice in Iowa shall be waived for an active duty military member or spouse of an individual who is an active duty military member. An occupational therapist or occupational therapist assistant who practices occupational therapy in Iowa using a compact privilege is subject to the rules governing licensees in this chapter and in 481—Chapters 806 and 807. Complaints, investigations, and disciplinary proceedings involving a compact privilege shall be handled in accordance with Iowa Code chapters 17A and 272C; Iowa Code section 147E.1; and 481—Chapters 503, 504, and 506.

This rule is intended to implement Iowa Code section 147E.1.

ITEM 6. Adopt the following **new** subrule 804.8(9):

804.8(9) Compact eligibility review. This rule applies to licensees who were licensed prior to adoption of this rule. In order to complete the compact eligibility review, at or prior to the next renewal, a licensee must submit required waivers and fingerprints pursuant to the board-approved process to facilitate a national criminal history background check. The cost for the evaluation of the fingerprint packet and the DCI and FBI criminal history background checks will be assessed to the applicant. The board may withhold issuing a license pending receipt of a report from the DCI and FBI.

ITEM 7. Adopt the following **new** subrule 804.9(4):

804.9(4) If the license has been inactive for two or more years and the licensee cannot provide verification of active practice, consisting of a minimum of 2,080 hours, in another state or jurisdiction during the two years preceding an application for reactivation, submit required waivers and fingerprints pursuant to the board-approved process to facilitate a national criminal history background check. The cost for the evaluation of the fingerprint packet and the DCI and FBI criminal history background checks will be assessed to the applicant. The board may withhold issuing a license pending receipt of a report from the DCI and FBI.

ITEM 8. Amend renumbered rule 481—804.10(17A,147,272C) as follows:

481—804.10(17A,147,272C) License reinstatement. A licensee whose license has been revoked, suspended, or voluntarily surrendered must apply for and receive reinstatement of the license in accordance with rule 481—506.31(272C) and must apply for and be granted reactivation of the license in accordance with rule ~~481—804.8(17A,147,272C)~~ 481—804.9(17A,147,272C) prior to practicing occupational therapy in this state.

ARC 9984C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

Proposing rulemaking related to public records and fair information practices and providing an opportunity for public comment

The Natural Resource Commission (Commission) hereby proposes to rescind Chapter 2, "Public Records and Fair Information Practices," Iowa Administrative Code, and to adopt a new Chapter 2 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 17A and section 22.11.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

561—Chapter 2 establishes the Department of Natural Resources' (Department's) policies and procedures for the maintenance of records. It facilitates public access to open records and provides the procedures for identifying and protecting confidential records. The chapter implements provisions of the Fair Information Practices Act. The Commission proposes to adopt 561—Chapter 2 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Phone: 515.210.3408
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you speak a non-English language, the Department offers language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Servicios gratuitos de asistencia lingüística: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 571—Chapter 2 and adopt the following **new** chapter in lieu thereof:

CHAPTER 2
PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

571—2.1(17A,22) Adoption by reference. The commission adopts by reference 561—Chapter 2.

This rule is intended to implement Iowa Code section 22.11.

ARC 9978C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

Proposing rulemaking related to submission of information and complaints and providing an opportunity for public comment

The Natural Resource Commission (Commission) hereby proposes to rescind Chapter 3, "Submission of Information and Complaints—Investigations," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 17A.3 and Executive Order 10.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

Existing Chapter 3 adopts 561—Chapter 3 by reference. 561—Chapter 3 provided general guidance concerning the submission of information, supplied special telephone numbers for reporting certain types of information, and set forth specific procedures for the submission and investigation of complaints.

The statutory authority requiring 561—Chapter 3 was removed by 2024 Iowa Acts, Senate File 2370 (striking Iowa Code section 17A.3(1)"a" through "c"), making 561—Chapter 3 unnecessary. Pursuant to Executive Order 10, that chapter was rescinded effective August 27, 2025 (**ARC 9432C**, IAB 7/23/25). With the statutory and rulemaking authority removed for the adoption by reference, Chapter 3 is no longer authorized or necessary. Accordingly, the Commission proposes to rescind Chapter 3.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department of Natural Resources (Department) no later than 4:30 p.m. on February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Phone: 515.210.3408
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you speak a non-English language, the Department offers language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Servicios gratuitos de asistencia lingüística: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind and reserve **571—Chapter 3**.

ARC 9980C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

Proposing rulemaking related to agency procedure for rulemaking and providing an opportunity for public comment

The Natural Resource Commission (Commission) hereby proposes to rescind Chapter 4, "Agency Procedure for Rule Making," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.4 through 17A.4B and 455A.5(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The existing Chapter 4 provides the procedure for rulemaking; however, the rules are unnecessary and redundant to the provisions for rulemaking codified in Iowa Code sections 17A.4, 17A.4A, and 17A.4B. Because the rules simply duplicate the process provided by the Iowa Code, they can be rescinded by this proposed rulemaking consistent with Executive Order 10's mandate to remove redundancy and unnecessary provisions. Accordingly, the Commission proposes to rescind Chapter 4.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department of Natural Resources (Department) no later than 4:30 p.m. on February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Phone: 515.210.3408
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you speak a non-English language, the Department offers language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

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Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the

conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind and reserve **571—Chapter 4**.

ARC 9981C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

Proposing rulemaking related to petitions for rulemaking and providing an opportunity for public comment

The Natural Resource Commission (Commission) hereby proposes to rescind Chapter 5, "Petitions for Rule Making," and to adopt a new Chapter 5, "Petitions for Rulemaking," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.7 and 455A.5(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The Iowa Administrative Procedure Act requires an agency to adopt rules describing how it will receive and review rulemaking petitions. 561—Chapter 5 governs the Department of Natural Resources' (Department's) process for receiving and reviewing rulemaking petitions. 561—Chapter 5 adopts by reference the Uniform Rules on Agency Procedure related to petitions for rulemaking with Department-specific provisions. The Commission proposes to adopt 561—Chapter 5 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Phone: 515.210.3408
Email: kelli.book@dnr.iowa.gov

Free language assistance: If you speak a non-English language, the Department offers language assistance services free of charge. Contact the Department at kelli.book@dnr.iowa.gov.

Servicios gratuitos de asistencia lingüística: Si habla un idioma que no sea el inglés, los servicios de asistencia lingüística están disponibles de forma gratuita. Comuníquese con el Departamento al kelli.book@dnr.iowa.gov.

Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 571—Chapter 5 and adopt the following **new** chapter in lieu thereof:

CHAPTER 5
PETITIONS FOR RULEMAKING

571—5.1(17A) Adoption by reference. The commission adopts by reference 561—Chapter 5.

This rule is intended to implement Iowa Code section 17A.7.

ARC 9977C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

Proposing rulemaking related to declaratory orders and providing an opportunity for public comment

The Natural Resource Commission (Commission) hereby proposes to rescind Chapter 6, "Declaratory Rulings," and to adopt a new Chapter 6, "Declaratory Orders," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 17A.9 and 455A.5(6)"a."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The Iowa Administrative Procedure Act requires an agency to adopt rules describing how it will receive and process declaratory orders. 561—Chapter 6 governs the Department of Natural Resources' (Department's) process for receiving and reviewing declaratory orders. 561—Chapter 6 adopts by reference the Uniform Rules on Agency Procedure related to declaratory orders with Department-specific provisions. The Commission proposes to adopt 561—Chapter 6 by reference.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 13, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Phone: 515.210.3408
Email: kelli.book@dnr.iowa.gov

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Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

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Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 571—Chapter 6 and adopt the following **new** chapter in lieu thereof:

CHAPTER 6
DECLARATORY ORDERS

571—6.1(17A) Adoption by reference. The commission adopts by reference 561—Chapter 6.

This rule is intended to implement Iowa Code section 17A.9.

ARC 9983C

NATURAL RESOURCES DEPARTMENT[561]

Notice of Intended Action

Proposing rulemaking related to agency procedure for rulemaking and providing an opportunity for public comment

The Natural Resources Department (Department) hereby proposes to rescind Chapter 4, "Agency Procedure for Rule Making," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 17A and sections 17A.4 through 17A.4B.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

Chapter 4 provides the Department's procedures for rulemaking; however, the rules are unnecessary and redundant to the provisions for rulemaking codified in Iowa Code sections 17A.4, 17A.4A, and 17A.4B. Because the rules simply duplicate the process provided by the Iowa Code, they can be rescinded consistent with Executive Order 10's mandate to remove redundancy and unnecessary provisions.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 561—Chapter 10.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 11, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Email: kelli.book@dnr.iowa.gov

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Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
February 13, 2026 10 to 11 a.m.	Via videoconference

Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

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Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind and reserve **561—Chapter 4**.

ARC 9979C

NATURAL RESOURCES DEPARTMENT[561]

Notice of Intended Action

Proposing rulemaking related to petitions for rulemaking and providing an opportunity for public comment

The Natural Resources Department (Department) hereby proposes to rescind Chapter 5, "Petitions for Rule Making," and to adopt a new Chapter 5, "Petitions for Rulemaking," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 455A and sections 17A.4 through 17A.4B.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A and Executive Order 10.

Purpose and Summary

The Iowa Administrative Procedure Act requires an agency to adopt rules describing how it will receive and review rulemaking petitions. Chapter 5 governs the Department's process for receiving and reviewing rulemaking petitions. The proposed chapter adopts by reference the Uniform Rules on Agency Procedure related to petitions for rulemaking with Department-specific provisions.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on September 3, 2025. A public hearing was held on the following date(s):

- September 24, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 561—Chapter 10.

Public Comment

Any interested person may submit comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 11, 2026. Comments should be directed to:

Kelli Book
Iowa Department of Natural Resources
6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
Email: kelli.book@dnr.iowa.gov

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Public Hearing

Public hearings at which persons may present their views orally will be held as follows:

February 12, 2026 1 to 2 p.m.	Yellow River Conference Room 6200 Park Avenue, Suite 200 Des Moines, Iowa
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Persons who wish to attend the conference call should contact Ms. Book via email. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Ms. Book prior to the hearing to facilitate an orderly hearing.

Persons who wish to make oral comments at a public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Free language assistance: If you need assistance in a language other than English, contact the Department at kelli.book@dnr.iowa.gov or civilrights@dnr.iowa.gov or by telephone at 515.210.3408 at least seven days before the event.

Asistencia lingüística gratuita: Si necesita ayuda en un idioma que no sea inglés, comuníquese con el Departamento al kelli.book@dnr.iowa.gov o civilrights@dnr.iowa.gov o por teléfono a 515.210.3408 al menos siete días antes del evento.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 561—Chapter 5 and adopt the following **new** chapter in lieu thereof:

CHAPTER 5
PETITIONS FOR RULEMAKING

The department of natural resources hereby adopts, with the following amendments, the Uniform Rules on Agency Procedure relating to petitions for rulemaking, which are published on the general assembly's website at www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf.

561—5.1(17A) Petition for rulemaking. In lieu of the words "(designate office)", insert "Director, Department of Natural Resources, 6200 Park Avenue, Suite 200, Des Moines, Iowa 50321". Also, in lieu of the words "(AGENCY NAME)", insert "DEPARTMENT OF NATURAL RESOURCES".

561—5.2(17A) Inquiries. In lieu of the words "(designate official by full title and address)", insert "Director, Department of Natural Resources, 6200 Park Avenue, Suite 200, Des Moines, Iowa 50321".

These rules are intended to implement Iowa Code section 17A.7.

ARC 0029D

RECORDS COMMISSION[671]

Notice of Intended Action

Proposing rulemaking related to organization; state records manual and providing an opportunity for public comment

The Records Commission hereby proposes to rescind Chapter 1, "Organization and Responsibilities," and to adopt a new Chapter 1, "Organization; State Records Manual," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.608(1)"d."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8A.601 through 8A.615.

Purpose and Summary

The intended purpose of this proposed rulemaking is to update language for the State Records Commission under the Governor's Executive Order 10 and to reflect the fact that the Commission is now under the purview of the Department of Administrative Services through the State Government Alignment Act, 2023 Iowa Acts, Senate File 514, which has since been codified in Iowa Code chapter 8A. The topics for this chapter include organization and the State Records Manual. The current Chapters 1 and 2 under agency [671] are combined herein. This proposed rulemaking remains under agency [671] since the State Records Commission has its own rulemaking authority.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025. A public hearing was held on the following date(s):

- November 18, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provision of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Commission no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Tami Wiencek
Hoover State Office Building, Third Floor
1305 East Walnut Street
Des Moines, Iowa 50319
Email: tami.wiencek@iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 to 11 a.m.	Via Google Meet +1 413.276.6189 PIN: 297 100 947#
February 10, 2026 2 to 3 p.m.	Via Google Meet +1 267.553.4474 PIN: 737 421 861#

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 671—Chapter 1 and adopt the following **new** chapter in lieu thereof:

CHAPTER 1
ORGANIZATION; STATE RECORDS MANUAL

671—1.1(17A,8A) Purpose.

1.1(1) *State archives and records Act.* This chapter provides an overview of the organization, responsibilities, definitions, and records manual details under the purview of the state records commission within the department of administrative services.

1.1(2) *Location.* Communication with the state records commission may be established through the State Archives and Records Bureau, Department of Administrative Services, State Historical Building, 600 East Locust Street, Des Moines, Iowa 50319.

1.1(3) *Meetings and membership.* Membership of the state records commission is outlined in Iowa Code section 8A.603. The state records commission chairperson shall be elected biennially from the membership. Iowa Code section 8A.606 references meetings for the commission. In accordance with state open meeting laws, agendas for meetings will be posted at the state historical building and on the state public meeting calendar. Two-thirds of the commission membership shall be a quorum for the purpose of conducting business. Actions of the commission shall be by simple majority of members present.

671—1.2(8A) Definitions. In addition to the definitions found in Iowa Code chapter 8A, and in particular, Iowa Code section 8A.602, the following definitions apply:

"Non-record materials" means documents and informational materials that do not meet the statutory definition of a record in Iowa Code section 8A.602(9) or that are excluded from the definition. Non-record materials include library and museum material made or acquired and preserved solely for reference or exhibition purposes, stocks of publications and unprocessed forms, and extra copies of documents made, acquired, or received only for convenience or reference purposes.

"Office of record" means the agency in which a record is created, produced, executed, or received in connection with official business of that agency. The office of record is responsible for maintenance and disposition of records in accordance with approved records series retention and disposition schedules.

"Reference copy" is a copy of a record kept for easy access to the information the record contains. A reference copy of a record may be distributed to make recipients aware of the content of the record but not to direct the recipient to take action on a matter.

"Retention" or *"retention period"* is the minimum length of scheduled time a record must be kept (either in the office or in offsite storage) because it is needed for ongoing business, to document an action, or for statutory reasons.

671—1.3(17A,305) Responsibilities.

1.3(1) *State records commission.* The responsibilities of the commission are the same as defined in Iowa Code section 8A.608.

1.3(2) *Department of administrative services.* The responsibilities of the department are the same as defined in Iowa Code section 8A.609.

1.3(3) *Agency head.* In addition to the responsibilities set forth in Iowa Code section 8A.610, an agency head will also:

a. Appoint one or more records officers to coordinate the records program or programs within the agency and to serve as liaisons to the state archives and records bureau. An agency head shall document an appointment in writing to the state archives and records bureau.

b. Maintain or cause to be maintained complete and accurate records documenting the agency's implementation of the state of Iowa records program.

c. Provide secure, environmentally appropriate storage areas for all records in the physical custody of the agency and provide public access to those records in accordance with the agency's fair information practices rules.

d. Maintain legal custody of all agency records stored in agency offsite storage and provide public access to those records in accordance with the agency's fair information practices rules.

e. Transfer legal custody of records that are transferred to the state archives of Iowa in accordance with Iowa Code section 8A.610.

671—1.4(8A) State records manual.

1.4(1) *Authority of the manual.* The state records manual is an interagency manual as defined by Iowa Code section 17A.2(11)*"c."*

1.4(2) *Content of the manual.* The commission shall, through the state archives and records bureau, create and maintain a state records manual that contains:

a. Records series retention and disposition schedules adopted by the commission.

b. Detailed procedures for agency interaction with the commission and the state archives and records bureau for such activities as the development and revision of records series and disposition schedules, transfer and storage of records, access and retrieval of records from storage, and destruction of records.

c. Guidelines adopted by the commission to assist an agency head in implementing an efficient government records program within the agency.

671—1.5(8A) Applicability of the manual. The provisions of the state records manual are applicable to all executive or legislative branch departments, offices, commissions, boards, or other units of state government unless otherwise exempted by law. However, the state records manual is not applicable to the department of transportation or agencies or institutions under the control of the state board of regents.

671—1.6(8A) Availability of the manual. The commission shall make the manual publicly available on its website at history.iowa.gov/research/state-government-record-management.

These rules are intended to implement Iowa Code sections 8A.601 through 8A.615.

ARC 9971C

RECORDS COMMISSION[671]

Notice of Intended Action

Proposing rulemaking related to records series retention and disposition schedules process and providing an opportunity for public comment

The Records Commission hereby proposes to rescind Chapter 2, "State Records Manual," and to adopt a new Chapter 2, "Records Series Retention and Disposition Schedules Process," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.608(1)"d."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8A.601 through 8A.615.

Purpose and Summary

The purpose of this proposed rulemaking is to provide a framework for the retention and disposition schedules of State records, to update language under the Governor's Executive Order 10, and to reflect that the Records Commission is now under the purview of the Department of Administrative Services through the State Government Alignment Act, 2023 Iowa Acts, Senate File 514, which has since been codified in Iowa Code chapter 8A.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025. A public hearing was held on the following date(s):

- November 18, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provision of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Tami Wiencek
Hoover State Office Building, Third Floor
1305 East Walnut Street
Des Moines, Iowa 50319
Email: tami.wiencek@iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 to 11 a.m.	Via Google Meet +1 413.276.6189 PIN: 297 100 947#
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Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 671—Chapter 2 and adopt the following **new** chapter in lieu thereof:

CHAPTER 2
RECORDS SERIES RETENTION AND DISPOSITION SCHEDULES PROCESS

671—2.1(8A) Purpose. The records series retention and disposition process is designed to evaluate records to establish appropriate periods of time for holding records prior to final disposition by destruction or permanent preservation. These records are held in office or in storage areas.

671—2.2(8A) Form to use. A Records Series Inventory and Retention and Disposition Schedule Form is used for the inventorying of agency records and for the development or revision of records series

retention and disposition schedules. The form is available from the state archives and records bureau of the department of administrative services.

671—2.3(8A) Agency responsibility.

2.3(1) An agency head shall maintain or cause to be maintained an inventory of records that are made, produced, executed, or received by the agency pursuant to statute in connection with the transaction of official business of state government, whether those records are created or maintained in an electronic or paper system.

2.3(2) An agency head shall initiate or cause to be initiated a new Records Series Inventory and Retention and Disposition Schedule Form for previously unscheduled records series and, when needed, for revising an existing records series retention and disposition schedule. This applies to electronic and paper records.

2.3(3) An agency head shall provide or cause to be provided complete and thorough responses to the questions on the Records Series Inventory and Retention and Disposition Schedule Form and will work with the state archives and records bureau so that the bureau can finalize the records series retention and disposition schedule recommendations for presentation to the state records commission.

671—2.4(8A) State archives and records bureau responsibility. An agency shall submit any proposed Records Series Inventory and Retention and Disposition Schedule Forms to the state archives and records bureau for review. The bureau will assist the agency in finalizing the records series retention and disposition schedule recommendations for presentation to the state records commission.

671—2.5(8A) State records commission responsibility.

2.5(1) The commission will evaluate records series retention and disposition schedule (schedule) recommendations presented by the state archives and records bureau. The commission's evaluation of the bureau's recommendations shall consider the administrative, legal, fiscal, and historical values of the records. The commission will ensure that the schedule recommendation is consistent with other adopted schedules.

2.5(2) The commission may:

a. Adopt the proposed schedule as presented.

b. Amend the proposed schedule as the commission deems appropriate.

c. Return the proposed schedule to the state archives and records bureau for additional research before the commission takes final action.

d. Return the proposed schedule to the agency for additional research with the intent that the agency will resubmit the schedule to the commission for final action.

e. Reject the proposed schedule.

671—2.6(8A) Effective date. Unless otherwise set forth by the commission, a schedule shall become effective 20 calendar days after commission approval.

671—2.7(8A) Procedures. Detailed procedures, including a sample copy of the Records Series Inventory and Retention and Disposition Schedule Form, are available in the state records manual.

These rules are intended to implement Iowa Code sections 8A.601 through 8A.615.

ARC 9970C

RECORDS COMMISSION[671]

Notice of Intended Action

Proposing rulemaking related to permanent records—transfer process, care, and access and providing an opportunity for public comment

The Records Commission hereby proposes to rescind Chapter 3, "Records Series Retention and Disposition Schedules Process"; to adopt a new Chapter 3, "Permanent Records—Transfer Process, Care, and Access"; and to rescind Chapter 7, "Permanent Records—Transfer Process," and Chapter 8, "Care of and Access to Permanent Records Collections," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.608(1)"d."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8A.601 through 8A.615.

Purpose and Summary

The intended purpose of this proposed rulemaking is to provide a framework for handling records deemed to be kept permanently. The framework includes how to transfer such records to the State archives or to store such records that will remain in agency custody. The proposed rulemaking also reflects the fact that the Records Commission is now under the purview of the Department of Administrative Services through the State Government Alignment Act, 2023 Iowa Acts, Senate File 514, which has since been codified in Iowa Code chapter 8A.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025. A public hearing was held on the following date(s):

- November 19, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provision of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Tami Wiencek
Hoover State Office Building, Third Floor
1305 East Walnut Street
Des Moines, Iowa 50319
Email: tami.wiencek@iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 to 11 a.m.	Via Google Meet +1 413.276.6189 PIN: 297 100 947#
February 10, 2026 2 to 3 p.m.	Via Google Meet +1 267.553.4474 PIN: 737 421 861#

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 671—Chapter 3 and adopt the following **new** chapter in lieu thereof:

CHAPTER 3
PERMANENT RECORDS—TRANSFER PROCESS, CARE, AND ACCESS

671—3.1(8A) Purpose. The department of administrative services administers the state archives of Iowa in order to preserve, protect, and make accessible those records of state government that have enduring value.

671—3.2(8A) Identification of permanent records. The state records commission shall adopt records series retention and disposition schedules in accordance with 671—Chapter 2 to identify state government records that have enduring value.

671—3.3(8A) Form to use. A Transfer of Custody of State Government Records to the State Archives of Iowa form obtained from the state archives and records bureau shall be used to transfer legal and physical custody of a record from an agency to the state archives of Iowa.

671—3.4(8A) Agency responsibility.

3.4(1) A record that is scheduled for permanent preservation in the state archives of Iowa shall be transferred to the state archives of Iowa in accordance with established records series retention and disposition schedules. An agency records officer shall review, sign, and submit a properly completed Transfer of Custody of State Government Records to the State Archives of Iowa form to the state archives and records bureau for approval prior to the physical transfer of records from the agency.

3.4(2) A record scheduled for permanent preservation in an agency shall be retained in the agency in perpetuity. The agency shall maintain such a record in a manner that will ensure the continued availability of an accurate, authentic, and reliable record in perpetuity. The record shall be available for public inspection and copying in accordance with agency fair information practice rules.

671—3.5(8A) State archives and records bureau responsibility.

3.5(1) The state archives and records bureau shall review and consider for approval a properly completed Transfer of Custody of State Government Records to the State Archives of Iowa form in a timely manner and will assist an agency in correcting an incomplete or inaccurate form.

3.5(2) After approving a form, the state archives and records bureau will arrange for physical transfer of records to the state archives of Iowa with the agency.

3.5(3) The state archives and records bureau shall establish and maintain inventory control of records transferred to the state archives of Iowa.

3.5(4) The department of administrative services shall provide a secure, environmentally appropriate storage area for all records transferred to its custody.

671—3.6(8A) Care of and access to permanent records.

3.6(1) A record with enduring value shall be transferred to the state archives of Iowa in accordance with a state records commission adopted records series retention and disposition schedule. The state archives of Iowa shall provide a secure environment for the storage and use of these records so that they may be preserved and made available to future generations of researchers in accordance with Iowa Code section 8A.609.

3.6(2) Records transferred to the state archives of Iowa shall be cared for and administered in accordance with 223—Chapter 13.

3.6(3) Records transferred to the state archives of Iowa shall be made accessible to researchers in accordance with 223—Chapter 22.

3.6(4) The state archives and records bureau, with prior approval from the state archivist, may loan an agency record from the state archives of Iowa to an authorized agency user.

These rules are intended to implement Iowa Code sections 8A.601 through 8A.615.

ITEM 2. Rescind and reserve **671—Chapter 7**.

ITEM 3. Rescind and reserve **671—Chapter 8**.

ARC 9969C

RECORDS COMMISSION[671]

Notice of Intended Action

Proposing rulemaking related to development process for government information policies, standards, and guidelines and providing an opportunity for public comment

The Records Commission hereby proposes to rescind Chapter 4, "Temporary Records—Transfer and Storage Process"; to adopt a new Chapter 4, "Development Process for Government Information Policies, Standards, and Guidelines"; and to rescind Chapter 14, "Development Process for Government Information Policies, Standards and Guidelines," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.608(1)"d."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8A.601 through 8A.615.

Purpose and Summary

This proposed rulemaking is intended to provide a framework for development of information policies, standards, and guidelines, which are implemented by the Records Commission for State agencies and the Legislature. The rulemaking includes updated language pursuant to the Governor's Executive Order 10. They also reflect the fact the Commission is now under the purview of the Department of Administrative Services through the State Government Alignment Act, 2023 Iowa Acts, Senate File 514, which has since been codified in Iowa Code chapter 8A.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025. A public hearing was held on the following date(s):

- November 19, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Tami Wiencek
Hoover State Office Building, Third Floor
1305 East Walnut Street
Des Moines, Iowa 50319
Email: tami.wiencek@iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 to 11 a.m.	Via Google Meet +1 413.276.6189 PIN: 297 100 947#
February 10, 2026 2 to 3 p.m.	Via Google Meet +1 267.553.4474 PIN: 737 421 861#

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 671—Chapter 4 and adopt the following **new** chapter in lieu thereof:

CHAPTER 4
DEVELOPMENT PROCESS FOR GOVERNMENT
INFORMATION POLICIES, STANDARDS, AND GUIDELINES

671—4.1(8A) Proposal of government information policies, standards, and guidelines. An agency staff member or a member of the public may propose a topic to be developed into a government information policy, standard, or guideline by contacting the state records commission through the state archives and records bureau. A proposal may include a draft government information policy, standard, or guideline.

671—4.2(8A) Commission responsibilities.

4.2(1) In accordance with Iowa Code section 8A.608, the commission shall:

a. Develop such government information policies, standards, and guidelines as it deems appropriate;

b. Prior to final adoption, solicit agency participation in the review of government information policies, standards and guidelines;

c. Draft and file administrative rules in accordance with Iowa Code chapter 17A for all government information policies and standards; and

d. Include all government information guidelines in the state records manual.

4.2(2) The commission may:

a. Appoint advisory committees to research and analyze issues related to government information policies, standards, and guidelines; and

b. Prior to final adoption, solicit public participation in the review of government information policies, standards and guidelines.

671—4.3(8A) State archives and records bureau responsibilities. The state archives and records bureau shall provide administrative support to advisory committees appointed by the commission.

671—4.4(8A) Agency responsibilities.

4.4(1) An agency shall be in substantial compliance with government information policies and standards adopted by the commission.

4.4(2) An agency may utilize government information guidelines adopted by the commission as the agency implements the government records program within the agency.

671—4.5(8A) Advisory committees.

4.5(1) Advisory committees of the state records commission may:

a. Make recommendations to the state records commission.

b. Consist of public members and agency staff members. No more than three members of the state records commission may be members of any advisory committee.

4.5(2) Individuals may volunteer to serve on advisory committees of the state records commission by submitting a letter of application to the state archives and records bureau along with a résumé stating areas of interest and expertise.

4.5(3) The state archives and records bureau will maintain the applications of individuals who volunteer to serve as members of advisory committees of the state records commission for a two-year period following receipt of the letter of application.

These rules are intended to implement Iowa Code sections 8A.601 through 8A.615.

ITEM 2. Rescind and reserve **671—Chapter 14**.

ARC 9968C

RECORDS COMMISSION[671]

Notice of Intended Action

Proposing rulemaking related to temporary records—access process, temporary records—destruction process, and email retention and providing an opportunity for public comment

The Records Commission hereby proposes to rescind Chapter 5, "Temporary Records—Access Process," Chapter 6, "Temporary Records—Destruction Process," and Chapter 15, "E-mail Retention," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code sections 8A.104(5) and 8A.608(1)"d."

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 8A.601 through 8A.615.

Purpose and Summary

The purpose of this proposed rulemaking is to rescind outdated chapters under the State Record Commission rules as part of the Department of Administrative Services' review of rules through the Governor's Executive Order 10. The Commission is now under the purview of the Department through the State Government Alignment Act, 2023 Iowa Acts, Senate File 514, which has since been codified in Iowa Code chapter 8A.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025. A public hearing was held on the following date(s):

- November 19, 2025

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provision of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on February 10, 2026. Comments should be directed to:

Tami Wiencek
Hoover State Office Building, Third Floor
1305 East Walnut Street
Des Moines, Iowa 50319
Email: tami.wiencek@iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 10, 2026 10 to 11 a.m.	Via Google Meet +1 413.276.6189 PIN: 297 100 947#
February 10, 2026 2 to 3 p.m.	Via Google Meet +1 267.553.4474 PIN: 737 421 861#

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind and reserve **671—Chapter 5**.

ITEM 2. Rescind and reserve **671—Chapter 6**.

ITEM 3. Rescind and reserve **671—Chapter 15**.

TREASURER OF STATE

Notice—Public Funds Interest Rates

In compliance with Iowa Code chapter 74A and section 12C.6, the following interest rates of interest for public obligations and special assessments have been established. The usury rate for January is 6.00%.

INTEREST RATES FOR PUBLIC OBLIGATIONS AND ASSESSMENTS

74A.2 Unpaid Warrants	Maximum 6.0%
74A.4 Special Assessments	Maximum 9.0%

RECOMMENDED Rates for Public Obligations (74A.3) and School District Warrants (74A.7). A rate equal to 75% of the Federal Reserve monthly published indices for U.S. Government securities of comparable maturities. All Financial Institutions as defined by Iowa Code section 12C.1 are eligible for public fund deposits as defined by Iowa Code section 12C.6A.

The rate of interest has been determined to be the minimum interest rate that shall be paid on public funds deposited in approved financial institutions. To be eligible to accept deposits of public funds of the state of Iowa, a financial institution shall demonstrate a commitment to serve the needs of the local community in which it is chartered to do business. These needs include credit services as well as deposit services. All such financial institutions are required to provide the committee with a

written description of their commitment to provide credit services in the community. This statement is available for examination by citizens.

New official state interest rates, effective January 10, 2026, setting the minimums that may be paid by Iowa depositories on public funds are listed below.

TIME DEPOSITS

7-31 days	Minimum .05%
32-89 days	Minimum .05%
90-179 days	Minimum 1.60%
180-364 days	Minimum 1.55%
One year to 397 days	Minimum 1.75%
More than 397 days	Minimum 1.80%

These are minimum rates only. All time deposits are four-tenths of a percent below average rates. Public body treasurers and their depositories may negotiate a higher rate according to money market rates and conditions.

Inquiries may be sent to Roby Smith, Treasurer of State, State Capitol, Des Moines, Iowa 50319.

USURY

In accordance with the provisions of Iowa Code section 535.2(3)"a," the Superintendent of Banking has determined that the maximum lawful rate of interest shall be:

February 1, 2025 — February 28, 2025	6.50%
March 1, 2025 — March 31, 2025	6.75%
April 1, 2025 — April 30, 2025	6.50%
May 1, 2025 — May 31, 2025	6.25%
June 1, 2025 — June 30, 2025	6.25%
July 1, 2025 — July 31, 2025	6.50%
August 1, 2025 — August 31, 2025	6.50%
September 1, 2025 — September 30, 2025	6.50%
October 1, 2025 — October 31, 2025	6.25%
November 1, 2025 — November 30, 2025	6.00%
December 1, 2025 — December 31, 2025	6.00%
January 1, 2026 — January 31, 2026	6.00%
February 1, 2026 — February 28, 2026	6.25%

ARC 9989C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to office organization

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 1, "Office Organization," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 8 and 17A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 8 and 17A.

Purpose and Summary

This chapter provided the historic statement required by Iowa Code chapter 17A concerning organization of the OCIO. The chapter is no longer necessary now that the OCIO is part of the Department of Management, so the chapter is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9692C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 1**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9990C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to public records and fair information practices

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 2, "Public Records and Fair Information Practices," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 8, 17A, and 22.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 8, 17A, and 22.

Purpose and Summary

This chapter provided direction to the OCIO regarding public records and fair information practices. This chapter is no longer necessary now that the OCIO is part of the Department of Management. The Department has its own chapter in this regard, so this chapter is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9693C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 2**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9991C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to petitions for rulemaking

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 3, "Petitions for Rule Making," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapter 17A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A.

Purpose and Summary

This chapter provided guidance for filing petitions for rulemaking with the OCIO. This chapter is no longer necessary now that the OCIO is part of the Department of Management, so the chapter is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9694C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 3**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9992C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to declaratory orders

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 4, "Declaratory Orders," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 8 and 17A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 8 and 17A.

Purpose and Summary

This chapter provided guidance on declaratory orders filed with the OCIO. Chapter 4 concerning declaratory orders is no longer necessary and is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9681C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 4**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9993C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to office procedure for rulemaking

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 5, "Office Procedure for Rule Making," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapter 17A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 17A.

Purpose and Summary

This chapter provided guidance on OCIO office procedure for rulemaking. Chapter 5 concerning the OCIO procedure for rulemaking is no longer necessary and is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9680C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 5**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9994C

CHIEF INFORMATION OFFICER, OFFICE OF THE[129]

Adopted and Filed

Rulemaking related to waivers

The Office of the Chief Information Officer (OCIO) hereby rescinds Chapter 7, "Waivers," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 8 and 17A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 8 and 17A.

Purpose and Summary

This chapter provides guidance on waivers from rules adopted by the OCIO. Chapter 7 concerning waivers from rules adopted by OCIO is no longer necessary and is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9682C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the OCIO on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any

individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **129—Chapter 7**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0006D

COUNTY FINANCE COMMITTEE[547]

Adopted and Filed

Rulemaking related to general provisions

The County Finance Committee hereby rescinds Chapter 1, "Definitions," and adopts a new Chapter 1, "General Provisions," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 333A.4(6).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 333A.2.

Purpose and Summary

This rulemaking reduces and restructures rules concerning the County Finance Committee, making the rules more efficient and accessible. The rules have been updated by removing language restated from the Iowa Code, removing restrictive words and phrases, and relocating rules currently located across five chapters into a single chapter. Chapter 1 is being rescinded, and essential rules from 547—Chapters 2 through 5 are moved to Chapter 1. This change consolidates and simplifies the rules to improve efficiency and clarity.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9675C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. The Administrative Rules Review Committee noted that the statutory reference in rule 547—1.7(333A) was incorrect. One change from the Notice has been made to change that reference from Iowa Code section 331.424 to Iowa Code section 331.434.

Adoption of Rulemaking

This rulemaking was adopted by the Committee on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 547—Chapter 1 and adopt the following **new** chapter in lieu thereof:

CHAPTER 1
GENERAL PROVISIONS

547—1.1(333A) Definitions.

"Committee" means the county finance committee established in Iowa Code section 333A.2.

"Committee's mailing address" is Iowa Department of Management, State Capitol, Des Moines, Iowa 50319.

"County budget" means the budget adopted by the board of supervisors pursuant to Iowa Code chapter 331.

"County official" means members of the committee referred to as "county official," which may be either a county officer designated in Iowa Code section 39.17 or a member of the board of supervisors as designated in Iowa Code section 39.18.

547—1.2(333A) Organization and administration.

1.2(1) *Purpose.* The purpose of the county finance committee is to administer the provisions of Iowa Code section 333A.2 and to make recommendations to the governor, the general assembly, and county officials concerning county budgets and finance.

1.2(2) *Membership.* The selection, appointment, and approval of the county finance committee members are made as provided in Iowa Code section 333A.2.

1.2(3) *Officers.* The officers of the committee consist of chairperson and vice chairperson.

1.2(4) *Subcommittees.* The committee may establish temporary subcommittees to research and investigate items of business for the committee.

1.2(5) *Office location.* The director of the department of management provides office space, staff assistance, and necessary supplies and equipment as provided by law.

547—1.3(333A) Meetings.

1.3(1) *Organizational meeting.* The organizational meeting of the committee will be held at the call of and at a place designated by the chairperson. The officers serve until their successors are appointed.

1.3(2) *Other meetings.* Meetings may be called by the chairperson of the committee or a majority of its members.

1.3(3) *Conduct of meetings.* Meetings of the committee will be conducted in accordance with Robert's Rules of Order insofar as not incompatible with the laws of the state of Iowa governing this committee or its own resolutions as to its conduct.

547—1.4(333A) Secretary's duties.

1.4(1) *Notice of meeting.* Notice will be given of the time and place of each meeting by the committee's secretary.

1.4(2) *Meeting minutes.* Minutes will be kept of all proceedings of each meeting by the committee's secretary, and the minutes will constitute the official record of all committee actions.

1.4(3) *Mailing list.* A current list of committee members, including the members' addresses, telephone numbers and terms of office, will be maintained by the secretary.

547—1.5(333A) Compensation. Committee members are to be compensated as provided in Iowa Code section 333A.3.

547—1.6(333A) Studies and reports. At least five members of the committee are needed to approve any guidelines, comments, recommendations and proposed legislation.

547—1.7(333A) County budgets. County budgets will be prepared in accordance with the provisions of Iowa Code section 331.434.

547—1.8(333A) Annual financial reports. County annual financial reports will be prepared in accordance with the provisions of Iowa Code section 331.403.

These rules are intended to implement Iowa Code section 333A.2.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0007D

COUNTY FINANCE COMMITTEE[547]

Adopted and Filed

Rulemaking related to studies and reports

The County Finance Committee hereby rescinds Chapter 3, "Studies and Reports," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 333A.4(6).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 333A.2.

Purpose and Summary

The Committee has restructured 547—Chapters 2 through 5 and moved the rules into 547—Chapter 1, removed unnecessary language that merely restates the Iowa Code, and removed restrictive words identified in Executive Order 10 in order to improve accessibility and clarity of the rules. As part of this restructuring, Chapter 3 is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9674C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Committee on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **547—Chapter 3**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0008D

COUNTY FINANCE COMMITTEE[547]

Adopted and Filed

Rulemaking related to county budgets

The County Finance Committee hereby rescinds Chapter 4, "County Budgets," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 331.434, 331.435 and 333A.4(6).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 331.434 and 331.435.

Purpose and Summary

The Committee has restructured 547—Chapters 2 through 5 and moved the rules into 547—Chapter 1, removed unnecessary language that merely restates the Iowa Code, and removed restrictive words identified in Executive Order 10 in order to improve accessibility and clarity of the rules. As part of this restructuring, Chapter 4 is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9691C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Committee on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting.

The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **547—Chapter 4**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
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ARC 0009D

COUNTY FINANCE COMMITTEE[547]

Adopted and Filed

Rulemaking related to annual financial reports

The County Finance Committee hereby rescinds Chapter 5, "Annual Financial Reports," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 333A.4(6).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 333A.4.

Purpose and Summary

The Committee has restructured 547—Chapters 2 through 5 and moved the rules into 547—Chapter 1, removed unnecessary language that merely restates the Iowa Code, and removed restrictive words identified in Executive Order 10 in order to improve accessibility and clarity of the rules. As part of this restructuring, Chapter 5 is being rescinded.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9677C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 5, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Committee on December 17, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Management for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **547—Chapter 5**.

[Filed 12/18/25, effective 2/25/26]
[Published 1/21/26]
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ARC 9995C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to organization

The Economic Development Authority (Authority) hereby rescinds Chapter 1, "Organization," Iowa Administrative Code, and adopts a new Chapter 1 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapter 15.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 15.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 1 and adopting a new chapter in lieu thereof. The chapter describes the organization of the Authority and its Board. The new chapter eliminates language that is duplicative of statutory language and eliminates other unnecessary and inconsistent language.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on September 17, 2025, as **ARC 9540C**. A public hearing was held on the following date(s):

- October 7, 2025
- October 9, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 1 and adopt the following **new** chapter in lieu thereof:

CHAPTER 1
ORGANIZATION

261—1.1(15) Definitions. As used in these rules, unless the context otherwise requires:

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Authority's website" means the information and related content found at opportunityiowa.gov and may include integrated content at affiliate sites.

"Board" means the same as defined in Iowa Code section 15.102(4).

"Committee" means a committee established by the board and includes any standing committees established by rule or ad hoc committees established pursuant to Iowa Code section 15.105(12).

"Director" means the same as defined in Iowa Code section 15.102(8).

261—1.2(15) Economic development authority board.

1.2(1) *Meetings.*

a. The board generally meets monthly at the authority's offices. By notice of the regularly published meeting agendas, the board and its committees may hold regular or special meetings at other locations within the state. Meeting agendas are available on the authority's website.

b. The chairperson may exclude any person disrupting the proceedings.

1.2(2) *Board treasurer.* The accounting director for the authority or the accounting director's designee serves as the treasurer to the board. The treasurer shall attend audit entrance and exit interviews conducted by the auditor of state and shall report the results of such audits to the board.

1.2(3) *Committees.*

a. A due diligence committee is established to assist the board in making awards of incentives and assistance under the authority's programs.

(1) The due diligence committee is an advisory body comprised of voting members of the board who are selected annually by the voting members of the board. The membership and size of the committee and the terms of committee members will be established annually by the board.

(2) The members of the due diligence committee will elect members to serve as chairperson and vice chairperson. The chairperson may appoint members of the due diligence committee to serve on a due diligence subcommittee if necessary. Such a subcommittee is advisory only and may perform such duties as may be assigned by the chairperson and members of the due diligence committee.

(3) The duties of the due diligence committee may include reviewing applications for financial assistance, conducting a thorough review of proposed projects, making recommendations to the board regarding the size and conditions of awards, and any other duty assigned by the board in relation to the programs administered by the authority.

(4) A majority of committee members constitutes a quorum.

b. Technology commercialization committee.

(1) The technology commercialization committee is established pursuant to Iowa Code section 15.116. The membership and size of the committee and the terms of committee members will be established by the board.

(2) The director will appoint a member to serve as chairperson. The chairperson may appoint members of the technology commercialization committee to serve on a technology commercialization subcommittee if necessary. Such a subcommittee is advisory only and may perform such duties as may be assigned by the chairperson and members of the technology commercialization committee.

(3) The duties of the technology commercialization committee may include reviewing applications for financial assistance, conducting a thorough review of proposed projects, making recommendations to the board regarding the size and conditions of awards, and any other duty assigned by the board in relation to the programs administered by the authority to the extent such programs relate to the areas and industry sectors identified in Iowa Code section 15.116.

(4) A majority of committee members constitutes a quorum.

c. The director may appoint ad hoc committees to serve in an advisory capacity to the authority whenever the director deems them necessary to accomplish the work of the authority. The size of such committees and the terms of committee members will be established by the director. Such committees may be dissolved as deemed appropriate by the director, and other committees may from time to time be established for specific purposes.

261—1.3(15) Authority structure.

1.3(1) *General.* The authority's organizational structure consists of the board, the director and such divisions as the director may from time to time create.

1.3(2) *Chief designee.* The director may designate an employee to administer the authority in the director's absence. Such employee may bear the title of deputy director, chief operating officer, chief of staff, or other similar title as long as the director has executed an instrument clearly delegating the director's authority to that employee.

1.3(3) *Signature authority.* The director may authorize one or more employees to execute and deliver on behalf of the authority any agreement, document, or instrument as such employee may deem necessary or appropriate to implement and carry out the intent and purpose of any statute or

administrative rule by which the authority is bound other than those statutes or administrative rules requiring a person holding a specified office to sign, if any, as long as the director has executed an instrument clearly delegating such authority to such employee or employees.

261—1.4(15) Information. The general public may obtain information about the Iowa economic development authority by contacting the authority at its offices located at 1963 Bell Avenue, Des Moines, Iowa 50315; by telephone at 515.348.6200; or through the authority's website.

These rules are intended to implement Iowa Code chapter 15.

[Filed 12/21/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9996C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to the Iowa community development block grant program

The Economic Development Authority (Authority) hereby rescinds Chapter 23, "Iowa Community Development Block Grant Program," Iowa Administrative Code, and adopts a new Chapter 23 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15.108 and 24 CFR Part 570.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 23 and adopting a new chapter in lieu thereof. The chapter describes the procedures by which the Authority administers and awards Community Development Block Grant funds. The new chapter eliminates unnecessary and inconsistent language.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on September 17, 2025, as **ARC 9541C**. A public hearing was held on the following date(s):

- October 7, 2025
- October 9, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 23 and adopt the following **new** chapter in lieu thereof:

CHAPTER 23
IOWA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

261—23.1(15) Purpose. The primary purpose of the community development block grant program is the development of viable communities by providing decent housing and suitable living environments and expanding economic opportunities, primarily for persons of low and moderate income.

261—23.2(15) Definitions. When used in this chapter, unless the context otherwise requires:

"Annual action plan" means the annual plan required and approved by HUD that outlines the state's processes and procedures for distribution of CDBG funds. The annual action plan is available on the authority's website.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Authority's website" means the information and related content found at opportunityiowa.gov and may include integrated content at affiliate sites.

"CDBG" means community development block grant.

"Citizen participation plan" means the plan required and approved by HUD that describes the state's process for including citizen participation in development of its consolidated plan and annual action plan. The citizen participation plan is available on the authority's website.

"Consolidated plan" means the five-year plan required and approved by HUD that establishes goals and objectives for the state's CDBG program. The consolidated plan is available on the authority's website.

"HUD" means the U.S. Department of Housing and Urban Development.

"Management guide" means the administrative reference manual published by the authority for each program year. The management guide is available on the authority's website.

"Program year" means the annual period beginning January 1 and ending December 31.

"Recipient" means a local government entity awarded CDBG funds under any CDBG program.

261—23.3(15) Annual action plan. The authority will prepare a CDBG annual action plan for submittal to and approval by HUD. The plan will provide a description of the activities and programs that will take place during the year to meet goals established in the consolidated plan.

23.3(1) The authority will follow the state's citizen participation plan during the development of the annual action plan. A draft annual action plan will be available on the authority's website for 30 days for public review and comment. The authority will hold a public hearing during the comment period to collect public input on the plan prior to its submittal to HUD.

23.3(2) The annual action plan will include the proposed CDBG program funding allocation.

261—23.4(15) Allocation of funds. Upon approval by HUD, the authority will allocate CDBG funds among programs or activities described in the state's most recent annual action plan, which may include but not be limited to the following:

1. Housing assistance.
2. Water and sewer improvements.
3. Community facilities improvements.
4. Opportunities and threats fund.
5. Neighborhood revitalization activities.

261—23.5(15) Requirements for funding. Applications for funds under any of the program-allocated funds pursuant to rule 261—23.4(15) shall meet the minimum criteria described in subrules 23.5(1) through 23.5(3).

23.5(1) Proposed activities shall be eligible, as authorized by Title I, Section 105, of the Housing and Community Development Act of 1974 as amended and as further defined in 24 CFR Part 570. References in this subrule are to the laws as in effect February 25, 2026.

23.5(2) Proposed activities shall address at least one of the following three objectives:

a. Primarily benefit low- and moderate-income persons. To address this objective, 51 percent or more persons benefiting from a proposed activity must have incomes at or below 80 percent of the area median income as defined by HUD.

b. Aid in the prevention or elimination of slums and blight. To address this objective, the application must document the extent or seriousness of deterioration in the area to be assisted, showing a clear adverse effect on the well-being of the area or community and illustrating that the proposed activity will alleviate or eliminate the conditions causing the deterioration.

c. Meet an urgent community development need. To address this objective, the applicant must certify that the proposed activity is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community and that are recent in origin or that recently became urgent, that the applicant is unable to finance the activity without CDBG assistance and that other sources of funding are not available.

23.5(3) Applicants shall certify their compliance with federal requirements applicable to the CDBG program.

261—23.6(15) Award and administration. The authority may negotiate award amounts, terms and conditions prior to making any award under the program. A management guide detailing the instructions for administration of awards will be updated periodically by the authority and will be available on the authority's website.

These rules are intended to implement Iowa Code section 15.108(1)*"a"* and 24 CFR Part 570.

[Filed 12/21/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9997C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to broadband forward and telecommuter forward certifications

The Economic Development Authority (Authority) hereby rescinds Chapter 24, "Broadband Forward and Telecommuter Forward Certifications," Iowa Administrative Code, and adopts a new Chapter 24 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 15.106A and 15E.167.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15E.167.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 24 and adopting a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Broadband Forward and Telecommuter Forward Certification program administered pursuant to Iowa Code section 15E.167. The updated chapter will be more concise throughout. Language that duplicates statute will be omitted.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on September 17, 2025, as **ARC 9543C**. A public hearing was held on the following date(s):

- October 7, 2025
- October 9, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting.

The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 24 and adopt the following **new** chapter in lieu thereof:

CHAPTER 24
BROADBAND FORWARD AND TELECOMMUTER FORWARD CERTIFICATIONS

261—24.1(15E) Definitions.

"Applicant" means a political subdivision that submits an application to the authority for a broadband forward certification or telecommuter forward certification.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Broadband" means the same as defined in Iowa Code section 8.76.

"Broadband infrastructure" means the same as defined in Iowa Code section 8.76.

"Certification" means a certificate issued to a political subdivision pursuant to this chapter.

"Political subdivision" means the same as defined in Iowa Code section 15E.167.

"Program" means the broadband forward and telecommuter forward certification program established pursuant to Iowa Code section 15E.167 and this chapter.

261—24.2(15E) Application, review, and approval.

24.2(1) *Application.* The authority will develop a standardized application process and make information on applying available on the authority's website at www.opportunityiowa.gov. To apply for certification under the program, a political subdivision shall submit an application to the authority in the form and manner prescribed by the authority. A political subdivision may apply for broadband forward certification and telecommuter forward certification concurrently.

24.2(2) *Review.* The authority will review each complete application to determine whether an applicant meets the criteria for certification.

24.2(3) *Approval.* The authority may approve, deny or defer applications for certification. If the authority approves an application for certification, the authority will issue a broadband forward or telecommuter forward certificate and assist the political subdivision in publicizing its certification.

261—24.3(15E) Broadband forward certification.

24.3(1) To obtain broadband forward certification, a political subdivision shall submit to the authority an application that meets the criteria in Iowa Code section 15E.167(3).

24.3(2) A political subdivision applying for certification shall designate a single point of contact with the responsibilities described in Iowa Code section 15E.167(4).

24.3(3) The authority will evaluate whether the applicant demonstrates that its efforts or proposed efforts to develop broadband infrastructure and access to broadband will have a sufficient impact that warrants certification.

261—24.4(15E) Telecommuter forward certification.

24.4(1) A political subdivision that meets the criteria for broadband forward certification may apply for telecommuter forward certification. To obtain telecommuter forward certification, a political subdivision shall submit to the authority an application that meets the criteria in Iowa Code section 15E.167(6).

24.4(2) A political subdivision applying for certification shall designate a single point of contact designated with the responsibilities described in Iowa Code section 15E.167(7).

24.4(3) The authority will evaluate whether the applicant demonstrates that its efforts or proposed efforts to further develop and promote the availability of telecommuting will have a sufficient impact that warrants certification.

261—24.5(15E) Maintenance of certification.

24.5(1) *Reports.* A political subdivision certified pursuant to this chapter shall submit an annual report to the authority verifying its continued eligibility for certification pursuant to Iowa Code section 15E.167. If applicable, the report will also address a political subdivision's compliance with the restrictions in Iowa Code section 15E.167(5).

24.5(2) *Revocation of certification.* The authority shall revoke the certification of a political subdivision that does not comply with the requirements of Iowa Code section 15E.167 or that the authority otherwise determines is no longer eligible for certification pursuant to this chapter.

These rules are intended to implement Iowa Code section 15E.167.

[Filed 12/21/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9998C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to red tape review

The Economic Development Authority (Authority) hereby rescinds Chapter 31, "Economic Development Region Initiatives," Chapter 43, "Hoover Presidential Library Tax Credit," Chapter 44, "Cog Assistance," Chapter 75, "Opportunities and Threats Program," Chapter 117, "SSBCI Demonstration Fund," Chapter 165, "Allocation of Grow Iowa Values Fund," Chapter 171, "Supplemental Credit or Points," Chapter 212, "Vision Iowa Program," Chapter 213, "Enhance Iowa Board: Uniform Waiver Rules," Chapter 214, "Enhance Iowa Board," Chapter 400, "Rules Applicable to Part XII," and Chapter 401, "Administration of Financial Assistance," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 15A, 15F and 15G; Iowa Code sections 12.72, 15.106A, 15.106A, 15.439, 15E.231, 15E.364, 15F.102 and 17A.9A; and 2011 Iowa Acts, House File 590, division III.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 15A, 15F and 15G; Iowa Code sections 12.72, 15.106A, 15.439, 15E.231, 15E.364, 15F.102, 17A.9A and 28H.1; and 2011 Iowa Acts, House File 590, division III.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding the following obsolete and unnecessary chapters:

- Chapter 31, which describes economic development region initiatives. The initiatives have been discontinued. No funds are currently available for this purpose. Additionally, the chapter implements Iowa Code sections 15E.231 through 15E.233, which are repealed by 2025 Iowa Acts, Senate File 657, effective December 31, 2025.
- Chapter 43, which describes the Hoover Presidential Library Tax Credit. The tax credit is available to taxpayers who make an unconditional charitable donation to the Hoover Presidential

Foundation for the Hoover Presidential Library and Museum Renovation Project Fund. The tax credit cannot be claimed after tax years beginning on and after January 1, 2024; therefore, the authority's rules relating to the qualification and application process for tax credits are no longer needed. Tax credits are claimed pursuant to rules adopted by the Department of Revenue.

- Chapter 44, which provides grant funds to councils of governments organized pursuant to Iowa Code chapter 28H for the provision of technical assistance to political subdivisions in their service delivery areas. Funds are regularly appropriated to the Authority for this purpose, but such appropriations do not require the Authority to have rules regarding the provision of funds.
- Chapter 75, which describes the opportunities and threats program. The chapter implements Iowa Code chapter 15G, subchapter I. The subchapter was repealed in 2012.
- Chapter 117, which describes the State Small Business Credit Initiative (SSBCI) demonstration fund. The fund utilized a 2011 allocation from the SSBCI. A 2022 allocation from the SSBCI is addressed in 261—Chapter 112.
- Chapter 165, which describes rules applicable to allocation of the Grow Iowa Values Fund. The fund was repealed in 2012 by 2011 Iowa Acts, chapter 133.
- Chapter 171, which implements requirements to give additional consideration or additional points in Iowa Code sections 15.439(3), 15A.1(5), and 15A.4. Such additional consideration or points are required if a project is (i) within a brownfield site, blighted area, or distressed area; (ii) subject to a good neighbor agreement; or (iii) identified in an Iowa Great Places agreement. Iowa Code section 15.439 was repealed by 2025 Iowa Acts, House File 975. The requirements in Iowa Code chapter 15A do not require rules.
- Chapter 212, which describes the procedures and administration of the Vision Iowa Program. Rules are no longer necessary for the program because all program contracts are closed and no funding is available.
- Chapter 213, which describes the waiver process for rules issued by the Enhance Iowa Board. The Enhance Iowa Board was eliminated with the repeal of Iowa Code section 15F.102 by 2024 Acts, chapter 1170, section 368.
- Chapter 214, which describes the composition, officers, and duties of the Enhance Iowa Board. The Enhance Iowa Board was eliminated with the repeal of Iowa Code section 15F.102 by 2024 Acts, chapter 1170, section 368.
- Chapter 400, which describes rules related to the Iowa Power Fund. The chapter was enacted to allow the Authority to administer and wind down contracts entered into under the Iowa Power Fund legislation (Iowa Code chapter 469) before its repeal via 2011 Iowa Acts, House File 590. The chapter is obsolete and unnecessary.
- Chapter 401, which describes rules for the administration of the Iowa Power Fund. The Iowa Power Fund legislation (Iowa Code chapter 469) was repealed via 2011 Iowa Acts, House File 590. The chapter is obsolete and unnecessary.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025, as **ARC 9649C**. A public hearing was held on the following date(s):

- November 18, 2025
- November 20, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **261—Chapter 31**.

ITEM 2. Rescind and reserve **261—Chapter 43**.

ITEM 3. Rescind and reserve **261—Chapter 44**.

ITEM 4. Rescind and reserve **261—Chapter 75**.

ITEM 5. Rescind and reserve **261—Chapter 117**.

ITEM 6. Rescind and reserve **261—Chapter 165**.

ITEM 7. Rescind and reserve **261—Chapter 171**.

ITEM 8. Rescind and reserve **261—Chapter 212**.

ITEM 9. Rescind and reserve **261—Chapter 213**.

ITEM 10. Rescind and reserve **261—Chapter 214**.

ITEM 11. Rescind and reserve **261—Chapter 400**.

ITEM 12. Rescind and reserve **261—Chapter 401**.

[Filed 12/21/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 9999C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to employee stock ownership plan formation assistance

The Economic Development Authority (Authority) hereby rescinds Chapter 56, "Employee Stock Ownership Plan (ESOP) Formation Assistance," Iowa Administrative Code, and adopts a new Chapter 56 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2013 Iowa Acts, House File 648, section 9.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 56 and adopting a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the ESOP Formation Assistance program established pursuant to 2013 Iowa Acts, House File 648, section 9. The updated chapter will be clearer and more concise throughout.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on September 17, 2025, as **ARC 9544C**. A public hearing was held on the following date(s):

- October 7, 2025
- October 9, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 56 and adopt the following **new** chapter in lieu thereof:

CHAPTER 56
EMPLOYEE STOCK OWNERSHIP PLAN (ESOP) FORMATION ASSISTANCE

261—56.1(85GA,HF648) Definitions. For purposes of this chapter, unless the context otherwise requires:

"Agreement" means a contract for financial assistance under the program describing the terms on which the financial assistance is to be provided.

"Applicant" means a business applying for assistance under the program.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Business" means a corporation eligible to become a qualified Iowa ESOP.

"Director" means the director of the authority.

"Financial assistance" means a payment made by the authority to an applicant approved for funding under the program.

"Program" means the ESOP formation assistance program established pursuant to this chapter.

"Qualified Iowa ESOP" means an employee stock ownership plan, as defined in Section 4975(e)(7) of the Internal Revenue Code as in effect on February 25, 2026, and trust that are established by an Iowa corporation for the benefit of the employees of the corporation.

261—56.2(85GA,HF648) Program eligibility, application, and funding decisions.

56.2(1) *Program eligibility.* To be eligible under the program, an applicant shall meet all of the following requirements:

a. The business is interested in establishing an ESOP.

b. The business is, or documents intent to become, an Internal Revenue Service (IRS) subchapter C or subchapter S corporation.

c. The business has a valuation that is sufficient to make an ESOP feasible. A business with valuation less than $5 million is generally not considered a feasible candidate for an ESOP.

d. The business has a number of employees, eligible employee types, and a total payroll that are sufficient to make an ESOP feasible. A business with fewer than 25 full-time, permanent employees is generally not considered a feasible candidate for an ESOP.

e. The applicant shall have a cash flow level sufficient to make an ESOP feasible. A business with cash flow less than $500,000 is generally not considered a feasible candidate for an ESOP.

f. The business is not a business engaged in the business of sale at retail of tangible personal property or taxable services in this state or online. "Sale at retail" means the same as defined in Iowa Code section 423.1(46). Any business obligated to collect sales or use tax under Iowa Code chapter 423 may be ineligible pursuant to this paragraph.

g. The business is not a publicly traded company.

h. The business has not completed a feasibility study for purposes of exploring formation of a qualified Iowa ESOP in the three years prior to application for the program.

56.2(2) *Application.* The authority will accept applications for the program on a rolling basis. Information on submitting an application is available on the authority's website.

56.2(3) *Application scoring.* The authority may engage outside experts for assistance in evaluating the applications as needed. An applicant may be required to interview with authority staff or outside experts engaged by the authority. Authority staff will score applications based on the extent to which an applicant is a feasible candidate to form a qualified Iowa ESOP. The authority will keep records of the scoring process and make those records available to applicants.

56.2(4) *Funding decisions.* The director will make the final funding decision on each application, taking into consideration the score and the funding recommendation of authority staff. The director will not approve funding for an application that receives an average score of less than 50 points.

56.2(5) *Amount of assistance.* An applicant to the program may be approved for financial assistance in an amount equal to 50 percent of the cost incurred for obtaining a feasibility study

conducted by an independent financial professional. The total amount of financial assistance provided to an applicant will not exceed $25,000.

261—56.3(85GA,HF648) Contract and disbursement.

56.3(1) Each applicant that is approved for financial assistance under the program shall enter into an agreement with the authority to establish the terms on which the financial assistance is to be provided.

56.3(2) The authority may reimburse a business for up to 25 percent of the cost of a feasibility study upon completion of the feasibility study. The authority may reimburse a business for up to 25 percent of the cost of a feasibility study upon formation of a qualified Iowa ESOP. The business must document the costs incurred and completion of all necessary transactions to the satisfaction of the authority prior to disbursement. Costs incurred prior to approval of financial assistance will not be eligible for reimbursement.

These rules are intended to implement 2013 Iowa Acts, House File 648, section 9.

[Filed 12/21/25, effective 2/25/26]
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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0001D

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to targeted jobs withholding tax credit program

The Economic Development Authority (Authority) hereby rescinds Chapter 71, "Targeted Jobs Withholding Tax Credit Program," Iowa Administrative Code, and adopts a new Chapter 71 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 15.106A and 403.19A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 403.19A.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 71 and adopting a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Targeted Jobs Withholding Tax Credit program established pursuant to Iowa Code section 403.19A. The updated chapter is clearer and more concise throughout and omits repetition of statutory language. Policies regarding project initiation have been incorporated into the new chapter. Additionally, job counting procedures previously addressed in 261—Chapter 188 have been included because that chapter was rescinded effective August 28, 2024.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025, as **ARC 9645C**. A public hearing was held on the following date(s):

- November 18, 2025
- November 20, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

The program provides an incentive to businesses that create and retain jobs in the State.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 71 and adopt the following **new** chapter in lieu thereof:

CHAPTER 71
TARGETED JOBS WITHHOLDING TAX CREDIT PROGRAM

261—71.1(403) Definitions.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Award date" means the date the board approved a withholding agreement.

"Base employment level" means the number of full-time equivalent positions at an employer as established by the authority and an employer using the employer's payroll records as of the date an employer applies for the program.

"Board" means the same as defined in Iowa Code section 15.102.

"Business" means the same as defined in Iowa Code section 403.19A.

"Countywide average wage" means the average that the authority calculates using the most current four quarters of wage and employment information as provided in the quarterly covered wage and employment data report as provided by the department of workforce development. Agricultural/mining and governmental employment categories are deleted in compiling the wage information.

"Created job" means a new, permanent, full-time equivalent position added to an employer's payroll in excess of the employer's base employment level.

"Employee" means the same as defined in Iowa Code section 403.19A.

"Employer" means the same as defined in Iowa Code section 403.19A.

"Employer's taxable capital investment" means a capital investment in real property, including but not limited to the purchase of land and existing buildings and building construction included in the project, that is subject to taxation by the local taxing authority.

"Full-time equivalent job" or *"full-time"* means a non-part-time position for the number of hours or days per week considered to be full-time work for the kind of service or work performed for an employer. Typically, a full-time equivalent position requires 2,080 hours of work in a calendar year, including all paid holidays, vacations, sick time, and other paid leave.

"Local financial support" or *"local match"* means the same as defined in Iowa Code section 403.19A(3)*"k"*(2). For the purposes of this definition, "cash" includes but is not limited to loans, forgivable loans or grants. For the purposes of this definition, "in-kind contributions" means contributions directly related to the project and includes but is not limited to the construction of private or public infrastructure or other amenities and improvements.

"Pilot project city" means the same as defined in Iowa Code section 403.19A.

"Project" means an activity or set of activities directly related to the start-up, location, modernization, or expansion of a business, and proposed in an application by a business, that will result in the accomplishment of the goals of the program.

"Qualifying investment" means the same as defined in Iowa Code section 403.19A. For purposes of this definition, "long-term lease costs" means those costs incurred or expected to be incurred under a lease during the duration of a withholding agreement, provided that the cumulative cost for that period does not exceed the cost of the land and the third-party developer's costs to build or renovate the building for the approved employer.

"Retained job" means the same as defined in Iowa Code section 403.19A. For the purposes of this definition, a position "at risk of elimination" includes a position that would be relocated out of state.

"Targeted job" means the same as defined in Iowa Code section 403.19A.

"Withholding agreement" means the same as defined in Iowa Code section 403.19A.

261—71.2(403) Pilot project cities. Pursuant to Iowa Code section 403.19A(2), pilot project cities were identified by the authority based on applications received prior to October 1, 2006. The identified pilot project cities are:

1. Burlington.
2. Council Bluffs.
3. Fort Madison.
4. Keokuk.
5. Sioux City.

261—71.3(403) Withholding agreements. The authority and a pilot project city may enter into a withholding agreement pursuant to Iowa Code section 403.19A. In addition to the items described in Iowa Code section 403.19A(3)*"d,"* a withholding agreement shall contain all of the following:

71.3(1) A list of all other incentives or financial assistance the employer has requested or is receiving from other federal, state, or local economic development programs, including loans, grants, forgivable loans, and tax credits.

71.3(2) The total amount of withholding tax credits awarded.

71.3(3) The total number of created jobs and retained jobs included in the project.

71.3(4) The required countywide average wage.

71.3(5) The total qualifying investment included in the project.

71.3(6) The total required matching local financial support for the project.

71.3(7) The term of the withholding agreement.

71.3(8) Any terms deemed necessary by the authority to effect compliance with the requirements of Iowa Code section 403.19A and this chapter.

261—71.4(403) Project approval.

71.4(1) *Request for board approval form.* To request board approval of a proposed withholding agreement, an employer and pilot project city shall utilize a standardized application developed by the authority. The form will include but not be limited to the following:

a. A general description of the project, including how the pilot project city will utilize withholding funds generated by the project.

b. The employer's base employment level.

c. Information regarding the number of targeted jobs in the project, the wages of the targeted jobs, and the types of jobs created by the project.

d. A budget for the project, showing the total project cost, the amount of local matching funds committed to the project, and the amount of withholding funds the pilot project city will receive from the project.

e. A letter or resolution of support from the local government showing support for the project.

71.4(2) *Timing of submittal.* Requests for board approval of a proposed withholding agreement may be submitted at any time. The authority will review requests for approval of a proposed withholding agreement in as timely a manner as possible.

71.4(3) *Project initiation.* The authority will not accept applications for projects that have been initiated or will be initiated prior to board consideration of the employer's application for the program unless the employer establishes that not initiating the project prior to board consideration of the application would result in undue hardship or that extenuating circumstances necessitate initiating the project prior to board consideration of the employer's application for the program. Whether an undue hardship or extenuating circumstance exists will be determined by the authority.

a. Any one of the following may indicate that a project has been initiated:

(1) The start of construction of new or expanded buildings;

(2) The start of rehabilitation of existing buildings;

(3) The purchase or leasing of existing buildings; or

(4) The installation of new machinery and equipment or new computers to be used in the operation of the project.

b. The following shall not indicate a project has been initiated:

(1) The purchase of land or signing an option to purchase land;

(2) Earthmoving or other site development activities not involving actual building construction, expansion or rehabilitation; or

(3) Acquisition of a business as a going concern.

c. Any costs incurred prior to the award date are not eligible qualifying investment expenses.

71.4(4) *Board action on requests for approval.* The board, on behalf of the authority, may approve or deny a withholding agreement according to the provisions of Iowa Code section 403.19A and this chapter. A pilot project city and employer will be notified in writing of the board's decision regarding the proposed withholding agreement.

261—71.5(403) Reporting requirements.

71.5(1) The annual report required by Iowa Code section 403.19A(3)*"c"*(3) shall be submitted by the employer by September 1 covering the prior fiscal year (July 1 to June 30). The authority will verify job creation or retention using the method described in rule 261—71.6(15).

71.5(2) The authority may request additional reports from pilot project cities as necessary to determine the status of the targeted jobs withholding tax credit program.

71.5(3) The pilot project city or employer shall provide the following upon request:

a. Payroll records that correspond to the quarterly report provided by the pilot project city for the department of revenue;

b. Information substantiating the total amount of qualifying investment made in the project;

c. Information substantiating the total amount of local financial support made in the project;

d. Payments and receipts under a withholding agreement.

261—71.6(15) Job counting.

71.6(1) *Overview.* The authority will count created and retained jobs using a base employment analysis comparing the base employment level to employment at another date. The employer's base employment level will be established at the time of application for the program. The number of jobs the employer has pledged to create shall be in addition to the base employment level. Retained jobs may be included in the base employment level as established at the time of approval.

71.6(2) *Base employment level.*

a. Base employment level will include the number of full-time equivalent positions employed at the project location. If the project occurs at more than one physical location, the employer's base employment level will include the total number of full-time equivalent positions working at the identified locations. Base employment level may include the employer's full-time equivalent positions in this state as identified by the authority that are not located at the project location.

b. If an employer enters multiple withholding agreements for projects at the same location, the base employment level will be calculated by using the payroll document from the oldest withholding agreement that is open. Job obligations from each new withholding agreement will be added to this base employment level.

c. The authority will collect payroll documents to calculate and verify the base employment level used in each withholding agreement. Payroll documents must include a name or employee identification number and the hourly rate of pay for all full-time equivalent positions.

d. If the base employment level includes retained jobs, the authority will require an employer to verify that a job is at risk. Such verification may include the signed statement of an officer of the employer, documentation that the employer is actively exploring other sites for the project, or any other information the authority may reasonably require during the application review process to establish that a job is at risk.

71.6(3) *Verification.* At the project completion date, during the maintenance period, and following the maintenance period completion date, payroll documents will be used to calculate and verify compliance with job obligations. The person who submits the documents must, under penalty of perjury, verify that the information contained in the documents is true and correct.

71.6(4) *Full-time equivalent positions.* Only a full-time equivalent position filled by an individual will be considered an employee of the employer for the purpose of establishing the base employment level, retained jobs, or created jobs. The authority will not consider "job sharing" or any other means of aggregation or combination of hours worked by more than one natural person in counting jobs. The authority will verify that full-time equivalent positions constitute the employment of one person for:

a. Eight hours per day for a five-day, 40-hour workweek for 52 weeks per year, including paid holidays, vacations and other paid leave; or

b. The number of hours or days per week, including paid holidays, vacations and other paid leave, currently established by schedule, custom, or otherwise, as constituting a week of full-time work for the kind of service an individual performs for an employing unit, provided that the number of hours per week is at least 32 hours per week for 52 weeks per year, including paid holidays, vacations, and other paid leave.

c. If employees at the facility do not typically work 40 hours per week, the employer will be required to provide documentation outlining what the employer considers a full-time workweek and how the employer's interpretation fits within the norms of its industry standards. Whether to accept this interpretation is within the sole discretion of the authority.

71.6(5) *Contract employees.* An employer's leased or contract employee may be included in the base employment level, as a created job, or as a retained job only if the following requirements are met:

a. The employer has a legally binding contract with a third-party provider to provide the leased or contract employee.

b. The contract between the third-party provider and the employer specifically requires the third-party provider to pay the wages required for the time period required by the authority as conditions of the approval of a withholding agreement with the employer.

c. The contract between the third-party provider and the employer specifically requires the third-party provider to submit payroll records to the authority, in form and content and as frequently as required by the authority, for purposes of verifying the employer's job creation/retention.

d. The contract between the third-party provider and the employer specifically authorizes the authority or its authorized representatives to access the third-party provider's records related to the project.

e. The employer agrees to be contractually liable to the authority for the performance or nonperformance of the third-party provider.

71.6(6) *Remote employees.* Employees with a reasonable connection to a project location who work remotely may be included in the base employment level, as a created job, or as a retained job as established by the authority at the time of application. To determine whether employees who work remotely should be included, the authority will consider an employer's policies on establishing remote work locations for employees, reporting structures, percentage of time worked at the project location, and the distance of employees' remote work locations from the project location. Only employees who work remotely within a defined geographic area established by the authority will be included. Whether an employee who works remotely is included in the base employment level, as a created job, or as a retained job pursuant to this subrule shall be solely within the discretion of the authority.

71.6(7) *Wages.* Jobs that are not paid the countywide average wage will not be counted toward an employer's job creation or job retention obligations. To determine the wages paid to the employees of an eligible business, the authority will include only monetary compensation, represented in terms of an hourly rate, paid by an employer to an employee for work or services provided, typically on a weekly or biweekly basis. The wage will not include nonregular forms of compensation, such as bonuses, unusual overtime pay, commissions, stock options, pensions, retirement or death benefits, unemployment benefits, life or other insurance, or other fringe benefits.

261—71.7(403) Applicability. This chapter applies to withholding agreements entered into on or after July 1, 2013. Withholding agreements entered into prior to July 1, 2013, shall be governed by this chapter as it existed prior to the enactment of 2013 Iowa Acts, Senate File 433.

These rules are intended to implement Iowa Code section 403.19A.

[Filed 12/21/25, effective 2/25/26]
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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0002D

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to site development program

The Economic Development Authority (Authority) hereby rescinds Chapter 77, "Site Development Program," Iowa Administrative Code, and adopts a new Chapter 77 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 15.106A and 15E.18.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15E.18.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 77 and adopting a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Site Development Program established pursuant to Iowa Code section 15E.18. The updated chapter is clearer and more concise throughout. Language that repeats statute has been eliminated. The new chapter includes updated rules regarding application content, process, and evaluation criteria. An existing requirement that applicants enter a reimbursement agreement with the Authority for site consultation costs has been incorporated into the new chapter.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 29, 2025, as **ARC 9648C**. A public hearing was held on the following date(s):

- November 18, 2025
- November 20, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 77 and adopt the following **new** chapter in lieu thereof:

CHAPTER 77
SITE DEVELOPMENT PROGRAM

261—77.1(15E) Definitions.

"Applicant" means the entity that submits an application to the authority for a certificate of readiness for a site development area or areas.

"Authority" means the economic development authority established in Iowa Code section 15.105.

"Certificate of readiness" means a certificate issued to a local government or local economic development official for a site that is determined to be ready for development or redevelopment based on criteria set forth in rule 261—77.4(15E).

"Site development area" means property that is included as part of a site development plan and that is to be used or proposed to be used for development or redevelopment.

261—77.2(15E) Eligibility. Eligible applicants may apply to the authority for a certificate of readiness pursuant to Iowa Code section 15E.18.

261—77.3(15E) Application; review; approval.

77.3(1) *Application.* All requests for a certificate of readiness for a site development area shall be made using the application provided by the authority. The application shall include at least the following information:

a. Applicant information, including name, address, telephone number and contact person.

b. Legal description of the site development area(s).

c. Identification of the property owner(s) related to the site development area(s) and control of the site development area(s) for the period the certificate of readiness will be effective.

d. Detailed site development plan(s) for the site development area(s).

77.3(2) *Review.* The authority will accept applications during specified time periods. The authority and, if applicable, a contractor engaged for the purpose of evaluating sites will review applications based on the general criteria described in subrule 77.4(1). The authority will evaluate each application to identify any barriers to development or redevelopment.

77.3(3) *Approval.* The authority may approve, deny or defer applications for a certificate of readiness. If the authority approves an application for a certificate of readiness, the authority will issue a certificate of readiness in accordance with rule 261—77.5(15E).

261—77.4(15E) Evaluation criteria.

77.4(1) *General.* When evaluating applications for certificates of readiness, the authority will consider the following criteria:

a. The thoroughness and detail of the site development plan.

b. The site development plan's regard for compliance with applicable regulations, including without limitation land-use and zoning restrictions or environmental or cultural protections.

c. The presence of or planning for viable transportation infrastructure.

d. The presence of or planning for viable utility infrastructure.

e. The geologic and natural characteristics of the site development area(s), including the proximity or inclusion of any floodplains.

f. The ownership and control of the site development area(s).

g. Demonstrated support, including without limitation financial and local support, for the site development plan.

77.4(2) *Additional consideration.* In addition to the general criteria described above, the authority may consider whether a site development plan for a site development area utilizes sustainable design and practices. For purposes of this subrule, "sustainable design" means construction design intended to minimize negative environmental impacts and to promote the health and comfort of building occupants.

261—77.5(15E) Certificate of readiness.

77.5(1) *Certification.* Upon approval of an application, the authority will issue a certificate of readiness to the applicant. The certificate of readiness will include a short description of how the site development plan meets the general criteria described in subrule 77.4(1) and will include whether the site development plan meets the additional consideration described in subrule 77.4(2). The certificate of readiness will be valid for the term described on the certificate, which may vary for each site development area depending on the nature of the development and the site characteristics. In no event shall the term of a certificate exceed ten years.

77.5(2) *Recertification.* The local government or local economic development official responsible for the site development area shall reapply for a certificate of readiness under these rules for the site to be considered for a subsequent certificate of readiness.

261—77.6(15E) Consultation. The authority may contract with third parties to provide site development consultations. The applicant will be required to enter a contract with the authority that provides for reimbursement of all or a portion of the cost of site development consultations if, during the period the certificate of readiness is effective, the owner(s) of a site or park sell(s), give(s) away, or otherwise dispose(s) of the site or park or any portion of the site development area for a purpose or use other than a purpose or use for which the site was certified.

These rules are intended to implement Iowa Code section 15E.18.

[Filed 12/21/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0003D

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to the seed investor tax credit program

The Economic Development Authority (Authority) hereby adopts new Chapter 114, "Seed Investor Tax Credit Program," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2025 Iowa Acts, Senate File 657.

Purpose and Summary

The Authority is adopting a new Chapter 114. The chapter describes the policies and procedures applicable to the Seed Investor Tax Credit program, available pursuant to Iowa Code chapter 15E, subchapter IV as enacted by 2025 Iowa Acts, Senate File 657. The program is designed to encourage early-stage investments in innovative Iowa businesses in key growth sectors, including advanced manufacturing, bioscience, finance and insurance, and technology.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9670C**. No public comments were received.

The following changes from the Notice have been made:

- Clarification of definitions, including a new definition of "principal business operations."
- Clarification regarding types of eligible investments.
- Removal of a reference to the timeline for accepting applications for tax credits in fiscal year 2026.
- Clarification that the Authority may, but is not required to, approve partial tax credits.
- Removal of references to 2025 Iowa Acts, Senate File 657, since the Iowa Code sections have been codified.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa beyond that of the legislation it is intended to implement.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Adopt the following **new** 261—Chapter 114:

CHAPTER 114
SEED INVESTOR TAX CREDIT PROGRAM

261—114.1(15E) Definitions. For purposes of this chapter, unless the context otherwise requires:

"Affiliate" means the same as defined in Iowa Code section 15E.26. For the purposes of this definition, "controlling equity interest" means ownership of more than 50 percent of the outstanding equity interests of a corporation, partnership, limited liability company, or trust.

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Board" means the members of the economic development authority appointed by the governor and in whom the powers of the authority are vested pursuant to Iowa Code section 15.105.

"Convertible debt" means debt that may be converted to equity at the option of the debt holder but has not yet been converted.

"Director" means the director of the authority.

"Eligible investor" means an investor making an investment that is eligible for a tax credit pursuant to this chapter and Iowa Code chapter 15E, subchapter IV.

"Equity" means common or preferred corporate stock or warrants to acquire such stock, membership interests in limited liability companies, or partnership interests in partnerships. Equity shall be limited to securities or interests acquired only for cash and shall not include securities or interests acquired at any time for services, contributions of property other than cash, convertible debt, or any other noncash consideration.

"Full-time equivalent employee" means a non-part-time position for the number of hours or days per week considered to be full-time work for the kind of service or work performed for an employer.

Typically, a full-time equivalent position requires 2,080 hours of work in a calendar year, including all paid holidays, vacations, sick time, and other paid leave.

"Investment" means the same as defined in Iowa Code section 15E.26.

"Investor" means the same as defined in Iowa Code section 15E.26.

"Person" means an individual, corporation, limited liability company, business trust, estate, trust, partnership or association, or any other legal entity.

"Principal" means any current or prospective officer, director, or owner.

"Principal business operations" means the location at which at least 50 percent of a qualified business's employees are employed, the location at which employees representing at least 50 percent of a qualified business's payroll are employed, or the home office for a substantial amount of executive employees.

"Program" means the seed investor tax credit program administered pursuant to this chapter and Iowa Code chapter 15E, subchapter IV.

"Qualifying business" means the same as defined in Iowa Code section 15E.26.

"Rural area" means the same as defined in Iowa Code section 15E.26.

"Urban area" means the same as defined in Iowa Code section 15E.26.

261—114.2(15E) Certification of qualifying businesses.

114.2(1) *Eligibility for certification as a qualifying business.* A business shall meet all of the criteria in Iowa Code section 15E.28 to be eligible for certification as a qualifying business.

114.2(2) *Length of business operations.* For the purposes of determining whether a business has been in operation for five years or less as required by Iowa Code section 15E.28(2)*"b,"* the authority will consider the following factors:

a. The date of incorporation or organization;

b. The date on which the business began the sale of goods or services;

c. The date on which the business first hired employees;

d. The date of execution of business contracts; and

e. Any other information that indicates the date on which the business began materially engaging in commercial activity.

114.2(3) *Application for certification.* A qualifying business shall apply to the authority for certification as a qualifying business as prescribed by the authority. The application for certification will include the following information:

a. A description of the general nature of the business's operations.

b. The location of the principal business operations, any other business locations, and the number of employees at each of the business's locations.

c. The date on which the business was formed and the date on which the business commenced operations based on the factors identified in subrule 114.2(2).

d. Verification that the business has at least one full-time equivalent employee.

e. Evidence that the business's primary operations are in a qualifying industry pursuant to Iowa Code section 15E.28(2)*"d."* Such evidence may include but is not limited to whether the business has a North American industry classification system (NAICS) number aligned with the relevant industries as determined by the authority. Businesses with other NAICS numbers will be required to document to the authority's satisfaction that the business is primarily engaged in an applicable industry identified in Iowa Code section 15E.28(2)*"d"* based on factors including but not limited to sources of revenue and customer base. For the purposes of determining whether the business is primarily engaged in the provision of services that require a professional license, "services requiring a professional license" includes but is not limited to the professions listed in Iowa Code section 496C.2.

f. Documentation of the ownership, affiliates, and principals of the business sufficient to demonstrate the business is an independent organization that is not part of, or an affiliate of, a business that is not a qualifying business and to demonstrate that the business has at least two investors for the purposes of establishing its eligibility pursuant to Iowa Code section 15E.28(2)*"h"*(2).

g. A description of the manner in which the business satisfies the business experience requirements set forth in Iowa Code section 15E.28(2)*"f."*

h. A balance sheet that reflects the qualifying business's assets, liabilities, and owners' equity as of the close of the most recent month or quarter.

i. The names, addresses, shares or equity interests issued; consideration paid for the shares or equity interests; and estimated amounts of tax credits through the program of all shareholders or equity holders and the date on which the investment was made, as well as documentation of any binding investment commitments made prior to application for certification. An agreement for convertible debt may be considered a binding investment commitment for the purposes of this paragraph.

j. A signed statement from an officer, director, manager, member, or general partner of the qualifying business certifying the accuracy of the information provided.

k. Any other information the authority may reasonably require to determine the business's eligibility for certification as a qualifying business and its investors' eligibility to receive tax credits or to allow the authority to estimate demand for tax credits.

114.2(4) *Authority review and notice of certification.*

a. Upon the authority's receipt of the information and documentation necessary to demonstrate satisfaction of the criteria set forth in Iowa Code section 15E.28, the authority shall, within a reasonable period of time, determine whether a business shall be certified as a qualifying business and, if applicable, issue written notification to the qualifying business that such business has been certified with the authority for the purpose of issuing investment tax credits. The authority will indicate in its written notice the first date investments are eligible for a tax credit based on the date of application for certification and the date the authority expects the certification to expire based on the date the business began operations. If the authority determines a business should not be certified, the authority shall issue written notification to the business of the denial of certification and provide the reasons why the business was not certified.

b. Prior to issuance of the written notification pursuant to paragraph 114.2(4)*"a,"* a qualifying business shall pay a nonrefundable application fee of $200 to the authority.

c. Following written notification of certification, a certified qualifying business shall enter into an agreement with the authority reflecting the terms of certification.

114.2(5) *Revocation and expiration of certification.*

a. A certified qualifying business shall provide any information the authority may reasonably request to confirm the business's continued eligibility for certification as a qualifying business and the eligibility of its investors to receive tax credits or to allow the authority to estimate demand for tax credits.

b. If a qualifying business fails to meet or maintain any requirement set forth in this chapter and in Iowa Code chapter 15E, subchapter IV, the authority shall revoke the business's certification as a qualifying business by issuing written notice of revocation to the business. The notice will identify the last date on which the business was eligible to be certified as a qualifying business. Investments made after the identified date will not be eligible for a tax credit.

c. If a business continues to satisfy all eligibility requirements until it has been in operation for more than five years, the business's certification will expire on the date identified as the expected date of expiration pursuant to paragraph 114.2(4)*"a."* Investments made after the identified date will not be eligible for a tax credit.

d. The authority shall rescind any tax credit certificates issued to taxpayers for investments made after the date on which the business's certification was revoked or expired and shall notify the department of revenue that it has done so. A tax credit certificate that has been rescinded by the authority shall be null and void, and the department of revenue will not accept the tax credit certificate.

114.2(6) *Reporting.*

a. A certified qualifying business shall report new equity interests or transfers in equity among current equity holders or as any other information on the list of investors provided to the authority as part of the application for certification may change.

b. The authority may at any time request additional information and documentation from a qualifying business regarding the operations, job creation, and economic impact of such qualifying business, and the authority may use such information in preparing and publishing any reports to be provided to the governor and the general assembly to the extent such information is not confidential pursuant to Iowa Code section 15E.29.

261—114.3(15E) Investment and investor requirements.

114.3(1) Only investments made after the date a qualifying business submits an application for certification shall qualify for a tax credit.

114.3(2) A taxpayer shall not claim a tax credit through the program if the taxpayer receives a tax credit for the same investment through another program administered by the authority.

114.3(3) A qualifying business must submit documentation of an investment to the authority, consistent with paragraph 114.4(1)*"b,"* during the first available application window following the investment for the investment to qualify for a tax credit. If the first available application window following the investment concludes prior to approval of certification of the applicable qualifying business, the investor may apply in the first available application window following approval of certification.

114.3(4) Convertible debt shall only be considered an investment in the form of cash to purchase equity as of the date of conversion. Investors that utilize convertible debt must document the date and terms of conversion to equity to be eligible for a tax credit.

114.3(5) A simple agreement for future equity (SAFE) or comparable instrument may be evaluated by the authority to determine whether it constitutes an investment in the form of cash to purchase equity. An instrument that creates debt will not be considered.

114.3(6) Pursuant to the requirements and definitions in Iowa Code chapter 15E, subchapter IV, the authority will also verify the following to determine the eligibility of an investment for a tax credit:

a. The amount of the investment is at least $10,000.

b. The investment is not made by an affiliate of the qualifying business or its principals.

c. The investment is not made by an individual or entity that owns 70 percent or more of the qualifying business.

261—114.4(15E) Applying for an investment tax credit.

114.4(1) *Annual business application.* The annual application submitted by qualifying businesses will include:

a. A report from the business of any changes to the information provided in the application for certification pursuant to subrule 114.2(3).

b. The names, addresses, email addresses, phone numbers, shares or equity interests issued, and consideration paid for the shares or equity interests of all shareholders or equity holders, including but not limited to investors who may qualify for the tax credits and the date on which all investments were made.

c. Documentation of the ownership, affiliates, and principals of the qualifying business and of its investors sufficient to allow the authority to determine the following:

(1) Whether any investors are ineligible for a tax credit because the investor is an affiliate of the qualifying business or its principals.

(2) Whether any investors are ineligible for a tax credit because the individual or entity owns 70 percent or more of the qualifying business.

(3) Whether tax credits issued to an investor and the investor's spouse or dependent would exceed the maximum allowed pursuant to Iowa Code section 15E.27(2)*"b"*(1).

d. A signed statement from an officer, director, manager, member, or general partner of the qualifying business certifying the accuracy of the information provided.

e. A listing of investments that are anticipated to be eligible for tax credits during the fiscal year following submission of the application.

f. Any other information the authority may reasonably require to determine the business's continued eligibility for certification as a qualifying business and its investors' eligibility to receive tax credits or to allow the authority to estimate demand for tax credits.

114.4(2) *Application window.* The annual application required pursuant to Iowa Code section 15E.28(5) shall be submitted electronically to the authority from September 1 to December 31 each year. The authority may adjust the annual application period dates under extenuating circumstances and will provide notice of adjustments on the authority's website. The authority may cease accepting applications during any annual application period if the requested tax credits for the program and the requested tax credits for innovation fund investment tax credits available pursuant to Iowa Code section 15E.52 exceed $12 million. Applications shall be date- and time-stamped by the authority in the order in which such applications are received.

114.4(3) *Board approval of maximum tax credits.* The board will determine the total amount of tax credits available for each fiscal year pursuant to Iowa Code section 15.119. The authority will make its initial allocation of tax credits to eligible investors based on the order in which applications are received until the maximum aggregate amount of credits authorized for issuance has been reached for any fiscal year.

114.4(4) *Investor information and deadline.* Additional information that may be requested from investors identified by a qualifying business includes proof of investment and the investor's tax identification number. An eligible investor must provide any information requested by the authority to verify the eligibility of the investor and to allow the authority to issue a tax credit certificate. Such information shall be provided within 30 days of a request from the authority unless a request for extension is approved by the authority in writing.

114.4(5) *Tax credit approval.* Authority staff will verify the continued eligibility of qualifying businesses and the eligibility of investments prior to approval of tax credits by the director. Tax credits will be approved by the director on a first-come, first-served basis until the maximum amount of tax credits approved by the board is fully utilized. Applications that exceed the maximum amount of tax credits approved by the board will be denied.

114.4(6) *Tax credit amount.* The location of the principal business operations will be utilized to determine whether a qualifying business is located in a rural area or an urban area for the purposes of establishing the amount of a tax credit pursuant to Iowa Code section 15E.27(2)*"a."*

114.4(7) *Tax credit limitations.* Tax credits are limited by the following:

a. The total amount of tax credits available for the program, approved by the board pursuant to Iowa Code section 15.119.

b. The maximums allowed per fiscal year for a natural person, corporation, or other entity pursuant to Iowa Code section 15E.27(2).

c. The maximum allowed per fiscal year for any one qualifying business pursuant to Iowa Code section 15E.27(2).

114.4(8) *Denial of applications.* Applications received by the authority that exceed the limitations described in Iowa Code sections 15.119 and 15E.27 and in subrule 114.4(7) will be denied, regardless of whether the investment was otherwise eligible to receive a tax credit award. Any application that can be partially approved without exceeding the applicable maximum amounts may be approved as to the portion less than the maximum amounts and denied as to the portion greater than the maximum amounts. For example, if an application is eligible for $50,000 of tax credits, but there is only $30,000 of the business maximum amount available, the application may be approved for $30,000 and denied for $20,000.

261—114.5(15E) Tax credit certificates.

114.5(1) *Issuance by the authority.* The authority shall issue tax credit certificates to investors pursuant to Iowa Code section 15E.28 provided, however, that such tax credit certificate shall be subject to rescission pursuant to paragraph 114.2(5)*"d."*

114.5(2) *Vested right.* A taxpayer does not obtain a vested right in a tax credit until a certificate has been issued by the authority.

114.5(3) *Claiming an investment tax credit.* An investor that has been issued a tax credit certificate by the authority may claim the credit in accordance with any applicable rules adopted by the department of revenue.

These rules are intended to implement Iowa Code chapter 15E, subchapter IV.

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[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0004D

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to tax credits for investments in qualifying businesses

The Economic Development Authority (Authority) hereby rescinds Chapter 115, "Tax Credits for Investments in Qualifying Businesses," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2025 Iowa Acts, Senate File 657.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 115. The chapter describes the policies and procedures applicable to tax credits for investments in qualifying businesses, available pursuant to Iowa Code chapter 15E, subchapter V. The tax credit was repealed by 2025 Iowa Acts, Senate File 657.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9671C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 4, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **261—Chapter 115**.

[Filed 12/22/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0005D

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rulemaking related to tax credits for investments in certified innovation funds

The Economic Development Authority (Authority) hereby rescinds Chapter 116, "Tax Credits for Investments in Certified Innovation Funds," Iowa Administrative Code, and adopts a new Chapter 116 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15E.52 and 2025 Iowa Acts, Senate File 657.

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 116 and adopting a new chapter in lieu thereof. The new chapter describes the policies and procedures applicable to tax credits for investments in certified innovation funds, available pursuant to Iowa Code section 15E.52 as amended by 2025 Iowa Acts, Senate File 657. The program stimulates venture capital investment in innovative Iowa businesses.

The new chapter is clearer and more concise throughout and omits language that duplicates statute. Additionally, the chapter incorporates changes to the program and its available allocation of tax credits in 2025 Iowa Acts, Senate File 657.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 12, 2025, as **ARC 9672C**. A public hearing was held on the following date(s):

- December 2, 2025
- December 4, 2025

No one attended the public hearings. No public comments were received.

One change from the Notice has been made. Since the publication of the Notice, 2025 Iowa Acts, Senate File 657, has been codified. References to Senate File 657 have been removed from the chapter accordingly.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on December 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 116 and adopt the following **new** chapter in lieu thereof:

CHAPTER 116
TAX CREDITS FOR INVESTMENTS IN CERTIFIED INNOVATION FUNDS

261—116.1(15E) Definitions. For purposes of this chapter, unless the context otherwise requires:

"Authority" means the economic development authority created in Iowa Code section 15.105.

"Board" means the same as defined in Iowa Code section 15.102.

"Convertible debt" means debt that may be converted to equity at the option of the debt holder but has not yet been converted.

"Equity" means common or preferred corporate stock or warrants to acquire such stock, membership interests in limited liability companies, partnership interests in partnerships, or near equity. Equity shall be limited to securities or interests acquired only for cash and shall not include securities or interests acquired at any time for services, contributions of property other than cash, or any other non-cash consideration.

"Innovation fund" means the same as defined in Iowa Code section 15E.52.

"Innovative business" means the same as defined in Iowa Code section 15E.52.

"Investor" means a taxpayer that makes an investment in an innovation fund.

"Program" means the tax credit program for investments in certified innovation funds available pursuant to this chapter and Iowa Code section 15E.52.

261—116.2(15E) Certification of innovation funds.

116.2(1) An innovation fund shall submit an application for certification to the authority prior to the issuance of any investment tax credits to investors in such innovation funds. The innovation fund must submit the application within 120 days from the first date on which the equity investments qualifying for the investment tax credit have been made.

116.2(2) Application forms setting forth the information required to certify the eligibility of an innovation fund may be obtained by contacting the authority.

116.2(3) The authority will not issue a tax credit certificate until the board has certified that a fund meets all of the following criteria:

a. The innovation fund has submitted a copy of the innovation fund's certificate of limited partnership, limited partnership agreement, articles of organization or operating agreement certified by the chief executive officer of the innovation fund.

b. The innovation fund has submitted a signed statement from an officer, director, manager, member or general partner of the fund stating that the criteria established in Iowa Code section 15E.52 are met.

(1) For the purposes of determining whether an innovation fund will make investments in promising early-stage companies that have a principal place of business in the state, "having a principal place of business in the state" means (1) that the business has at least 50 percent of all of its employees in the state, (2) that the business pays at least 50 percent of the business's total payroll to employees residing in the state, or (3) that the home office for a substantial amount of executive employees is in the state.

(2) To establish that the criterion in Iowa Code section 15E.52(7)*"d"* is met, the innovation fund shall provide a detailed description of the framework the innovation fund will use to evaluate a business's growth potential and its ability to produce commercially viable products or services within a reasonable period of time. The description shall list and discuss the criteria and the attendant process that the innovation fund will use to evaluate businesses. The authority will consider requests submitted under Iowa Code section 15.118 or 22.7 to treat the evaluation framework as confidential.

(3) To establish that the criterion in Iowa Code section 15E.52(7)*"e"* is met, an innovation fund shall provide a detailed description of the methods by which each business will be evaluated. An innovation fund shall also submit a plan describing the actions it will take in order to collaborate and coordinate with other state and local entities and the ways in which the innovation fund intends to ensure consistency with the policy goals of this chapter. Such a plan shall propose to create relationships that can be substantiated in writing, which may include without limitation contracts, memoranda of understanding, letters of support, affidavits, or joint press releases from or with the entities that will be involved in the collaborative and coordinating efforts or through a list and summary description of the dates and locations for meetings held between the innovation fund and the other entities that allowed for collaboration and coordination between the innovation fund and those entities in an effort to achieve policy consistency.

(4) To establish that the criterion in Iowa Code section 15E.52(7)*"f"* is met, an innovation fund shall provide written confirmation of such relationships, which may include without limitation contracts, memoranda of understanding, letters of support, affidavits, or joint press releases from or with the regents institutions of this state or a list and summary description of the dates and locations for meetings held between the innovation fund and the regents institutions, the names of representatives of regents institutions with whom the innovation fund has met, and a brief summary of the discussions at those meetings.

(5) To establish that the criterion in Iowa Code section 15E.52(7)*"g"* is met, an innovation fund shall include provisions in the fund's governing documents that provide for the continued operations of the fund only if the minimum level of investment commitment is reached.

(6) To assist the authority in determining the amount of tax credits to allocate for the program for each fiscal year, an innovation fund shall provide any available information about the timing and amounts of investments anticipated during the existence of the fund.

116.2(4) Upon the authority's receipt of the information and documentation necessary to demonstrate satisfaction of the criteria set forth in Iowa Code section 15E.52 and herein, the authority shall, within a reasonable period of time, determine whether to certify the innovation fund. Incomplete applications will not be forwarded to the board. If the authority determines an innovation fund should not be certified, the authority shall issue written notification to the innovation fund of the denial of certification and provide the reasons why the innovation was not certified. The authority shall issue written notification to the innovation fund that the fund has been certified for the purpose of issuing investment tax credits. This written notification shall contain the following statement:

> The Authority shall not be liable for an innovation fund's failure to maintain compliance with the certification requirements nor for an investor's loss of tax credit certificates resulting from either a failure to maintain compliance or from a revocation.

116.2(5) An innovation fund certified before July 1, 2025, that wishes to take advantage of the changes in 2025 Iowa Acts, Senate File 657, must submit an amended application to the board and demonstrate that the innovation fund meets all new requirements for certification.

261—116.3(15E) Maintenance, reporting, and revocation of certification.

116.3(1) On or before December 31 of each year, each certified innovation fund shall collect and provide to the board, in the manner and form prescribed by the authority, the following information and documentation:

a. The amount of equity investments made in the innovation fund, both on an annual and a cumulative basis.

b. The information required in Iowa Code section 15E.52(10)*"e."*

c. In order to establish that an innovation fund has met the criterion found in Iowa Code section 15E.52(7)*"e,"* documentation and information in the manner and form required by the authority. Such documentation and information may include without limitation contracts, memoranda of understanding, letters of support, affidavits, joint press releases, or a list and summary description of the dates and locations for meetings held between the innovation fund and the other entities that allowed for collaboration and coordination between the innovation fund and those entities in an effort to achieve policy consistency.

d. In order to establish that an innovation fund has met the criterion found in Iowa Code section 15E.52(7)*"f,"* documentation and information in the manner and form required by the authority. Such documentation and information may include without limitation contracts, memoranda of understanding, letters of support, affidavits, joint press releases, or a list and summary description of the dates and locations for meetings held between the innovation fund and regents institutions, the names of representatives of regents institutions with whom the innovation fund has met, and a brief summary of the discussions at those meetings. The innovation fund shall also indicate if any business in which it has invested is commercializing research developed at one of the regents institutions.

e. A list of investors that expected to be eligible for tax credits during the fiscal year in which the report is submitted and the following fiscal year, the date of such investors' investments, and the amount of the investments.

f. To the extent available, documentation sufficient to verify the completion and eligibility of any investment for which a tax credit will be requested during the fiscal year in which the report is submitted.

116.3(2) Upon obtaining the required minimum threshold of $3 million in binding investment commitments, an innovation fund shall submit a statement containing the names, addresses, equity interests issued and consideration paid for the interests of all investors who may initially qualify for the

tax credits. An innovation fund shall submit an amended statement as may be necessary from time to time to reflect new equity interests or transfers in equity among current equity holders or as any other information on the list may change. The authority will consider requests submitted under Iowa Code section 15.118 to treat investor names and amounts as confidential.

116.3(3) The board may revoke an innovation fund's certification if any of the following events occur:

a. An innovation fund fails to secure the required $3 million in initial binding investment commitments within one year of the date of certification by the board or fails at any point thereafter to secure investment from its investors of at least $3 million. If an investor in an innovation fund fails to make a capital call by the innovation fund and that failure would cause the innovation fund to fail to secure the required minimum $3 million in investment, then the authority will allow the innovation fund a period of not more than 120 days after receiving notice of the failed capital call to secure additional investment commitments sufficient to meet the required minimum investment.

b. An innovation fund fails to timely submit the report required in Iowa Code section 15E.52(9).

c. An innovation fund fails to maintain the eligibility criteria as set forth in Iowa Code section 15E.52.

The board may forbear revocation under this subrule for good cause shown or for demonstration of extenuating circumstances. Such forbearance shall be at the board's discretion and for the period of time determined by the board to be in the best interest of the program and the state of Iowa.

116.3(4) If the board finds that a fund is out of compliance or revokes an innovation fund's certification, the board will not issue tax credit certificates to investors in the innovation fund until the innovation fund manager demonstrates to the board that the innovation fund again meets the eligibility criteria set forth in Iowa Code section 15E.52. If an investor makes an equity investment prior to a notice of noncompliance and a revocation of an innovation fund's certification, the board will issue the tax credit certificate as set forth in rule 261—116.6(15E). If an investor is issued a tax credit certificate prior to a revocation of certification, the investor shall have all of the rights described in Iowa Code section 15E.52(5).

261—116.4(15E) Investment and investor requirements.

116.4(1) Investments made more than 120 days before an innovation fund applies for certification are not eligible for a tax credit.

116.4(2) A taxpayer shall not claim a tax credit through the program if the taxpayer receives a tax credit for the same investment through another program administered by the authority.

116.4(3) For investments made on or after July 1, 2026, an investor must apply for a tax credit during the first available application window following the investment for the investment to qualify for a tax credit. If the first available application window following the investment concludes prior to approval of certification of the applicable innovation fund, the investor may apply in the first available application window following approval of certification.

116.4(4) Convertible debt shall only be considered an investment in the form of cash to purchase equity as of the date of conversion. Investors that utilize convertible debt must document the date and terms of conversion to equity to be eligible for a tax credit.

261—116.5(15E) Application for the investment tax credit certificate.

116.5(1) *Investor application.* Investors may apply for an investment tax credit certificate for each equity investment made in a certified innovation fund by submitting an application to the authority for approval by the board and providing such other information and documentation as may be requested by the authority. A certified innovation fund shall provide any information and documentation requested by the authority relating to an investment, including proof of investment.

116.5(2) *Application window.* For fiscal years beginning on or after July 1, 2026, applications shall be submitted electronically to the authority from September 1 to December 31 each year. The authority may adjust the annual application period dates under extenuating circumstances and will provide notice of adjustments on the authority's website. The authority may cease accepting applications during any

annual application period if the requested tax credits for the program and the requested tax credits for the seed investor tax credit program available pursuant to Iowa Code chapter 15E, subchapter IV, exceed $12 million. Applications shall be date- and time-stamped by the authority in the order in which such applications are received.

116.5(3) *Board approval of maximum tax credits.* The board will determine the total amount of tax credits to allocate for each fiscal year pursuant to Iowa Code section 15.119.

116.5(4) *Recommendation and approval of tax credits.* Authority staff will make a recommendation to the board for approval of tax credits to eligible investors. The board will approve tax credit certificates on a first-come, first-served basis until the maximum aggregate amount of credits authorized for issuance has been reached for any fiscal year.

261—116.6(15E) Tax credit certificates.

116.6(1) *Preparation of the certificate.* The tax credit certificate shall be in a form approved by the authority and shall contain the taxpayer's name, address, and tax identification number; the amount of credit; the name of the innovation fund; the year in which the investment was made; and any other information that may be required by the department of revenue.

116.6(2) *Vested right.* A taxpayer does not obtain a vested right in a tax credit until a certificate has been issued by the authority.

116.6(3) *Claiming and transferring tax credits.* To claim a tax credit under this chapter, a taxpayer must attach to that taxpayer's tax return a certificate issued pursuant to Iowa Code section 15E.52 and this chapter when the return is filed with the department of revenue. A tax credit may be claimed in the first year that a certificate is issued. Tax credits shall be claimed in accordance with any applicable rules adopted by the department of revenue. A tax credit may be transferred in accordance with Iowa Code section 15E.52 and any applicable rules adopted by the department of revenue.

261—116.7(15E) Additional information. The authority may at any time request additional information and documentation from an innovation fund regarding the operations, job creation and economic impact of the fund, and the authority may use such information in preparing and publishing any reports to be provided to the governor and the general assembly to the extent such information is not confidential pursuant to Iowa Code sections 15.118 and 22.7 or other applicable law.

These rules are intended to implement Iowa Code section 15E.52.

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ARC 0010D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to the audits unit

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 22, "Health Care Facility Audits," and adopts a new Chapter 84, "Audits Unit," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 10A.402.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 10A.402 and Executive Order 10.

Purpose and Summary

This rulemaking rescinds Chapter 22 and adopts a new Chapter 84. This rulemaking implements Iowa Code section 10A.402 in accordance with the goals and directives of Executive Order 10. Iowa Code section 10A.402 requires that the Department coordinate the conduct of various audits and investigations, including audits related to the administration of health care facilities.

The rules implement Iowa Code section 10A.402 by setting forth the specific Iowa Administrative Code chapters with which the Department ensures compliance. The rulemaking also spells out that information compiled during the audit is confidential.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9748C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings.

A public comment was received from Michelle Servadio Elias requesting the inclusion of the ombudsman or the state auditor in the inspection and reporting duties to ensure the health and safety for patients. Ms. Elias further indicated that deficits in care, treatment, and payment should not be kept confidential and that audits should be necessary for accreditation. Ms. Elias thought that nurse-to-patient ratios should be part of auditing criteria, as well as Veterans Home, billing, staffing, care provision and appropriations. Ms. Elias's concerns are addressed in parts of the Iowa Code or other rules.

No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **481—Chapter 22**.

ITEM 2. Adopt the following **new** 481—Chapter 84:

CHAPTER 84
AUDITS UNIT

481—84.1(10A) Audit occurrence. The department, acting as an agent for the Iowa department of health and human services (HHS), audits financial records of intermediate care facilities, residential care facilities, and intermediate care facilities for the intellectually disabled on a rotating basis or upon request of HHS. Audits are intended to ensure compliance with the following Iowa Administrative Code chapters:

1. 441—Chapter 52, "Payment."
2. 441—Chapter 54, "Facility Participation."
3. 441—Chapter 81, "Nursing Facilities."
4. 441—Chapter 82, "Intermediate Care Facilities for Persons with an Intellectual Disability."

If a chapter not listed is used in an audit, the auditor will notify the facility.

481—84.2(10A) Confidentiality. All information compiled during an audit is confidential according to Iowa Code sections 10A.105 and 217.30. All inquiries to release information that is confidential under Iowa Code section 217.30 will be addressed to HHS.

84.2(1) Information may be added to an audit file by the subject of the audit when the subject notifies the Audits Unit, Department of Inspections, Appeals, and Licensing, 6200 Park Avenue, Des Moines, Iowa 50321.

84.2(2) At the conclusion of the audit, when material is returned to HHS, HHS rules regarding fair information practices prevail.

These rules are intended to implement Iowa Code sections 10A.402 and 22.11.

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ARC 0011D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to economic fraud bureau

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 72, "Economic Fraud Control Bureau," and adopts a new Chapter 82, "Economic Fraud Bureau," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 10A.402.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 10A.402; 2025 Iowa Acts, House Files 248 and 249; and Executive Order 10.

Purpose and Summary

Iowa Code section 10A.402 provides that the Director of the Department shall coordinate the conduct of various audits and investigations, including audits related to the administration and disbursing of funding under the State Supplementary Assistance program and the Medical Assistance Program;

investigations and collections relative to the liquidation of overpayment debts owed to the Department of Health and Human Services; and investigations related to the administration of the State Supplementary Assistance program, the State Medical Assistance program, the Supplemental Nutrition Assistance Program, the Family Investment Program, and any other State or federal benefit assistance program.

House File 248 added adoption to Iowa Code chapter 91A relating to wage payment collection. House File 249 allowed the Department of Homeland Security and Emergency Management to assign the power to investigate fraud and recover improperly paid-out benefits for the Iowa Individual Disaster Grants Program to the Department.

The rulemaking implements Iowa Code section 10A.402 by describing the duties of the Economic Fraud Bureau (EFB) and describing the investigation procedures.

The rulemaking implements House Files 248 and 249 by clarifying that the Department can investigate fraud if a written agreement has been entered into between the Department and an entity of the executive branch of the federal, State, or local government.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9749C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **481—Chapter 72**.

ITEM 2. Adopt the following **new** 481—Chapter 82:

CHAPTER 82
ECONOMIC FRAUD BUREAU

481—82.1(10A) Definitions.

"Client" means any person who has made an application for or is receiving state or federal public assistance from any state or federal agency.

"Collateral contact" means a reliable source other than the client who is knowledgeable about information relative to pertinent public assistance case factors.

"Department" means the department of inspections, appeals, and licensing.

"HHS" means the Iowa department of health and human services.

"Division" means the investigations division of the department.

"EBT" or *"electronic benefit transfer"* means the electronic process that allows a client to authorize the transfer of the client's benefits from a financial account to a retailer to pay for eligible items received. Clients are issued an EBT card similar to a bank ATM or debit card to receive and use their Supplemental Nutrition Assistance Program (SNAP) benefits.

"EBT trafficking" means the same as defined in 7 CFR 271.2.

"Intentional program violation" or *"IPV"* means the same as defined in 7 CFR 273.16(c)(1) and (2).

"Pertinent public assistance case factors" means information considered necessary to verify household composition, income, resources or any other potential program violation.

"Program violation" means action that is contrary to the rules of eligibility for any state or federal public assistance program.

"Public assistance" means the same as defined in rule 441—11.1(217), or any other state or federal assistance program.

481—82.2(10A) Economic fraud bureau (EFB or bureau). Generally, the EFB conducts investigations of public assistance fraud, if a written agreement has been entered into between the department and an entity of the executive branch of the federal, state or local government, in order to maintain integrity and accountability in the administration of public assistance benefits.

481—82.3(10A) Investigation procedures.

82.3(1) *Client contact.* The bureau may but does not have to contact the client during the course of an investigation. If the bureau contacts the client and the client does not respond, the client's nonresponse will be included in the bureau's investigation findings.

82.3(2) *Evidence gathered.* The bureau may conduct record reviews and gather evidence to verify a client's employment, wages, residence, household composition, income versus expenses, property ownership or other relevant facts.

82.3(3) *Subpoenas.* Subpoenas may be issued pursuant to Iowa Code section 10A.104 and 481—subrule 1.1(4) to obtain information necessary to an investigation. Subpoenas may be served upon the respondent of the subpoena or the respondent's registered agent as follows:

a. Personally by division personnel,

b. Via USPS mail, or

c. Via facsimile or email.

Division personnel determine the appropriate method by which the respondent is to deliver information in response to a subpoena duces tecum.

82.3(4) *Collateral contacts.* The division may use collateral contacts to collect information pertinent to an investigation or verify information provided by the client.

82.3(5) *Cooperation.* The division may cooperate with local, state or federal law enforcement agencies during investigations.

481—82.4(10A) EBT trafficking investigations. In addition to the procedures outlined in rule 481—82.3(10A), the following apply to EBT trafficking investigations.

82.4(1) *Probable cause.* Probable cause must be established before an EBT trafficking investigation may be conducted.

82.4(2) *Referrals.* Referrals to the division may come from HHS, retailers, law enforcement agencies or the general public or following the identification of questionable EBT card transactions through federal or state databases. The bureau may open an investigation without an outside referral.

481—82.5(10A) Findings. At the completion of an investigation, the bureau will transmit its findings in writing to the appropriate state or federal agency and make recommendations based on the evidence obtained or provided during the investigation.

82.5(1) *Decisions about public assistance eligibility.* The appropriate state or federal agency makes all decisions about public assistance eligibility. HHS will report the case action taken and any determination of overpayment, cost avoidance, or intentional program violation to the division.

82.5(2) *Testimony and hearings.* Staff of the division may be called to testify in administrative and legal proceedings related to an investigation, in addition to conducting EBT intentional program violation hearings.

481—82.6(10A) Confidentiality. The EFB will maintain confidentiality of investigative case information in accordance with Iowa Code sections 10A.105 and 22.7(5) and any other applicable state or federal law.

These rules are intended to implement Iowa Code sections 10A.105, 10A.402, and 10A.403.

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ARC 0012D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to Medicaid fraud control unit

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 73, "Medicaid Fraud Control Unit," and adopts a new Chapter 83, "Medicaid Fraud Control Unit," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 10A.404.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 10A.104, 10A.105, 10A.402 and 10A.403; 42 CFR §1007.11; 45 CFR §164.512(d); and Executive Order 10.

Purpose and Summary

This rulemaking rescinds Chapter 73 and adopts a new Chapter 83. This rulemaking implements Iowa Code section 10A.402 in accordance with the goals and directives of Executive Order 10.

Iowa Code section 10A.402 provides that the director of the Department shall coordinate the conduct of various audits and investigations, including investigating Medicaid fraud.

These rules provide information as to the investigatory authority and procedures of the Medicaid Fraud Control Unit (MFCU). The MFCU is tasked with the responsibility of protecting the integrity of Iowa's Medicaid program by investigating fraud, waste, and abuse committed by Medicaid providers, as well as investigating abuse/neglect of patients in health care and noninstitutional settings. The rules

delineate the types of investigations that fall under the MFCU's jurisdiction within its allocated State and federal authority; clarify which statutory definitions (State, federal, or both) by which the MFCU abides in its ordinary course of business; and explain State and federal legal authority to obtain records and information during an investigation, including subpoena authority and how it is implemented and the confidentiality of MFCU investigatory materials.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9750C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **481—Chapter 73**.

ITEM 2. Adopt the following **new** 481—Chapter 83:

CHAPTER 83
MEDICAID FRAUD CONTROL UNIT

481—83.1(10A) Definitions.

"Abuse" or *"neglect"* means the same as "abuse of patients or residents" and "neglect of patients or residents" as defined in 42 CFR §1007.1 committed against:

1. A patient or resident of a health care facility as defined by 42 CFR §1007.1.
2. A resident in a board and care facility as defined by 42 CFR §1007.1.
3. A Medicaid beneficiary in a noninstitutional or other setting.

Such conduct may include but is not limited to violations under Iowa Code chapters 235B, 235E, 708, 709, 714, and 726.

"Director" means the same as defined in Iowa Code chapter 10A.

"Fraud" means the same as defined in 42 CFR §1007.1.

"Medicaid," "medical assistance program" or *"medical assistance"* means the same as defined in Iowa Code chapter 249A.

"Provider" means the same as defined in 42 CFR §1007.1.

"Unit" means the Iowa Medicaid fraud control unit.

481—83.2(10A) Investigative authority. The unit's investigative authority is found in Iowa Code chapter 10A, 42 CFR §1007.11, and 45 CFR §164.512(d).

481—83.3(10A) Access to records. The unit is authorized to request, review, and retain information and records necessary to investigate allegations within its state and federal authority. The unit is also a health oversight agency as defined by 45 CFR §164.501 and can receive protected health information pursuant to 45 CFR §164.512(d).

481—83.4(10A) Subpoenas. In addition to any subpoena provisions set forth in 481—Chapter 1, the following apply:

83.4(1) The unit may serve subpoenas during the course of an open investigation upon an individual, entity, or the individual's or entity's registered agent by:

a. Personal service.

b. U.S. mail.

c. Electronic transmission via facsimile or email.

83.4(2) The unit is authorized to determine the appropriate format and method by which the individual or entity is to provide the information in response to a subpoena duces tecum.

481—83.5(10A) Confidentiality. The unit will maintain the confidentiality of all investigative case information in accordance with Iowa Code chapters 22 and 685, 42 CFR §1007.11(f), 42 CFR Part 2, and any other applicable state or federal law.

These rules are intended to implement Iowa Code sections 10A.104(6), 10A.105, 10A.402(5), and 10A.403.

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ARC 0013D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to public assistance debt recovery unit

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 90, "Public Assistance Debt Recovery Unit," and adopts a new Chapter 90, "Public Assistance Debt Recovery Unit (PADRU)," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 10A.402.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 10A.402 and Executive Order 10.

Purpose and Summary

This rulemaking rescinds and repromulgates Chapter 90 and implements Iowa Code section 10A.402 in accordance with Executive Order 10.

Iowa Code section 10A.402 provides that the Director of the Department shall coordinate the conduct of various audits and investigations and the collections regarding the liquidation of overpayment debts. This rulemaking sets forth the recovery-of-debt process used by the Department.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9753C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 90 and adopt the following **new** chapter in lieu thereof:

CHAPTER 90
PUBLIC ASSISTANCE DEBT RECOVERY UNIT (PADRU)

PREAMBLE

More information related to this chapter can be found in 441—Chapter 11.

481—90.1(10A) Definitions. The following definitions apply:

"Active case" means a household that is receiving public assistance.

"Allotment reduction" means an amount withheld from a financial or SNAP benefit.

"Benefit reduction" refers to SNAP.

"Debt" means the dollar amount of public assistance, by program, received by or on behalf of a person or provider in excess of that allowed by law, rules, or regulations for any given month(s); or the dollar amount of public assistance unlawfully transferred or obtained in violation of program rules; or the dollar amount of unpaid IowaCare personal financial responsibility obligations.

"Debtor" means any person who has been determined by HHS or by the department to be responsible for the repayment of a particular public assistance debt.

"Department" means the department of inspections, appeals, and licensing.

"Economic fraud bureau" means the economic fraud bureau of the investigations division of the department.

"FIP" means the family investment program described in 441—Chapters 40, 41, 45 and 46.

"Grant reduction" refers to the FIP and to RCA.

"HHS" means the Iowa department of health and human services.

"Notice of debt" means a notice that informs the debtor that a debt in a public assistance program has occurred and identifies the debt amount, the dates on which the debt was incurred, the cause of the debt, and the options the debtor has to repay the debt (more information can be found in 441—Chapter 11).

"Public assistance" means any program that HHS administers that confers a financial, medical, or SNAP benefit.

"RCA" means refugee cash assistance as described in 441—Chapter 60.

"Recovery" means the repayment of a debt by direct cash or credit card payment from the debtor, by allotment reduction, by setoffs, or by garnishment of wages or assets.

"Repayment agreement" means the same as defined in rule 441—11.1(217).

"Setoffs" means the practice described in Iowa Code section 421.65 and 701—Chapter 26.

"SNAP" means the Supplemental Nutrition Assistance Program as defined in rule 441—65.1(234).

"Title XIX divestiture" means a debt against a person who receives transferred assets from a Medicaid applicant or recipient within five years prior to an application for medical assistance if the applicant is approved for medical assistance (Medicaid) or a transfer impacting the recovery or payment of a medical assistance (Medicaid) debt.

481—90.2(10A) Recovery process. The recovery process begins when data specifying which public assistance program(s) owed a debt is successfully entered on the designated overpayment recovery system and a notice of debt is issued to the debtor.

481—90.3(10A) Records. PADRU maintains an account for each debt that has occurred for a debtor filed under the debtor's name, including information maintained pursuant to rule 441—11.2(217).

481—90.4(10A) Debt repayment. A notice of debt pursuant to 441—subrule 11.2(2) or Form 470-0495, Agreement to Pay a Debt, is used to initiate payments of a debt. The minimum rate of payment is determined by each program unless set by a court order or otherwise negotiated by HHS. All recoveries are transmitted to the HHS cashier. Payments are made directly by cash, check, or money order or through an online payment portal by the debtor except as otherwise provided in this rule. The amount of allotment reduction for a FIP overpayment caused by an agency error will be different from the amount of allotment reduction for a client error, as determined by HHS.

90.4(1) *Active cases—PROMISE JOBS program.* For payment reduction for the PROMISE JOBS program, the debtor has to provide written permission to effectuate a FIP reduction.

90.4(2) *Active cases—FIP, RCA, SNAP.* Allotment reduction will be used, except that cash payment pursuant to a repayment agreement may be used when the repayment amount exceeds the amount that may be collected by allotment reduction.

90.4(3) *SNAP with electronic benefit balances.* SNAP payments may be made by returning electronic benefits to pay the debt.

481—90.5(10A) Further collection action. If complete repayment has not been received by the methods described in rule 481—90.4(10A), or if the repayment agreement is not returned, further collection action may be taken. This action includes but is not limited to the following:

90.5(1) *For all debts.*

a. Debts of $6,500 or less, small claims court action.

b. Debts of more than $6,500, referral to the attorney general for district court action.

c. State income tax refund setoffs in accordance with 441—Chapter 11 and Iowa Code section 421.65.

d. The filing of a claim in a debtor's estate or bankruptcy proceedings.

e. Garnishment of wages or assets.

f. Setoffs of a state warrant.

g. Distress warrants.

h. Liens.

90.5(2) *For SNAP debts.* In addition to the above actions, federal offsets may be used for the collection of SNAP debts in accordance with rule 441—11.5(234).

481—90.6(10A) Appeal rights. If a notice of debt or other notice of adverse action is received by the debtor and the debtor wishes to contest the debt, an appeal is submitted to the recovery unit or to HHS. If an appeal is submitted, the recovery process is suspended until conclusion of the appeal process outlined in 481—Chapter 9 and 441—Chapter 7.

481—90.7(10A) Data processing systems matches. The recovery unit compares information with other data processing systems to identify the location, resources, or income of a debtor. Part or all of a data processing system is used. The recovery unit uses but is not limited to using the data processing systems of the following entities:

1. Social Security Administration,
2. Department of workforce development,
3. Department of revenue,
4. Department of administrative services,
5. Department of transportation (driver's license and motor vehicle registration), and
6. Department of health and human services.

481—90.8(10A) Confidentiality. The confidentiality of records is in accordance with 441—Chapter 9.

These rules are intended to implement Iowa Code section 10A.402.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0014D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to general provisions for social and charitable gambling

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 100, "General Provisions for Social and Charitable Gambling," Iowa Administrative Code, and adopts a new Chapter 100 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 99B.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code sections 99B.2 and 99B.31 and Executive Order 10.

Purpose and Summary

This rulemaking repromulgates Chapter 100. This rulemaking implements Iowa Code section 99B.2 in accordance with the goals and directives of Executive Order 10. Iowa Code section 99B.2 requires that the Department adopt rules to carry out the provisions of the chapter and may include descriptions of books, records, and accounting requirements; methods of displaying costs and explanations of games and rules; and definitions of unfair or dishonest games, acts, or practices.

The rules set out the licensure standards for social and charitable gambling and describe the posting of rules. The rulemaking also provides information on appropriate prizes and games that are prohibited. The rules describe recordkeeping and reporting requirements and include information on expenses and receipts. The rulemaking further sets out requirements for raffles and standards for bingo equipment and supplies, including licensure of manufacturers and distributors.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9760C**. A public hearing was held on the following date(s):

- December 17, 2025
- December 18, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting.

The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 100 and adopt the following **new** chapter in lieu thereof:

GAMES OF SKILL, CHANCE, BINGO AND RAFFLES

CHAPTER 100
GENERAL PROVISIONS FOR SOCIAL AND CHARITABLE GAMBLING

481—100.1(99B) Definitions. In addition to the definitions found in Iowa Code chapter 99B, and unless specifically defined in 481—Chapters 101 through 106, the following definitions apply to all social and charitable gambling rules:

"Bingo supplies and equipment" means a machine, display board, monitor, card, bingo paper, or any other implement or provision used in the conduct of the game of bingo licensed pursuant to Iowa Code chapter 99B.

"Department" means the department of inspections, appeals, and licensing.

"Director" means the director of the department of inspections, appeals, and licensing.

"QO" means the same as "qualified organization" as defined in Iowa Code section 99B.1(29).

481—100.2(99B) Licensure. Gambling shall only occur upon receipt of a license issued by the department that shall be prominently displayed at the gambling location.

100.2(1) *Types of gambling licenses—QOs.* A QO may apply for the six following license types, each of which permits the activities listed. A QO with a one-year or two-year license may apply for a very large raffle license.

License type/ Activity type	**Two-year QO**	**One-year QO**	**180-day QO**	**90-day QO**	**14-day QO**	**Bingo at a fair or festival**
Bingo	Three occasions per week; 15 occasions per month	No	No	No	Two occasions	One occasion per day for length of fair or festival
Games of skill and chance	Unlimited carnival-style games	No	No	No	Unlimited carnival-style games	No
Game night	One per calendar month	One per calendar month	One per calendar month	One per calendar month	One per calendar month	No
Very small and small raffles	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	No
Large raffles	One per calendar year	Eight per license period, each conducted in a different county	One per calendar year	One per calendar year	One per calendar year	No
Very large raffles	One per calendar year, requires additional very large raffle license	One per calendar year, requires additional very large raffle license	No	No	No	No
Electronic raffles	One small raffle per day; one large raffle per calendar year	No	No	No	No	No

100.2(2) *Other types of gambling licenses.* There are four other types of gambling licenses:

a. One-year license for an amusement concession.

b. Two-year license for social gambling in beer and liquor establishments.

c. Two-year license for social gambling in public places.

d. Annual license for manufacturers and distributors of bingo equipment and supplies or electronic raffle systems.

100.2(3) *Unlicensed very small raffle.* Iowa Code section 99B.24(3) allows one unlicensed very small raffle per calendar year for an organization that meets the definition of a QO. The QO shall obtain permission from the department to conduct this raffle.

100.2(4) *Political action committees.* Political action committees are not QOs and are not eligible for gambling licenses.

481—100.3(99B) License application. In addition to requirements for licensure found in Iowa Code chapter 99B, the following standards apply to gambling licenses.

100.3(1) *Applications.* Applications may be completed online by visiting dial.iowa.gov and clicking on the link for "Social and Charitable Gambling." A paper application may be requested from the Social and Charitable Gambling Unit, Iowa Department of Inspections, Appeals, and Licensing, 6200 Park Avenue, Des Moines, Iowa 50321; or by calling 515.281.6848.

100.3(2) *Receipt of application.* An application shall be submitted at least 30 days before the beginning date requested.

100.3(3) *Fees.* License fees are not refundable.

100.3(4) *Documentation.* QOs applying for a charitable gambling license must submit documentation to prove tax-exempt status with the application.

100.3(5) *Application for incorrect license.* If the applicant does not apply for the appropriate license, the license fee may be applied to the appropriate license within 30 days of notification to the applicant by the department.

100.3(6) *Incomplete application submitted.* If the applicant submits an incomplete application, the application may be completed and submitted within 30 days of notification to the applicant by the department without forfeiting the fee submitted with the incomplete application.

100.3(7) *Responsible party.* The responsible party identified on the application shall sign the application or submit the online application and be a person who is authorized to make decisions on behalf of the QO.

100.3(8) *Sales tax permit.* QOs and amusement concessions licensees shall possess a sales tax permit at the time the license application is submitted. The following gambling activities are exempt from sales and local option taxes:

a. Gambling activities conducted by county and city governments.

b. Gambling activities held by the Iowa state fair, Iowa state fair authority, or Iowa state fair foundation (organized under Iowa Code chapter 173), including gambling activities that occur outside of the annual scheduled fair event.

c. Gambling activities held by a fair (as defined in Iowa Code section 174.1(2)), including gambling activities that occur outside of scheduled fair events.

d. Raffles held by a licensed QO at a fair as defined in Iowa Code section 99B.1 and pursuant to the requirements specified in Iowa Code section 99B.24.

e. Raffles, whether or not they are conducted at a fair event, where the proceeds are used to provide educational scholarships by a qualifying organization representing veterans as defined in Iowa Code section 99B.27(1)*"b."*

100.3(9) *State tax liabilities.* The applicant must have no outstanding state tax liabilities or submit with the application a copy of a negotiated repayment plan with the department of revenue and be current in all payments.

100.3(10) *Revocation—no license issued.*

a. No one involved in an organization with a gambling license revocation action pending will be granted a license similar to the license revoked.

b. No one with a gambling license currently under revocation may be issued any gambling license during the period of revocation.

c. A license will not be issued if there is a current revocation of either a gambling or a retail alcohol license for the location named on the license application.

100.3(11) *Criminal violations.* No applicant shall have been convicted of or pled guilty to a criminal violation of Iowa gambling law. No applicant shall have been convicted of a felony, federal or state, within five years of the date of the application. For felony convictions more than five years prior to the date of the application, citizenship rights must have been restored in order for the application to be considered. The applicant may have no more than two convictions of or guilty pleas to serious or aggravated misdemeanors in the last two years.

100.3(12) *Violations of gambling law or Iowa alcoholic beverage control Act (Iowa Code chapter 123).*

a. No applicant shall have been convicted of or pled guilty to a criminal violation of Iowa gambling law.

b. No retail alcohol license shall have been suspended within the last 12 months or revoked because of a conviction of or guilty plea to a criminal violation of the Iowa alcoholic beverage control Act.

481—100.4 Reserved.

481—100.5(99B) Returned checks. If a check intended to pay for any license provided for under Iowa Code chapter 99B is not honored for payment by the bank on which the check is drafted, the department will notify the applicant of the need to provide sufficient payment before the license will be issued. An additional fee of $25 will be assessed for each dishonored check.

481—100.6(99B) Payment systems. Payment systems are authorized by Iowa Code section 99B.5 and shall comply with all applicable federal and state laws regarding payment card processing and the protection of personal information.

481—100.7(99B) Participation—game of skill, game of chance or raffle. No one who conducts a game of skill, game of chance, or raffle may participate in the game or raffle. An individual "conducts" a raffle if the individual directly participates in the mechanism of selection of the prize, such as drawing the winning entry. An individual "conducts" a game of skill or game of chance if the person is a dealer or a croupier or otherwise operates the game.

481—100.8(99B) Posted rules—games other than bingo and raffles. Rules established by the licensee shall be posted on a sign near the front of the playing area in large, easily readable print or made available electronically at each player's location before the player forfeits money to play the game and include:

1. The name and mailing address of the licensee;
2. Prices to play;
3. How winners will be determined;
4. Prize(s) or categories of prizes for each game; and
5. Description of each game, including the cost per game. For example, a game might be one opportunity to shoot and make one basket or three opportunities to shoot and make one basket.

481—100.9 Reserved.

481—100.10(99B) Rules—raffles.

100.10(1) A copy of the rules for a raffle shall be available upon request and include the following:

a. Methods of awarding a prize;

b. Prices to play, including discounts; and

c. Whether a sufficient number of entries must be sold in order for the raffle to occur, or if an alternate prize is offered when sales of entries are insufficient.

100.10(2) A licensed QO may also include in its rules items such as the policy for nonpayment of prizes.

481—100.11(99B) Prizes. Prizes are governed by the following standards.

100.11(1) *Amusement concession licensees.* The maximum prize limit for games of skill and games of chance is $950 in merchandise.

100.11(2) *QOs.* The following table provides prize limits for types of gambling conducted by QOs.

Type of gambling	Prize limits
Games of skill and games of chance	$10,000 in merchandise
Very small raffle	Cumulative value of cash prizes is $1,000 or less; or purchased merchandise is $1,000 or less; or donated merchandise is $5,000 or less
Small raffle	Cumulative value of all cash and prizes is more than $1,000 but not more than $10,000
Large raffle	Cumulative value of cash and prizes is more than $10,000 but not more than $100,000
Very large raffle	Cumulative value of cash and prizes is more than $100,000 but not more than $200,000; or the prize is real property
Single bingo game	Up to $250 cash or merchandise
Bingo jackpot	$1,000 cash or merchandise maximum on first jackpot in 24-hour period; $2,500 cash or merchandise maximum on second jackpot in 24-hour period (see Iowa Code section 99B.21(2)*"d"*)

100.11(3) *Game night.* An individual shall not spend more than $250 for entrance fees and wagers. Cash and merchandise may be awarded in an aggregate amount not to exceed $10,000. No participant shall win more than a total of $5,000.

481—100.12(99B) Games of chance—prohibited games. Slot machines and pull-tabs are unlawful for all licenses issued under Iowa Code chapter 99B. Other than during a game night, games in the following list are unlawful:

1. Punchboard,
2. Pushcard,
3. Craps,
4. Chuck-a-luck,
5. Roulette,
6. Klondike,
7. Blackjack,
8. Baccarat,
9. Equality, or
10. Three-card monte.

481—100.13(99B) Records. In addition to requirements found in Iowa Code section 99B.16, the following requirements apply.

100.13(1) *Disbursement journal.* Records of expenses and dedicated and distributed money are as follows:

a. The date of expenditure, the name of the payee, a description of the purpose of payment, the amount of payment, and the method of payment.

b. The purpose for expenditure of dedicated funds.

100.13(2) *Supporting documentation—time requirements.* Supporting documentation such as invoices or bills shall be kept for three years.

481—100.14(99B) Reports. The requirements are set forth in Iowa Code section 99B.16 and as follows.

100.14(1) A report will be submitted even if no gambling activity occurred during the reporting period.

100.14(2) Reports may be completed online by visiting dial.iowa.gov and clicking on the link for "Social and Charitable Gambling." A paper version of the annual gambling report may be obtained from the Social and Charitable Gambling Unit, Iowa Department of Inspections, Appeals, and Licensing, 6200 Park Avenue, Des Moines, Iowa 50321; or by telephone at 515.281.6848.

100.14(3) When the due date is on Saturday, Sunday, or a legal holiday, the report is due the next business day.

481—100.15(10A,17A,99B) Appeal rights. Any decision of the department may be appealed in accordance with procedures set out in 481—Chapter 10 and Iowa Code chapter 17A. When an appeal is received, the status of the license is governed by the following.

100.15(1) *Denial of untimely or insufficient renewal application.* If a renewal application is not timely or sufficient, a license may not be issued until a final decision is issued and all appeal rights have been exhausted.

100.15(2) *Denial of timely and sufficient renewal application.* If a renewal application is timely and sufficient but is denied by the department, a license remains effective until a final decision is issued and all appeal rights have been exhausted.

100.15(3) *Denial of new application.* If a new application is denied, no license may be issued until a final decision is issued and all appeal rights have been exhausted.

481—100.16(99B) Raffles. The following apply to all raffles, including electronic raffles.

100.16(1) *Timing.* The license must be in effect before promotions for the raffle can begin. The gambling event begins when the first entry is sold and ends when winning numbers are drawn. If an organization obtains a temporary license to conduct a raffle, the entirety of the raffle, including promotion, sale of entries and drawing, must fall within the time period for the temporary license.

100.16(2) *Raffle entries—sales.* Any price may be charged for a raffle entry, and the price, including any discounts, shall be the same for every purchaser. Raffle entries shall not be purchased by credit card nor be sold outside the state of Iowa. Organizations shall comply with United States Postal Service regulations restricting the sale of raffle entries through the mail. The purchaser of a raffle entry shall be provided the location, date, and time of the corresponding raffle drawing at the time of purchase.

100.16(3) *Raffle entries—discount.* A licensee may offer raffle entries for sale at a discounted rate if the discount is applied in a nondiscriminatory manner. The amount paid for entries shall not be determined by any variable characteristic, such as height, weight, or wingspan. The discount must be available to all persons throughout the duration of the raffle and posted on all promotional material.

100.16(4) *Winners.* The drawing of the winning entry shall be done in a manner that allows the purchasers to observe the drawing.

a. The date by which the prize shall be claimed will be no fewer than 14 days following the drawing. The licensed QO will make a reasonable effort to inform the winner of the drawing results during that time frame.

b. If the prize is not claimed, the licensed QO may do one of the following:

(1) Continue to draw until a winner claims the prize. Each drawing will allow the time period specified in paragraph 100.16(4)*"a"* for claiming the prize.

(2) Donate the unclaimed prize to another QO to be used for an educational, civic, public, charitable, patriotic, or religious use.

100.16(5) *Prizes.* If a prize is merchandise, its value shall be determined by the purchase price paid by the organization or donor. The prize may be a single item or several items.

481—100.17(99B) Expenses. Requirements are set forth in Iowa Code section 99B.14(1).

100.17(1) *Proof of expense.* No expense item shall be allowed without a proper receipt, paid invoice, or canceled check or be paid from an outside source. The burden of proof is on the licensee to show that all expenses were incurred exclusively and directly as a result of the gambling activity. An expense will not be considered reasonable if the amount charged significantly exceeds the prevailing rate or average retail cost of the item or service purchased.

100.17(2) *Allowed expenses.* Expenses allowed within the 40 percent limit are:

a. The license fee;
b. Rent of building or equipment;
c. Taxes (other than state and local sales tax paid on gross receipts);
d. Promotion expense;
e. Major equipment purchases;
f. Overhead expenses;
g. Worker compensation; and
h. Other expenses incurred exclusively and directly as a result of the gambling activity.

481—100.18(99B) Net receipts. Requirements are set forth in Iowa Code section 99B.14.

100.18(1) *Examples.* The following examples illustrate methods to determine net receipts, allowable expenses, and the amount requested to be dedicated and distributed.

a. Example 1. When sales tax is not included in gross receipts, sales tax need not be deducted to arrive at net receipts.

Gross receipts (excluding sales tax)	$100,000
Amount awarded as prizes	$20,000
Net receipts	$80,000
Minimum dedicated and distributed (60% of net receipts)	$48,000
Maximum expenses (40% of net receipts)	$32,000

b. Example 2. When sales tax is included in gross receipts, it is deducted to arrive at net receipts.

Gross receipts (including sales tax)	$107,000
Amount awarded as prizes	$20,000
Sales tax (7%)	$7,000
Net receipts	$80,000
Minimum dedicated and distributed (60% of net receipts)	$48,000
Maximum expenses (40% of net receipts)	$32,000

100.18(2) *Time for distribution.* Net receipts received during the calendar year shall be distributed no later than 30 days following the end of each calendar year, except as pursuant to Iowa Code section 99B.14(2)*"a."*

481—100.19(99B) Licensure of manufacturers and distributors of bingo equipment and supplies and electronic raffle systems. Requirements are set forth in Iowa Code section 99B.32.

100.19(1) Reserved.

100.19(2) *Application.* The applicant shall comply with the requirements of Iowa Code chapter 99B, administrative rules of the department, and other applicable state or federal laws. The department may require detailed information concerning the business structure and operation of the applicant, including but not limited to the following:

a. All owners, officers, and board members of the business.
b. All names under which the applicant will conduct business in the state of Iowa.

100.19(3) *Manufacturers and distributors of electronic raffle systems—additional requirements.* A manufacturer or distributor of electronic raffle systems must meet the following additional requirements in order to obtain a license.

a. Approval of certifying entity by the department. In addition to licensure, manufacturers and distributors of electronic raffle systems will be certified by an entity approved by the department. "Approved by the department" means that the entity has submitted its qualifications in writing to the director for review and has received approval in writing by the director or the director's designee.

b. Certification—requirements. Entities approved by the department to certify manufacturers and distributors of electronic raffle systems will ensure all electronic raffle systems meet the requirements of Iowa Code section 99B.25 and rule 481—100.20(99B).

c. Review of contracts—notification. The applicant will submit to the department for review at the time of application the base contract intended for use with QOs. For the duration of the license, the licensee will notify the department each time the licensee enters into a contract with a QO by submitting in writing the name of the QO and the duration of the contract. The required notification will allow the department to verify that the QO holds a valid two-year QO license, which permits the conduct of an electronic raffle.

481—100.20(99B) Bingo supplies and equipment. Products sold within this state to a gambling license holder shall meet the following requirements:

100.20(1) Products will be manufactured and sold by an Iowa-licensed manufacturer or distributor.

100.20(2) Products will be supplies and equipment used in connection with the game of bingo as defined in Iowa Code section 99B.1. The following are noninclusive characteristics of the game of bingo to which products must conform:

a. Cards or playing faces will have spaces marked in horizontal and vertical rows. Each space will be designated by number, letter, symbol, or picture or a combination of numbers, letters, symbols, or pictures.

b. Balls or objects used to select spaces that are to be covered on the card or playing face will bear numbers, letters, symbols, or pictures or a combination of numbers, letters, symbols, or pictures corresponding to the system used for designating the spaces.

c. The bingo machine will contain a receptacle where objects or balls are placed and from which the objects or balls representing the space to be covered are selected. The selection of the balls or objects by the bingo machine will be by chance and may be either manual or mechanical.

100.20(3) Bingo cards sold in Iowa will have the manufacturer's name imprinted on the cards.

481—100.21(99B) Electronic raffles. In addition to the requirements found in Iowa Code section 99B.25, the following requirements apply to electronic raffles:

100.21(1) Reserved.

100.21(2) All entries will be included in the drawing.

100.21(3) The sale of raffle entries and the drawing of the winning entry will take place within the same calendar day.

These rules are intended to implement Iowa Code chapter 99B.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0015D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to amusement concessions

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 101, "Amusement Concessions," Iowa Administrative Code, and adopts a new Chapter 101 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 99B.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 99B.2 and Executive Order 10.

Purpose and Summary

This rulemaking repromulgates Chapter 101. This rulemaking implements Iowa Code section 99B.2 in accordance with the goals and directives of Executive Order 10. Iowa Code section 99B.2 requires that the Department adopt rules to carry out the provisions of the chapter and may include descriptions of books, records, and accounting requirements; methods of displaying costs and explanations of games and rules; and definitions of unfair or dishonest games, acts, or practices.

The rulemaking implements the aforementioned Iowa Code section by setting forth licensing standards for amusement concessions and specifying that prizes must be merchandise.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9758C**. A public hearing was held on the following date(s):

- December 17, 2025
- December 18, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 101 and adopt the following **new** chapter in lieu thereof:

CHAPTER 101
AMUSEMENT CONCESSIONS

481—101.1(99B) License requirements. No games shall be conducted until an application is approved and a license is issued in accordance with 481—Chapter 100.

101.1(1) A gambling license is required for each amusement concession game, with the name and description of the game attached to the application.

101.1(2) The person conducting an amusement concession, for the purposes of licensure, is the owner of the amusement concession.

481—101.2(99B) Prizes. All prizes shall be merchandise.

These rules are intended to implement Iowa Code section 99B.31.

[Filed 12/31/25, effective 2/25/26]
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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0016D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to general provisions for all amusement devices

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 104, "General Provisions for All Amusement Devices," Iowa Administrative Code, and adopts a new Chapter 104 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 99B.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 99B.2 and Executive Order 10.

Purpose and Summary

This rulemaking repromulgates Chapter 104. This rulemaking implements Iowa Code section 99B.2 in accordance with the goals and directives of Executive Order 10. Iowa Code section 99B.2 requires that the Department adopt rules to carry out the provisions of the chapter and may include descriptions of books, records, and accounting requirements; methods of displaying costs and explanations of games and rules; and definitions of unfair or dishonest games, acts, or practices.

The rules set out the standards for devices and the prizes that can be issued. The rulemaking further sets forth games and devices that are not allowed. Finally, the rulemaking sets forth that registration is required and explains the potential violations for failure to comply.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9757C**. A public hearing was held on the following date(s):

- December 17, 2025
- December 18, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 104 and adopt the following **new** chapter in lieu thereof:

CHAPTER 104
GENERAL PROVISIONS FOR ALL AMUSEMENT DEVICES

481—104.1(10A,99B) Definitions. Definitions in rules 481—100.1(10A,99B) and 481—105.1(10A,99B) are incorporated by reference in this chapter, along with the following definitions:

"Amusement device" means the same as defined in Iowa Code section 99B.1(2). An amusement device is not a device that plays poker, blackjack, roulette, or keno. Devices specified in Iowa Code section 725.9 as gambling devices are not amusement devices.

"Gambling device" means the same as defined in Iowa Code section 725.9(2) and does not include devices that do not comply with Iowa Code chapter 99B.

"Knock-off switch" means a mechanism or other method that releases free games or credits accumulated toward the award of merchandise.

"Prize" means a ticket(s) or token(s) that is dispensed by an amusement device as an award for use.

"Progressive games" means games in which the value of the prizes increases an incremental amount with each game.

"Slot machine" means a mechanical, electronic, or video gambling device into which a player deposits coins, tokens or currency and from which certain credits, tickets, tokens or coins are paid out when a particular, random configuration of symbols appears on the reels, simulated reels, or screen of the device. The slot machine may have a lever, buttons, or other means to activate or stop the play.

481—104.2(99B) Device restrictions. All amusement devices shall comply with Iowa Code section 99B.52 and the following:

104.2(1) The device will be electrical, which includes both electronic and video, or mechanical, or a combination of both.

104.2(2) The device will not be designed or adapted to issue or pay coins or currency.

104.2(3) The device may be designed or adapted to award merchandise or tickets or tokens redeemable for merchandise.

104.2(4) The device may be designed or adapted to issue tickets or tokens except tickets or tokens that may be used to play any device or game.

104.2(5) The device will not have a knock-off switch. Credits may be released by the insertion of coins, currency, or tokens to activate a new game. Free games may only be utilized for playing the device and not released in any other manner.

104.2(6) The device will be designed or adapted to accept only coins, currency, or tokens to play the game.

481—104.3(99B) Prohibited games/devices.

104.3(1) The following games or devices are not permitted:

a. Gambling games permitted in Iowa Code chapter 99F.

b. Any machine that does not conform to the requirements in these rules or Iowa Code chapter 99B.

c. Any machine designed like or resembling a machine that is normally used for casino-type gambling.

d. Amusement devices designed or adapted to facilitate gambling.

e. Progressive games.

104.3(2) This rule does not prohibit the possession of antique slot machines when possessed pursuant to Iowa Code chapter 725.

481—104.4(99B) Prizes. Prizes not to exceed a retail value of $50 per play or game may be awarded for use of an amusement device.

104.4(1) Merchandise with a retail value of no more than $50 per transaction may be awarded.

104.4(2) One or more free games may be awarded by the device.

104.4(3) If the device is designed or adapted to issue tickets or tokens, the following shall apply:

a. Tickets or tokens will not be used to purchase or play a game.

b. Tickets or tokens will not be redeemed for coins or currency.

c. Tickets or tokens may be redeemed for merchandise.

d. Tickets or tokens may be accumulated to the maximum allowable prize limit per play or game to purchase merchandise.

e. Tickets or tokens may be redeemed for food and beverage.

f. If the entire amount of the ticket or token issued by the amusement device is not redeemed for merchandise, the balance will not be redeemed for cash.

g. Tickets or tokens will only be redeemed on the premises where the amusement device is located and only for merchandise sold in the normal course of business on the premises.

104.4(4) Merchandise prizes shall not be repurchased.

481—104.5(99B) Registration. An amusement device must be registered in compliance with Iowa Code section 99B.53. Registration is required if chance plays a role equal to or greater than the players' skill or knowledge in determining the outcome of the game. Additional licenses or registrations under Iowa Code chapter 99B are not required.

481—104.6(99B) Violations.

104.6(1) Failure to comply with the limitations imposed on the use and possession of amusement devices in Iowa Code chapter 99B constitutes unlawful gambling, which may result in the following consequences:

a. Conviction for illegal gambling under the provisions of Iowa Code chapter 725.

b. Forfeiture of property under the provisions of Iowa Code chapter 809.

104.6(2) Additional consequences apply for registered amusement devices pursuant to 481—Chapter 105.

481—104.7(99B,17A) Declaratory orders. In addition to the requirements for declaratory orders found in 481—Chapter 3, parties seeking a declaratory order shall file with their petition a written evaluation of the game by an independent gaming laboratory approved by the department.

104.7(1) *Approved by the department.* "Approved by the department" means that the gaming laboratory has submitted its qualifications in writing to the director for review and approval in writing by the director or the director's designee.

104.7(2) *Written evaluation—requirements.* The independent gaming laboratory's evaluation must analyze whether chance plays a role equal to or greater than the players' skill or knowledge in determining the outcome of the game. "Outcome of the game" includes both whether the player correctly solves the puzzle and what prize is awarded.

These rules are intended to implement Iowa Code sections 99B.1, 99B.2, and 99B.51 through 99B.58.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0017D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to registered amusement devices

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 105, "Registered Amusement Devices," Iowa Administrative Code, and adopts a new Chapter 105 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 99B.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 99B.2 and Executive Order 10.

Purpose and Summary

This rulemaking repromulgates Chapter 105. This rulemaking implements Iowa Code section 99B.2 in accordance with the goals and directives of Executive Order 10. Iowa Code section 99B.2 requires that the Department adopt rules to carry out the provisions of the chapter and may include descriptions of books, records, and accounting requirements; methods of displaying costs and explanations of games and rules; and definitions of unfair or dishonest games, acts, or practices.

The rules set out standards for registered amusement devices to ensure that the devices are fair and honest.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9756C**. A public hearing was held on the following date(s):

- December 17, 2025
- December 18, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 105 and adopt the following **new** chapter in lieu thereof:

CHAPTER 105
REGISTERED AMUSEMENT DEVICES

481—105.1(10A,99B) Definitions. The definitions in Iowa Code section 99B.51 and rule 481—104.1(10A,99B) are incorporated by reference in this chapter. In addition, the following definitions apply to the possession and use of registered amusement devices.

"Counting mechanism" means an appliance that tallies the volume of business of an individual amusement device.

"Distributes" means to deliver, to provide or to otherwise make available in Iowa amusement devices required to be registered in accordance with these rules.

"Operation" means that a registered amusement device is made available for use by the public or made available for use on the premises of a charitable organization.

"Person" means a person as defined by Iowa Code section 4.1.

"Premises" means a location where one or more registered amusement devices is available for public use.

"Registered amusement device" means an electrical or mechanical amusement device in operation subject to registration by the department pursuant to Iowa Code section 99B.53 and includes both the external and internal components.

"Responsible party" means the owner of the amusement device.

"Security mechanism" means an appliance that prevents a person from operating an electrical or mechanical amusement device by not allowing the acceptance of money until action is taken by the owner or owner's designee to allow the person to operate the device.

481—105.2(99B) Registered amusement devices. Each registered amusement device shall only be located on premises as described in Iowa Code section 99B.53.

105.2(1) Any change in the registered amusement device constitutes a new registered amusement device for which registration is required. The word "change" does not include repairs or replacement of parts that do not change or alter the operation of the device as originally registered.

105.2(2) If the amusement device needs to be repaired, the owner may repair it without losing the registration position or buying a new registration tag. A repair constitutes any change to a device as long as the type of game and the number of devices in a location is not changed. If the repairs or replacement parts alter the operation of the device as originally registered, the device must be reregistered before being made available for operation. If an amusement device needs to be replaced because it is defective, it must be replaced with the same game in order to keep the registration position.

105.2(3) Reserved.

105.2(4) An amusement device registration position becomes available under the following circumstances:

a. When a distributor or owner:

(1) Is going out of business,

(2) Fails to renew a registration by the renewal due date, or

(3) Has an electrical or mechanical device seized by law enforcement and the seizure is upheld through a forfeiture hearing.

b. When an amusement device is replaced with a new amusement device that has a different game.

c. When any other legal order has been issued that pertains to violations of Iowa Code chapter 99B, 123, or 123A.

105.2(5) Premises with a Class "B" or Class "E" retail alcohol license shall post a sign near a registered amusement device stating that a person must be 21 years of age or older to operate the registered amusement device and the premises shall ask for ID prior to disengaging the security mechanism.

105.2(6) Reserved.

105.2(7) If the department, or the department's designee, determines that a registered amusement device is not in compliance with the requirements of this chapter or any other provision of Iowa law, the device may be subject to seizure, and any registration associated with the device, including the registration of the manufacturer, distributor, or owner, may be revoked or suspended.

105.2(8) Situations that constitute advertising and promoting as restricted by Iowa Code section 99B.53(12) include but are not limited to posted signs, newspaper/magazine advertisements, radio and television advertisements, word of mouth and Internet posting.

105.2(9) If there is no amusement device registration availability, a person may be included on a waiting list for an amusement device registration position.

a. A person shall appear on the waiting list only once for a single registration position.

b. A person may be added to the waiting list by sending an email to gmms@dia.iowa.gov; by writing the department at Department of Inspections, Appeals, and Licensing, Social and Charitable Gambling Unit, 6200 Park Avenue, Des Moines, Iowa 50319-0083; or by calling 515.281.6840.

c. The department will maintain the waiting list in chronological order.

d. When a registration position becomes available, the department will notify the first person on the waiting list of the amusement device registration availability by mail or email. If multiple positions become available, the department may notify as many persons on the waiting list as there are available positions.

e. The person on the waiting list shall have ten days from the time the notification was sent to submit a registered amusement device application and the fee.

f. If the person does not submit the registration application, fee and proof of purchase within ten days, the person shall forfeit the position on the waiting list and be removed from the waiting list.

105.2(10) An initial amusement device registration shall only be allowed at a location that has a Class "C," special Class "C," Class "D," or Class "F" retail alcohol license issued pursuant to Iowa Code chapter 123.

105.2(11) If a person purchases an amusement device that is registered with the department, the registration tag, if available, must be removed from the purchased amusement device and returned to the department or the department notified in writing within ten calendar days of the change in ownership. The purchased device will be removed from the inventory of the original owner, thus creating a registration position on the waiting list. The purchaser must apply for a registration position on the waiting list for the device.

105.2(12) An amusement device that is registered with the department and located in a warehouse may be placed in a location that has a Class "C," special Class "C," Class "D," or Class "F" retail alcohol license issued pursuant to Iowa Code chapter 123. Such a device may also be used as a replacement device.

105.2(13) The registration application for all new amusement devices must be accompanied by the receipt, invoice, or bill of sale containing the seller's name, company name, and address, transaction date, motherboard serial number, and name of the game.

105.2(14) Devices shall not allow for more than one player. Each playing position constitutes one amusement device.

481—105.3(99B) Prohibited registered amusement devices. The following devices are prohibited:

1. Amusement devices registered in violation of statutory or regulatory requirements governing such devices.
2. Registered amusement devices that are prohibited by rule 481—104.3(99B).
3. Any registered amusement device designed or adapted to facilitate gambling.

481—105.4(99B) Prizes. Prizes may be awarded for use of a registered amusement device in conformance with rule 481—104.4(99B).

481—105.5(99B) Registration by a manufacturer, distributor, or an owner that operates for profit. A person engaged in business in Iowa as a manufacturer, a distributor, or an owner that operates for profit shall be registered with the department prior to engaging in business in Iowa. A person shall register under each of the categories that applies to the business to be conducted in Iowa and pay the designated fee for each category of registration as set forth in Iowa Code section 99B.56.

105.5(1) Reserved.

105.5(2) Registration forms are available from the Department of Inspections, Appeals, and Licensing, Social and Charitable Gambling Unit, 6200 Park Avenue, Des Moines, Iowa 50321; or by telephone at 515.281.6840.

105.5(3) If registration information changes, the person shall notify the department in writing of the changes within ten calendar days.

105.5(4) Registration fees are nonrefundable.

481—105.6(99B) Registration of registered amusement devices. Each owner of an amusement device subject to registration by the department pursuant to Iowa Code section 99B.53 shall obtain a registration before the amusement device is available for operation. A registration issued pursuant to Iowa Code chapter 99B is required to offer a registered amusement device for use.

105.6(1) Reserved.

105.6(2) In the event a registration position is not open, the distributor's or owner's name may be placed on the department's waiting list. The distributor or owner will be notified by the department when a position is available. Upon the distributor's or owner's completion of the application form and payment of the required fee, the department will issue a registration tag valid for one year from the date of issuance.

a. Application forms are available from the Department of Inspections, Appeals, and Licensing, Amusement Devices, 6200 Park Avenue, Des Moines, Iowa 50321. The application form shall contain all information required by the department.

b. Prior to placement of the amusement device for public use, the registration tag shall be prominently displayed on the front of the registered amusement device in such a manner as to be clearly visible to the general public.

c. Any changes to the information provided on the application, including but not limited to changes in ownership, registered amusement device location, and the cessation of business in this state, shall be reported to the department in writing or electronically within ten calendar days of the occurrence of any of the above events.

d. Registration fees are nonrefundable.

105.6(3) A new registered amusement device must be obtained from a manufacturer that is registered with the department pursuant to Iowa Code section 99B.56. A registered amusement device that has been placed on location and used may be obtained from a manufacturer, distributor or owner that is registered with the department pursuant to Iowa Code section 99B.56. A distributor or owner that ceases, for any reason, to be registered pursuant to Iowa Code section 99B.56 may sell any registered amusement devices in the distributor's or owner's possession within 12 months from the date registration ceases. For all amusement devices new to the purchaser, proof of purchase, which includes the seller's name, company name, and address, must accompany the application for registration of the machine.

105.6(4) Reserved.

105.6(5) Each electrical or mechanical amusement device required to be registered pursuant to Iowa Code section 99B.53 shall include on the amusement device a counting mechanism.

a. The department of inspections, appeals, and licensing or the department of public safety will notify the distributor, owner, or qualified organization in advance to have access to the information provided by the counting mechanism.

b. The counting mechanism shall be at least six digits in length; and cumulatively count the total amounts inserted in the device during game play. If the mechanism being used tallies in dollars and cents, at least six digits must be used for the dollar amount. The counting mechanism shall not be able to be reset.

c. The counting mechanism shall be equipped with a battery backup, or an equivalent, and accurately maintain all required information for 30 days after power is discontinued from the device.

105.6(6) The owner of the registered amusement device shall exercise due diligence in ensuring that the amusement device complies with these rules and all laws governing such devices. Upon request by the department or the department's designee, any manufacturer or distributor registered with the department, or any owner of a registered device, shall permit the inspection of any amusement device and make available for inspection all records, documents, and agreements pertaining to the amusement device.

481—105.7(99B) Violations. Failure to comply with the limitations imposed on the use and possession of registered amusement devices in Iowa Code chapter 99B may result in the following:

1. Conviction for illegal gambling may result under the provisions of Iowa Code chapter 725.
2. Suspension or revocation of a retail alcohol license may result under the provisions of Iowa Code chapter 123.
3. Property may be forfeited under the provisions of Iowa Code chapter 809.
4. Violation of any laws pertaining to gambling may result in suspension or revocation of a registration as prescribed in Iowa Code section 99B.55.
5. Unless otherwise prescribed in Iowa Code section 99B.55, a registration may be revoked upon the violation of any gambling law, rule or regulation, including Iowa Code chapter 99B, 481—Chapter 104, or this chapter.
6. A registration may be revoked if the registrant or an agent of the registrant engages in any act or omission that would have permitted the department to refuse to issue a registration under Iowa Code chapter 99B.

481—105.8(10A,99B) Appeal rights. Decisions to refuse to issue a registration or to revoke a registration by the department may be appealed in accordance with the procedures set out in

481—Chapter 9. The refusal to issue a registration or the notice of revocation will be in writing and state the specific grounds for the action. When an appeal is received, the status of the registration is governed by the following standards:

105.8(1) No registration will be issued when a new application is denied.

105.8(2) A previously issued registration remains effective until a final agency decision is issued.

481—105.9(10A,99B) Procedure for denial, revocation, or suspension of a registration.

105.9(1) The department may revoke, suspend, or deny a registration issued pursuant to Iowa Code section 99B.56 for cause following 30 days' written notice delivered by certified mail, return receipt requested, or by personal service and an opportunity for hearing pursuant to rule 481—105.8(10A,99B).

105.9(2) If the registrant has not requested a hearing within the prescribed time period, the department may affirm, modify or set aside the department's proposed action in the department's final written decision.

105.9(3) The department may suspend a registration prior to a hearing if the director determines that the public integrity of the registered activity is compromised or that there is a risk to public health, safety, or welfare.

105.9(4) The department may rescind the notice of revocation, suspension, or denial at any point prior to hearing when the department becomes satisfied that the reasons for revocation, suspension, or denial have been or will be removed.

105.9(5) The department will send by certified mail, return receipt requested, or serve personally upon the applicant or registrant a copy of the department's final decision.

105.9(6) If the department finds cause for denial of a registration, the applicant shall not reapply for registration of an amusement device for two years.

105.9(7) If the department finds cause for revocation or suspension, the department shall suspend or revoke the registration for a period not to exceed two years.

105.9(8) In addition to the suspension or revocation, a registrant that allows an individual under the age of 21 to operate an electrical or mechanical amusement device may also be fined for a scheduled violation pursuant to Iowa Code section 805.8C(4) and 805.8C(5).

481—105.10(99B) Annual verification of device location. Each distributor or owner that owns amusement devices shall, with the annual distributor or owner registration, verify all device locations.

481—105.11(99B) Criteria for approval or denial of a registration.

105.11(1) The department will consider the responsible person's history of compliance with Iowa Code sections 99B.51 through 99B.58 and other gambling laws and rules in determining whether to approve or deny an application for registration of an amusement device, a manufacturer, a distributor, or an owner.

105.11(2) The department will deny a registration application if the registration does not comply with Iowa Code section 99B.52 and the following:

a. The applicant owes back taxes or fees to the state of Iowa.

b. An amusement device registration availability position is not available.

c. For any other reason, the department deems denial of the registration appropriate.

105.11(3) The period for refusal to issue a registration shall not exceed two years.

481—105.12(10A,99B) Suspension or revocation of a registration. If the responsible party violates the law, including Iowa Code chapter 99B, 481—Chapter 104, this chapter, or any other laws or administrative rules, the registrant's registration may be suspended or revoked.

These rules are intended to implement Iowa Code sections 99B.1, 99B.2 and 99B.51 through 99B.58.

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ARC 0018D

INSPECTIONS AND APPEALS DEPARTMENT[481]

Adopted and Filed

Rulemaking related to card game tournaments by veterans organizations

The Department of Inspections, Appeals, and Licensing hereby rescinds Chapter 106, "Card Game Tournaments By Veterans Organizations," Iowa Administrative Code, and adopts a new Chapter 106 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 99B.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 99B.2 and Executive Order 10.

Purpose and Summary

This rulemaking repromulgates Chapter 106. This rulemaking implements Iowa Code section 99B.2 in accordance with the goals and directives of Executive Order 10. Iowa Code section 99B.2 requires that the Department adopt rules to carry out the provisions of the chapter and may include descriptions of books, records, and accounting requirements; methods of displaying costs and explanations of games and rules; and definitions of unfair or dishonest games, acts, or practices.

The rules set out the rules for card game tournaments and explain where recordkeeping, application, and licensing requirements can be found.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9755C**. A public hearing was held on the following date(s):

- December 17, 2025
- December 18, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 481—Chapter 106 and adopt the following **new** chapter in lieu thereof:

CHAPTER 106
CARD GAME TOURNAMENTS BY VETERANS ORGANIZATIONS

481—106.1(99B) Definitions. In addition to definitions found in Iowa Code chapter 99B, for the purposes of this chapter, the following definitions apply:

"Card game tournament" or *"tournament"* means a series of card games held by a licensee during a consecutive period of time of not more than 24 hours and not held as part of a monthly game night licensed pursuant to Iowa Code section 99B.27.

"Licensee" means a qualified organization representing veterans that has been issued a license pursuant to Iowa Code section 99B.12 and the rules in 481—Chapter 100 and this chapter.

481—106.2(99B) Licensing. Application and license requirements are found in Iowa Code section 99B.27 and 481—Chapter 100.

481—106.3(99B) Card game tournament. In addition to the requirements found in Iowa Code section 99B.27, licensees conducting tournaments must post or distribute tournament rules to all participants before the tournament begins, including the following information:

1. Participation fees;
2. Prize(s); and
3. Any other tournament rules.

481—106.4(99B) Records. The licensee shall comply with the recordkeeping requirements found in Iowa Code sections 99B.16 and 99B.27(3) and 481—Chapter 100.

These rules are intended to implement Iowa Code sections 99B.2 and 99B.27.

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ARC 0019D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to sheriff's uniforms

The Public Safety Department hereby rescinds Chapter 3, "Sheriff's Uniforms," Iowa Administrative Code, and adopts a new Chapter 3 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 331.657.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 331.657.

Purpose and Summary

Pursuant to Executive Order 10, the Department is rescinding Chapter 3 and adopting a new chapter in lieu thereof. This chapter details the color and design of the standard uniform and accessories for sheriffs and deputies in Iowa.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9722C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 661—Chapter 3 and adopt the following **new** chapter in lieu thereof:

CHAPTER 3
SHERIFF'S UNIFORMS

661—3.1(17A,331) General provisions. These rules are adopted to designate the color and design of the standard uniform and accessories for Iowa sheriffs and deputy sheriffs.

3.1(1) The specifications of the uniforms and accessories, such as fabric and style, are made available to the department of administrative services.

3.1(2) Persons wanting to enter bids on the sheriff's uniforms and accessories should contact the department of administrative services.

661—3.2(17A,331) Uniform. The uniform generally consists of:

1. Sage green trousers with a one-inch strip of material the same color as the shirt down the outside seam of each pant leg.
2. Long-sleeved or short-sleeved shirts with two breast pockets, pleated, with three-pointed flags and shoulder ornaments made of the same material and color as the trousers.
3. The winter and summer hats are sage green with a swivel strap and three-inch brims. The winter hat has a gold metallic acorn cord. The summer hat has a metal eyelet for a badge. The winter fur hat is sage green with sage green fur trim. A baseball style cap can be sage green or match the shirt.
4. Sage green ties that are three and one-half inches at the widest point.
5. Black, round-toed shoes or boots.
6. A sage green light duty jacket or a forest green raincoat that is reversible to international orange or safety yellow.
7. Accessories consisting of shoulder and blazer emblems, badges, name bar, tie accessories, and rank insignia.

These rules are intended to implement Iowa Code section 331.657.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0020D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to governor's traffic safety bureau

The Public Safety Department hereby rescinds Chapter 20, "Governor's Traffic Safety Bureau," Iowa Administrative Code, and adopts a new Chapter 20 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Executive Order 23 (June 9, 1986).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Executive Order 23 and 23 U.S.C. Section 402.

Purpose and Summary

Pursuant to Executive Order 10, this rulemaking rescinds Chapter 20 and adopts a new chapter in lieu thereof. The chapter designates the Commissioner of the Department as the Governor's highway safety representative for Iowa and establishes the Department as the State highway safety agency. Additionally, the chapter outlines responsibilities of the Governor's Traffic Safety Bureau (GTSB) and establishes funding criteria and program requirements for federally appropriated funds.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9728C**. A public hearing was held on the following date(s):

- December 18, 2025
- December 19, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 661—Chapter 20 and adopt the following **new** chapter in lieu thereof:

CHAPTER 20
GOVERNOR'S TRAFFIC SAFETY BUREAU

661—20.1(23USC402,ExecOrd23) Authority. 23 U.S.C. Section 402 requires each state to have a highway safety program sponsored by the U.S. Secretary of Transportation under the responsibility of the governor.

20.1(1) The governor designated the commissioner of the department of public safety as the governor's highway safety representative for Iowa and established the department of public safety as the state highway safety agency.

20.1(2) The governor's traffic safety bureau administers the state highway safety program in accordance with the provisions of 23 U.S.C.

661—20.2(23USC402,ExecOrd23) Purpose. The purpose of the highway safety program is to provide a coordinated federal, state and local effort to reduce traffic-related deaths, injuries, and property damage crashes.

661—20.3(23USC402,ExecOrd23) Responsibilities.

20.3(1) The governor's traffic safety bureau develops and prepares the state's highway safety plan based on evaluation of highway crashes and traffic safety problems within the state.

20.3(2) The governor's traffic safety bureau encourages and assists local units of government in improving their traffic safety programs.

20.3(3) The governor's traffic safety bureau serves as a reviewing authority for federal and state traffic safety programs.

20.3(4) The governor's traffic safety bureau monitors safety program activity and expenditures of funds by state and local agencies as authorized by 23 U.S.C. Section 402.

20.3(5) The governor's traffic safety bureau coordinates the state highway safety plan with other state agencies.

20.3(6) Application for funding.

a. Proposals for funding highway safety programs may be submitted during set application time periods by any city, county, or state agency or nonprofit organization or any other eligible organization or individual.

b. Applications for funding in the next federal fiscal year, beginning October 1, must be received on or before March 1 to be considered. The bureau chief of the governor's traffic safety bureau may amend the deadline dates in order to implement projects and special activities as deemed appropriate.

c. Initial proposals should include project title, statement of the highway safety problem to be addressed supported by crash data, what is being proposed to solve the problem, how it will be evaluated, a proposed budget, and a letter of intent accepting responsibility for the proposed project from the responsible authority of the organization making application.

d. Only requests containing the listed elements will be considered for funding.

e. Assistance in developing and submitting proposals for highway safety funding may be obtained by contacting the governor's traffic safety bureau, Iowa department of public safety, by email at gtsbinfo@dps.state.ia.us.

661—20.4(23USC402,ExecOrd23) Funding criteria.

20.4(1) Allocation of federally appropriated funds administered by the governor's traffic safety bureau pursuant to 23 U.S.C. Section 402 are based on: (1) federally mandated projects; and (2) high-fatality and personal-injury crash causations and locations.

NOTE: The governor's traffic safety bureau refers to current federal authorization to dictate how funds are distributed.

20.4(2) At least 40 percent of all federal funds apportioned to the state of Iowa pursuant to 23 U.S.C. Section 402 for any fiscal year will be expended by political subdivisions of the state to carry out local highway safety programs authorized by the governor's representative for highway safety.

661—20.5(23USC402,ExecOrd23) Program requirements.

20.5(1) All approved programs funded by the governor's traffic safety bureau are administered in compliance with the current version of the Iowa Governor's Traffic Safety Bureau Policies and Procedures Manual located on the department of public safety's website at dps.iowa.gov/gtsb-publications-surveys-reports. Copies may also be obtained by emailing gtsbinfo@dps.state.ia.us.

20.5(2) Highway safety contract procedures and reporting forms and their explanations are contained in the current version of the Iowa Governor's Traffic Safety Bureau Policies and Procedures Manual.

These rules are intended to implement Executive Order 23 and 23 U.S.C. Section 402.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0021D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to marijuana eradication procedures

The Public Safety Department hereby rescinds Chapter 28, "Marijuana Eradication Procedures," Iowa Administrative Code, and adopts a new Chapter 28 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 80.5.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 80.5.

Purpose and Summary

Pursuant to Executive Order 10, the Department is rescinding Chapter 28 and adopting a new chapter in lieu thereof. The chapter provides for the processes to report and investigate marijuana operations and outlines eradication procedures for cultivated and uncultivated marijuana.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9723C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 661—Chapter 28 and adopt the following **new** chapter in lieu thereof:

CHAPTER 28
MARIJUANA ERADICATION PROCEDURES

661—28.1(80) Reports of marijuana. Persons wishing to report marijuana growing in Iowa, whether cultivated or uncultivated, may contact any local law enforcement agency within the state of Iowa or the Division of Narcotics Enforcement by telephone through the toll-free Marijuana Hotline at 1.800.532.0052.

661—28.2(80) Cultivated marijuana. Upon receipt of information pertaining to marijuana cultivation or harvesting, the department of public safety, division of narcotics enforcement, may coordinate with the department of agriculture and land stewardship to investigate.

661—28.3(80) Uncultivated marijuana. Upon receipt of information pertaining to wild uncultivated marijuana, the department of public safety, division of narcotics enforcement, will notify the county sheriff or chief of police of the report. After the sheriff has been notified, the department of public safety, division of narcotics enforcement, will notify, by regular mail, the owner of the land where uncultivated marijuana has been reported and will request that the landowner voluntarily remove the marijuana. Notification to a landowner of information regarding uncultivated marijuana growing on the landowner's property, as provided in this rule, is intended to obtain voluntary cooperation in the eradication of marijuana. The county sheriff and the local police chief, if any, will be sent copies of the notice, also by regular mail.

661—28.4(80) Scope and limitation. Nothing in this chapter shall be construed to be a restriction or limitation upon the nature or scope of the authority of any member of the department of public safety or of any other public officer as otherwise provided by law.

These rules are intended to implement Iowa Code section 80.5.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0022D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to human trafficking prevention training

The Public Safety Department hereby rescinds Chapter 29, "Human Trafficking Prevention Training—Lodging Providers," Iowa Administrative Code, and adopts a new Chapter 29 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 80.45A.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 80.45A.

Purpose and Summary

Pursuant to Executive Order 10, the Department hereby rescinds Chapter 29 and adopts a new chapter in lieu thereof. This chapter establishes the Department's Human Trafficking Prevention Training Program, outlines program content, and provides guidance for any lodging provider seeking certification. This rulemaking also establishes a process for outside organizations to receive approval to conduct trainings and issue certifications to lodging providers.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9721C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 661—Chapter 29 and adopt the following **new** chapter in lieu thereof:

CHAPTER 29
HUMAN TRAFFICKING PREVENTION TRAINING—LODGING PROVIDERS

661—29.1(80) Definitions. The definitions in Iowa Code section 80.45A(1) are adopted and incorporated herein.

661—29.2(80) Establishment of training program. The department of public safety's human trafficking prevention training program certifies a lodging provider's voluntary completion of human trafficking prevention training. The program is established pursuant to Iowa Code section 80.45A.

661—29.3(80) Human trafficking prevention training program content. In order to receive approval by the commissioner, human trafficking prevention training will include, at a minimum, all of the requirements set forth in Iowa Code section 80.45A(3).

661—29.4(80) Training providers.

29.4(1) *Training.* A list of certified training providers is maintained on the office to combat human trafficking website.

29.4(2) *Approval process for organizations.* Organizations cannot issue human trafficking prevention training certifications to lodging providers for purposes of this rule prior to receiving approval by the commissioner. To receive approval to conduct a training program, a training provider can apply through the office to combat human trafficking website and provide sufficient information to establish that the training program meets the requirements of rule 661—29.3(80).

661—29.5(80) Certification for lodging providers and their employees. All current, certified lodging providers are listed on the office to combat human trafficking website.

29.5(1) *Application.* Any lodging provider seeking certification of completed human trafficking prevention training can submit a completed application form to the office to combat human trafficking website. The online application form will not be considered complete unless all required information is submitted, including verification of employee training certificates, and will not be processed until it is complete.

NOTE: The website for human trafficking prevention training and certification for employees, lodging providers, and training providers is www.stophtiowa.org.

29.5(2) *Fee.* There is no fee for lodging providers to request or renew a trafficking prevention training certification. Approved organizational training providers under subrule 29.4(2) may charge fees for training programs; however, lodging providers are under no obligation to utilize such training providers.

29.5(3) *Maintenance of records.* In order to maintain certification, lodging providers must maintain up-to-date human trafficking prevention training certification records on all current employees at all times. The office to combat human trafficking is entitled to review the human trafficking prevention training records for each employee and complete employee lists upon request.

29.5(4) *Revocation.* The commissioner has authorized the office to combat human trafficking to revoke a lodging provider's certification at any time. If all employees of a certified lodging provider fail to renew their trainings every three years, the office to combat human trafficking will remove the lodging provider from the approved list of providers and revoke the lodging provider's certification. Failure to maintain records of individual employee certifications may result in the revocation of a lodging provider's certification.

29.5(5) *Certification expiration.* All human trafficking prevention training certificates issued by the office to combat human trafficking bear an expiration date. All employees of a certified lodging provider must complete approved human trafficking prevention training every three years for the lodging provider to maintain a valid certification and to receive public funds.

29.5(6) *Grace periods.* Lodging providers are responsible for ensuring lodging certifications are current and valid and that new employees successfully complete human trafficking prevention training. Employees have a grace period of 30 days from when their previous training certificate expires to complete a new, approved training. Certificates expire three years from the date on which they were issued.

a. Lodging providers. The application needs to be filed no later than 30 days after beginning operation in this state or the date on which an existing training certification expires.

b. Employees of lodging providers. The application needs to be filed no later than 30 days after the date of hire or the date on which an existing training certification expires.

These rules are intended to implement Iowa Code section 80.45A.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0023D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to complaints against employees

The Public Safety Department hereby rescinds Chapter 35, "Complaints Against Employees," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code chapters 22 and 80F.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 80.

Purpose and Summary

The purpose of Chapter 35 is to provide the public with steps on how to file a complaint against an employee of the Department. This chapter also outlines notification and investigative procedures when a complaint is filed. Upon review of this chapter in accordance with Executive Order 10, the Department has determined it does not possess rulemaking authority. Therefore, the Department is rescinding this chapter in its entirety.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9726C**. A public hearing was held on the following date(s):

- December 18, 2025
- December 19, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **661—Chapter 35**.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0024D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to notification of law enforcement

The Public Safety Department hereby rescinds Chapter 88, "Notification of Law Enforcement Agency by Hospital Prior to Discharge of a Person with Serious Mental Impairment," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 229.22 as amended by 2010 Iowa Acts, Senate File 2352.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 229.22.

Purpose and Summary

Pursuant to Iowa Code section 229.22 as amended by 2010 Iowa Acts, Senate File 2352, a hospital or facility is required to notify a specified law enforcement agency prior to the discharge of a patient brought to a hospital or facility for emergency mental health treatment by a law enforcement agency for whom an arrest warrant has been issued or charges are pending. The purpose of Chapter 88 is to establish the form to be used by law enforcement agencies to request this notification be made. However, after reviewing this chapter in accordance with Executive Order 10, the Department has determined it to be redundant and duplicative of procedure already established in Iowa Code section 229.22 and is therefore rescinding Chapter 88.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9727C**. A public hearing was held on the following date(s):

- December 18, 2025
- December 19, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **661—Chapter 88**.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0025D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to division of criminal investigation criminalistics

The Public Safety Department hereby rescinds Chapter 150, "Division of Criminal Investigation Criminalistics Laboratory," Iowa Administrative Code, and adopts a new Chapter 150 with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 691.3.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 691.

Purpose and Summary

Pursuant to Executive Order 10, the Department is rescinding Chapter 150 and adopting a new chapter in lieu thereof. The purpose of Chapter 150 is to define the capabilities of the State Criminalistics Laboratory. These rules also govern the submission of evidence to the laboratory, distribution of reports, and disposition of evidence.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9724C**. A public hearing was held on the following date(s):

- December 16, 2025
- December 17, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 661—Chapter 150 and adopt the following **new** chapter in lieu thereof:

CHAPTER 150
DIVISION OF CRIMINAL INVESTIGATION CRIMINALISTICS LABORATORY

661—150.1(691) Criminalistics laboratory. The state criminalistics laboratory created in Iowa Code section 691.1 is located, pursuant to that section, within the division of criminal investigation.

150.1(1) *Identification.* The state criminalistics laboratory will be known as the division of criminal investigation criminalistics laboratory. Unless the context clearly implies otherwise, the term "laboratory," when used in this chapter, means the division of criminal investigation criminalistics laboratory.

150.1(2) *Administration.* The laboratory will be headed by an administrator who reports to the director of the division of criminal investigation.

150.1(3) *Contact information.*

a. The address of the laboratory for receiving mail or shipped materials is Iowa DCI Criminalistics Laboratory, 2240 South Ankeny Boulevard, Ankeny, Iowa 50023.

b. The telephone number of the laboratory is 515.725.1500.

c. Information regarding the laboratory may be obtained from the department website.

NOTE: Currently, information about the laboratory may be found at www.dps.state.ia.us/DCI/Crime_Lab/index.shtml.

661—150.2(691) Purpose and scope of work. The laboratory provides forensic science services to law enforcement agencies within the state of Iowa. The laboratory will, within its capabilities, conduct analyses and comparative studies on physical evidence to aid in any criminal investigation, when requested by a prosecuting attorney, a medical examiner, or a law enforcement agency.

150.2(1) *Resource or capability limitations.*

a. The laboratory administrator may refuse any request to conduct an analysis when, in the judgment of the administrator, the laboratory is unable to adequately conduct the requested analysis, either because of resource limitations or because the analysis is not within the professional capabilities of laboratory personnel.

b. The laboratory administrator may establish a policy excluding evidence of specific types or evidence arising from certain types of cases from being accepted by the laboratory if the administrator finds that such a policy is necessary either due to resource constraints, safety concerns, or the professional capabilities of laboratory personnel. Any policy adopted pursuant to this paragraph will be made available to all county attorneys, medical examiners, and law enforcement agencies within Iowa.

c. If analysis by the laboratory of specific evidence arising from a criminal investigation in Iowa has been excluded pursuant to either paragraph 150.2(1)*"a"* or *"b,"* the administrator may, at the administrator's discretion, assist the agency requesting the analysis in locating the services of another laboratory able to perform the requested analysis.

150.2(2) *Exclusion by law.* The laboratory will only perform analyses that have arisen from, or will aid in, criminal investigations or that are otherwise provided for by law.

661—150.3(691) Laboratory capabilities. The laboratory is capable of performing any forensic scientific analysis for which a laboratory staff member has received appropriate training and for which the necessary equipment and materials are available to the staff member performing the analysis. Information regarding the current forensic science capabilities of the laboratory may be obtained in the Iowa Criminalistics Laboratory Quality Assurance Manual published by the laboratory.

661—150.4(691) Evidence submission to the laboratory.

150.4(1) Evidence may be submitted to the laboratory by:

a. Any law enforcement agency in Iowa;

b. The Iowa department of corrections;

c. Any other criminal or juvenile justice agency, with the approval of the laboratory administrator; or

d. Any other state agency, with the approval of the laboratory administrator.

150.4(2) Evidence may be submitted to the laboratory via regular, certified, or registered mail or personal service. Any evidence to be submitted to the laboratory will be entered electronically into the laboratory information management system prior to submission. Each entry will include a description of each item to be submitted and an examination request for each item to be submitted.

NOTE: Access to the laboratory information management system is restricted to authorized users representing agencies authorized to submit evidence to the laboratory. Authorized users should contact the laboratory for instructions regarding access to the system.

150.4(3) Evidence submitted to the laboratory that is not personally delivered will be packaged in such a manner that laboratory personnel can determine that the package has not been opened while in transit. If the laboratory receives an unsealed or damaged package, the laboratory may refuse to process such evidence if the integrity of the evidence has been compromised.

661—150.5(17A,691) Distribution of reports.

150.5(1) A copy of each completed report of analyses performed by the laboratory will be provided to the submitting officer and to the prosecuting attorney. The prosecuting attorney is responsible for providing copies of any laboratory report to the defendant or defendants as required by law.

150.5(2) Results of laboratory analyses will not be made available to any unauthorized person or organization.

661—150.6(17A,691) Disposition of evidence.

150.6(1) Evidence will be returned to the submitting agency unless one of the following conditions applies:

a. Retention of the evidence would be beneficial for future laboratory analysis.

b. Returning the evidence presents a hazard to health or safety. Any required notice to the defendant of destruction of evidence pursuant to this paragraph is the responsibility of the prosecuting attorney.

150.6(2) Evidence will not be transferred or submitted to any person or agency other than the submitting agency without an applicable court order unless authorized by the submitting agency.

These rules are intended to implement Iowa Code chapter 691.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0026D

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rulemaking related to public safety survivor benefits fund

The Public Safety Department hereby rescinds Chapter 292, "Public Safety Survivor Benefits Fund," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 80.47.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 80.47.

Purpose and Summary

The purpose of Chapter 292 is to establish the operation of the Public Safety Survivor Benefits Fund as outlined in Iowa Code section 80.47. After reviewing this chapter in accordance with Executive Order 10, the Department has determined it does not possess rulemaking authority for this chapter and is therefore rescinding Chapter 292 in its entirety.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9725C**. A public hearing was held on the following date(s):

- December 18, 2025
- December 19, 2025

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind and reserve **661—Chapter 292**.

[Filed 12/31/25, effective 2/25/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0027D

REAL ESTATE COMMISSION[193E]

Adopted and Filed

Rulemaking related to seller property condition disclosure

The Real Estate Commission hereby amends Chapter 14, "Seller Property Condition Disclosure," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 543B.18.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 17A and 543B.

Purpose and Summary

This chapter sets forth guidance to real estate licensees pertaining to seller disclosure requirements and also provides a template. This chapter is being amended to support statutory changes enforced by 2025 Iowa Acts, House File 846, which required the seller to disclose if their property has, or had, any lead water service lines.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 1, 2025, as **ARC 9592C**. A public hearing was held on the following date(s):

- October 21, 2025

No one attended the public hearing. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Commission on November 5, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This amendment is not subject to waiver.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on April 22, 2026.

The following rulemaking action is adopted:

ITEM 1. Amend subrule 14.1(7) as follows:

14.1(7) *Minimum disclosure statement contents for all transfers.* All property disclosure statements, whether or not a licensee assists in the transaction, contain at a minimum the information mandated by the following sample statement. No particular language is necessary in the disclosure statement provided that the necessary disclosure items are included and the disclosure complies with Iowa Code chapter 558A. To assist real estate licensees and the public, the commission recommends use of the following sample language:

RESIDENTIAL PROPERTY SELLER DISCLOSURE STATEMENT

Property address: _____

PURPOSE:

Use this statement to disclose information as mandated by Iowa Code chapter 558A. This law obligates certain sellers of residential property that includes at least one and no more than four dwelling units to disclose information about the property to be sold. The following disclosures are made by the seller(s) and not by any agent acting on behalf of the seller(s).

INSTRUCTIONS TO SELLER(S):

1. Seller(s) completes this statement. Respond to all questions, or attach reports allowed by Iowa Code section 558A.4(2);
2. Disclose all known conditions materially affecting this property;
3. If an item does not apply to this property, indicate that it is not applicable **(N/A)**;
4. Please provide information in good faith and make a reasonable effort to ascertain the necessary information. If the necessary information is **unknown** or is **unavailable** following a reasonable effort, use an **approximation** of the information, or indicate that the information is **unknown (UNK)**. All **approximations** are identified as **approximations (AP)**;
5. Additional pages may be attached as needed;
6. Keep a copy of this statement with your other important papers.

1. Basement/Foundation: Any known water or other problems? Yes [ ] No [ ]

2. Roof: Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

~~3. Well and Pump: Any known problems? Yes [ ] No [ ]~~

~~If N/A check here [ ]~~

~~Any known repairs? Yes [ ] No [ ]~~

~~If yes, date of repairs/replacement: ____/____/____~~

~~Any known water tests? Yes [ ] No [ ]~~

~~If yes, date of last report: ____/____/____~~

~~and results: _____~~

~~4. Septic Tanks/Drain Fields: Any known problems? Yes [ ] No [ ]~~

~~If N/A check here [ ]~~

~~Location of tank: _____~~

~~Date tank last cleaned: ____/____/____~~

~~5.~~ 3. Sewer System: Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

~~6.~~ 4. Heating System(s): Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

~~7.~~ 5. Central Cooling System(s): Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

If N/A check here [ ]

~~8.~~ 6. Plumbing System(s): Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

~~9.~~ 7. Electrical System(s): Any known problems? Yes [ ] No [ ]

Any known repairs? Yes [ ] No [ ]

If yes, date of repairs/replacement: ____/____/____

~~10.~~ 8. Pest Infestation (e.g., termites, carpenter ants): Any known problems? Yes [ ] No [ ]

If yes, date(s) of treatment: ____/____/____

Any known structural damage? Yes [ ] No [ ]

If yes, date(s) of repairs/replacement: ____/____/____

~~11.~~ 9. Asbestos: Any known to be present in the structure? Yes [ ] No [ ]
If yes, explain: _____

~~12.~~ 10. Radon: Any known tests for the presence of radon gas? Yes [ ] No [ ]
If yes, date of last report: ____/____/____
and results: _____

~~13.~~ 11. Lead-Based Paint: Any known to be present in the structure? Yes [ ] No [ ]

~~14.~~ 12. Flood Plain: Do you know if the property is located in a flood plain? Yes [ ] No [ ]

13. Are there currently, or have there ever been, any lead water service lines present? Yes [ ] No [ ] Unknown [ ]
If yes, please provide more information.

~~15.~~ 14. Zoning: Do you know the zoning classification of the property? Yes [ ] No [ ]
If yes, what is the zoning classification? _____

~~16.~~ 15. Covenants: Is the property subject to restrictive covenants? Yes [ ] No [ ]
If yes, attach a copy or state where a true, current copy of the covenants can be obtained:
_____

~~17.~~ 16. Shared or Co-Owned Features: Any features of the property known to be shared in common with adjoining landowners, such as walls, fences, roads, and driveways whose use or maintenance responsibility may have an effect on the property? Yes [ ] No [ ]
Any known *"common areas"* such as pools, tennis courts, walkways, or other areas co-owned with others, or a Homeowner's Association which has any authority over the property? Yes [ ] No [ ]

~~18.~~ 17. Physical Problems: Any known settling, flooding, drainage or grading problems? Yes [ ] No [ ]

~~19.~~ 18. Structural Damage: Any known structural damage? Yes [ ] No [ ]

19. Well and Pump: Any known problems? Yes [ ] No [ ] If N/A check here [ ] Any known repairs? Yes [ ] No [ ] If yes, date of repairs/replacement: ____/____/____ Any known water tests? Yes [ ] No [ ] If yes, date of last report: ____/____/____ and results:
_____

20. Septic Tanks/Drain Fields: Any known problems? Yes [ ] No [ ] If N/A check here [ ] Location of tank:
_____
Date tank last cleaned: ____/____/____

You need to explain any *"YES"* response(s) above. Use the back of this statement or additional sheets as necessary: _____
_____
_____
_____

SELLER(S) DISCLOSURE:

Seller(s) discloses the information regarding this property based on information known or reasonably available to the Seller(s).
The Seller(s) has owned the property since ____/____/____. The Seller(s) certifies that as of the date signed this information is true and accurate to the best of my/our knowledge.
Seller(s) acknowledges that Buyer(s) be provided with the "Iowa Radon Home-Buyers and Sellers Fact Sheet" prepared by the Iowa Department of Health and Human Services.

Seller_____ Seller_____
Date ____/____/____ Date ____/____/____

BUYER(S) ACKNOWLEDGMENT:
Buyer(s) acknowledges receipt of a copy of this Real Estate Disclosure Statement. This statement is not intended to be a warranty or to substitute for any inspection Buyer(s) may wish to obtain.

Buyer(s) acknowledges receipt of the "Iowa Radon Home-Buyers and Sellers Fact Sheet" prepared by the Iowa Department of Health and Human Services.

Buyer_____ Buyer_____
Date ____/____/____ Date ____/____/____

[Filed 12/29/25, effective 4/22/26]
[Published 1/21/26]
EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/21/26.

ARC 0028D

REVENUE DEPARTMENT[701]

Adopted and Filed

Rulemaking related to investment subsidiary combined returns

The Revenue Department hereby amends Chapter 304, "Adjustments to Computed Tax and Tax Credits," Chapter 501, "Filing Returns, Payment of Tax, Penalty and Interest, and Tax Credits," and Chapter 602, "Determination of Net Income," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in 2024 Iowa Acts, Senate File 2442.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2024 Iowa Acts, Senate File 2442.

Purpose and Summary

This rulemaking is intended to implement 2024 Iowa Acts, Senate File 2442, division III, which allowed financial institutions subject to the franchise tax that have investment subsidiaries to elect to file combined Iowa franchise tax returns with those investment subsidiaries. Financial institutions that make this election are not required to add back expense to carry the investment subsidiaries on their Iowa return. This rulemaking also makes conforming amendments to rules implementing the franchise tax credit.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on November 26, 2025, as **ARC 9745C**. No public comments were received. The Notice stated that a public hearing would be held, if requested, on December 16, 2025. No requests for a public hearing were received.

One change from the Notice has been made in Item 2 to remove the "as amended by" language in the implementation sentence since the 1999 Iowa Acts reference has been codified.

Adoption of Rulemaking

This rulemaking was adopted by the Department on December 31, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—3.7(99G,123,421,17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on February 25, 2026.

The following rulemaking action is adopted:

ITEM 1. Amend rule 701—304.16(422) as follows:

701—304.16(422) Franchise tax credit. ~~For tax years beginning on or after January 1, 1997, a~~ A shareholder in a financial institution, as defined in Section 581 of the Internal Revenue Code, ~~which~~ or a member of a financial institution organized as a limited liability company that is taxed as a partnership for federal income tax purposes that has elected to have its income taxed directly to the shareholders or members may take a tax credit equal to the shareholder's or member's pro rata share of the Iowa franchise tax paid by the financial institution.

~~For tax years beginning on or after July 1, 2004, a member of a financial institution organized as a limited liability company that is taxed as a partnership for federal income tax purposes which has elected to have its income taxed directly to its members may take a tax credit equal to the member's pro rata share of the Iowa franchise tax paid by the financial institution.~~

304.16(1) *Credit calculation.*

a. The credit must be ~~computed~~ calculated by recomputing the amount of tax ~~computed~~ calculated under Iowa Code section 422.5 by reducing the shareholder's or member's taxable income by the shareholder's or member's pro rata share of the items of income and expenses of the financial institution and subtracting the credits allowed in Iowa Code ~~sections~~ section 422.12. ~~and 422.12B for tax years beginning prior to January 1, 2007. The recomputed tax must be subtracted from the amount of tax computed under Iowa Code section 422.5 reduced by the credits allowed in Iowa Code sections 422.12 and 422.12B for tax years beginning prior to January 1, 2007. For tax years beginning on or after January 1, 2007, only the credits allowed in Iowa Code section 422.12 are reduced in computing the franchise tax credit.~~

b. The resulting amount, not to exceed the shareholder's or member's pro rata share of the franchise tax paid by the financial institution, is the amount of tax credit allowed the shareholder or member.

304.16(2) *Credit calculation for combined return filers.*

a. Where the financial institution has elected to file a combined return with one or more investment subsidiaries pursuant to rule 701—602.33(422), the franchise tax paid by the financial institution for purposes of calculating this credit is a portion of the tax paid by the combined group equal to the portion of the combined group's total taxable income attributable to the financial institution.

b. This credit is not available to shareholders or members of investment subsidiaries included on a combined return under rule 701—602.33(422) for that portion of the tax shown due on the return attributable to the investment subsidiary.

304.16(3) *Combined filer credit calculation formula.* The following formula determines the portion of a combined group's tax that may be used to calculate a shareholder's or member's franchise tax credit.

PTI = parent financial institution separate taxable income (if zero or less, no credit is available)

CTI = combined group taxable income

GT = combined group total tax (if zero or less, no credit is available)

PTI/CTI* × GT = tax eligible for the credit

*If PTI/CTI is 1 or greater, 100 percent of the tax is attributable to the parent financial institution.

EXAMPLE: Parent financial institution B, an S corporation, and its investment subsidiary C elect to file a combined Iowa franchise return. B's separate taxable income is $750,000, and the group's combined taxable income is $1,000,000. The combined group's Iowa franchise tax liability is $41,000 (at a rate of 4.1 percent for 2025). B contributed 75 percent (0.75) of the group's combined taxable income. The tax available to B's shareholders for purposes of calculating the Iowa franchise tax is $30,750 (41,000 × 0.75).

This rule is intended to implement Iowa Code section 422.11.

ITEM 2. Amend rule 701—501.16(422) as follows:

701—501.16(422) Franchise tax credit. ~~For tax years beginning on or after January 1, 1998, a~~ A shareholder in a financial institution as defined in Section 581 of the Internal Revenue Code ~~which~~ that has elected to have its income taxed directly to the shareholders may take a tax credit equal to the shareholder's pro rata share of the Iowa franchise tax paid by the financial institution.

501.16(1) *Credit calculation.*

a. The credit must be ~~computed~~ calculated by recomputing the amount of tax ~~computed~~ calculated under Iowa Code section 422.33 by reducing the shareholder's taxable income by the shareholder's pro rata share of the items of income and expenses of the financial institution and deducting from the recomputed tax the credits allowed by Iowa Code section 422.33. The ~~recomputed~~ recalculated tax must be subtracted from the amount of tax ~~computed~~ calculated under Iowa Code section 422.33 reduced by the credits allowed in Iowa Code section 422.33.

b. The resulting amount, not to exceed the shareholder's pro rata share of the franchise tax paid by the financial institution, is the amount of tax credit allowed the shareholder.

501.16(2) *Credit calculation for combined return filers.*

a. Where the financial institution has elected to file a combined return with one or more investment subsidiaries pursuant to rule 701—602.33(422), the franchise tax paid by the financial institution for purposes of calculating this credit is a portion of the tax paid by the combined group equal to the portion of the combined group's total taxable income attributable to the financial institution. The portion attributable to the financial institution is determined using the formula provided in 701—subrule 304.16(3).

b. This credit is not available to shareholders or members of investment subsidiaries included on a combined return under rule 701—602.33(422) for that portion of the tax shown due on the return attributable to the investment subsidiary.

This rule is intended to implement Iowa Code section 422.33~~, as amended by 1999 Iowa Acts, chapter 95~~.

ITEM 3. Amend rule 701—602.20(422) as follows:

701—602.20(422) Disallowance of expenses to carry an investment subsidiary ~~for tax years which begin on or after January 1, 1995.~~ ~~A financial institution which has an investment in an investment subsidiary on or after July 1, 1995, must allocate a portion of its total expenses used in computing its federal taxable income on a separate return basis to its investment subsidiary. The expenses which are allocable to the investment in an investment subsidiary are computed by multiplying the financial institution's total expenses used in computing its federal taxable income on a separate return basis by the ratio of the average adjusted basis in its investment subsidiary to the average adjusted basis for all assets of the financial institution. For tax years beginning on or after January 1, 1995, and before December 31, 1995, a financial institution which has an investment in an investment subsidiary on July 1, 1995, must allocate a portion of its total expenses for the entire tax year to its investment in an investment subsidiary even though it did not have an investment in an investment subsidiary for the entire tax~~

~~year.~~ A taxpayer must add back, to the extent included, any deduction for that portion of the taxpayer's expenses computed under this rule that is allocable to an investment in an investment subsidiary.

~~A calculation of the average for the tax year of the adjusted bases of a financial institution's investment in investment subsidiaries, and total assets, held each day of the tax year is the most accurate method for determining under Iowa Code subsection 422.61(3) the portion of a financial institution's total expenses that is allocable to the financial institution's investment in investment subsidiaries. However, the department will generally allow the average adjusted bases of an investment in investment subsidiaries for the tax year to be calculated using the average of the adjusted bases of the investment in investment subsidiaries held by the financial institution at the end of each month within the tax year. The department generally will allow the average bases of all assets of the financial institution for the tax year to be calculated using the average bases of all assets held by the financial institution at the end of each quarter of the tax year. A financial institution may compute for any tax year, without prior permission of the director, the average adjusted bases of investment in investment subsidiaries or total assets on a more frequent basis than set forth above. However, a financial institution may not compute these averages for any tax year on a less frequent basis than quarterly without obtaining prior approval of the director. This permission will be granted only in extraordinary circumstances. In addition, a financial institution may not compute these averages for any tax year on a less frequent basis than it used for the preceding tax year unless the financial institution obtains prior approval of the director. A financial institution that has elected to use an estimate of the adjusted tax bases of its total assets for each of the first three quarters of the taxable year under Internal Revenue Service's Revenue Ruling 90-44 for federal income tax purposes may use this estimate for Iowa franchise purposes.~~

602.20(1) *Definitions.* ~~For the purposes of this rule, the term "affiliate" means a corporation, trust, estate, association, or similar organization:~~

~~*a.* Of which a financial institution, directly or indirectly, owns or controls either a majority of the voting shares or more than 50 percent of the number of shares voted for the election of its directors, trustees, or other individuals exercising similar functions at the preceding election, or controls in any manner the election of a majority of its directors, trustees, or other individuals exercising similar functions; or~~

~~*b.* Of which control is held, directly or indirectly, through share ownership or in any other manner, by the shareholders of a financial institution who own or control either a majority of the shares of such financial institution or more than 50 percent of the number of shares voted for election of directors of such financial institution at the preceding election, or by trustees for the benefit of the shareholders of such financial institution; or~~

~~*c.* Of which a majority of its directors, trustees, or other individuals exercising similar functions are directors of any financial institution; or~~

~~*d.* Which owns or controls, directly or indirectly, either a majority of the voting shares of a financial institution or more than 50 percent of the number of shares voted for the election of directors of a financial institution at the preceding election, or controls in any manner the election of a majority of the directors of a financial institution, or for the benefit of those shareholders or members all or substantially all of the outstanding voting shares of a financial institution is held by trustees; or~~

~~*e.* Which is a bank holding company, as defined by the laws of the United States, of which a financial institution is a subsidiary, and any other subsidiary as defined by the laws of the United States, of a bank holding company.~~

"Affiliate" means a corporation, trust, estate, association, or similar organization:

1. Of which a financial institution, directly or indirectly, owns or controls either a majority of the voting shares or more than 50 percent of the number of shares voted for the election of its directors, trustees, or other individuals exercising similar functions at the preceding election, or controls in any manner the election of a majority of its directors, trustees, or other individuals exercising similar functions; or

2. Of which control is held, directly or indirectly, through share ownership or in any other manner, by the shareholders of a financial institution who own or control either a majority of the shares of such financial institution or more than 50 percent of the number of shares voted for election of directors of

such financial institution at the preceding election, or by trustees for the benefit of the shareholders of such financial institution; or

3. Of which a majority of its directors, trustees, or other individuals exercising similar functions are directors of any financial institution; or

4. That owns or controls, directly or indirectly, either a majority of the voting shares of a financial institution or more than 50 percent of the number of shares voted for the election of directors of a financial institution at the preceding election, or controls in any manner the election of a majority of the directors of a financial institution, or for the benefit of those shareholders or members all or substantially all of the outstanding voting shares of a financial institution is held by trustees; or

5. That is a bank holding company, as defined by the laws of the United States, of which a financial institution is a subsidiary, and any other subsidiary as defined by the laws of the United States, of a bank holding company.

"Average adjusted basis" means the financial institution's average adjusted basis as computed pursuant to Section 1016 of the Internal Revenue Code on a separate company basis.

"Investment subsidiary" means an affiliate that is owned, capitalized, or utilized by a financial institution with one of its purposes being to make, hold, or manage, for and on behalf of the financial institution, investments in securities that the financial institution would be permitted by applicable law to make for its own account.

~~**602.20(2)** For the purposes of this rule, the term "average adjusted basis" means the financial institution's average adjusted basis as computed pursuant to Section 1016 of the Internal Revenue Code on a separate company basis.~~

~~**602.20(3)** For purposes of this rule, the term "investment subsidiary" means an affiliate that is owned, capitalized or utilized by a financial institution with one of its purposes being to make, hold, or manage, for and on behalf of the financial institution, investments in securities which the financial institution would be permitted by applicable law to make for its own account.~~

602.20(2) *Calculating the addition.*

a. A financial institution that has an investment in an investment subsidiary must allocate a portion of its total expenses used in computing its federal taxable income on a separate return basis to its investment subsidiary. The expenses that are allocable to the investment in an investment subsidiary are computed by multiplying the financial institution's total expenses used in computing its federal taxable income on a separate return basis by the ratio of the average adjusted basis in its investment subsidiary to the average adjusted basis for all assets of the financial institution.

b. A calculation of the average for the tax year of the adjusted bases of a financial institution's investment in investment subsidiaries, and total assets, held each day of the tax year is the most accurate method for determining under Iowa Code section 422.61(3) the portion of a financial institution's total expenses that is allocable to the financial institution's investment in investment subsidiaries. However, the department will generally allow the average adjusted bases of an investment in investment subsidiaries for the tax year to be calculated using the average of the adjusted bases of the investment in investment subsidiaries held by the financial institution at the end of each month within the tax year. The department generally will allow the average bases of all assets of the financial institution for the tax year to be calculated using the average bases of all assets held by the financial institution at the end of each quarter of the tax year. A financial institution may compute for any tax year, without prior permission of the director, the average adjusted bases of investment in investment subsidiaries or total assets on a more frequent basis than set forth above. However, a financial institution cannot compute these averages for any tax year on a less frequent basis than quarterly without obtaining prior approval of the director. This permission will be granted only in extraordinary circumstances. In addition, a financial institution cannot compute these averages for any tax year on a less frequent basis than it used for the preceding tax year unless the financial institution obtains prior approval of the director. A financial institution that has elected to use an estimate of the adjusted tax bases of its total assets for each of the first three quarters of the taxable year under Internal Revenue Service's Revenue Ruling 90-44 for federal income tax purposes may use this estimate for Iowa franchise purposes.

602.20(3) *Exception to the addition.* Financial institutions that elect to file a combined Iowa return with their investment subsidiaries as provided in rule 701—602.33(422) are not required to add back expenses allocable to an investment subsidiary.

This rule is intended to implement Iowa Code section 422.61 ~~as amended by 1995 Iowa Acts, chapter 193~~.

ITEM 4. Adopt the following **new** rule 701—602.33(422):

701—602.33(422) Investment subsidiary combined returns. For tax years beginning on or after January 1, 2025, financial institutions that own or control investment subsidiaries may elect to file combined Iowa franchise tax returns with those investment subsidiaries.

602.33(1) *Definitions.*

"Affiliate" means the same as defined in subrule 602.20(1).

"Unitary business," for purposes of this rule, means a single economic enterprise made up either of separate parts of a single business entity or of a commonly controlled group of business entities that are sufficiently interdependent, integrated, and interrelated through their activities so as to provide a synergy and mutual benefit that produces a sharing or exchange of value among them and a significant flow of value to the separate parts. A unitary business includes that part of the business that meets this definition and is conducted by a taxpayer through the taxpayer's interest in a partnership, whether the interest in that partnership is held directly or indirectly through a series of partnerships or other passthrough entities.

602.33(2) *Election to file a combined return.* A financial institution and its investment subsidiaries that did not file a combined return for the immediately preceding taxable year may elect to file a combined return in lieu of separate returns for the taxable year.

a. Making the election. The election is made by filing a return that includes both the financial institution and its investment subsidiaries on forms provided by the department, on or before the statutory due date for filing the return, including extensions. The parent financial institution may withdraw the election by filing a separate return at any time prior to the due date of the return (including extensions of time) in the first year in which the election is made, but the group cannot withdraw the election after the due date of the return (including extensions of time). All requirements of this paragraph and any additional requirements provided in the instructions to the form must be met for the election to be valid.

(1) The financial institution and each investment subsidiary that is to be included on the combined return must consent to the filing of the combined return in the same manner as members of an affiliated group consent to the filing of a consolidated return in 701—paragraph 502.15(1)*"d."*

(2) The combined group must include the parent financial institution and all investment subsidiaries.

(3) The combined group cannot include any entity other than the parent financial institution and the investment subsidiaries.

b. Election binding. Except as provided in subrule 602.33(3), an election to file a combined return under this paragraph is binding on all future tax years.

c. Treated as financial institutions. By making this election, all investment subsidiaries agree to be treated as financial institutions under Iowa Code chapter 422, and this rule, for every tax year the election remains in effect, except as provided in 701—subrules 304.16(2) and 501.16(2).

602.33(3) *Discontinuing the election.* A combined group shall discontinue filing combined returns when:

a. All investment subsidiaries cease to be subsidiaries of the parent financial institution. If on or before the beginning of the tax year the parent financial institution no longer owns an investment subsidiary, the group is not required or permitted to file combined returns. However, for combined groups that included more than one investment subsidiary, if at least one entity remains an investment subsidiary, the remaining group members must continue filing combined returns even after other investment subsidiaries have left the group. Reasons an investment subsidiary may cease to be a subsidiary of the parent for purposes of this rule include:

(1) The parent financial institution no longer owns or controls the investment subsidiary previously included in the combined group.

(2) The investment subsidiary no longer meets the definition of investment subsidiary in Iowa Code section 422.61(2).

(3) The investment subsidiary ceases to exist.

b. The parent entity ceases to be subject to Iowa franchise tax. If the parent entity ceases to be subject to Iowa franchise tax, for any reason, the group is no longer allowed to file a combined return.

(1) The following are examples of common reasons a parent financial institution may no longer be subject to Iowa franchise tax:

1. The parent financial institution is no longer doing business in Iowa as defined in 701—subrule 501.1(1).

2. The parent entity changes in character such that it no longer meets the statutory definition of "financial institution" for Iowa franchise tax purposes.

3. The parent entity ceases to exist.

(2) Members of the group that continue doing business in Iowa after the parent entity ceases to be subject to Iowa franchise tax may still be required to file Iowa income or franchise tax returns.

c. The director finds separate returns would more clearly disclose the taxable income of the combined group. If the group believes that the filing of separate returns will more clearly disclose the taxable income of each member of the combined group, the group may apply to the director to discontinue filing combined returns.

(1) Applications to discontinue filing combined returns must be submitted not later than 90 days prior to the due date of the return, including extensions of time.

(2) Applications to discontinue filing consolidated returns must include:

1. A detailed description of the taxable income of both the group on a combined basis and each entity on a separate basis.

2. A clear statement of the reasons why separate returns would more clearly disclose Iowa taxable income. The mere fact that the group's combined tax liability is greater or less than the sum of each member's separate tax liabilities for a given year is not, by itself, a ground for discontinuance of combined filing.

(3) Submitting the application. Applications to discontinue combined filing under this paragraph must be submitted through GovConnectIowa or by mail to:

Policy Bureau - Research and Policy Division
Iowa Department of Revenue
P.O. Box 14467
Des Moines, Iowa 50306-3467

602.33(4) *Filing combined returns.*

a. Filed by parent financial institution. The combined return must be filed under the name and federal employer identification number of the parent financial institution that is subject to Iowa franchise tax.

b. Responsibility for filing and signing. The return must be filed and signed on behalf of the combined group by an officer or employee of the parent financial institution.

c. Tax year. All members of the combined group are required to have the same tax year as the parent financial institution. The combined return is due on or before the statutory due date for the parent financial institution, including extensions.

602.33(5) *Combined group net income calculation.* The combined group calculates its Iowa net income as provided in this subrule.

a. Total combined income or loss. The total combined group income or loss shall be determined as follows:

(1) Each member of the combined group determines its separate income or loss by determining the member's taxable income under the Internal Revenue Code, on a separate entity basis, after making adjustments required under Iowa Code section 422.61(3).

(2) Unless otherwise provided in these rules, or by instructions on the required tax return and supporting schedules, income or loss of the members as determined under subparagraph 602.33(5)*"a"* (1) are combined, eliminating items of income, expense, gain, and loss from transactions between members of the combined group, applying the consolidated filing rules under the Internal Revenue Code as defined in Iowa Code section 422.3, and rule 701—502.15(422), as if the combined group were a consolidated filing group.

b. Net operating loss (NOL) deduction. The starting point for Iowa taxable income is federal taxable income, which includes the application of the federal net operating loss deduction, if any.

(1) NOL calculation. The combined group must calculate its NOL deduction, if any, by applying the applicable rules under the Internal Revenue Code as defined in Iowa Code section 422.3 and rule 701—502.15(422) as if the combined group were filing a consolidated federal income tax return. The combined group net income should then be adjusted by this combined group federal net operating loss deduction, if any, subject to the adjustments in numbered paragraph 602.33(5)*"b"*(2)"2."

(2) The following adjustments are required for pre-2023 federal and Iowa losses:

1. Add back to the extent included in the calculation under subparagraph 602.33(5)*"a"*(1) any federal net operating loss deduction attributable to losses incurred in a tax year beginning prior to January 1, 2023.

2. Subtract from the income attributable to Iowa, to the extent available, any Iowa net operating loss carryovers attributable to the parent or any investment subsidiary included in the group from a year beginning prior to January 1, 2023.

602.33(6) *Allocation and apportionment of combined group income.* Determine combined group business income or loss by eliminating from the amount determined in subrule 602.33(5) any nonbusiness income or loss or item of nonbusiness income, expense, gain, or loss.

a. Apportionment of business income.

(1) Combined group apportionment factor. The combined group apportionment factor is a percentage determined under rules 701—602.27(422) and 701—602.28(422), where the numerator of the factor includes amounts sourced to the state for the combined group's unitary business, regardless of the separate entity to which those factors may be attributed, and the denominator of the factor includes amounts associated with the combined group's unitary business, wherever located.

(2) Separate entity apportionment factor. Except as provided in paragraph 602.33(6)*"c,"* the separate entity apportionment factor for a member of the combined group is a percentage determined under rules 701—602.27(422) and 701—602.28(422) where the numerator of the factor includes amounts sourced to the state for the member and the denominator of the factor includes amounts associated with the combined group's unitary business, wherever located.

(3) If a member of the combined group holds a partnership interest from which it derives apportionable income, the share of the partnership's apportionment factor(s) to be included in the apportionment factor(s) of the group is determined by multiplying the partnership's factor(s) by a ratio the numerator of which is the amount of the partnership's apportionable income properly included in the member's income, and including any guaranteed payments, and the denominator of which is the amount of the partnership's total apportionable income.

b. Allocation of nonbusiness income. Determine the amount of any combined group nonbusiness items of income, expense, gain or loss not apportioned under paragraph 602.33(6)*"a"* that are allocable to the state under Iowa Code sections 422.33(2) and 422.63(1)*"b."*

c. Combined group commercial domicile. Notwithstanding any other rule to the contrary, for purposes of determining where items of income for the combined group should be attributed, the commercial domicile of all investment subsidiaries is deemed to be that of the parent financial institution.

602.33(7) *Payment of tax.*

a. Franchise rates. The tax liability for the combined group shall be imposed on the group's combined income as calculated under this rule and determined according to the Iowa franchise tax rate provided in Iowa Code section 422.63.

b. Liability for tax.

(1) The financial institution and each investment subsidiary included on the combined return shall be severally liable for the tax for the year computed in accordance with Iowa Code chapter 422 on or before the due date (not including extensions of time) for the filing of the combined return for that year.

(2) If an investment subsidiary has ceased to be a member of the group and if the cessation resulted from a bona fide sale or exchange of the parent's interest in the subsidiary for fair value that occurred prior to the date upon which any deficiency is assessed, the director may make an assessment and collection of the deficiency from the former subsidiary in an amount not exceeding the portion of the deficiency that the director may determine to be allocable to it.

(3) No agreement entered into by one or more members of the affiliated group with any other member of the group shall in any case have the effect of reducing the liability prescribed under this subrule.

This rule is intended to implement Iowa Code section 422.60.

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