

**INSPECTIONS AND APPEALS DEPARTMENT[481]**

**Notice of Intended Action**

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 10A.104(8), the Department of Inspections and Appeals hereby gives Notice of Intended Action to amend Chapter 25, “Iowa Targeted Small Business Certification Program,” Iowa Administrative Code.

The amendments implement changes to Iowa Code chapter 73, “Preferences,” resulting from legislation in 2015 Iowa Acts, Senate File 499. The legislation adds “service-disabled veteran” to the categories of persons who may seek targeted small business certification.

The Department does not believe that the proposed amendments pose a financial hardship on any regulated entity or individual.

Any interested person may make written suggestions or comments on the proposed amendments on or before September 22, 2015. Such written materials should be addressed to the Director, Department of Inspections and Appeals, Lucas State Office Building, 321 East 12th Street, Des Moines, Iowa 50319-0083; faxed to (515)242-6863; or e-mailed to [David.Werning@dia.iowa.gov](mailto:David.Werning@dia.iowa.gov).

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

These amendments are intended to implement Iowa Code section 10A.104(8) and Iowa Code chapter 73 as amended by 2015 Iowa Acts, Senate File 499.

The following amendments are proposed.

ITEM 1. Adopt the following **new** definition of “Service-disabled veteran” in rule **481—25.1(73)**:  
“*Service-disabled veteran*” means the same as defined in 15 U.S.C. Section 632.

ITEM 2. Amend rule **481—25.1(73)**, definitions of “Targeted group persons (TGP)” and “Targeted small business owner,” as follows:

“*Targeted group persons (TGP)*” means minorities, women, ~~and persons with disabilities, and service-disabled veterans. In order to be considered a person with a disability for the purpose of the TSB program, the person must qualify and receive certification as having a disability from a licensed medical physician or must have been found eligible for vocational rehabilitation services by the Department of Education, Division of Vocational Rehabilitation services, or by the department for the blind.~~

“*Targeted small business owner*” means one or more women, minorities, persons with disabilities, service-disabled veterans, or a combination thereof, owning at least 51 percent of a business.

ITEM 3. Adopt the following **new** subrule 25.2(8):

**25.2(8)** Disability determinations.

*a. Person with a disability.* In order to be considered a person with a disability for the purpose of the TSB program, the person must qualify and receive certification as having a disability from a licensed medical physician or must have been found eligible for vocational rehabilitation services by the department of education, division of vocational rehabilitation services, or by the department for the blind.

*b. Service-disabled veteran.* In order to be considered a service-disabled veteran for the purpose of the TSB program, the person must provide written verification from the Veterans Administration or the United States Department of Defense of a service-connected disability, as defined in 38 U.S.C. Section 101(16).

ITEM 4. Amend paragraph **25.4(1)“e”** as follows:

*e.* The targeted group person owner(s) shall have independent authority and ability to incur liability and to decide financial and policy questions. The business arrangements of owners, directors, officers or key employees with businesses which are not minority-, woman-, ~~or~~ persons with disabilities-<sub>2</sub> or service-disabled veteran-owned shall not vary from common industry practice. Each industry has practices which differ from other industries.