

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

**Proposing rulemaking related to developmental disabilities basic state grant
and providing an opportunity for public comment**

The Department of Health and Human Services hereby proposes to rescind Chapter 38, “Developmental Disabilities Basic State Grant,” Iowa Administrative Code, and to adopt a new Chapter 38 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 217.6.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 217.6 and 42 U.S.C. Chapter 144.

Purpose and Summary

Under the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. Chapter 144, the Department has been designated as the administering agency to receive federal assistance to the State developmental disabilities councils from the federal Administration for Community Living. These funds are used by the Iowa Developmental Disabilities Council (Iowa DD Council).

The purpose of this proposed chapter is to define and structure project funding by the Iowa DD Council. Projects are designed to influence change in the system of services and supports in Iowa to increase the independence, productivity, and community integration of individuals with developmental disabilities.

Funding priorities for projects are established by the Iowa DD Council in its State plan.

This proposed chapter underwent a Red Tape Review pursuant to Executive Order 10. As a result of the review, the Department removed redundant definitions and one rule that was duplicative of contract language.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on March 4, 2026. A public hearing was held on the following date(s):

- March 24, 2026

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 441—Chapter 6.

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 May 5, 2026. Comments should be directed to:

Victoria L. Daniels
Department of Health and Human Services
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliance@hhs.iowa.gov

Public Hearing

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

May 5, 2026 10 to 10:30 a.m.	Microsoft Teams Meeting ID: 272 564 125 499 36 Passcode: fJ693L5F
May 5, 2026 2 to 2:30 p.m.	Microsoft Teams Meeting ID: 298 531 309 907 97 Passcode: Tf3CP7ud

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 441—Chapter 38 and adopt the following **new** chapter in lieu thereof:

CHAPTER 38
DEVELOPMENTAL DISABILITIES BASIC STATE GRANT

441—38.1(217,42USC144) Administering agency. Pursuant to the DD Act, the department has been designated as the administering agency to receive the federal assistance to the state developmental disabilities councils from the federal Administration for Community Living. These funds are used by the Iowa DD council.

441—38.2(217,42USC144) Definitions.

“*DD Act*” means the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. Chapter 144 as amended to August 1, 2026. All references to the DD Act herein are as amended to August 1, 2026.

“*Developmental disability*” means a severe, chronic disability of a person that is attributed to a mental or physical impairment or a combination of mental and physical impairments; is manifested before the person attains the age of 22; is likely to continue indefinitely; substantially limits the

person's ability to carry out major life activities in at least three of the areas of self-care, receptive and expressive language, learning, mobility, self-direction, and capacity for independent living and economic self-sufficiency; and reflects an ongoing need for individualized, coordinated services. The term, when applied to infants and children from birth to the age of nine, means a substantial developmental delay or specific congenital or acquired conditions with a high probability of resulting in developmental disabilities if services are not provided.

"Iowa DD council" means the Iowa developmental disabilities council.

"Projects" means activities described in the Iowa DD council's five-year plan that are designed to address the purpose and priorities established by the DD Act to undertake advocacy, capacity-building, and systemic-change activities that contribute to a coordinated, person- and family-centered, and individual- and family-directed comprehensive system of community services, individualized supports, and other forms of assistance that promote self-determination for individuals with developmental disabilities and their families.

"State plan" means the document required under the DD Act that describes goals, objectives and funding priorities.

441—38.3(217,42USC144) Program eligibility. For any year in which Congress appropriates funds, the Iowa DD council shall, consistent with the state plan and the priorities established under the DD Act, determine projects to fund under the developmental disabilities basic state grant program. Funding priorities will be established by the Iowa DD council in the state plan and will be consistent with the priorities established in the DD Act. (Applications for capital expenditures or capital renovations are not eligible for funding.) The Iowa DD council may award funding through any of the department-approved processes for competitive, sole source, or unsolicited proposals in accordance with the provisions of 11—Chapter 117 for the procurement of goods and services of general use.

441—38.4(217,42USC144) Conflict of interest policy. All Iowa DD council members and those serving in an advisory capacity to the Iowa DD council shall not engage in activities that present a conflict of interest.

38.4(1) Iowa DD council members and those serving in an advisory role to the Iowa DD council are prohibited from applying for any project when they were involved in recommending the project or designing or developing the request for proposal.

38.4(2) All Iowa DD council members and those serving in an advisory capacity to the Iowa DD council who serve or whose family members serve as officers, directors, partners, consultants, or employees of the applicant being evaluated shall be excluded from preliminary review of proposals, discussing with Iowa DD council members who will be voting, and advising or voting on the evaluation of that applicant and all other applicants submitting proposals in that category.

These rules are intended to implement Iowa Code section 217.6 and 42 U.S.C. Chapter 144.