



# 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]; workers' compensation rate filings [515A.6(7)]; usury rates [535.2(3)"a"]; and agricultural credit corporation maximum loan rates [535.12].

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

STEPHANIE A. HOFF, Administrative Code Editor

Telephone: (515)281-3355

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### CITATION of Administrative Rules

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

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)

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 Rule Making 2016

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

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
17	Friday, January 29, 2016	February 17, 2016
18	Friday, February 12, 2016	March 2, 2016
19	Friday, February 26, 2016	March 16, 2016

**PLEASE NOTE:**

Rules will not be accepted after **12 o'clock noon** on the filing deadline unless prior approval has been received from the Administrative Rules Coordinator's office.

If the filing deadline falls on a legal holiday, submissions made on the following Monday will be accepted.

**\*\*\*Note change of filing deadline\*\*\***

The Administrative Rules Review Committee will hold its regular, statutory meeting on Friday, February 5, 2016, at 9 a.m. in Room 116, State Capitol, Des Moines, Iowa. The following rules will be reviewed:

### **AGING, DEPARTMENT ON[17]**

Area agencies on aging—public hearing process and procedures, options counseling services, contact information, 6.2(7), 6.5, 6.6(2)“f,” 6.12 Notice **ARC 2365C** ..... 1/20/16

### **AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]**

Meat and poultry inspection—adoption by reference of federal regulations, 76.1 to 76.4, 76.13, 76.14 Notice **ARC 2369C** ..... 1/20/16

### **COLLEGE STUDENT AID COMMISSION[283]**

EDUCATION DEPARTMENT[281]“umbrella”

Iowa grant program, rescind ch 27 Filed **ARC 2336C** ..... 1/6/16  
Governor Terry E. Branstad Iowa state fair scholarship—eligibility, 36.1(2) Notice **ARC 2338C** ..... 1/6/16

### **ECONOMIC DEVELOPMENT AUTHORITY[261]**

Entrepreneur investment awards program, 102.1 to 102.6, 102.7(1) Notice **ARC 2374C** ..... 1/20/16  
Tax credits for investments in qualifying businesses and community-based seed capital funds, 115.1 to 115.10 Notice **ARC 2373C** ..... 1/20/16

### **EDUCATION DEPARTMENT[281]**

Intensive summer literacy program, 61.3 Filed **ARC 2343C** ..... 1/6/16

### **ENVIRONMENTAL PROTECTION COMMISSION[567]**

NATURAL RESOURCES DEPARTMENT[561]“umbrella”

Application fees for construction and operation of air pollution emitting equipment; fees for asbestos notifications, amend chs 20, 22, 23, 31, 33; adopt ch 30 Filed Emergency After Notice **ARC 2352C** ..... 1/6/16  
NPDES and Iowa operation permits for wastewater, amendments to chs 60, 62 to 64, 67 Notice **ARC 2353C** ..... 1/6/16

### **HUMAN SERVICES DEPARTMENT[441]**

Mental health advocates, 25.101 to 25.107 Notice **ARC 2350C** ..... 1/6/16  
Implementation of Medicaid modernization initiative, amend chs 36, 74, 75, 77 to 79, 81 to 83, 85, 90; rescind ch 92 Filed Emergency After Notice **ARC 2361C** ..... 1/6/16  
State supplementary assistance—increase in personal needs allowance, 52.1(1), 52.1(3)“a”(2) Notice **ARC 2362C**, also Filed Emergency **ARC 2363C** ..... 1/6/16  
Managed care, adopt ch 73; amend ch 88 Filed Emergency After Notice **ARC 2358C** ..... 1/6/16  
Community-based neurobehavioral rehabilitation residential and intermittent services, 77.52, 78.56, 79.1, 79.3(2)“d” Filed **ARC 2341C** ..... 1/6/16  
HCBS elderly waiver services—assisted living service, 78.37(18) Filed **ARC 2340C** ..... 1/6/16  
Reimbursement rate increase for resource family recruitment and retention contractors, child welfare emergency service contractors, and supervised apartment living foster care providers, 150.3(5)“p,” 202.9(4)“e” Filed **ARC 2342C** ..... 1/6/16  
Juvenile court services directed programs, amendments to ch 151 Notice **ARC 2357C** ..... 1/6/16  
Dependent adult abuse—requests for information, 176.10 Notice **ARC 2351C** ..... 1/6/16

### **INSURANCE DIVISION[191]**

COMMERCE DEPARTMENT[181]“umbrella”

Prior authorization—prescription drug benefits, ch 79 Filed **ARC 2348C** ..... 1/6/16

### **IOWA PUBLIC INFORMATION BOARD[497]**

Procedures—conflict of interest, 1.4(2) Notice **ARC 2364C** ..... 1/20/16

### **LABOR SERVICES DIVISION[875]**

WORKFORCE DEVELOPMENT DEPARTMENT[871]“umbrella”

Standards for amusement rides and devices, concession booths, and bungee jump operations, rescind chs 61, 62; adopt chs 61 to 63 Notice of Termination **ARC 2334C** ..... 1/6/16  
Standards for amusement rides and devices, concession booths, and bungee jump operations, rescind chs 61, 62; adopt chs 61 to 63 Notice **ARC 2354C** ..... 1/6/16  
Material lift elevators, 71.1, 71.16, 72.22 Notice **ARC 2355C** ..... 1/6/16  
Elevator safety—alteration permits, 71.9(6) Filed **ARC 2333C** ..... 1/6/16  
Elevators—child safety measures, 72.26, 73.27 Notice **ARC 2356C** ..... 1/6/16

**MEDICINE BOARD[653]**

PUBLIC HEALTH DEPARTMENT[641]"umbrella"

Permanent physician licensure, amendments to ch 9	Notice	ARC 2360C	1/6/16
Relinquishment of license to practice, 9.1, 9.19	Filed	ARC 2346C	1/6/16
Administrative medicine licensure, 9.20, 11.4	Notice	ARC 2359C	1/6/16
Licensure of acupuncturists, amendments to ch 17	Notice of Termination	ARC 2347C	1/6/16
Minimum standards for appropriate supervision of a physician assistant by a physician, 21.4 to 21.8	Notice	ARC 2372C	1/20/16

**NURSING BOARD[655]**

PUBLIC HEALTH DEPARTMENT[641]"umbrella"

Discipline; contested case procedures, amend chs 3 to 5, 9, 11; adopt ch 20	Filed	ARC 2339C	1/6/16
Prescribing epinephrine auto-injectors in the name of a facility, 7.1, 7.3	Notice	ARC 2345C	1/6/16

**PROFESSIONAL LICENSURE DIVISION[645]**

PUBLIC HEALTH DEPARTMENT[641]"umbrella"

Physical therapists and physical therapist assistants—disability-related accommodation for licensure examination, 200.4(5)	Notice	ARC 2368C	1/20/16
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**PUBLIC HEALTH DEPARTMENT[641]**

Public health response teams, 113.1, 113.2(1), 113.4, 113.5, 113.7(1)	Notice	ARC 2367C	1/20/16
Love our kids grants, 141.1, 141.3(3), 141.4 to 141.6	Notice	ARC 2366C	1/20/16

**PUBLIC SAFETY DEPARTMENT[661]**

Wireless communications service provider database, ch 87	Filed	ARC 2335C	1/6/16
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**REVENUE DEPARTMENT[701]**

Qualification for manufacturing exemption, 15.3(3), 18.29(7), 18.58, 219.11, 219.12, 219.13(3), 230.5, 230.14 to 230.22	Filed	ARC 2349C	1/6/16
Disabled veteran tax credit, 80.1(3)	Notice	ARC 2370C	1/20/16
Business property tax credit, 80.30	Notice	ARC 2371C	1/20/16

**TRANSPORTATION DEPARTMENT[761]**

Federal motor carrier safety regulations—adoption by reference; licensing, amendments to chs 602, 604, 605, 607	Filed	ARC 2337C	1/6/16
Investigation of convictions based on fraud, 615.41	Notice	ARC 2344C	1/6/16

**ADMINISTRATIVE RULES REVIEW COMMITTEE MEMBERS**

Regular, statutory meetings are held the second Tuesday of 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 Mark Chelgren  
819 Hutchinson  
Ottumwa, Iowa 52501

Senator Mark Costello  
37265 Rains Avenue  
Imogene, Iowa 51645

Senator Thomas Courtney  
2609 Clearview  
Burlington, Iowa 52601

Senator Wally Horn  
101 Stoney Point Road, SW  
Cedar Rapids, Iowa 52404

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Oskaloosa, Iowa 52577

Colin Smith  
**Administrative Rules Coordinator**  
Governor's Ex Officio Representative  
Capitol, Room 18  
Des Moines, Iowa 50319  
Telephone (515)281-5211

**ENVIRONMENTAL PROTECTION COMMISSION[567]**

NPDES and Iowa operation permits for wastewater, amendments to chs 60, 62 to 64, 67 IAB 1/6/16 <b>ARC 2353C</b>	DNR Field Office 4 1401 Sunnyside Lane Atlantic, Iowa	February 15, 2016 2 to 4 p.m.
	Fourth Floor Conference Room Wallace State Office Bldg. Des Moines, Iowa	February 16, 2016 10 a.m. to 12 noon
	Meeting Room A, Public Library 123 S. Linn St. Iowa City, Iowa	February 16, 2016 6:30 to 8:30 p.m.

**LABOR SERVICES DIVISION[875]**

Standards for amusement rides and devices, concession booths, and bungee jump operations, rescind chs 61, 62; adopt chs 61 to 63 IAB 1/6/16 <b>ARC 2354C</b>	Capitol View Room 1000 E. Grand Ave. Des Moines, Iowa	January 27, 2016 10 a.m. (If requested)
Material lift elevators, 71.1, 71.16, 72.22 IAB 1/6/16 <b>ARC 2355C</b>	Capitol View Room 1000 E. Grand Ave. Des Moines, Iowa	January 27, 2016 1:30 p.m. (If requested)
Elevators—child safety measures, 72.26, 73.27 IAB 1/6/16 <b>ARC 2356C</b>	Capitol View Room 1000 E. Grand Ave. Des Moines, Iowa	January 27, 2016 2:30 p.m. (If requested)

**MEDICINE BOARD[653]**

Permanent physician licensure, amendments to ch 9 IAB 1/6/16 <b>ARC 2360C</b>	Board Office, Suite C 400 S.W. 8th St. Des Moines, Iowa	January 26, 2016 1:30 p.m.
Administrative medicine licensure, 9.20, 11.4 IAB 1/6/16 <b>ARC 2359C</b>	Board Office, Suite C 400 S.W. 8th St. Des Moines, Iowa	January 26, 2016 1 p.m.
Minimum standards for appropriate supervision of a physician assistant by a physician, 21.4 to 21.8 IAB 1/20/16 <b>ARC 2372C</b>	Board Office, Suite C 400 S.W. 8th St. Des Moines, Iowa	February 12, 2016 9 to 11 a.m.

**PROFESSIONAL LICENSURE DIVISION[645]**

Physical therapists and physical therapist assistants—disability-related accommodation for licensure examination, 200.4(5) IAB 1/20/16 <b>ARC 2368C</b>	Fifth Floor Board Conference Room 526 Lucas State Office Bldg. Des Moines, Iowa	February 10, 2016 8 to 8:30 a.m.
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**TRANSPORTATION DEPARTMENT[761]**

Investigation of convictions based on fraud, 615.41 IAB 1/6/16 <b>ARC 2344C</b>	Motor Vehicle Division Offices 6310 S.E. Convenience Blvd. Ankeny, Iowa	January 28, 2016 10 a.m. (If requested)
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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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## ARC 2365C

## AGING, DEPARTMENT ON[17]

## 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 231.23, the Department on Aging proposes to amend Chapter 6, “Area Agency on Aging Planning and Administration,” Iowa Administrative Code.

The proposed amendments will do the following:

1. Modernize the notice requirements for area plan hearings. Under the current rule, area agencies on aging are required to publish notice of hearing on an area plan in the newspaper of each county served by the area agency on aging. The amended rule removes this requirement and instead requires area agencies on aging to send notice to all known groups of older individuals, public officials, and other interested parties 14 business days prior to the public hearing and in accordance with any applicable state or federal laws and regulations governing the public hearing process.

2. Provide a current address for the Department’s official Web site.

3. Correct a reference to the name of Office of the State Long-Term Care Ombudsman Program. Under the current rule, the program is incorrectly referred to as the Long-Term Care Resident’s Advocate Program.

4. Add the service of options counseling to the current list of services that can be provided directly by an area agency on aging without prior approval from the Department.

5. Merge the public hearing provisions of rules 17—6.2(231) and 17—6.12(231).

Any interested person may make written comments on the proposed amendments on or before February 9, 2016. Comments should be directed to Brian Majeski, Iowa Department on Aging, Jessie Parker Building, 510 East 12th Street, Suite 2, Des Moines, Iowa 50319. Comments may also be sent by e-mail to [Brian.Majeski@iowa.gov](mailto:Brian.Majeski@iowa.gov).

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions found in 17—Chapter 11. After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 231.23.

The following amendments are proposed.

ITEM 1. Amend subrule 6.2(7) as follows:

**6.2(7) Procedures for area plans, plan amendments and revisions.**

*a. Public hearing(s).* The AAA shall hold at least one public hearing on the area plan and all plan amendments as required in this chapter. Priority services and direct service requests shall appear as a distinct agenda item ~~items~~ for any hearing.

(1) The public hearing(s) shall be held prior to submission of the area plan or amendment(s) at a time which permits older individuals, public officials, and other interested parties reasonable opportunity to participate. The hearing(s) shall be held at a barrier-free, fully accessible location.

(2) The AAA shall ~~advertise~~ provide notice, in accordance with Iowa Code section 21.4(1), of the hearing by sending notice to all known groups of older individuals, PSA public officials, and other interested parties. The AAA shall also publish a notice in the official newspapers as designated for each county served by the PSA. The notice shall be issued 14 business days prior to the public hearing and include the time, date, and location of the public hearing. The AAA shall comply with any applicable state or federal laws and regulations governing public hearing processes and procedures.

(3) ~~The hearing on the area plan shall include the priority services and priority services requirement as a distinct agenda item with a specific time set for the beginning of that portion of the hearing. The~~

AGING, DEPARTMENT ON[17](cont'd)

AAA shall prepare and submit to the department a written record of the public hearing in accordance with instructions issued by the department.

*b. Review and comment by the advisory council.*

(1) The AAA shall submit the area plan, amendments and revisions for review and comment to the AAA advisory council.

(2) The official representative of the AAA shall sign the plan, amendment or revision to signify that the AAA has completed all of the requirements of this chapter. The AAA shall then submit the area plan, amendment or revision to the department for review.

ITEM 2. Amend rule 17—6.5(231) as follows:

**17—6.5(231) AAA contact information.** Information on how to contact the appropriate AAA office may be obtained by sending a request to the Department on Aging, Jessie Parker Building, 510 East 12th Street, Suite 2, Des Moines, Iowa 50319; or by telephone at (515)725-3333; or by visiting the department's Web site [www.aging.iowa.gov](http://www.aging.iowa.gov), [www.iowaaging.gov](http://www.iowaaging.gov).

ITEM 3. Amend paragraph **6.6(2)“f”** as follows:

*f.* Coordinate planning by individuals, agencies and organizations interested in the prevention of abuse, neglect and exploitation of older individuals and assist in implementation of educational and awareness activities, in coordination with the office of the state long-term care resident's advocate ombudsman program;

ITEM 4. Amend subrule 6.12(1) as follows:

**6.12(1)** An AAA must submit a request to provide direct service as part of the area plan. The request may be approved by the department based on documentation of the criteria given in subrule ~~6.12(3)~~ 6.12(2). The following services may be furnished directly by the AAA and are exempt from the requirements in subrule ~~6.12(3)~~ 6.12(2):

- a.* Information and assistance;
- b.* Outreach;
- c.* Case management;
- d.* Advocacy representation;
- e.* Public education;
- f.* Employment services;
- g.* Mental health outreach;
- h.* Coordination of efforts concerning the prevention of elder abuse-;
- i.* Options counseling.

ITEM 5. Rescind subrule **6.12(2)**.

ITEM 6. Renumber subrules **6.12(3)** and **6.12(4)** as **6.12(2)** and **6.12(3)**.

**ARC 2369C**

## **AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]**

### **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 189A.7(8), the Department of Agriculture and Land Stewardship hereby gives Notice of Intended Action to amend Chapter 76, “Meat and Poultry Inspection,” Iowa Administrative Code.

## AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21](cont'd)

The amendments update references to federal regulations in order to retain recognition of the state meat and poultry program.

Any interested person may make written comments or suggestions on the proposed amendments on or before February 9, 2016. Written comments should be sent to Margaret Thomson, Department of Agriculture and Land Stewardship, Wallace State Office Building, 502 East Ninth Street, Des Moines, Iowa 50319; or faxed to (515)281-6236. E-mail comments may be sent to [Margaret.Thomson@IowaAgriculture.gov](mailto:Margaret.Thomson@IowaAgriculture.gov).

No waiver provision is included in the proposed amendments; however, the Department's general waiver rule would apply.

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

These amendments are intended to implement Iowa Code section 159.5(8) and chapter 189A.

The following amendments are proposed.

ITEM 1. Amend rule 21—76.1(189A), introductory paragraph, as follows:

**21—76.1(189A) Federal Wholesome Meat Act regulations adopted.** Part 301 of Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, is hereby adopted in its entirety by reference; and in addition thereto, the following subsections shall be expanded to include:

ITEM 2. Amend rule 21—76.2(189A) as follows:

**21—76.2(189A) Federal Wholesome Meat Act regulations adopted.** Part 303, Part 304, Part 305, Part 306, Parts 308 through 320, Part 329, Part 412, Part 416, Part 417, Part 418, Part 424, Part 430, Part 441 and Part 442 of Title 9, Chapter III, of the Code of Federal Regulations, revised as of ~~March 7, 2013~~ January 1, 2016, are hereby adopted in their entirety by reference. Part 307 except Sections 307.5 and 307.6 and Part 325 except Sections 325.3 and 325.12 of Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, are hereby adopted in their entirety by reference. Part 500 of Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, is adopted by reference, except that references in Sections 500.5, 500.6, 500.7, and 500.8 to the federal Uniform Rules of Practice are not adopted.

This rule is intended to implement Iowa Code sections 189A.3 and 189A.7(8).

ITEM 3. Amend rule 21—76.3(189A), introductory paragraph, as follows:

**21—76.3(189A) Federal Poultry Products Inspection Act regulations adopted.** Part 381, Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, is hereby adopted in its entirety with the following exceptions: Sections 381.96, 381.97, 381.99, 381.101, 381.102, 381.104, 381.105, 381.106, 381.107, and 381.128, Subpart R, Subpart T, Subpart V, and Subpart W; and in addition thereto, the following subsections shall be expanded to include:

ITEM 4. Amend rule 21—76.4(189A) as follows:

**21—76.4(189A) Inspection required.** Every establishment except as provided in Section 303.1(a), (b), (c) and (d) of Title 9, Chapter III, Subchapter A, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, in which slaughter of livestock or poultry, or the preparation of livestock products or poultry products is maintained for transportation or sale in commerce, shall be subject to the inspection and other requirements of those parts of Title 9, Chapter III, Subchapter A, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, enumerated in rules 21—76.1(189A), 21—76.2(189A) and 21—76.3(189A).

This rule is intended to implement Iowa Code sections 189A.4 and 189A.5.

ITEM 5. Amend rule 21—76.13(189A) as follows:

**21—76.13(189A) Voluntary inspections of exotic animals.** Every person wishing to obtain voluntary inspection of exotic animals shall comply with the regulations adopted in this rule.

## AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21](cont'd)

Part 352 of Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016, is hereby adopted in its entirety by reference.

This rule is intended to implement Iowa Code chapter 189A.

ITEM 6. Amend rule ~~21—76.14(189A)~~, numbered paragraph “2,” as follows:

2. All federal regulations adopted in ~~21—76.2(189A)~~, except Part 303 and Part 307.4(c) of Title 9, Chapter III, of the Code of Federal Regulations, revised as of January 1, ~~2013~~ 2016.

**ARC 2374C****ECONOMIC DEVELOPMENT AUTHORITY[261]****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 15.106A, the Economic Development Authority gives Notice of Intended Action to amend Chapter 102, “Entrepreneur Investment Awards Program,” Iowa Administrative Code.

The Iowa Legislature passed amendments to the Entrepreneur Investment Awards Program which are codified in 2015 Iowa Acts, chapter 138. The proposed amendments to Chapter 102 update program definitions and the application process, allow the Authority to negotiate the award amount with a recipient service provider, increase the aggregate program cap on awards and establish a cap for individual awards, identify the acceptable uses of award funds, and change program eligibility criteria and competitive scoring criteria.

The Economic Development Authority Board approved these amendments at a Board meeting held on December 18, 2015.

Interested persons may submit comments on these proposed amendments on or before February 9, 2016. Comments may be submitted to Kristin Hanks-Bents, Economic Development Authority, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-0440; e-mail [kristin.hanks-bents@iowa.gov](mailto:kristin.hanks-bents@iowa.gov).

These amendments do not have any fiscal impact to the state of Iowa.

After analysis and review of this rule making, no negative impact on jobs has been found, and the Authority finds that providing financial assistance for providers of business development services will have a positive effect on job creation and growth.

These amendments are intended to implement Iowa Code section 15E.362.

The following amendments are proposed.

ITEM 1. Amend rule 261—102.1(15E) as follows:

**261—102.1(15E) Authority.** The authority for adopting rules establishing the entrepreneur investment awards program under this chapter is provided in ~~2012 Iowa Acts, House File 2473, division I~~ Iowa Code sections 15.106A and 15E.362.

ITEM 2. Amend rule 261—102.2(15E) as follows:

**261—102.2(15E) Purpose.** The purpose of the entrepreneur investment awards program is to provide ~~grants~~ financial assistance to service providers that provide technical and financial assistance to ~~covered~~ entrepreneurs and start-up companies seeking to create, locate, or expand a business in the state.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

ITEM 3. Amend rule **261—102.3(15E)**, definitions of “Applicant,” “Deliverables” and “Iowa-based business,” as follows:

“*Applicant*” means a ~~service provider~~ person applying to the authority for a ~~grant~~ financial assistance under the program.

“*Deliverables*” means the performance of duties or other obligations required of an applicant under a contract entered into with the authority in consideration for the receipt of ~~grant funds~~ financial assistance under the program. At a minimum, “deliverables” includes the continued maintenance of all initial eligibility requirements for the duration of a contract entered into under the program and may include such other terms and conditions as the authority deems necessary to effectuate the legislative intent of the program or to protect the interest of taxpayers.

“*Iowa-based business*” means a service provider whose ~~domicile~~ principal place of operations is in Iowa and that is actively providing ~~services to covered entrepreneurs~~ business development services in the state.

ITEM 4. Adopt the following new definitions of “Business development services,” “Eligible entrepreneurial assistance provider” and “Financial assistance” in rule **261—102.3(15E)**:

“*Business development services*” includes but is not limited to corporate development services, business model development services, business planning services, marketing services, financial strategies and management services, mentoring and management coaching, and networking services.

“*Eligible entrepreneurial assistance provider*” or “*service provider*” means a person meeting the requirements of rule 261—102.6(15E).

“*Financial assistance*” means the same as defined in Iowa Code section 15.327.

ITEM 5. Rescind the definitions of “Covered entrepreneurs,” “Domicile,” “Expended funds” and “Service provider” in rule **261—102.3(15E)**.

ITEM 6. Amend subrule 102.4(1) as follows:

**102.4(1) Program description.** The program is designed to provide ~~grants~~ financial assistance to service providers meeting the eligibility requirements described in rule 261—102.6(15E). All awards of ~~grant funds~~ financial assistance must ultimately be approved by the board, and a contract must be entered into before ~~grant~~ funds will be disbursed. All contracts will specify the deliverables required in consideration for the provision of ~~funds~~ financial assistance.

ITEM 7. Amend subrule 102.4(2) as follows:

**102.4(2) Application and award procedures.** Eligible service providers may submit applications to the authority. The applications will receive an initial review to confirm program eligibility before being sent to the committee for a recommendation on funding. The committee will provide its recommendation to the board for a final determination on funding. The board may approve, deny, or defer each application for a ~~grant~~ financial assistance under the program. The board will consider applications for ~~funding on a first-come, first-served basis~~ financial assistance during the annual filing window described in subrule 102.4(5). The amount of financial assistance awarded to a service provider is within the discretion of the authority as determined by the board. If the board approves ~~funding for an award of financial assistance~~ for a service provider, the authority will prepare a required contract specifying the terms and conditions under which ~~funds are~~ financial assistance is provided to the service provider.

ITEM 8. Amend paragraph **102.4(3)“c”** as follows:

c. The tracking and monitoring of the service provider’s performance under a program contract, including an analysis of whether the service provider’s deliverables meet all requirements of the contract and including an evaluation of the value added by the service provider to the businesses of ~~covered~~ entrepreneurs. The evaluation shall be provided by the corporation in furtherance of the program review and report required of the authority pursuant to Iowa Code section 15E.362.

ITEM 9. Adopt the following new subrules 102.4(5) and 102.4(6):

**102.4(5) Annual filing window.** In order to facilitate the competitive application and scoring process described in rule 261—102.6(15E), the authority and the corporation will accept applications for financial assistance only during the annual filing window. This filing window shall be from May 15 to June 1

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

of each calendar year. During the month of June, the authority and the corporation will process the applications and prepare them for consideration by the committee and the board at the first monthly meeting of the committee and the board following June 30 of each year. The authority may adjust the annual filing window dates under extenuating circumstances and will notify affected parties of such circumstances.

**102.4(6) *Miscellaneous.*** The authority may contract with outside service providers for assistance with the program. The authority may also make client referrals to eligible service providers regardless of the amount of financial assistance provided.

ITEM 10. Amend rule 261—102.5(15E) as follows:

**261—102.5(15E) Program funding.**

**102.5(1) *Aggregate fiscal year limitation.*** The authority will not award more than \$200,000 \$1 million in grants financial assistance under the program in any one fiscal year.

**102.5(2) *Individual applicant limitation.*** The authority will ~~limit the amount of program funds that any individual applicant may receive.~~ The amount awarded to an individual applicant shall equal the lowest of the following amounts: negotiate the amount of financial assistance to be provided to a service provider. However, the authority will not award more than \$200,000 to any one service provider in any one fiscal year.

~~a.—An amount equal to 25 percent of the applicant's total expended funds during the applicant's previous fiscal year.~~

~~b.—An amount equal to 100 percent of funds raised by the applicant in the previous fiscal year from private foundations, the federal government, local governments, financial institutions, or individuals.~~

~~c.—Two hundred thousand dollars.~~

**102.5(3) *Program funding source and allocation.*** Moneys for ~~grants~~ financial assistance under the program will be awarded from the moneys in the entrepreneur investment awards program fund created pursuant to Iowa Code section 15E.363. Moneys are deposited in this fund by the authority pursuant to Iowa Code section 15.335B. The amount deposited each year depends on the amount allocated for such purposes under Iowa Code section 15.335B.

**102.5(4) *Use of grant funds.*** An applicant receiving ~~grant funds~~ financial assistance under the program shall only use ~~such~~ the funds for the purpose of defraying operating costs actually incurred by the service provider in providing business development services to emerging and early-stage innovation companies in this state. Financial assistance provided under the program shall not be distributed to owners or investors of the company to which business development services are provided and shall not be distributed to other persons assisting in the provision of business development services.

~~**102.5(5) *Sunset date.*** No grants will be awarded under the program after June 30, 2014, unless the program is extended by the general assembly.~~

ITEM 11. Amend rule 261—102.6(15E) as follows:

**261—102.6(15E) Eligibility requirements and competitive scoring process.**

**102.6(1) *Eligibility.*** In order to be eligible for ~~a grant~~ financial assistance under the program, an applicant must meet the requirements of this rule. ~~This includes meeting a list of objective criteria as well as a list of subjective criteria as follows.~~ A service provider applying to the program must meet all of the following criteria for eligibility:

a. The service provider must have its principal place of operations located in this state.

b. The service provider must offer a comprehensive set of business development services to emerging and early-stage innovation companies to assist in the creation, location, growth, and long-term success of the company in this state.

c. The business development services may be performed at the physical location of the service provider or the company.

d. The business development services may be provided in consideration of equity participation in the company, a fee for services, a membership agreement with the company, or any combination thereof.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~102.6(1) Objective criteria. An applicant shall meet all of the following criteria:~~

~~a. The applicant's expended funds total shall be at least \$500,000 during the applicant's most recent previous fiscal year. In order to establish that this criterion is met, the applicant may be required to provide financial information, payroll information, invoices, canceled checks, bank statements or other similar information.~~

~~b. The applicant must provide services that meet the broad-based needs of covered entrepreneurs. In order to establish that this criterion is met, the applicant may be required to provide documentation substantiating the provision of such services. Such documentation may include strategic plans, operating plans, marketing plans, budgets, audited financials, corporate minutes, articles of incorporation, operating agreements, or bylaws.~~

~~c. The applicant must communicate and cooperate with other entities in the state offering similar services. In order to establish that this criterion is met, the applicant may be required to provide documentation demonstrating communication and cooperation. Such documentation may include contracts or memoranda of understanding with other entities or may include two or more affidavits of cooperation, signed by an officer of another entity with which the applicant is in cooperation and stating with particularity the manner and extent to which there is communication and cooperation. The authority reserves the right to make the final determination as to whether such another entity in the state offers similar services.~~

~~d. The applicant must engage various funding sources for covered entrepreneurs. In order to establish that this criterion is met, an applicant may be required to provide documentation demonstrating the results achieved for covered entrepreneurs including amounts and types of funding sources successfully engaged for a reasonable number of recent clients or partners. Such documentation may also include the overall, lifetime success rate in engaging such funding sources.~~

~~e. The applicant must communicate and cooperate with various entities for purposes of locating suitable facilities for covered entrepreneurs. In order to establish that this criterion is met, the applicant may be required to provide documentation demonstrating its efforts to locate such facilities for clients. Such documentation may include two or more affidavits of cooperation from local entities, signed by an officer of such an entity and stating with particularity the efforts undertaken to locate such facilities.~~

~~f. The applicant shall be an Iowa-based business.~~

~~102.6(2) Subjective criteria. An applicant shall meet all of the following criteria:~~

~~a. The business experience of the professional staff employed by the applicant. In order to allow assessment of this criterion, the applicant may be required to submit documentation of such experience. Such documentation may include résumés, curriculum vitae, and other professional biographical information.~~

~~b. The business plan review capacity of the applicant's professional staff. In order to allow assessment of this criterion, the applicant may be required to submit documentation of such capacity. Such documentation may include project lists, work plans, or other resources reasonably necessary to assess capacity.~~

~~c. The expertise of the applicant's professional staff in all aspects of business disciplines. If the information required pursuant to the criterion in paragraph 102.6(2) "a" is insufficient to allow assessment of this criterion, additional information may be required.~~

~~d. The applicant's professional staff's access to external service providers including legal, accounting, marketing, and financial services. In order to allow assessment of this criterion, the applicant may be required to submit documentation of such access. Appropriate sources of documentation in this context will be determined on an ad hoc basis.~~

102.6(2) Competitive scoring criteria. The authority will award financial assistance on a competitive basis. In making awards of financial assistance, the authority will consider the following criteria:

a. The business experience of the professional staff employed or retained by the service provider. 25 points.

b. The business plan review capacity of the professional staff of the service provider. 15 points.

c. The expertise in all aspects of business disciplines of the professional staff of the service provider. 15 points.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

*d.* The access of the service provider to external service providers, including legal, accounting, marketing, and financial services. 15 points.

*e.* The service model and likelihood of success of the service provider and its similarity to other successful service providers in the country. 15 points.

*f.* The financial need of the service provider. 15 points.

ITEM 12. Amend subrule 102.7(1) as follows:

**102.7(1) *Contract required.*** An applicant awarded ~~grant funds~~ financial assistance under the program shall enter into a contract with the authority for the receipt of such funds. The authority will include certain deliverables in the contract as recommended by the corporation and will delegate to the corporation the tracking and monitoring of all contract provisions. The corporation shall provide regular reports to the authority on the progress of the applicant and on the results of the tracking and monitoring. The authority will make the final determination as to compliance with the terms of the contract and will make the final determination as to whether and when to disburse funds to the applicant.

**ARC 2373C**

**ECONOMIC DEVELOPMENT AUTHORITY[261]**

**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 15.106A, the Economic Development Authority gives Notice of Intended Action to amend Chapter 115, “Tax Credits for Investments in Qualifying Businesses and Community-Based Seed Capital Funds,” Iowa Administrative Code.

The rules in Chapter 115 describe the tax credits for investments in qualifying businesses and community-based seed capital funds, i.e., the Angel Investor Tax Credit Program. The Legislature, in 2015 Iowa Acts, chapter 138, amended the Angel Investor Tax Credit Program. The proposed amendments to Chapter 115 increase the amount of tax credit awarded per investment, allow refundability for certain tax credits, change the cap on individual credit awards and introduce a cap on the amount of awards that can be issued to the investors of a given qualifying business, change the eligibility requirements for a business to be certified as a qualifying business, identify information that will be treated as confidential, and update application deadlines.

The Economic Development Authority Board approved these amendments at a Board meeting held on December 18, 2015.

Interested persons may submit comments on the proposed amendments on or before February 9, 2016. Comments may be submitted to: Kristin Hanks-Bents, Economic Development Authority, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-0440; e-mail [kristin.hanks-bents@iowa.gov](mailto:kristin.hanks-bents@iowa.gov).

These amendments do not have any fiscal impact to the state of Iowa.

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

These amendments are intended to implement Iowa Code sections 15E.41 to 15E.46.

The following amendments are proposed.

ITEM 1. Amend rule 261—115.1(84GA,SF517) as follows:

**~~261—115.1(84GA,SF517) 15E)~~ Tax credits for investments in qualifying businesses and community-based seed capital funds.** Tax credits for investments in qualifying businesses and community-based seed capital funds may be claimed as provided in this rule.

**115.1(1)** No change.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

**115.1(2)** *Investments in qualifying businesses.*

a. and b. No change.

c. Investments made in qualifying businesses on or after January 1, 2011, and before July 2, 2015, are governed by 2015 Iowa Code sections 15E.41 to 15E.46, 422.11F, 422.33, 422.60, 432.12C, and 533.329.

d. Investments made in qualifying businesses on or after July 2, 2015, are governed by 2016 Iowa Code sections 15E.41 to 15E.46, 422.11F, 422.33, 422.60, 432.12C, and 533.329.

**115.1(3)** *Investments in community-based seed capital funds.*

a. and b. No change.

c. Investments made in community-based seed capital funds on or after January 1, 2011, and before July 2, 2015, are governed by 2015 Iowa Code sections 15E.41 to 15E.46, 422.11F, 422.33, 422.60, 432.12C, and 533.329.

d. Investments made in community-based seed capital funds on or after July 2, 2015, are not eligible for tax credits. See 2015 Iowa Acts, Senate File 510, sections 107 to 128, which include the repeal of Iowa Code section 15E.45 and other provisions related to the administration of community-based seed capital funds.

**115.1(4)** *Amount of tax credit that may be claimed by taxpayer.*

a. The In the case of investments made on or after July 1, 2011, and before July 2, 2015, the amount of tax credit available to a taxpayer under this rule is equal to 20 percent of the taxpayer's equity investment in either a qualifying business or community-based seed capital fund. In the case of investments made on or after July 2, 2015, the amount of tax credit available to a taxpayer under this rule is equal to 25 percent of the taxpayer's equity investment in a qualifying business.

b. The In the case of investments made on or after July 1, 2011, and before July 2, 2015, the maximum amount of a tax credit for an investment by an investor in any one qualifying business shall be \$50,000. Each year, an investor, and all affiliates of that investor, shall not claim tax credits under this rule for more than five different investments in five different qualifying businesses. In the case of investments made on or after July 2, 2015, the maximum amount of tax credit that may be issued per calendar year to a natural person and the person's spouse or dependent shall not exceed \$100,000 combined. For purposes of this paragraph, a tax credit issued to a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual shall be deemed to be issued to the individual owners based upon the pro rata share of the individual's earnings from the entity. For purposes of this paragraph, "dependent" has the same meaning as provided by the Internal Revenue Code.

c. Investments in community-based seed capital funds.

(1) An investor in a community-based seed capital fund shall receive a tax credit pursuant to this rule only for the investor's investment in the community-based seed capital fund and shall not receive any additional tax credit for the investor's share of investments in a qualifying business made by the community-based seed capital fund or in an Iowa-based seed capital fund which has at least 40 percent of its committed capital subscribed by community-based seed capital funds. However, an investor in a community-based seed capital fund may receive a tax credit under this rule with respect to a separate direct investment made by the investor in the same qualifying business in which the community-based seed capital fund invests.

(2) Paragraph "c" only applies to investments in community-based seed capital funds made on or after July 1, 2011, and before July 2, 2015.

d. The maximum amount of tax credits that may be issued per calendar year for equity investments in any one qualifying business shall not exceed \$500,000.

**115.1(5)** *Claiming an investment tax credit.* A taxpayer that makes an investment in a qualifying business or community-based seed capital fund and that otherwise meets the requirements of this chapter will receive a board-approved tax credit certificate from the authority. To claim the credit, the taxpayer must attach the certificate to a tax return filed with the department of revenue. For more information on claiming the tax credit, see department of revenue rule 701—42.22(15E,422). See also 2015 Iowa Acts, chapter 138, division XX.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

**115.1(6)** No change.

**115.1(7)** Refundability for certain tax credits. For a tax credit claimed against the taxes imposed in Iowa Code chapter 422, division II, any tax credit in excess of the tax liability is refundable. In lieu of claiming a refund, the taxpayer may elect to have the overpayment shown on the taxpayer's final, completed return credited to the tax liability for the following tax year.

**115.1(8)** Carryforward period for certain tax credits. For a tax credit claimed against the taxes imposed in Iowa Code chapter 422, divisions III and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.329, any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following three years or until depleted, whichever is earlier.

**115.1(9)** Carryback of credits prohibited. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer redeems the tax credit.

ITEM 2. Amend rule 261—115.2(84GA,SF517), parenthetical implementation statute, as follows:

**261—115.2(84GA,SF517 15E) Definitions.**

ITEM 3. Adopt the following new definition of “Entrepreneurial assistance program” in rule **261—115.2(15E)**:

“*Entrepreneurial assistance program*” includes the entrepreneur investment awards program administered under Iowa Code section 15E.362, the receipt of services from a service provider engaged pursuant to Iowa Code section 15.411(1) or the program administered under Iowa Code section 15.411(2).

ITEM 4. Rescind the definition of “Near equity” in rule **261—115.2(15E)**.

ITEM 5. Amend rule **261—115.2(15E)**, definitions of “Investor” and “Qualifying business,” as follows:

“*Investor*” means a person that makes a cash investment in a community-based seed capital fund or in a qualifying business on or after January 1, 2011, and before July 2, 2015. “Investor” also means a person making a cash investment in a qualifying business on or after July 2, 2015. “Investor” does not include a person that holds at least a 70 percent ownership interest as an owner, member, or shareholder in a qualifying business for investments made on or after January 1, 2011.

“*Qualifying business*” means, in the case of investments made on or after July 2, 2015, a business that meets all of the following criteria:

1. The principal business operations of the business are located in the state of Iowa;
2. The business has been in operation for six years or less, as measured from the date of the investment for which a credit is claimed;
3. ~~The business has an owner who has successfully completed one of the following:~~
  - ~~An entrepreneurial venture development curriculum, such as programs developed by a John Pappajohn Entrepreneurial Center, or a holistic training program recognized by the Iowa economic development authority which generally encompasses the following areas: entrepreneurial training, management team development, intellectual property management, market research and analysis, sales and distribution development, financial planning, and management and strategic planning;~~
  - ~~Three years of relevant business experience;~~
  - ~~A four-year college degree in business management, business administration or a related field;~~
  - ~~Other training or experience sufficient to increase the probability of success of the qualifying business;~~
3. The business is participating in an entrepreneurial assistance program. The authority may waive this requirement if a business establishes that its owners, directors, officers, and employees have an appropriate level of experience such that participation in an entrepreneurial assistance program would not materially change the prospects of the business. The authority may consult with outside service providers in consideration of such a waiver;
4. The business is not a business engaged primarily in retail sales, real estate or the provision of health care services or other services requiring a professional license;

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

5. The business does not have a net worth that exceeds \$5 \$10 million as of the date of the investment for which the credit is claimed; and

~~6. Within 24 months from the first date on which the equity investments qualifying for investment tax credits have been made, the business shall have secured total equity or near equity financing equal to at least \$250,000.~~

6. The business shall have secured all of the following at the time of application for tax credits:

- At least two investors.
- Total equity financing, binding investment commitments, or some combination thereof, equal to at least \$500,000 from investors.

For purposes of paragraph "6," "investor" includes a person that executes a binding investment commitment to a business.

ITEM 6. Amend rule 261—115.3(84GA,SF517), parenthetical implementation statute, as follows:

**~~261—115.3(84GA,SF517 15E)~~ Cash investments required.**

ITEM 7. Amend rule 261—115.4(84GA,SF517) as follows:

**~~261—115.4(84GA,SF517 15E)~~ Applying for an investment tax credit.**

**115.4(1)** No change.

~~**115.4(2)** Application forms may also be obtained by contacting a Small Business Development Center in the applicant's geographic location. The authority will coordinate with Small Business Development Centers throughout the state to provide uniform application forms to Small Business Development Centers and to disseminate information regarding the investment tax credits. The authority will provide a summary of the investment tax credits to Small Business Development Centers by either supplying the Small Business Development Centers with a copy of these rules or delivering substantially similar information in any other format approved by the authority. The authority will make itself accessible to Small Business Development Centers for assistance with questions concerning completion of applications or any other questions pertaining to the investment tax credits available under this chapter.~~

~~**115.4(3)**~~ **115.4(2)** Applications shall be date- and time-stamped by the authority in the order in which such applications are received. Applications for the investment tax credit shall be accepted by the authority until March 31 of the year following the calendar year in which the taxpayer's equity investment was made. For investments made on or after July 2, 2015, and before January 1, 2016, applications for the investment tax credit shall be accepted by the authority until June 30, 2016.

EXAMPLE 1: A taxpayer makes an equity investment in a qualifying business on December 31, 2011. The taxpayer has until March 31, 2012, to apply to the authority for an investment tax credit.

EXAMPLE 2: A taxpayer makes an equity investment in a qualifying business on July 1, 2012. The taxpayer has until March 31, 2013, to apply to the authority for an investment tax credit.

The authority may accept applications after the deadline under extenuating circumstances.

ITEM 8. Amend rule 261—115.5(84GA,SF517) as follows:

**~~261—115.5(84GA,SF517 15E)~~ Verification of qualifying businesses and community-based seed capital funds.**

**115.5(1)** *Qualifying businesses.*

a. Within ~~180~~ 120 days from the first date on which the equity investments qualifying for investment tax credits have been made (or, for investments made during the ~~2014~~ 2015 calendar year, not later than June 30, ~~2012~~ 2016), a qualifying business shall provide to the authority the following information as a prerequisite to the authority's issuance of any investment tax credits to investors in such qualifying business:

- (1) and (2) No change.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

(3) A signed statement, from an owner of the business, that describes the manner in which ~~such owner~~ the business satisfies one of the training requirements set forth in the definition of a qualifying business under rule 261—115.2(84GA,SF517 15E);

(4) A signed statement, from an officer, director, manager, member or general partner of the qualifying business, that states the names, addresses, shares or equity interests issued, consideration paid for the shares or equity interests, and the amounts of any tax credits of all shareholders or equity holders who may initially qualify for the tax credits and ~~the earliest year in which the tax credits may be redeemed~~ the date on which the investment was made. The statement shall contain a commitment by the qualifying business to amend its 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; and

~~(5) A certificate of existence of a business plan for the qualifying business which details the business's growth strategy, management team, production/management plan, marketing plan, financial plan and other standard elements of a business plan.~~

b. Upon the authority's receipt of the information and documentation necessary to demonstrate satisfaction of the criteria set forth herein, the authority shall, within a reasonable period of time, determine whether a business is a qualifying business. If the authority verifies that the business is a qualifying business, the authority shall register the qualifying business on a registry of such qualifying businesses. The authority shall maintain the registry and use it to authorize the issuance of further investment tax credits to taxpayers who make equity investments in qualifying businesses registered with the authority. The authority shall issue written notification to the qualifying business and the applicant that such business has been registered as a qualifying business with the authority for the purpose of issuing investment tax credits but that such registration is subject to removal and rescission under rule 261—115.9(84GA,SF517 15E) for any failure of the business to continuously satisfy the requirements necessary for verification and registration as a qualifying business.

**115.5(2) Community-based seed capital funds.**

a. Within ~~180~~ 120 days from the first date on which the equity investments qualifying for investment tax credits have been made (or, for investments made during the 2011 calendar year, not later than June 30, 2012), a community-based seed capital fund shall provide to the authority information as a prerequisite to the authority's issuance of investment tax credits to investors in such community-based seed capital fund. A community-based seed capital fund cannot invest in the Iowa fund of funds organized by the Iowa capital investment corporation under Iowa Code section 15E.65 but may invest up to 60 percent of its committed capital in an Iowa-based seed capital fund with at least 40 percent of its committed capital subscribed by community-based seed capital funds. The following information must be provided:

(1) to (3) No change.

b. Upon the authority's receipt of the information and documentation necessary to demonstrate a community-based seed capital fund's satisfaction of the criteria set forth herein, the board shall, within a reasonable period of time, determine whether a fund is a community-based seed capital fund. If the authority verifies that the fund is a community-based seed capital fund, the authority shall register the community-based seed capital fund on a registry of such community-based seed capital funds. The authority shall maintain the registry and use it to authorize the issuance of further investment tax credits to taxpayers that make equity investments in the community-based seed capital funds registered with the authority. The authority shall issue written notification to the community-based seed capital fund and the applicant that such fund has been registered as a community-based seed capital fund with the authority for the purpose of issuing investment tax credits but that such registration is subject to removal and rescission under rule 261—115.9(84GA,SF517 15E) for any failure of the community-based seed capital fund to continuously satisfy the requirements necessary for verification and registration as a community-based seed capital fund.

c. The authority will not verify investments made in community-based seed capital funds on or after July 2, 2015.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

ITEM 9. Amend rule 261—115.6(84GA,SF517) as follows:

**261—115.6(84GA,SF517 15E) Approval, issuance and distribution of investment tax credits.**

**115.6(1)** No change.

**115.6(2)** *Issuance by the authority.* Upon approval by the board, the authority shall issue a tax credit certificate to the applicant, provided, however, that such tax credit certificate shall be subject to rescission pursuant to rule 261—115.9(84GA,SF517 15E). In the case of investments made on or after July 2, 2015, the authority will not issue a tax credit certificate prior to July 1, 2016.

**115.6(3)** No change.

**115.6(4)** ~~Maximum aggregate limitation~~ *Tax credit amount limitations.* The aggregate amount of tax credits issued pursuant to this chapter shall not exceed the amount allocated by the board pursuant to Iowa Code section 15.119, subsection 2. For fiscal year 2012 and all subsequent fiscal years, that amount is \$2 million. In any one calendar year, the amount of tax credits issued for any one qualifying business shall not exceed \$500,000.

If, during any fiscal year during which tax credits are to be issued under this chapter, applications totaling more than the maximum ~~aggregate amount~~ amounts are received and approved, the applications will be carried forward and prioritized to receive tax credit certificates on a first-come, first-served basis in subsequent fiscal years.

When carrying forward and prioritizing such applications, the authority shall (1) issue tax credit certificates to the taxpayers for such carryover tax credits before issuing any new tax credits to later applicants, and (2) apply the aggregate amount of the credits carried over against the total amount of tax credits to be issued during the subsequent fiscal year before approving or issuing additional tax credits.

ITEM 10. Amend rule 261—115.7(84GA,SF517) as follows:

**261—115.7(84GA,SF517 15E) Claiming the 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 this chapter when the return is filed with the department of revenue. For more information on claiming tax credits, see department of revenue rule 701—42.22(15E,422). In the case of tax credits issued for investments made on or after July 2, 2015, a taxpayer shall not claim a tax credit at the department of revenue prior to September 1, 2016.

ITEM 11. Amend rule 261—115.8(84GA,SF517), parenthetical implementation statute, as follows:

**261—115.8(84GA,SF517 15E) Notification to the department of revenue.**

ITEM 12. Amend rule 261—115.9(84GA,SF517) as follows:

**261—115.9(84GA,SF517 15E) Rescinding tax credits.**

**115.9(1)** *Rescission of credits for investments in qualifying businesses.*

~~Within~~ In the case of investments made on or after July 1, 2011, and before January 1, 2014, within 24 months from the first date on which the equity investments qualifying for investment tax credits have been made, a qualifying business shall have secured total equity or near equity financing equal to at least \$250,000. The business shall provide to the authority information and documentation sufficient to demonstrate that the business has secured total equity or near equity financing equal to at least \$250,000 and that such financing was secured within the 24 months required by this rule and shall do so by the equity deadline. For purposes of this subrule, the "equity deadline" shall be the next June 30 following the end of the calendar year in which the qualifying business is required to have secured total equity or near equity financing equal to at least \$250,000. For example, a qualifying business in which equity investments qualifying for investment tax credits were made in 2011 shall have an equity deadline of June 30, 2014. Examples of sufficient information and documentation include, but are not limited to, the following:

(1) and (2) No change.

## ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

*b.* and *c.* No change.

**115.9(2)** No change.

ITEM 13. Amend rule 261—115.10(84GA,SF517) as follows:

**~~261—115.10(84GA,SF517 15E) Additional information—confidentiality—annual report.~~**

**115.10(1) *Additional information.*** The authority may at any time request additional information and documentation from a qualifying business or community-based seed capital fund regarding the operations, job creation and economic impact of such qualifying business or community-based seed capital fund, and the authority may use such information in preparing and publishing any reports to be provided to the governor and the general assembly.

**115.10(2) *Confidentiality.***

*a.* Except as provided in paragraph “b,” all information or records in the possession of the authority with respect to this chapter shall be presumed by the authority to be a trade secret protected under Iowa Code chapter 550 or common law and shall be kept confidential by the authority unless otherwise ordered by a court.

*b.* All of the following shall be considered public information under Iowa Code chapter 22:

(1) The identity of a qualifying business.

(2) The identity of an investor and the qualifying business in which the investor made an equity investment.

(3) The number of tax credit certificates issued by the authority.

(4) The total dollar amount of tax credits issued by the authority.

**115.10(3) *Annual report.*** The authority will publish an annual report of the activities conducted pursuant to Iowa Code chapter 15E, division V, and will submit the report to the governor and the general assembly. The report will include a listing of eligible qualifying businesses and the number of tax credit certificates and the amount of tax credit certificates issued by the authority.

**ARC 2364C**

**IOWA PUBLIC INFORMATION BOARD[497]**

**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 23.6, the Iowa Public Information Board hereby gives Notice of Intended Action to amend Chapter 1, “Organization and General Administration,” Iowa Administrative Code.

This amendment reflects the procedure currently utilized by the Board and staff when a conflict of interest is discovered.

Any interested person may make written suggestions or comments on the proposed amendment on or before February 9, 2016, by contacting Charlie Smithson, Executive Director, Iowa Public Information Board, Wallace State Office Building, Third Floor, 502 East Ninth Street, Des Moines, Iowa 50319. Comments may be submitted by e-mail to [Charlie.Smithson@iowa.gov](mailto:Charlie.Smithson@iowa.gov).

The proposed amendment does not provide for a waiver as no obligation is being imposed on the public.

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

This amendment is intended to implement Iowa Code sections 23.6 and 68B.2A.

The following amendment is proposed.

## IOWA PUBLIC INFORMATION BOARD[497](cont'd)

Amend subrule 1.4(2) as follows:

**1.4(2) Procedures.** As soon as a member of the board or an employee of the board becomes aware of a conflict of interest, the member or employee of the board shall follow these procedures:

*a.* If the conflict is known before a meeting, the member or employee of the board shall fully disclose the interest to the ~~chairperson of the board in writing at least 24 hours before the~~ at the board's next meeting.

*b.* If the conflict is discovered during a meeting, the member or employee of the board shall orally inform the board, ~~and of the nature of the conflict shall be reported in writing to the chairperson of the board within 24 hours after the meeting~~ as soon as the conflict is discovered.

*c.* The board member or employee of the board who has the conflict shall not participate in discussion or vote on any advisory opinion, declaratory order, or complaint. An announced conflict shall be reported in the board's minutes, and the minutes shall reflect the matters on which the board member or employee of the board abstained from participating.

**ARC 2372C**

## **MEDICINE BOARD[653]**

### **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 147.76, the Board of Medicine hereby proposes to amend Chapter 21, “Physician Supervision of a Physician Assistant,” Iowa Administrative Code.

The purpose of Chapter 21 is to establish eligibility requirements and supervisory requirements for medical physicians and surgeons and osteopathic physicians and surgeons who supervise physician assistants. Proposed rule 653—21.4(147,148,148C,272C,86GA,SF505) implements 2015 Iowa Acts, Senate File 505, division XXXI, section 113, which directs the Boards of Medicine and Physician Assistants to jointly adopt rules pursuant to Iowa Code chapter 17A to establish specific minimum standards or a definition of supervision for appropriate supervision of physician assistants by physicians. The Boards are to jointly file Notices of Intended Action pursuant to Iowa Code section 17A.4(1)“a” on or before February 1, 2016, for adoption of such rules.

The Board approved this Notice of Intended Action during a regularly scheduled meeting on December 10, 2015.

Any interested person may present written comments on the proposed amendments not later than 4:30 p.m. on February 12, 2016. Such written materials should be sent to Mark Bowden, Executive Director, Board of Medicine, 400 S.W. Eighth Street, Suite C, Des Moines, Iowa 50309-4686; or sent by e-mail to [mark.bowden@iowa.gov](mailto:mark.bowden@iowa.gov).

There will be a public hearing on February 12, 2016, from 9 to 11 a.m. at the Board's office, 400 S.W. Eighth Street, Suite C, Des Moines, Iowa, at which time persons may present their views either orally or in writing.

After review and analysis of this rule making, no negative impact on private sector jobs and employment opportunities within the state of Iowa has been found.

These amendments are intended to implement Iowa Code chapters 147, 148, 148C and 272C and 2015 Iowa Acts, Senate File 505, division XXXI, section 113.

The following amendments are proposed.

## MEDICINE BOARD[653](cont'd)

ITEM 1. Renumber rules **653—21.4(148,272C)** to **653—21.7(17A,147,148,272C)** as **653—21.5(148,272C)** to **653—21.8(17A,147,148,272C)**.

ITEM 2. Adopt the following new rule 653—21.4(147,148,148C,272C,86GA,SF505):

**653—21.4(147,148,148C,272C,86GA,SF505) Specific minimum standards for appropriate supervision of a physician assistant by a physician.** This rule establishing the minimum standards for appropriate supervision of a physician assistant by a physician in the state of Iowa is hereby jointly adopted by the board of medicine and the board of physician assistants in accordance with 2015 Iowa Acts, Senate File 505, division XXXI, section 113.

**21.4(1) Minimum standards.** The following are minimum standards for appropriate supervision of a physician assistant by a physician in the state of Iowa:

*a. Review of requirements.* Before a physician can supervise a physician assistant practicing in Iowa, both the supervising physician and the physician assistant shall review all of the requirements of physician assistant licensure, practice, supervision, and delegation of medical services as set forth in Iowa Code section 148.13, Iowa Code chapter 148C, this chapter, and 645—Chapters 326, 327, 328 and 329.

*b. Face-to-face meetings.* The supervising physician and the physician assistant shall meet face-to-face a minimum of twice annually. If the physician assistant is practicing at a remote site, at least one of the two meetings shall be at the remote site. The face-to-face meetings are for the purpose of discussing topics deemed appropriate by the physician or the physician assistant, including supervision requirements, assessment of education, training, skills, and experience, review of delegated services, and discussions of quarterly and annual reviews.

*c. Assessment of education, training, skills, and experience.* The supervising physician and the physician assistant shall each ensure that the other party has the appropriate education, training, skills, and relevant experience necessary to successfully collaborate on patient care delivered by the team.

*d. Communication.* The supervising physician and the physician assistant shall communicate and consult on medical problems, complications, emergencies, and patient referrals as indicated by the clinical condition of the patient.

*e. Quarterly review.* There shall be a documented quarterly review of a representative sample of the physician assistant's patient charts encompassing the scope of the physician assistant's practice.

*f. Annual review.* The supervising physician shall annually review the physician assistant's clinical judgment, skills, and performance. The review shall be documented and shall contain feedback and recommendations as appropriate.

*g. Delegated services.* The medical services and medical tasks delegated to and provided by the physician assistant shall be in compliance with 645—subrule 327.1(1). All delegated medical services shall be within the scope of practice of the supervising physician and the physician assistant. The supervising physician and the physician assistant shall have the education, training, skills, and relevant experience to perform the delegated services prior to delegation.

*h. Timely consultation.* The supervising physician shall be available for timely consultation with the physician assistant, either in-person or by telephonic or other electronic means.

*i. Alternate supervision.* If the supervising physician will not be available for any reason, an alternate supervising physician will be available to ensure continuity of supervision. The physician will notify the alternate supervising physician that the alternate supervising physician is to be available for a timely consult and will notify the physician assistant of the means by which to reach the alternate supervising physician. The physician assistant shall not practice if supervision is not available.

*j. Failure to supervise.* Failure to adequately direct and supervise a physician assistant or failure to comply with the minimum standards of supervision in accordance with this chapter, Iowa Code chapter 148C, Iowa Code section 148.13, and 645—Chapters 326, 327, 328 and 329 may be grounds for disciplinary action for both the physician and the physician assistant.

**21.4(2) Amendment.** Rule 653—21.4(147,148,148C,272C,86GA,SF505) can only be amended by agreement of the board of medicine and the board of physician assistants through a joint rule-making process.

MEDICINE BOARD[653](cont'd)

**21.4(3) Waiver or variance prohibited.** Rule 653—21.4(147,148,148C,272C,86GA,SF505) is not subject to waiver or variance pursuant to 653—Chapter 3 or 645—Chapter 18, Iowa Code section 17A.9A, or any other provision of law.

ITEM 3. Amend **653—Chapter 21**, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections 148.13 and 272C.3 and 2015 Iowa Acts, Senate File 505, division XXXI, section 113.

## ARC 2368C

### PROFESSIONAL LICENSURE DIVISION[645]

#### 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 147.76, the Iowa Board of Physical and Occupational Therapy hereby gives Notice of Intended Action to amend Chapter 200, “Licensure of Physical Therapists and Physical Therapist Assistants,” Iowa Administrative Code.

The proposed amendment strives to eliminate discrimination and guarantee fairness under Title II of the Americans with Disabilities Act (ADA). In doing so, this amendment explains what a disability is and gives an individual with a qualifying disability an accommodation route for the licensure examination. Also, the amendment clearly identifies the imperative confidentiality obligation among all Board members and staff pertaining to all medical and diagnostic information and records.

Any interested person may make written comments on the proposed amendment no later than February 10, 2016, addressed to Judy Manning, Professional Licensure Division, Department of Public Health, Lucas State Office Building, Des Moines, Iowa 50319-0075; e-mail [judith.manning@idph.iowa.gov](mailto:judith.manning@idph.iowa.gov).

A public hearing will be held on February 10, 2016, from 8 to 8:30 a.m. in the Fifth Floor Board Conference Room 526, Lucas State Office Building, Des Moines, Iowa, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the proposed amendment.

A waiver provision is not included in this rule making because all administrative rules of the professional licensure boards in the Division of Professional Licensure are subject to the waiver provisions accorded under 645—Chapter 18.

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

This amendment is intended to implement Iowa Code chapters 147, 148A, and 272C.

The following amendment is proposed.

Adopt the following **new** subrule 200.4(5):

**200.4(5) Special accommodations.** To eliminate discrimination and guarantee fairness under Title II of the Americans with Disabilities Act (ADA), an individual who has a qualifying disability may request an examination accommodation.

*a.* Disability requirements. An applicant is an individual who has a physical or mental impairment that substantially limits that individual in one or more major life activities, who has a record of such a physical or mental disability, or who is regarded as having such a physical or mental impairment.

(1) Physical impairment, as defined by the ADA, means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, and endocrine.

## PROFESSIONAL LICENSURE DIVISION[645](cont'd)

(2) Mental impairment, as defined by the ADA, means any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

*b.* To be considered an impairment that limits a major life activity, the disability shall impair an activity that an average person can perform with little or no difficulty, for example, walking, seeing, hearing, speaking, breathing, learning, performing manual tasks, caring for oneself, working, sitting, standing, lifting, or reading.

*c.* To verify the accommodation, the applicant must submit appropriate documentation that uses professionally recognized criteria; that details how the disability leads to functional limitations; and that illustrates how the limitation or limitations inhibit the individual from performing one or more major life activities.

*d.* An evaluator shall on the documentation provide a signature, verify the diagnosis, verify the professionally recognized test/assessment, and recommend the accommodation. The evaluator shall be a licensed health care professional, including but not limited to a physician who practices in a field that includes, but may not be limited to, neurology, family practice, orthopedics, physical medical medicine and rehabilitation, and psychiatry; or a psychologist who performs evaluations to assess individuals for mental disorders that might impact those individuals' academic or testing performance.

*e.* An accommodation shall not give the individual an unfair advantage over others taking the examination, shall not change the purpose of the examination, and shall not guarantee that the individual will pass the examination.

*f.* The board and staff shall maintain confidentiality of all medical and diagnostic information and records.

**ARC 2367C**

**PUBLIC HEALTH DEPARTMENT[641]**

**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 135.143, the Department of Public Health hereby gives Notice of Intended Action to amend Chapter 113, “Public Health Response Teams,” Iowa Administrative Code.

The current rules in Chapter 113 allow only sponsor agencies to sponsor a public health response team (PHRT). The proposed amendments provide that either the Department or a sponsor agency may sponsor a disaster medical assistance team (DMAT), environmental health response team (EHRT), logistical support response team (LSRT), Iowa mortuary operational team (IMORT), or other public health response team (PHRT) as directed by the Department Director.

The proposed amendments also change the name of the Center for Disaster Operations and Response to the Bureau of Emergency and Trauma Services.

Persons may present their views in writing. Any interested person may make written suggestions or comments on the proposed amendments on or before February 9, 2016. Such written comments should be directed to Clark Christensen, Executive Officer II, Department of Public Health, 321 East 12th Street, Des Moines, Iowa 50319. E-mail may be sent to [Clark.Christensen@idph.iowa.gov](mailto:Clark.Christensen@idph.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 135.143.

The following amendments are proposed.

## PUBLIC HEALTH DEPARTMENT[641](cont'd)

ITEM 1. Amend the following definitions in rule **641—113.1(135)**:

“*Disaster medical assistance team*” or “*DMAT*” means a public health response team that is sponsored by the department or a sponsor agency, and approved by the department, to provide medical assistance in the event of a disaster or threatened disaster or other incident as defined in Iowa Code section 135.143.

“*Environmental health response team*” or “*EHRT*” means a public health response team that is sponsored by the department or a sponsor agency, and approved by the department, to provide environmental health expertise and assistance in the event of a disaster or threatened disaster or other incident defined in Iowa Code section 135.143.

“*Iowa mortuary operational response team*” or “*IMORT*” means a public health response team that is sponsored by the department or a sponsor agency, and approved by the department, to provide decedent care in the event of a mass fatality disaster or threatened disaster or other incident defined in Iowa Code section 135.143.

“*Logistical support response team*” or “*LSRT*” means a public health response team that is sponsored by the department or a sponsor agency, and approved by the department, to provide logistical support and assistance in the event of a disaster or threatened disaster or other incident defined in Iowa Code section 135.143.

“*Public health response team*” or “*PHRT*” means a team of professionals, including licensed health care providers, nonmedical professionals skilled and trained in disaster or emergency response, and public health practitioners, that is sponsored by the department or a sponsor agency, a hospital or other entity, and approved by the department, to provide assistance in the event of a disaster or threatened disaster or other incident defined in Iowa Code section 135.143. “Public health response team” shall include a disaster medical assistance team, an environmental health response team, a logistical support response team, the Iowa mortuary operational response team and other teams established and approved upon written order of the director to supplement and support disrupted or overburdened local medical and public health personnel, hospitals, and resources.

ITEM 2. Amend subrule 113.2(1) as follows:

**113.2(1)** The department, through the division of acute disease prevention, and emergency response and environmental health, ~~center for disaster operations and response bureau of emergency and trauma services~~, shall establish, register, and approve public health response teams to supplement and support disrupted or overburdened local medical and public health personnel, hospitals, and resources in the event of a disaster or threatened disaster or other incident as defined in Iowa Code section 135.143. The primary purpose of the public health response teams is to respond to Iowa incidents and to provide support for Iowa medical and public health personnel, hospitals, and resources. A public health response team may also be requested to respond to an out-of-state disaster or emergency pursuant to the emergency management assistance compact at Iowa Code section 29C.21.

ITEM 3. Amend subrules 113.4(1) and 113.4(3) as follows:

**113.4(1)** *Registration and approval.* An individual may apply to the department ~~through a sponsor agency~~ to be a public health response team member. The applicant shall apply on the Iowa statewide registry of volunteers (iSERV) Web site or on a form approved by the department and shall provide all requested information requested by the department and sponsor agency. The department shall register and approve an individual to serve as a PHRT member when the department is satisfied that the individual satisfies the requirements of this chapter and will perform on a PHRT in compliance with Iowa Code section 135.143 and this chapter. Upon registration and approval of an individual, the department shall provide the individual with written notification that the individual is registered with the department and has been approved to serve on a public health response team. The written notification shall also include the effective date of the approval and the terms and conditions of approval.

**113.4(3)** *Effect of revocation.* If the department revokes a public health response team member’s approval, the action ~~shall revoke~~ may preclude future eligibility, but shall not negate defense and indemnification coverage or other protection for covered acts or omissions which occurred during the effective date of approval.

## PUBLIC HEALTH DEPARTMENT[641](cont'd)

ITEM 4. Amend paragraphs **113.5(1)“a”** and **“b”** as follows:

*a.* An entity may make application to the department to be a sponsor agency of a PHRT pursuant to subrule 113.3(1). An individual may make application to the department to be a member of a PHRT pursuant to subrule 113.4(1).

*b.* The department, ~~in conjunction with the sponsor agencies,~~ shall establish the Iowa Volunteer Public Health Response Team Operational Procedures Manual. The operational procedures shall be in writing and shall be provided to each PHRT member. All PHRT members and sponsor agencies shall follow the PHRT operational procedures as established by the department. The Iowa Volunteer Public Health Response Team Operational Procedures Manual is available through the Iowa Department of Public Health, ~~Center for Disaster Operations and Response~~ Bureau of Emergency and Trauma Services, Lucas State Office Building, Des Moines, Iowa 50319-0075.

ITEM 5. Amend paragraph **113.5(2)“b”** as follows:

*b.* The sponsor agency ~~for each team~~ or department, as applicable, shall be responsible for maintaining adequate staffing.

ITEM 6. Amend subrule 113.5(3) as follows:

**113.5(3)** *Licensure and educational requirements.*

*a.* Each PHRT member shall hold and maintain an active unrestricted license, registration, or certification to practice in Iowa (if applicable) in the member's respective medical or health care profession.

*b.* No change.

~~*c.* In addition to the requirements in paragraph 113.5(3)“b,” the PHRT leadership shall complete training as specified in the team annex to the Iowa Volunteer Public Health Response Team Operational Procedures Manual.~~

~~*d. c.* A sponsor agency shall may provide specific position training to PHRT members as determined to be necessary by the sponsor agency and as approved by the department.~~

~~*e. d.* A sponsor agency, in conjunction with the The department, shall develop and implement training exercises to test the team's notification process, deployment readiness, and response capabilities.~~

~~*f. e.* The sponsor agency or department, as applicable, shall be responsible for documenting each PHRT member's completion of required training.~~

ITEM 7. Amend subrule 113.5(4) as follows:

**113.5(4)** *Deployment and standdown.*

*a.* No change.

~~*b.* On-call team schedules shall be established and distributed by the department and shall be followed by the PHRTs and sponsor agencies.~~

~~*e. b.* Deployment and standdown procedures are outlined in the Iowa Volunteer Public Health Response Team Operational Procedures Manual and shall be followed by all PHRT members.~~

ITEM 8. Amend subrule 113.7(1) as follows:

**113.7(1)** Upon obtaining knowledge or becoming aware of any injury allegedly arising out of the negligent rendering of, or the negligent failure to render, medical or other services as a public health response team member, ~~such the member or the member's sponsor agency~~ shall provide written notice to the department, as soon as practicable, containing to the extent obtainable the circumstance of the alleged injury, the name and address of the injured, and any other relevant information.

**ARC 2366C****PUBLIC HEALTH DEPARTMENT[641]****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 147A.4, the Department of Public Health hereby gives Notice of Intended Action to amend Chapter 141, “Love Our Kids Grant,” Iowa Administrative Code.

The proposed amendments:

- Remove references to EMS regions that are no longer in existence.
- Lift restrictions related to the number of awards and funding limits for projects. This modification will allow for better utilization of available funding, thereby ensuring timely utilization of funds to complete injury prevention and education initiatives.
- Remove a reference to <http://ruralhealth.hrsa.gov>, which is the Web site used to identify federally appointed rural areas.
- Clarify acceptable uses of funding.
- Revise the rules relating to the application process and application denial so that the rules remain consistent with Department policies and with 641—Chapter 176.

Any interested person may make written comments or suggestions on the proposed amendments on or before February 9, 2016. Such written comments or suggestions should be directed to Rebecca Curtiss, Bureau Chief of Emergency and Trauma Services, Department of Public Health, 321 East 12th Street, Des Moines, Iowa 50319. E-mail may be sent to [Rebecca.Curtiss@idph.iowa.gov](mailto:Rebecca.Curtiss@idph.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 sections 147A.4 and 321.34.

The following amendments are proposed.

ITEM 1. Rescind the definitions of “Director,” “Fiscal year” and “Service delivery area” in rule **641—141.1(321)**.

ITEM 2. Amend rule **641—141.1(321)**, definition of “Service program,” as follows:  
 “*Service program*” or “*service*” means any medical care ambulance service or nontransport service that has received authorization by the department.

ITEM 3. Amend subrule 141.3(3) as follows:

**141.3(3)** Following the disbursement of the funds pursuant to subrule 141.3(1), ~~depending upon availability of funds, up to 24 contracts, with a goal of funding at least three per EMS region for \$1500 each,~~ funding may be made available to statewide, regional and local agencies or service programs that are located within the federally appointed rural areas (listing of eligible rural counties can be found at <http://ruralhealth.hrsa.gov>) and have as their responsibility the responsible for development, promotion, and implementation of injury prevention and education initiatives for children. To the extent possible, funds shall be awarded and equally distributed to applicants across all geographic areas of the state.

ITEM 4. Amend rule 641—141.4(321) as follows:

**641—141.4(321) Use of funds.** Funds may be used for injury prevention initiatives specified within the guidelines for children aged birth to 21, including but not limited to:

1. Education and training materials;
2. Training Equipment, supplies, and materials and equipment;
3. Safety equipment Public information and education campaigns;
4. Public information and education campaigns Conferences/seminars/workshops;

## PUBLIC HEALTH DEPARTMENT[641](cont'd)

5. ~~Conferences/seminars/workshops~~ Contractual services;
6. ~~Systems development;~~ Personnel costs.
7. ~~Contractual services;~~
8. ~~Personnel costs.~~

ITEM 5. Amend rule 641—141.5(321) as follows:

**641—141.5(321) Application process.** An application for a love our kids grant is required, ~~and~~ Applications are available from the Iowa Department of Public Health, Bureau of EMS Emergency and Trauma Services, Lucas State Office Building, Des Moines, Iowa 50319-0075. The application process is as follows:

**141.5(1)** Applications from qualified applicants shall be submitted to the department ~~prior to July 1 of each year~~ in accordance with the department's approved application process.

**141.5(2)** The department shall review the application, and may request clarification, approve the application, partially approve, request clarification or request a new application or deny the application.

ITEM 6. Amend rule 641—141.6(321) as follows:

**641—141.6(321) Application denial or partial denial—appeal.** An applicant may appeal the denial of a timely submitted application. Appeals shall be conducted pursuant to 641—Chapter 176.

**141.6(1)** ~~Denial or partial denial of an application shall be effected in accordance with the requirements of Iowa Code section 17A.12. Notice to the applicant of denial or partial denial shall be served by restricted certified mail, return receipt requested, or by personal service.~~

**141.6(2)** ~~Any request for appeal concerning denial or partial denial shall be submitted by the aggrieved party in writing to the department by certified mail, return receipt requested, within 30 days of the receipt of the department's notice. The address is Iowa Department of Public Health, Bureau of Emergency Medical Services, Lucas State Office Building, Des Moines, Iowa 50319-0075. Prior to or at the hearing, the department may rescind the denial or partial denial. If no request for appeal is received within the 30-day time period, the department's notice of denial or partial denial shall become the department's final agency action.~~

**141.6(3)** ~~Upon receipt of an appeal that meets contested case status, the appeal shall be forwarded within five working days to the department of inspections and appeals pursuant to the rules adopted by that agency regarding the transmission of contested cases. The information upon which the adverse action is based and any additional information which may be provided by the aggrieved party shall also be provided to the department of inspections and appeals.~~

**141.6(4)** ~~The hearing shall be conducted according to the procedural rules of the department of inspections and appeals found in 481—Chapter 4, Iowa Administrative Code.~~

**141.6(5)** ~~When the hearing officer makes a proposed decision and order, it shall be served by restricted certified mail, return receipt requested, or delivered by personal service. That proposed decision and order then becomes the department's final agency action without further proceedings ten days after it is received by the aggrieved party unless an appeal to the director is taken as provided in subrule 141.6(6).~~

**141.6(6)** ~~Any appeal to the director for review of the proposed decision and order of the administrative law judge shall be filed in writing and mailed to the director by certified mail, return receipt requested, or delivered by personal service within ten days after the receipt of the administrative law judge's proposed decision and order by the aggrieved party. A copy of the appeal shall also be mailed to the administrative law judge. Any request for an appeal shall state the reason for appeal.~~

**141.6(7)** ~~Upon receipt of an appeal request, the administrative law judge shall prepare the record of the hearing for submission to the director. The record shall include the following:~~

- a. ~~All pleadings, motions, and rules.~~
- b. ~~All evidence received or considered and all other submissions by recording or transcript.~~
- c. ~~A statement of all matters officially noticed.~~
- d. ~~All questions and offers of proof, objections and rulings on them.~~

PUBLIC HEALTH DEPARTMENT[641](cont'd)

*e.*—All proposed findings and exceptions.

*f.*—The proposed decision and order of the administrative law judge.

**141.6(8)** The decision and order of the director becomes the department's final agency action upon receipt by the aggrieved party and shall be delivered by restricted certified mail, return receipt requested, or by personal service.

**141.6(9)** It is not necessary to file an application for a rehearing to exhaust administrative remedies when appealing to the director or the district court as provided in Iowa Code section 17A.19. The aggrieved party to the final agency action of the department who has exhausted all administrative remedies may petition for judicial review of that action pursuant to Iowa Code chapter 17A.

**141.6(10)** Any petition for judicial review of a decision and order shall be filed in the district court within 30 days after the decision and order becomes final. A copy of the notice of appeal shall be sent to the department by certified mail, return receipt requested, or by personal service. The address is Iowa Department of Public Health, Bureau of Emergency Medical Services, Lucas State Office Building, Des Moines, Iowa 50319-0075.

**141.6(11)** The party who appeals a final agency action to the district court shall pay the cost of the preparation of a transcript of the contested case hearing for the district court.

**ARC 2370C**

## **REVENUE DEPARTMENT[701]**

### **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 425.15, the Department of Revenue hereby gives Notice of Intended Action to amend Chapter 80, “Property Tax Credits and Exemptions,” Iowa Administrative Code.

The subject matter of rule 701—80.1(425) is the homestead property tax credit. The amendment to subrule 80.1(3) is to implement an amendment to the Iowa Code for an expansion of the disabled veteran tax credit under Iowa Code section 425.15.

Any interested person may make written suggestions or comments on this proposed amendment on or before February 9, 2016. Such written comments should be directed to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. Persons who want to convey their views orally should contact the Policy Section, Policy and Communications Division, Department of Revenue at (515)281-8450 or at the Department of Revenue offices on the fourth floor of the Hoover State Office Building.

Requests for a public hearing must be received by February 9, 2016.

The Department finds that the expanded disabled veteran tax credit will reduce local property tax revenues beginning in fiscal year 2016.

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

After analysis and review of this rule making, a positive impact on jobs may exist. This amendment expands the eligibility for the disabled veteran's homestead tax credit. This credit furthers the goals of the Home Base Iowa Program by creating a property tax incentive for veterans and transitioning service members to make Iowa their “state of choice.”

This amendment is intended to implement Iowa Code section 425.15.

The following amendment is proposed.

## REVENUE DEPARTMENT[701](cont'd)

Amend subrule 80.1(3) as follows:

**80.1(3) Disabled veteran's homestead tax credit.**

*a. Qualification for credit.* ~~The disabled veteran's homestead~~ veteran tax credit may be claimed by any person of the following owners of homestead property:

(1) ~~A veteran who acquired homestead property under 38 U.S.C. Sections 21.801 and 21.802 or Sections 2101 and 2102 provided the veteran's annual income and that of the veteran's spouse do not exceed \$35,000.~~

(2) A veteran, as defined in Iowa Code section 35.1, with a permanent service-connected disability rating of 100 percent, as certified by the U.S. Department of Veterans Affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the 100 percent disability rate, as certified by the U.S. Department of Veterans Affairs.

(3) A former member of the national guard of any state who otherwise meets the service requirements of Iowa Code section 35.1(2) "b"(2) or 35.1(2) "b"(7), with a permanent service-connected disability rating of 100 percent, as certified by the U.S. Department of Veterans Affairs, or a permanent and total disability rating based on individual unemployability that is compensated at the 100 percent disability rate, as certified by the U.S. Department of Veterans Affairs.

(4) An individual who is a surviving spouse or a child and who is receiving dependency and indemnity compensation pursuant to 38 U.S.C. Section 1301 et seq., as certified by the U.S. Department of Veterans Affairs.

*b. Application for credit.* Except for the 2014 assessment year, an application for the disabled veteran tax credit must be filed with the local assessor on or before July 1 of the assessment year. Any supporting documentation required by the assessor must be current within the previous 12 months of the date on which the application is filed. The filing deadline for applications for the 2014 assessment year shall be July 1, 2015. The credit applicable to assessment year 2014 shall be allowed only on a homestead which the owner occupied on July 1, 2014, and for at least six months during the 2014 assessment year.

*c. Amount of credit.* ~~The amount of the credit is equal to the entire amount of tax payable on the homestead. Even though this financial assistance is available to disabled veterans on only one homestead during their lifetime, the credit may be claimed upon the acquisition of other homesteads for which no financial assistance is available providing all qualifications have been met.~~

*d. Continuance of credit.* The credit shall continue to the estate or surviving spouse and child who are the beneficiaries of an owner described in subparagraph 80.1(3) "a"(1), (2), or (3) if the surviving spouse remains unmarried. If an owner or beneficiary of an owner ceases to qualify for the credit, the owner or beneficiary must notify the assessor of the termination of eligibility.

**ARC 2371C**

**REVENUE DEPARTMENT[701]**

**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 chapter 426C, the Department of Revenue hereby gives Notice of Intended Action to amend Chapter 80, "Property Tax Credits and Exemptions," Iowa Administrative Code.

The subject matter of rule 701—80.30(426C) is the business property tax credit. The rule implements Iowa Code chapter 426C. The amendment updates the rule to reflect several legislative changes that occurred during the Eighty-Sixth General Assembly, Second Session.

Any interested person may make written suggestions or comments on the proposed amendment on or before February 9, 2016. Such written comments should be directed to the Policy Section, Policy

## REVENUE DEPARTMENT[701](cont'd)

and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. Persons who want to convey their views orally should contact the Policy Section, Policy and Communications Division, Department of Revenue at (515)281-8450 or at the Department of Revenue offices on the fourth floor of the Hoover State Office Building.

Requests for a public hearing must be received by February 9, 2016.

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

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

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

This amendment is intended to implement Iowa Code chapter 426C.

The following amendment is proposed.

Amend rule 701—80.30(426C) as follows:

**701—80.30(426C) Business property tax credit.**

**80.30(1) Definitions.** For purposes of this rule, the following definitions shall govern.

“*Contiguous parcels*” means any of the following:

1. Parcels that share a common boundary. There is a rebuttable presumption that parcels separated by a roadway, alley, or waterway do not share a common boundary. The burden of proof shall be upon the property owners to provide evidence or verification that parcels separated by a roadway, alley, or waterway share a common boundary. Parcels owned to the middle of a road, waterway, alley, or railway in fee simple title are considered to share a common boundary.

2. Parcels within the same building or structure regardless of whether the parcels share a common boundary.

3. Permanent improvements to the land that are situated on one or more parcels of land that are assessed and taxed separately from the permanent improvements if the parcels of land upon which the permanent improvements are situated share a common boundary. This arrangement is more commonly referred to as buildings or permanent improvements that are taxed as buildings upon leased land.

“*Dwelling unit*” means an apartment, group of rooms, or single room that is occupied as separate living quarters, or, if vacant, is intended for occupancy as separate living quarters, in which a tenant can live and sleep separately from any other persons in the building. A vacant dwelling unit that does not have active utility services is not considered to be intended for occupancy. Dwelling units do not include hotels, motels, inns, or other buildings where rooms are rented for less than one month.

~~“*Multiresidential property*” means, for valuations established on or after January 1, 2015, any of the following types of property:~~

~~1. Mobile home park as defined in Iowa Code section 435.1.~~

~~2. Manufactured home community and land-leased community as defined in Iowa Code sections 335.30A and 414.28A and 2013 Iowa Acts, chapter 123, section 28.~~

~~3. Assisted living facility as defined in Iowa Code section 231C.2. Assisted living facility also includes:~~

~~• A health care facility as defined in Iowa Code section 135C.1;~~

~~• A child foster care facility under Iowa Code chapter 237; or~~

~~• Property used for a hospice program as defined in Iowa Code section 135J.1.~~

~~4. Property primarily used or intended for human habitation containing three or more separate dwelling units.~~

~~5. That portion of a building that is used or intended for human habitation and a proportionate share of the land upon which the building is situated, regardless of the number of dwelling units located in the building, if the use for human habitation is not the primary use of the building and such building is not otherwise classified as residential property.~~

~~Multiresidential property does not include hotels, motels, inns, or other buildings where rooms or dwelling units are usually rented for less than one month.~~

## REVENUE DEPARTMENT[701](cont'd)

*“Parcel”* means each separate item shown on the tax list, manufactured or mobile home tax list, schedule of assessment, or schedule of rate change or charge. For fiscal years beginning on or after January 1, 2016, “parcel” also means ~~that each~~ each portion of a parcel assigned to be commercial property, industrial property, or railway property pursuant to 2013 Iowa Acts, chapter 123, section 28 a distinct classification as set forth in rule 701—71.1(405,427A,428,441,499B).

*“Person”* means individual, corporation, limited liability company, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

*“Property unit”* means contiguous parcels all of which are located within the same county, with the same property tax classification, are owned by the same person, and are operated by that person for a common use and purpose.

**80.30(2)** No change.

**80.30(3)** *Application for credit.*

*a.* No change.

*b.* For a business property tax credit against property taxes due and payable during fiscal years beginning on and after July 1, 2015, and before July 1, 2017, no business property tax credit shall be allowed unless the first application for business property tax credit is received in the office of the applicable city or county assessor on or before March 15 preceding the fiscal year during which the credit first is claimed. For example, the first application for a business property tax credit against property taxes due and payable during the fiscal year beginning July 1, 2016, must be received in the office of the applicable city or county assessor on or before March 15, 2016.

*c.* For a business property tax credit against property taxes due and payable during fiscal years beginning on or after July 1, 2017, no business property tax credit shall be allowed unless the first application for the business property tax credit is received in the office of the applicable city or county assessor on or before July 1 preceding the fiscal year during which the credit is first claimed. For example, the first application for a business property tax credit against property taxes due and payable during the fiscal year beginning July 1, 2017, must be received in the office of the applicable city or county assessor on or before July 1, 2016.

~~*e. d.*~~ *A claim filed after the filing deadlines set forth in paragraphs 80.30(3) “a,” and 80.30(3) “b,” and 80.30(3) “c” will be applied against property taxes due and payable for the following year.*

~~*d. e.*~~ *Once filed, the claim for credit is applicable to subsequent years, and no further filing shall be required as long as the parcel or property unit satisfies the requirements of the credit. If the parcel or property unit ceases to qualify for the credit, the owner shall provide written notice to the assessor by the date for filing claims in ~~paragraph~~ paragraphs 80.30(3) “b” and 80.30(3) “c,” as applicable, following the date on which the parcel or property unit ceases to qualify for the credit. When all or a portion of a parcel or property unit that is allowed a credit is sold or transferred or ownership otherwise changes, the buyer, transferee, or new owner who wishes to receive the credit shall refile the claim for credit. When a portion of a parcel or property unit that is allowed a credit is sold or transferred or ownership otherwise changes, the owner of the portion of the parcel or property unit for which ownership did not change shall refile the claim for credit. A transfer entered in the auditor’s transfer books under 2015 Iowa Code section 558.57 shall be prima facie evidence of a change in ownership of the parcel or property unit. The burden shall be on the claimant to prove that a transfer entered in the auditor’s transfer books did not result in a change in ownership. The deadline for refiling the claim shall be the same as the deadline for filing the claim.*

~~*e. f.*~~ *In the event ~~March 15~~ the application deadline falls on either a Saturday or Sunday, applications for the business property tax credit may be received in the office of the applicable city or county assessor the following Monday.*

~~*f. g.*~~ *In the event ~~March 15~~ the application deadline falls on a state holiday, applications for the business property tax credit may be received in the office of the applicable city or county assessor the following business day.*

~~*g. h.*~~ *For ~~assessment years 2013, 2014, and 2015~~, Table 1 shows the applicable claim receipt deadlines and the taxes toward which the claim applies.*

## REVENUE DEPARTMENT[701](cont'd)

Table 1

	Assessment Year 2013	Assessment Year 2014	Assessment Year 2015	Assessment Year <u>2016</u>	Assessment Year <u>2017</u>
Claim Receipt Deadline	January 15, 2014	March 16, 2015* <sup>1</sup>	March 15, 2016	<u>July 1, 2016</u>	<u>July 3, 2017</u> <sup>2</sup>
For Taxes Payable	September 2014 & March 2015	September 2015 & March 2016	September 2016 & March 2017	<u>September 2017 &amp; March 2018</u>	<u>September 2018 &amp; March 2019</u>

\*<sup>1</sup> March 15, 2015, falls on a Sunday.

<sup>2</sup> July 1, 2017, falls on a Saturday.

~~h. i.~~ An assessor may not refuse to accept an application for business property tax credit. Assessors shall remit claims for credit to the county auditor with a recommendation to allow or disallow the claim. If it is the opinion of the assessor that a business property tax credit should not be allowed, the assessor's recommendation to the county auditor shall include in writing the reasons for recommending disallowance.

~~i. j.~~ Upon receipt from the assessor of the claims and recommendations, the county auditor shall forward the claims to the board of supervisors. The board shall allow or disallow the claims. If the board disallows a claim for credit, the board shall send written notice by mail to the claimant at the claimant's last-known address. The written notice shall state the reasons for disallowing the claim for the credit. Notwithstanding the foregoing, the board is not required to send notice that a claim for credit is disallowed if the claimant voluntarily withdraws the claim.

**80.30(4) Appeals.**

a. No change.

b. *Reversal.* If the board of supervisors' disallowance of the claim for credit is reversed upon appeal, the credit shall be allowed on the applicable parcel or property unit. The ~~director~~ department of revenue, the county auditor, and the county treasurer shall provide the credit and change their books and records accordingly. If the claimant has paid one or both of the installments of the tax payable in the year or years in question, the county treasurer shall remit the amount of the credit to the claimant and submit a request to the department for reimbursement from the business property tax credit fund. The amounts payable as credits awarded on appeal shall be allocated and paid from the balance remaining in the business property tax credit fund established in Iowa Code section 426C.2.

**80.30(5) Audit.**

a. *Authority and period.* The ~~director~~ department of revenue may audit any credit provided under ~~2013 Iowa Acts, chapter 123~~ Iowa Code section 426C.4. However, the ~~director~~ department shall not adjust a credit allowed more than three years from October 31 of the year in which the claim for credit was filed.

b. *Recalculation or denial.* If an audit reveals that the amount of the credit was incorrectly calculated or that the credit should not have been allowed, the ~~director~~ department shall recalculate the credit, if applicable, and notify both the claimant and the county auditor of the recalculation and the reasons it is being made.

c. *Recapture.* If the credit has already been paid, the ~~director~~ department shall notify the claimant, the county treasurer, and the applicable assessor of the recalculation or denial of the credit. If the claimant still owns the parcel or property unit for which the credit was claimed, the county treasurer shall collect the tax owed in the same manner as other due and payable property taxes are collected. If the claimant no longer owns the parcel or property unit for which the credit was claimed, the department may recover the amount of tax owed by filing a lien under Iowa Code section 422.26 or by issuing a jeopardy assessment under Iowa Code section 422.30. Upon collection, the amount of the erroneously allowed credit shall be deposited in the business property tax credit fund.

## REVENUE DEPARTMENT[701](cont'd)

*d. Appeal of recalculation or denial.* The claimant or the board of supervisors may appeal any decision of the ~~director department to the state board of tax review~~ director of revenue. The ~~state board director~~ shall review the ~~director's department's decision in accordance with Iowa Code section 421.1, subsection 5~~ within 30 days from the date of the notice of recalculation or denial provided to the claimant and county auditor. The director shall grant a hearing, at which the director shall determine the correct credit, if any. The director shall notify the claimant, board of supervisors, county auditor, and county treasurer of the decision by mail. The claimant, ~~or the board of supervisors, and the director~~ may all seek judicial review of the ~~state board of tax review's~~ director's decision pursuant to the provisions of Iowa Code chapter 17A.

*e.* No change.

**80.30(6)** *Property eligible for credit.*

*a. Eligible parcels and property units.*

(1) ~~Except as provided in subrule 80.30(8), individual parcels or multiple parcels that comprise a property unit that is~~ Parcels and property units classified and taxed as commercial property, industrial property, or railway property under Iowa Code chapter 434 are eligible for the business property tax credit for the unit. The assessor shall keep a permanent file of all eligible property units in the assessor's jurisdiction. Each assessment year, the assessor shall update the file based on transfers of property from the auditor's transfer book.

(2) ~~Parcels that, in part, would satisfy the requirements for classification as multiresidential property as defined in 2013 Iowa Acts, chapter 123, section 28, where the primary use of the building is not for human habitation with three or more units and the building is not otherwise classified as a residential property are eligible for the business property tax credit against valuations established prior to January 1, 2015.~~

*b.—Eligible property units.* ~~Except as provided in subrule 80.30(8), only property units made up of property assessed and taxed as commercial property, industrial property, or railway property under Iowa Code chapter 434 are eligible for the business property tax credit. To be eligible as a property unit, all of the parcels that make up the property unit must be:~~

- (1) ~~Located within the same county;~~
- (2) ~~The same property classification;~~
- (3) ~~Owned by the same person;~~
- (4) ~~Contiguous as defined in subrule 80.30(1); and~~
- (5) ~~Operated by that person for a common use and purpose.~~

*e. b. Taxable status of parcels and property units.*

(1) ~~A parcel that is fully exempt from property tax is not eligible to receive the business property tax credit. A property unit that is comprised of one or more parcels that are~~ Property that is fully exempt from property tax is not eligible to receive the business property tax credit.

(2) to (5) No change.

**80.30(7)** No change.

**80.30(8)** *Property ineligible for credit.* ~~All of the~~ The following are not eligible to receive a business property tax credit or to be part of a property unit that receives the business property tax credit:

*a.* No change.

*b.* ~~Mobile home park as defined in Iowa Code section 435.1~~ Property classified as multiresidential under 701—subrule 71.1(5).

*c.—*~~Manufactured home community and land-leased community as defined in Iowa Code sections 335.30A and 414.28A and 2013 Iowa Acts, chapter 123, section 28.~~

*d.—*~~Assisted living facility as defined in Iowa Code section 231C.2. Assisted living facility also includes:~~

- (1) ~~A health care facility as defined in Iowa Code section 135C.1;~~
- (2) ~~A child foster care facility under Iowa Code chapter 237; or~~
- (3) ~~Property used for a hospice program as defined in Iowa Code section 135J.1.~~

*e.—*~~Property primarily used or intended for human habitation with three or more separate dwelling units.~~

REVENUE DEPARTMENT[701](cont'd)

**80.30(9) Application of credit.**

- a. No change.
- b. A person may claim and receive one business property tax credit for each property unit. A claim for credit on a parcel that is part of a property unit constitutes a claim for credit on the entire unit.
- c. and d. No change.
- e. Once filed and allowed, the credit shall continue to be allowed on the parcel or property unit for successive years without further filing of an application unless the parcel or property unit ceases to qualify for the credit under Iowa Code chapter ~~424C~~ 426C.
- f. When all or a portion of a parcel or property unit is sold or transferred or ownership otherwise changes, the new owner must reapply for the credit. The owner of the portion of a parcel or property unit that did not change shall also reapply for the credit. When the composition of a property unit changes as the result of a sale, transfer, or change in ownership, the owner of the property unit must reapply for the credit on the entire unit.
- g. The following noninclusive examples illustrate the application of the business property tax credit under various circumstances.

EXAMPLE 1. No change.

EXAMPLE 2. Same facts as in EXAMPLE 1, but Mr. Jones files his application on ~~March 17, 2015~~ July 3, 2016. Mr. Jones' application should be approved, but the credit will be against taxes due and payable in the fiscal year beginning July 1, ~~2016~~ 2018.

EXAMPLE 3. and EXAMPLE 4. No change.

**80.30(10) Calculation of credit.**

- a. No change.
  - b. *Department process and methodology.*
    - (1) Department of management information. The department shall obtain from the department of management tax district and applicable consolidated rates. The department shall calculate the credit using the estimated consolidated levy rates obtained from the department of management. The department shall modify the credit accordingly upon certification by the auditor of the actual consolidated levy rates.
    - (2) to (5) No change.
- This rule is intended to implement Iowa Code chapter 426C.

## TREASURER OF STATE

### Notice—Public Funds Interest Rates

In compliance with Iowa Code chapter 74A and section 12C.6, the committee composed of Treasurer of State Michael L. Fitzgerald, Superintendent of Credit Unions JoAnn Johnson, Superintendent of Banking Ronald L. Hansen, and Auditor of State Mary Mosiman have established today the following rates of interest for public obligations and special assessments. The usury rate for January is 4.25%.

#### 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 by a committee of the state of Iowa 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

TREASURER OF STATE(cont'd)

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 12, 2016, 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 .05%
180-364 days .....	Minimum .05%
One year to 397 days .....	Minimum .05%
More than 397 days .....	Minimum .30%

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 Michael L. Fitzgerald, Treasurer of State, State Capitol, Des Moines, Iowa 50319.

AGENCY	RULE	DELAY
Education Department[281]	12.8(1)“h” [IAB 12/9/15, <b>ARC 2312C</b> ]	Effective date of January 13, 2016, delayed until the adjournment of the 2016 General Assembly by the Administrative Rules Review Committee at its meeting held January 8, 2016. [Pursuant to §17A.8(9)]