



# IOWA ADMINISTRATIVE BULLETIN

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## PREFACE

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

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

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

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

JACK EWING, Administrative Code Editor  
Publications Editing Office (Administrative Code)

Telephone: (515)281-6048  
Telephone: (515)281-3355

Email: [Jack.Ewing@legis.iowa.gov](mailto:Jack.Ewing@legis.iowa.gov)  
Email: [AdminCode@legis.iowa.gov](mailto:AdminCode@legis.iowa.gov)

### 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 2019

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. 26 '18**</b>	Jan. 16 '19	Feb. 5 '19	Feb. 20 '19	Feb. 22 '19	Mar. 13 '19	Apr. 17 '19	July 15 '19
Jan. 11	Jan. 30	Feb. 19	Mar. 6	Mar. 8	Mar. 27	May 1	July 29
Jan. 25	Feb. 13	Mar. 5	Mar. 20	Mar. 22	Apr. 10	May 15	Aug. 12
Feb. 8	Feb. 27	Mar. 19	Apr. 3	Apr. 5	Apr. 24	May 29	Aug. 26
Feb. 22	Mar. 13	Apr. 2	Apr. 17	Apr. 19	May 8	June 12	Sep. 9
Mar. 8	Mar. 27	Apr. 16	May 1	May 3	May 22	June 26	Sep. 23
Mar. 22	Apr. 10	Apr. 30	May 15	<b>**May 15**</b>	June 5	July 10	Oct. 7
Apr. 5	Apr. 24	May 14	May 29	May 31	June 19	July 24	Oct. 21
Apr. 19	May 8	May 28	June 12	June 14	July 3	Aug. 7	Nov. 4
May 3	May 22	June 11	June 26	<b>**June 26**</b>	July 17	Aug. 21	Nov. 18
<b>**May 15**</b>	June 5	June 25	July 10	July 12	July 31	Sep. 4	Dec. 2
May 31	June 19	July 9	July 24	July 26	Aug. 14	Sep. 18	Dec. 16
June 14	July 3	July 23	Aug. 7	Aug. 9	Aug. 28	Oct. 2	Dec. 30
<b>**June 26**</b>	July 17	Aug. 6	Aug. 21	<b>**Aug. 21**</b>	Sep. 11	Oct. 16	Jan. 13 '20
July 12	July 31	Aug. 20	Sep. 4	Sep. 6	Sep. 25	Oct. 30	Jan. 27 '20
July 26	Aug. 14	Sep. 3	Sep. 18	Sep. 20	Oct. 9	Nov. 13	Feb. 10 '20
Aug. 9	Aug. 28	Sep. 17	Oct. 2	Oct. 4	Oct. 23	Nov. 27	Feb. 24 '20
<b>**Aug. 21**</b>	Sep. 11	Oct. 1	Oct. 16	Oct. 18	Nov. 6	Dec. 11	Mar. 9 '20
Sep. 6	Sep. 25	Oct. 15	Oct. 30	<b>**Oct. 30**</b>	Nov. 20	Dec. 25	Mar. 23 '20
Sep. 20	Oct. 9	Oct. 29	Nov. 13	<b>**Nov. 13**</b>	Dec. 4	Jan. 8 '20	Apr. 6 '20
Oct. 4	Oct. 23	Nov. 12	Nov. 27	Nov. 29	Dec. 18	Jan. 22 '20	Apr. 20 '20
Oct. 18	Nov. 6	Nov. 26	Dec. 11	<b>**Dec. 11**</b>	Jan. 1 '20	Feb. 5 '20	May 4 '20
<b>**Oct. 30**</b>	Nov. 20	Dec. 10	Dec. 25	<b>**Dec. 26**</b>	Jan. 15 '20	Feb. 19 '20	May 18 '20
<b>**Nov. 13**</b>	Dec. 4	Dec. 24	Jan. 8 '20	<b>**Jan. 8 '20**</b>	Jan. 29 '20	Mar. 4 '20	June 1 '20
Nov. 29	Dec. 18	Jan. 7 '20	Jan. 22 '20	Jan. 24 '20	Feb. 12 '20	Mar. 18 '20	June 15 '20
<b>**Dec. 11**</b>	Jan. 1 '20	Jan. 21 '20	Feb. 5 '20	Feb. 7 '20	Feb. 26 '20	Apr. 1 '20	June 29 '20
<b>**Dec. 26**</b>	Jan. 15 '20	Feb. 4 '20	Feb. 19 '20	Feb. 21 '20	Mar. 11 '20	Apr. 15 '20	July 13 '20

### PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
24	Friday, May 3, 2019	May 22, 2019
25	Wednesday, May 15, 2019	June 5, 2019
26	Friday, May 31, 2019	June 19, 2019

**PLEASE NOTE:**

Rules will not be accepted by the Publications Editing Office after **12 o'clock noon** on the filing deadline unless prior approval has been received from the Administrative Rules Coordinator and the Administrative Code Editor.

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

†To allow time for review by the Administrative Rules Coordinator prior to the Notice submission deadline, Notices should generally be submitted in RMS four or more working days in advance of the deadline.

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

The Administrative Rules Review Committee will hold its regular, statutory meeting on Tuesday, May 14, 2019, at 9 a.m. in Room 116, State Capitol, Des Moines, Iowa. The following rules will be reviewed:

### **DENTAL BOARD[650]**

PUBLIC HEALTH DEPARTMENT[641]“umbrella”

Prescribing, administering, and dispensing drugs; continuing education; discipline, 16.1 to 16.7, 25.4, 30.4 Filed **ARC 4409C**..... 4/24/19

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

General accreditation standards, 12.5, 12.8 Notice **ARC 4402C** ..... 4/24/19  
 Medium of instruction for students of limited English proficiency, 60.3(4) Notice **ARC 4403C** ..... 4/24/19  
 Operational function sharing eligibility—master social workers, independent social workers, removal of supplemental weighting limit, 98.15 Notice **ARC 4404C** ..... 4/24/19

### **HOMELAND SECURITY AND EMERGENCY MANAGEMENT DEPARTMENT[605]**

Authorized flood project fund expenditures, 14.8(1) Filed **ARC 4410C**..... 4/24/19

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

Managed care organizations—inclusion of advanced registered nurse practitioners and physician assistants as primary care providers, 73.8(5) Filed **ARC 4392C**..... 4/10/19  
 Required report for juvenile detention reimbursement, 167.3(2) Filed **ARC 4411C** ..... 4/24/19  
 Dependent adult abuse—update of forms and information, 176.4(2), 176.6, 176.10(10), 176.15(2) Filed **ARC 4393C**..... 4/10/19

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

COMMERCE DEPARTMENT[181]“umbrella”

Medicare supplement insurance, ch 37 Filed **ARC 4394C**..... 4/10/19

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

WORKFORCE DEVELOPMENT DEPARTMENT[871]“umbrella”

Occupational safety and health—penalties, reporting, adoption by reference, 3.11(1), 4.3(1)“h” Filed **ARC 4412C** ..... 4/24/19

### **MEDICINE BOARD[653]**

PUBLIC HEALTH DEPARTMENT[641]“umbrella”

Standards of practice—appropriate pain management, 13.2 Notice **ARC 4382C**..... 4/10/19

### **NATURAL RESOURCE COMMISSION[571]**

NATURAL RESOURCES DEPARTMENT[561]“umbrella”

Camping, rental facility, vessel storage, and other special privilege fees, 61.2, 61.3(2), 61.4 to 61.6, 61.22(1)“b” Filed **ARC 4396C**..... 4/10/19

### **NATURAL RESOURCES DEPARTMENT[561]**

State park and recreation area fees, ch 16 Filed **ARC 4395C** ..... 4/10/19

### **NURSING BOARD[655]**

PUBLIC HEALTH DEPARTMENT[641]“umbrella”

Licensure to practice—registered nurses/licensed practical nurses, amendments to ch 3 Filed **ARC 4413C**..... 4/24/19

### **PHARMACY BOARD[657]**

PUBLIC HEALTH DEPARTMENT[641]“umbrella”

Pharmacist licensure; pharmacist internships, amendments to chs 2, 4, 25, 31, 32 Notice **ARC 4391C** ..... 4/10/19  
 Electronic prescription mandate and exemptions, amendments to chs 8, 10, 21 Notice **ARC 4386C**..... 4/10/19  
 Iowa prescription monitoring program, ch 37 Filed **ARC 4397C**..... 4/10/19  
 Statewide protocols—update of terminology, order constitutes prescription, 39.6, 39.8, 39.9, 39.11 Notice **ARC 4388C** ..... 4/10/19  
 Statewide protocols—update of terminology, 39.6, 39.8, 39.9, 39.11 Filed **Emergency ARC 4387C** ..... 4/10/19

### **PROFESSIONAL LICENSURE DIVISION[645]**

PUBLIC HEALTH DEPARTMENT[641]“umbrella”

Behavior analysts and assistant behavior analysts—licensure, fees, amendments to chs 5, 31, 33 Notice **ARC 4389C**, also Filed **Emergency ARC 4390C**..... 4/10/19

**PUBLIC HEALTH DEPARTMENT[641]**

Vital records—forms, fees, amendments, reporting of non-institution births, delayed  
 certificate of marriage, 95.3, 95.6, 95.8, 96.7, 98.7(6), 99.6, 99.9, 99.11 Filed **ARC 4398C**..... 4/10/19  
 Vaporizable forms of medical cannabidiol, 154.14 Filed **ARC 4399C** ..... 4/10/19

**REVENUE DEPARTMENT[701]**

Iowa educational savings plan trust; Iowa ABLE savings plan trust, 40.53, 40.81 Notice **ARC 4408C** ..... 4/24/19  
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 Excise tax rate on motor fuels, 68.2(1) Notice **ARC 4381C** ..... 4/10/19

**SECRETARY OF STATE[721]**

Minimum age for registering to vote, 23.3, 23.10 Notice **ARC 4384C**..... 4/10/19

**TRANSPORTATION DEPARTMENT[761]**

Traffic safety improvement program, amendments to ch 164 Notice **ARC 4385C**..... 4/10/19  
 Permitting of implements of husbandry—manual for bridge evaluation, 181.1(2) Filed **ARC 4400C**..... 4/10/19  
 Federal motor carrier safety and hazardous materials regulations—adoption by reference,  
 520.1(1), 529.1, 607.10(1)“c” Filed **ARC 4401C**..... 4/10/19

**UTILITIES DIVISION[199]**

COMMERCE DEPARTMENT[181]“umbrella”

Electric interconnection of distributed generation facilities, 45.1, 45.5(10), 45.6(2)  
Amended Notice **ARC 4407C**..... 4/24/19  
 Procedures for determining competitiveness of a communications service or facility, 5.1 to  
 5.5, 5.8 Filed **ARC 4414C**..... 4/24/19

**VETERANS AFFAIRS, IOWA DEPARTMENT OF[801]**

Veterans trust fund, 14.4(12) Notice **ARC 4405C** ..... 4/24/19

**VOTER REGISTRATION COMMISSION[821]**

Petitions for rule making; county registration date for applicants aged 17 to 18, amendments  
 to chs 1, 2 Notice **ARC 4383C** ..... 4/10/19

**WORKERS' COMPENSATION DIVISION[876]**

WORKFORCE DEVELOPMENT DEPARTMENT[871]“umbrella”

Payroll tax tables, 8.8 Filed **ARC 4415C**..... 4/24/19

## 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 Waylon Brown  
109 South Summer Street  
St. Ansgar, Iowa 50472

Senator Mark Costello  
37265 Rains Avenue  
Imogene, Iowa 51645

Senator Robert Hogg  
P.O. Box 1361  
Cedar Rapids, Iowa 52406

Senator Pam Jochum  
2368 Jackson Street  
Dubuque, Iowa 52001

Senator Zach Whiting  
P.O. Box 385  
Spirit Lake, Iowa 51360

Jack Ewing  
**Administrative Code Editor**  
Capitol  
Des Moines, Iowa 50319  
Telephone: (515)281-6048  
Fax: (515)281-8451  
Email: [Jack.Ewing@legis.iowa.gov](mailto:Jack.Ewing@legis.iowa.gov)

Representative Steven Holt  
1430 Third Avenue South  
Denison, Iowa 51442

Representative Megan Jones  
4470 Highway 71  
Sioux Rapids, Iowa 50585

Representative Joe Mitchell  
Mount Pleasant, Iowa

Representative Amy Nielsen  
168 Lockmoor Circle  
North Liberty, Iowa 52317

Representative Rick Olson  
3012 East 31st Court  
Des Moines, Iowa 50317

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

**EDUCATION DEPARTMENT[281]**

General agency standards, 12.5, 12.8 IAB 4/24/19 ARC 4402C	State Board Room, Second Floor Grimes State Office Bldg. Des Moines, Iowa	May 14, 2019 11 a.m. to 12 noon
Medium of instruction for students of limited English proficiency, 60.3(4) IAB 4/24/19 ARC 4403C	State Board Room, Second Floor Grimes State Office Bldg. Des Moines, Iowa	May 14, 2019 10 to 11 a.m.
Operational function sharing eligibility—master social workers, independent social workers, removal of supplemental weighting limit, 98.15 IAB 4/24/19 ARC 4404C	State Board Room, Second Floor Grimes State Office Bldg. Des Moines, Iowa	May 14, 2019 9 to 10 a.m.

**MEDICINE BOARD[653]**

Standards of practice—appropriate pain management, 13.2 IAB 4/10/19 ARC 4382C	Board Office, Suite C 400 S.W. Eighth St. Des Moines, Iowa	May 3, 2019 9 a.m.
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**PHARMACY BOARD[657]**

Electronic prescription mandate and exemptions, amendments to chs 8, 10, 21 IAB 4/10/19 ARC 4386C	Shared Conference Room, Suite E 400 S.W. 8th St. Des Moines, Iowa	May 7, 2019 9 a.m. to 12 noon
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**PROFESSIONAL LICENSURE DIVISION[645]**

Behavior analysts and assistant behavior analysts—licensure, fees, amendments to chs 5, 31, 33 IAB 4/10/19 ARC 4389C	Fifth Floor Conference Room 526 Lucas State Office Bldg. Des Moines, Iowa	April 30, 2019 8 to 8:30 a.m.
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**TRANSPORTATION DEPARTMENT[761]**

Traffic safety improvement program, amendments to ch 164 IAB 4/10/19 ARC 4385C	Department of Transportation Administration Bldg. First Floor, South Conference Room 800 Lincoln Way Ames, Iowa	May 2, 2019 10 a.m. (If requested)
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**UTILITIES DIVISION[199]**

Electric interconnection of distributed generation facilities, 45.1, 45.5(10), 45.6(2) IAB 4/24/19 ARC 4407C	Board Hearing Room 1375 E. Court Ave. Des Moines, Iowa	May 21, 2019 11 a.m.
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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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**FEMA DR-4421-IA**

AGENCY	PROGRAM	ELIGIBLE APPLICANTS	TYPES OF PROJECTS
<p>Iowa Homeland Security and Emergency Management Department (HSEMD)</p>	<p><b>Hazard Mitigation Grant Program (HMGP)</b>                      Authorized by §203 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act), 42 U.S.C. 5133, as amended by §102 of the Disaster Mitigation Act of 2000 (DMA).</p>	<ul style="list-style-type: none"> <li>● State Agencies and Local Governments.</li> <li>● Federally recognized Indian Tribal governments, to include state recognized Indian Tribes, and Authorized Tribal Organizations.</li> <li>● Private Non Profit (PNP) Organizations or institutions which operate a PNP facility as defined in the 44 Code of Federal Regulations (CFR), Section 206.221(e).</li> <li>● All applicants must be participating in the NFIP if they have been identified as having a Special Flood Hazard Area. The Community must not be on probation, suspended or withdrawn from the NFIP.</li> <li>● All applicants for a project grant MUST have a FEMA-approved local hazard mitigation plan.</li> </ul> <p><b>Application Process:</b>                      -Potential <b>project &amp; planning</b> applicants must complete a Notice of Interest (NOI) Form located on the HSEMD website at: <a href="http://www.iowahomelandsecurity.org/grants/HMA.html">www.iowahomelandsecurity.org/grants/HMA.html</a>                      -NOI's will be selected for full application development based on funding availability, the State's priority, and an initial eligibility review.                      -NOI's will be accepted on a continuous basis or until otherwise notified.</p> <p><b>For additional information, please contact:</b></p> <p style="text-align: center;"><b>Dan Schmitz 515-725-9369</b>  <b>Aimee Bartlett 515-725-9364</b></p> <p style="text-align: center;"><b>Iowa Homeland Security and Emergency Management Department</b>  <b>7900 Hickman Road</b>  <b>Windsor Heights, IA 50324</b></p>	<p><b>Eligible Project Types</b></p> <p>Projects may be of any nature that will result in protection to public or private property, including but not limited to:</p> <ul style="list-style-type: none"> <li>● Acquisition or relocation of hazard-prone property for conversion to open space in perpetuity</li> <li>● Construction of safe rooms (tornado and severe wind shelters)</li> <li>● Structural and non-structural retrofitting of existing buildings and facilities (including designs and feasibility studies when included as part of the construction project) for wildfire, seismic, wind or flood hazards (e.g., elevation, flood-proofing, storm shutters, hurricane clips)</li> <li>● Minor structural hazard control or protection projects that may include vegetation management, storm water management (e.g., culverts, floodgates, retention basins), or shoreline/landslide stabilization</li> <li>● Localized flood control projects, such as certain ring levees and floodwall systems, that are designed specifically to protect critical facilities and do not constitute a section of a larger flood control system</li> <li>● Development of multi-jurisdictional hazard mitigation plans and plan updates</li> </ul> <p><b>Planning Application</b></p> <p>The outcome of a mitigation planning grant award must be a FEMA-approved hazard mitigation plan that complies with the requirements of 44 CFR Part 201. The planning grant deliverable can be a new hazard mitigation plan or an update of an already FEMA-approved hazard mitigation plan.</p>

**ARC 4402C****EDUCATION DEPARTMENT[281]****Notice of Intended Action****Proposing rule making related to accreditation standards  
and providing an opportunity for public comment**

The State Board of Education hereby proposes to amend Chapter 12, “General Accreditation Standards,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 256.7(5).

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 256.7(21), 256.7(26)“a”(1), 256.11 and 257.38.

*Purpose and Summary*

Chapter 12 outlines general accreditation standards for schools and school districts. The proposed changes to the rules reflect statutory changes made during the 2018 Legislative Session. 2018 Iowa Acts, Senate File 2318, added language regarding high school graduation requirements and notification to parents. 2018 Iowa Acts, House File 2390, section 3, made a change from “foreign” languages to “world” languages. 2018 Iowa Acts, Senate File 475, section 20, added a requirement that students take a financial literacy course for graduation and addressed the required components of the course. 2018 Iowa Acts, House File 2441, sections 2 to 6, made modifications relating to dropout prevention. Lastly, 2018 Iowa Acts, Senate File 2114, sections 1 to 3, changed the requirements and grade levels for student assessments.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the State Board for a waiver of the discretionary provisions, if any, pursuant to 281—Chapter 4.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Nicole Proesch  
Department of Education  
Grimes State Office Building, Second Floor  
Des Moines, Iowa 50319-0416  
Phone: 515.281.8661  
Email: [nicole.proesch@iowa.gov](mailto:nicole.proesch@iowa.gov)

## EDUCATION DEPARTMENT[281](cont'd)

*Public Hearing*

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

May 14, 2019  
11 a.m. to 12 noon

State Board Room, Second Floor  
Grimes State Office Building  
East 14th Street and Grand Avenue  
Des Moines, Iowa

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

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs by calling 515.281.5295.

*Review by Administrative Rules Review Committee*

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

The following rule-making actions are proposed:

ITEM 1. Amend paragraph **12.5(4)“I”** as follows:

*l. Secondary credit.*

(1) An individual pupil in a grade that precedes ninth grade may ~~be allowed to~~ take a course for secondary credit if all of the following are true:

1. The pupil satisfactorily completes the course.
2. The course is taught by a teacher licensed by the Iowa board of educational examiners for grades ~~9-12~~ 9 through 12 and endorsed in the subject area.
3. The course meets all components listed in subrule 12.5(5) for the specific curricular area.
4. The board of the school district or the authorities in charge of the nonpublic school have developed enrollment criteria that a student must meet to be enrolled in the course.

(2) ~~Neither school districts nor accredited nonpublic schools are mandated to offer secondary credit under this paragraph.~~ If a student meets the requirement of subparagraph 12.5(4)“l”(1), the school district or accredited nonpublic school of enrollment shall issue high school credit for the unit to the student unless the student is unable to demonstrate proficiency or the school district or accredited nonpublic school determines that the course unit completed by the student does not meet the school district's or accredited nonpublic school's standards, as appropriate. If a student is denied credit under this paragraph, the school district or accredited nonpublic school denying credit shall provide to the student's parent or guardian in writing the reason for the denial. If credit is offered awarded under this paragraph, the credit must apply toward graduation requirements of the district or accredited nonpublic school.

ITEM 2. Amend subrule 12.5(5), introductory paragraph, as follows:

**12.5(5) High school program, grades 9-12.** In grades 9 through 12, a unit is a course or equivalent related components or partial units taught throughout the academic year as defined in subrule 12.5(14). The following shall be offered and taught as the minimum program: English-language arts, six units; social studies, five units; mathematics, six units as specified in 12.5(5)“c”; science, five units; health, one unit; physical education, one unit; fine arts, three units; ~~foreign world~~ language, four units; and vocational education, 12 units as specified in 12.5(5)“i.” Beginning with the 2010-2011 school year graduating class, all students in schools and school districts shall satisfactorily complete at least four units of English-language arts, three units of mathematics, three units of science, three units of social

## EDUCATION DEPARTMENT[281](cont'd)

studies, and one full unit of physical education as conditions of graduation. The three units of social studies may include the existing graduation requirements of one-half unit of United States government and one unit of United States history.

ITEM 3. Amend paragraph **12.5(5)“h”** as follows:

*h. Foreign World language (four units).* The foreign world language program shall be a four-unit sequence of uninterrupted study in at least one language, which may include American Sign Language. Foreign World language instruction shall include listening comprehension appropriate to the level of instruction; rateable oral proficiency; reading comprehension appropriate to the level of instruction; writing proficiency appropriate to the level of instruction; and cultural awareness.

All high schools shall offer and teach the first two units of the sequence. The third and fourth units must be offered. However, the department of education may, on an annual basis, waive the third and fourth unit requirements upon the request of the board. The board must document that a licensed/certificated teacher was employed and assigned a schedule that would have allowed students to enroll, that the class was properly scheduled, that students were aware of the course offerings, and that no students enrolled.

ITEM 4. Adopt the following **new** paragraph **12.5(5)“k”**:

*k. Personal finance literacy (one-half unit).* All students shall complete at least one-half unit of personal finance literacy as a condition of graduation.

(1) The curriculum shall, at a minimum, address the following:

1. Savings, including emergency fund, purchases, and wealth-building.  
2. Understanding investments, including compound and simple interest, liquidity, diversification, risk-return ratio, certificates of deposit, money market accounts, single stocks, bonds, mutual funds, rental real estate, annuities, commodities, and futures.

3. Wealth-building and college planning, including long-term and short-term investing using tax-favored plans, individual retirement accounts and payments from such accounts, employer-sponsored retirement plans and investments, public and private educational savings accounts, and uniform gifts and transfers to minors.

4. Credit and debt, including credit cards, payday lending, rent-to-own transactions, debt consolidation, automobile leasing, cosigning a loan, debt avoidance, and the marketing of debt, especially to young people.

5. Consumer awareness of the power of marketing on buying decisions including zero percent interest offers; marketing methods, including product positioning, advertising, brand recognition, and personal selling; how to read a credit report and correct inaccuracies; how to build a credit score; how to develop a plan to deal with creditors and avoid bankruptcy; and the federal Fair Debt Collection Practices Act.

6. Financial responsibility and money management, including creating and living on a written budget and balancing a checkbook; basic rules of successful negotiating and techniques; and personality or other traits regarding money.

7. Insurance, risk management, income, and career decisions, including career choices that fit personality styles and occupational goals, job search strategies, cover letters, résumés, interview techniques, payroll taxes and other income withholdings, and revenue sources for federal, state, and local governments.

8. Different types of insurance coverage including renters, homeowners, automobile, health, disability, long-term care, identity theft, and life insurance; term life, cash value and whole life insurance; and insurance terms such as deductible, stop-loss, elimination period, replacement coverage, liability, and out-of-pocket.

9. Buying, selling, and renting advantages and disadvantages relating to real estate, including adjustable rate, balloon, conventional, government-backed, reverse, and seller-financed mortgages.

(2) One-half unit of personal finance literacy may count as one-half unit of social studies in meeting the requirements of paragraph 12.5(5)“b,” though the teacher providing personal finance

## EDUCATION DEPARTMENT[281](cont'd)

literacy coursework that counts as one-half unit of social studies need not hold a social studies endorsement.

(3) Units of coursework that meet the requirements of any combination of coursework required under paragraph 12.5(5) “b,” “c,” or “h” and incorporate the curriculum required under subparagraph 12.5(5) “k”(1) shall be deemed to satisfy the offer-and-teach requirements of this paragraph, and a student who completes such units shall be deemed to have met the graduation requirement of this paragraph.

ITEM 5. Amend subrule 12.5(13) as follows:

**12.5(13) Provisions for at-risk students.** Each school district shall ~~include in its comprehensive school improvement plan the following provisions~~ make provision for meeting the needs of at-risk students: valid and systematic procedures and criteria to identify at-risk students throughout the school district’s school-age population, determination of appropriate ongoing educational strategies for alternative options education programs as required in Iowa Code section 280.19A, and review and evaluation of the effectiveness of provisions for at-risk students. This subrule does not apply to accredited nonpublic schools.

~~Each school district using additional allowable growth for provisions for at-risk students shall incorporate educational program goals for at-risk students into its comprehensive school improvement plan.~~ Provisions for at-risk students shall align with the student learning goals and content standards established by the school district or by school districts participating in a consortium. The comprehensive school improvement plan shall also include objectives, activities, cooperative arrangements with other service agencies and service groups, and strategies for parental involvement to meet the needs of at-risk children. ~~The incorporation of these requirements into a school district’s comprehensive school improvement plan shall serve as the annual application for additional allowable growth designated in Iowa Code section 257.38.~~

ITEM 6. Amend subrule 12.5(14) as follows:

**12.5(14) Unit.** A unit is a course which meets one of the following criteria: it is taught for at least 200 minutes per week for 36 weeks; it is taught for the equivalent of 120 hours of instruction; it requires the demonstration of proficiency of formal competencies associated with the course according to the State Guidelines for Competency-Based Education or its successor organization; or it is an equated requirement as a part of an innovative program filed as prescribed in rule 281—12.9(256). A fractional unit shall be calculated in a manner consistent with this subrule. Unless the method of instruction is competency-based, multiple-section courses taught at the same time in a single classroom situation by one teacher do not meet this unit definition for the assignment of a unit of credit. However, the third and fourth years of a foreign world language may be taught at the same time by one teacher in a single classroom situation, each yielding a unit of credit.

ITEM 7. Amend subparagraphs **12.8(1)“f”(1)** and **(2)** as follows:

(1) State indicators. Using at least one districtwide assessment, a school or school district shall assess student progress on the state indicators in, but not limited to, reading, mathematics, and science as specified in subrule 12.8(3). At least one districtwide assessment shall allow for, but not be limited to, the comparison of the school or school district’s students with students from across the state and in the nation in reading, mathematics, and science. ~~A school or school district shall use additional assessments to measure progress on locally determined content standards in at least reading, mathematics, and science.~~

(2) Performance levels. A school or school district shall establish at least three performance levels on at least one districtwide valid and reliable assessment in the areas of reading and mathematics for at least grades 4, 8, and 11 and science in grades 8 and ~~11~~ 10 or use the achievement levels as established by the Iowa Testing Program to meet the intent of this subparagraph (2).

ITEM 8. Amend subparagraph **12.8(3)“a”(3)** as follows:

(3) The percentage of all eighth and ~~eleventh~~ tenth grade students achieving proficient or higher science status using at least three achievement levels.

**ARC 4403C****EDUCATION DEPARTMENT[281]****Notice of Intended Action****Proposing rule making related to language of instruction and providing an opportunity for public comment**

The State Board of Education hereby proposes to amend Chapter 60, “Programs for Students of Limited English Proficiency,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 256.7(5).

*State or Federal Law Implemented*

This rule making implements, in whole or in part, 2018 Iowa Acts, House File 2390, section 3.

*Purpose and Summary*

Chapter 60 outlines programs for students of limited English proficiency. This proposed amendment to the chapter changes a reference to “foreign” languages to refer instead to “world” languages, which is consistent with 2018 Iowa Acts, House File 2390, section 3.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the State Board for a waiver of the discretionary provisions, if any, pursuant to 281—Chapter 4.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Nicole Proesch  
Department of Education  
Grimes State Office Building, Second Floor  
Des Moines, Iowa 50319-0146  
Phone: 515.281.8661  
Email: [nicole.proesch@iowa.gov](mailto:nicole.proesch@iowa.gov)

*Public Hearing*

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



## EDUCATION DEPARTMENT[281](cont'd)

May 14, 2019  
10 to 11 a.m.

State Board Room, Second Floor  
Grimes State Office Building  
East 14th Street and Grand Avenue  
Des Moines, Iowa

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

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs by calling 515.281.5295.

*Review by Administrative Rules Review Committee*

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

The following rule-making action is proposed:

Amend subrule 60.3(4) as follows:

**60.3(4) Medium of instruction.** Instruction in all secular subjects taught in both public and nonpublic schools shall be in the English language, except when the use of a ~~foreign~~ world language is deemed appropriate because the student is limited English proficient. When the student is limited English proficient, both public and nonpublic schools shall provide special instruction, which shall include but need not be limited to either instruction in English as a second language or transitional bilingual instruction until the student is fully English proficient or demonstrates a functional ability to speak, read, write, and understand the English language.

**ARC 4404C**

**EDUCATION DEPARTMENT[281]**

**Notice of Intended Action**

**Proposing rule making related to operational function sharing and providing an opportunity for public comment**

The State Board of Education hereby proposes to amend Chapter 98, "Financial Management of Categorical Funding," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 256.7.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 257.11.

*Purpose and Summary*

Chapter 98 outlines the financial management of categorical funding. The proposed amendment to Chapter 98 reflects changes brought about during the 2018 Legislative Session that pertain to categorical funding for operational function sharing by Iowa school districts. The proposed amendment includes the addition of master social workers and independent social workers licensed under Iowa Code chapters 147 and 154C to the list of eligible operational functions, as well as the removal of the five-year limit on eligibility for receiving supplemental weighting.

EDUCATION DEPARTMENT[281](cont'd)

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

Local districts may be able to share positions, resulting in savings to local districts.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the State Board for a waiver of the discretionary provisions, if any, pursuant to 281—Chapter 4.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Nicole Proesch  
 Department of Education  
 Grimes State Office Building, Second Floor  
 Des Moines, Iowa 50319-0146  
 Phone: 515.281.8661  
 Email: [nicole.proesch@iowa.gov](mailto:nicole.proesch@iowa.gov)

*Public Hearing*

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

May 14, 2019  
 9 to 10 a.m.

State Board Room, Second Floor  
 Grimes State Office Building  
 East 14th Street and Grand Avenue  
 Des Moines, Iowa

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

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs by calling 515.281.5295.

*Review by Administrative Rules Review Committee*

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

The following rule-making action is proposed:

Amend rule 281—98.15(257) as follows:

**281—98.15(257) Operational function sharing supplementary weighting.** Operational function sharing supplementary weighting provides funding in addition to the student count that generates general purpose revenues and is for the purpose of incenting sharing of management-level staff. It is

EDUCATION DEPARTMENT[281](cont'd)

assumed that operational function sharing supplementary weighting covers only a portion of the costs of sharing management-level staff, a curriculum director, ~~or~~ a school guidance or mental health counselor, or a social worker and shall be fully expended within the ~~five-year~~ period of sharing. Therefore, school districts are not required to account for the operational function sharing supplementary weighting funding separate from the general purpose revenues.

**ARC 4408C****REVENUE DEPARTMENT[701]****Notice of Intended Action****Proposing rule making related to educational savings plan trust accounts and ABLE accounts and providing an opportunity for public comment**

The Revenue Department hereby proposes to amend Chapter 40, "Determination of Net Income," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 422.68.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, 2018 Iowa Acts, Senate File 2417.

*Purpose and Summary*

These proposed amendments are intended to implement recent legislative changes to the Iowa educational savings plan trust and Iowa ABLE programs. Following similar changes to the federal statute related to educational savings accounts, 2018 Iowa Acts, Senate File 2417, amended Iowa law to allow participants in the Iowa educational savings plan trust program to withdraw up to \$10,000 per beneficiary per year from an educational savings plan trust account for certain elementary or secondary school tuition expenses tax-free. Previously, tax-free withdrawals from these accounts had been restricted to certain college-related expenses. These amendments update the Department's existing rules to administer the tax consequences of these withdrawals for elementary and secondary school tuition expenses. Several minor technical corrections are also made to the Department's rules related to Iowa educational savings plan trusts.

Recent federal and Iowa legislation also provided that taxpayers may roll over funds from an educational savings plan account to an ABLE account tax-free under certain circumstances. The Iowa legislative changes provided that a taxpayer cannot deduct an amount rolled over from an Iowa educational savings plan trust account to an Iowa ABLE account if that amount was previously deducted as a contribution to the Iowa educational savings plan account. The Iowa legislation also provided that in the event of a nonqualifying withdrawal from an Iowa ABLE account, the taxpayer must include in the taxpayer's taxable income any amount that was previously deducted as a contribution to an Iowa college savings plan trust account and was later rolled over into an Iowa ABLE account. These amendments would update the Department's rules related to Iowa ABLE accounts to reflect these changes and to make minor technical corrections.

*Fiscal Impact*

This rule making has no fiscal impact beyond that of the legislation it is intended to implement. The Fiscal Note for 2018 Iowa Acts, Senate File 2417, does not provide a separate estimate for the cost of these specific provisions, only an aggregate impact of all income tax changes included in that legislation. The Department can provide additional information about the fiscal impacts of the legislation related to these specific provisions upon request.

REVENUE DEPARTMENT[701](cont'd)

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Benjamin Clough  
Department of Revenue  
Hoover State Office Building  
P.O. Box 10457  
Des Moines, Iowa 50306  
Phone: 515.725.2176  
Email: [ben.clough@iowa.gov](mailto:ben.clough@iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

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

The following rule-making actions are proposed:

ITEM 1. Amend rule 701—40.53(422) as follows:

**701—40.53(422) Deduction for contributions by taxpayers to the Iowa educational savings plan trust and addition to income for refunds of contributions previously deducted.** The Iowa educational savings plan trust was created so that individuals and certain other qualified participants can contribute funds on behalf of beneficiaries in accounts administered by the treasurer of state to cover ~~future higher education costs~~ qualified education expenses of the beneficiaries. The Iowa educational savings plan trust includes the college savings Iowa plan and the Iowa advisor 529 plan. The following subrules provide details on how individuals’ net incomes are affected by contributions to beneficiaries’ accounts, interest and any other earnings earned on beneficiaries’ accounts, and refunds of contributions which were previously deducted. Definitions and other information about establishing college savings Iowa accounts may be found in rules promulgated by the treasurer of state. See 781—Chapter 16.

**40.53(1) Deduction from net income for contributions made to the Iowa educational savings plan trust on behalf of beneficiaries.**

*a.* and *b.* No change.

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

c. The deduction on the 1998 Iowa return cannot exceed \$2,000 per beneficiary for contributions made in 1998 or the adjusted maximum annual amount for contributions made after 1998. Note that the maximum annual amount that can be deducted per beneficiary may be adjusted or increased to an amount greater than \$2,000 for inflation on an annual basis. Rollover contributions from other states' educational savings plans will qualify for the deduction, subject to the maximum amount allowable. Starting with tax years beginning in the 2000 calendar year, a participant may contribute an amount on behalf of a beneficiary that is greater than \$2,000, but may claim a deduction on the Iowa individual return of the lesser of the amount ~~given~~ contributed or \$2,000 as adjusted by inflation. For example, if a taxpayer made a \$5,000 contribution on behalf of a beneficiary to the Iowa educational savings plan trust in 2000, the taxpayer may claim a deduction on the IA 1040 return for 2000 in the amount of \$2,054, as this amount is \$2,000 as adjusted for inflation in effect for 2000.

EXAMPLE: An individual has ten grandchildren from the age of six months to 12 years. In October 1998, the person became a participant in the Iowa educational savings plan trust by making \$2,000 contributions to the trust on behalf of each of the ten grandchildren. When the participant ~~files~~ files the 1998 Iowa individual income tax return, the participant ~~can~~ could claim a deduction on the return for the \$20,000 contributed to the Iowa educational savings plan trust on behalf of the individual's ten grandchildren.

**40.53(2)** *Exclusion of interest and earnings on beneficiary accounts in the Iowa educational savings plan trust.* To the extent that interest or other earnings accrue on a beneficiary's account in the Iowa educational savings plan trust, the interest or other earnings are excluded for purposes of computing net income on the Iowa individual income tax return of the participant or the return of the beneficiary.

**40.53(3)** *Including on the Iowa individual return amounts refunded to the participant from the Iowa educational savings plan trust that had previously been deducted.* ~~If a~~ The refund or withdrawal of funds is to be included in net income on a participant's Iowa individual income tax return to the extent that contributions to the account had been deducted on prior Iowa individual income tax returns of the participant if the participant cancels a beneficiary's account in the Iowa educational savings plan trust and receives a refund of the funds in the account made on behalf of the beneficiary, or if a ~~the~~ the participant makes a withdrawal from the Iowa educational savings plan trust for purposes other than the ~~payment of qualified education expenses, the refund of the funds is to be included in net income on the participant's Iowa individual income tax return to the extent that contributions to the account had been deducted on prior state individual income tax returns of the participant.~~ following:

a. *Qualifying higher education withdrawals.* The payment of qualified higher education expenses as defined in Section 529(e)(3) of the Internal Revenue Code. The term "qualified higher education expenses" does not include tuition expenses related to attendance at an elementary or secondary school.

b. *Qualifying elementary and secondary tuition withdrawals.* For withdrawals made on or after January 1, 2018, the payment of tuition expenses in connection with and required for enrollment or attendance at an elementary or secondary school in Iowa which is accredited under Iowa Code section 256.11, and which adheres to the provisions of the federal Civil Rights Act of 1964 and Iowa Code chapter 216. These qualified tuition expenses shall not exceed \$10,000 per beneficiary per year. This limitation is based on the beneficiary, not the participant.

Participants are responsible for tracking the amount of qualified tuition expense payments a beneficiary may receive from other participants. If a beneficiary's distributions exceed this annual limitation, the most recent payments are presumed to be the nonqualifying payments. By agreement amongst themselves, account holders are permitted to choose an alternative method for determining which payments are nonqualifying. An alternative method is presumed valid if, after the additions to income required by this paragraph, the beneficiary's total qualifying tax-free withdrawals for elementary or secondary school tuition expenses do not exceed the \$10,000 limitation. However, upon request, the account holders are responsible for providing the department with adequate documentation to substantiate the method used.

c. *Change in beneficiaries.* A change in beneficiaries under, or transfer to another account within, the Iowa educational savings plan trust.

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

*d. ABLE rollovers.* A transfer to the Iowa ABLE savings plan trust, provided such change or transfer is permitted under Iowa Code section 12D.6(5).

EXAMPLE: Because a beneficiary of a certain participant died in the year 2000, this participant in the Iowa educational savings plan trust canceled the participant agreement for the beneficiary with the trust and received a refund of \$4,200 of funds in the beneficiary's account. Because \$4,000 of the refund represented contributions that the participant had deducted on prior Iowa individual income tax returns, the participant was to report on the Iowa return for the tax year 2000, \$4,000 in contributions that had been deducted on the participant's Iowa returns for 1998 and 1999.

EXAMPLE: Beneficiary A is an elementary school student who attends an accredited elementary school located in Iowa. Participant B and participant C have each opened an Iowa educational savings plan trust account with A as the designated beneficiary. In January 2019, participant B withdraws \$6,000 from B's account to pay A's spring semester tuition. In August 2019, participant C withdraws \$6,000 from C's account to pay for A's fall semester tuition. Although neither B nor C has made a withdrawal in excess of \$10,000, that limitation is based on the beneficiary, A, who has received a total of \$12,000 in distributions in 2019. Because A's total distributions have exceeded the annual limitation on distributions related to elementary or secondary school tuition, the participants must include the \$2,000 excess in their net income. Because C's withdrawal was made after B's, the entire excess is presumed attributable to C, and therefore C must include the entire \$2,000 excess in C's Iowa net income for 2019, unless B and C can show that they agreed to an alternative method of allocating the excess amount.

This rule is intended to implement Iowa Code section 422.7 as amended by 2015 Iowa Acts, chapter 138, sections 72 and 73, and 2016 Iowa Acts, chapter 1107.

ITEM 2. Amend rule 701—40.81(422) as follows:

**701—40.81(422) Iowa ABLE savings plan trust.** The Iowa ABLE savings plan trust was created so that individuals can contribute funds on behalf of designated beneficiaries into accounts administered by the treasurer of state. The funds contributed to the trust may be used to cover future disability-related expenses of the designated beneficiary. The funds contributed to the trust are intended to supplement, but not supplant, other benefits provided to the designated beneficiary by various federal, state, and private sources. The Iowa ABLE savings plan program is administered by the treasurer of state under the terms of Iowa Code chapter 12I. The following subrules provide details about how an individual's net income is affected by contributions to a beneficiary's account, by interest and any other earnings on a beneficiary's account, and by distributions of contributions which were previously deducted.

**40.81(1) and 40.81(2)** No change.

**40.81(3)** *Subtraction from net income for contributions made to the Iowa ABLE savings plan trust or other qualified ABLE program.* For tax years beginning on or after January 1, 2016, individuals can subtract from their Iowa net income the amount contributed to the Iowa ABLE savings plan trust or other qualified ABLE program on behalf of a designated beneficiary during the tax year, subject to the maximum contribution level for that year. This subtraction is not allowed for any contribution that is a transfer from an Iowa educational savings plan trust account and that was previously deducted as a contribution to the Iowa educational savings plan trust.

**40.81(4)** *Exclusion of interest and earnings on beneficiary accounts in the Iowa ABLE savings plan trust or other qualified ABLE program.* For tax years beginning on or after January 1, 2016, to the extent that interest or other earnings accrue on an account in the Iowa ABLE savings plan trust or other qualified ABLE program (if the account owner is an Iowa resident), the interest or other earnings are excluded for purposes of computing net income on the designated beneficiary's Iowa individual income tax return.

**40.81(5)** *Addition to net income of amounts distributed to the participant from the Iowa ABLE savings plan trust or other qualified ABLE program that had previously been deducted.*

*a.* For tax years beginning on or after January 1, 2016, if a taxpayer, as an account owner, cancels the account owner's account in the Iowa ABLE savings plan trust or other qualified ABLE program and receives a distribution of the funds in the account, the amount of the distribution shall be included in net income on the account owner's Iowa individual income tax return to the extent that contributions to the account had been deducted on prior state individual income tax returns of the account owner or any

REVENUE DEPARTMENT[701](cont'd)

other person as a contribution to the Iowa ABLE savings plan trust or other qualified ABLE program or as a contribution to an Iowa educational savings plan trust account.

*b.* For tax years beginning on or after January 1, 2016, if a taxpayer makes a withdrawal of funds previously deducted by the taxpayer or any other person from the Iowa ABLE savings plan trust or other qualified ABLE program for purposes other than the payment of qualified disability expenses, the amount of the withdrawal shall be included in net income on the taxpayer's Iowa individual income tax return to the extent that contributions to the account had been deducted on prior state Iowa individual income tax returns of the taxpayer or any other person as contributions to a qualified ABLE program or an Iowa educational savings plan trust account.

**40.81(6) Maximum contribution level.** The amount of the deduction available for an individual taxpayer each year for contributions on behalf of any one designated beneficiary to the Iowa ABLE savings plan trust or other qualified ABLE program may not exceed the maximum contribution level for that year. The maximum contribution level is set by the treasurer of state. The maximum contribution level is indexed yearly for inflation pursuant to Iowa Code section ~~422.3(1)“a.”~~ 12D.3(1).

This rule is intended to implement Iowa Code section 422.7 ~~as amended by 2015 Iowa Acts, chapter 437.~~

**ARC 4406C****REVENUE DEPARTMENT[701]****Notice of Intended Action****Proposing rule making related to section 179 expensing and providing an opportunity for public comment**

The Revenue Department hereby proposes to amend Chapter 40, “Determination of Net Income,” Chapter 53, “Determination of Net Income,” and Chapter 59, “Determination of Net Income,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 422.68.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, 2019 Iowa Acts, Senate File 220.

*Purpose and Summary*

Recently enacted 2019 Iowa Acts, Senate File 220, raises to \$70,000 the 2018 Iowa section 179 deduction limitation for expensing certain depreciable business assets applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax, and financial institutions subject to the franchise tax, with a reduction (phase-out) limitation of \$280,000. Prior to Senate File 220, these higher limitations applied only to individuals and entities taxed as partnerships. The proposed amendments in this Notice of Intended Action would update the existing charts in rules 701—40.65(422), 701—53.23(422), and 701—59.24(422) for individual income tax, corporate income tax, and franchise tax to reflect the higher limitations now applicable to corporations and financial institutions for 2018. The amendments update references to the lower limits in the rules and examples to reflect the higher limits and make several technical corrections. Finally, at the time these rules were originally adopted, the federal section 179 dollar and reduction limitation amounts as indexed for inflation for 2019 were not known. The Internal Revenue Service has since released these indexed amounts, so the updated amounts have been added to the charts provided in each of the three rules.

REVENUE DEPARTMENT[701](cont'd)

*Fiscal Impact*

This rule making has no fiscal impact beyond that of the legislation it is intended to implement, as described in the Legislative Services Agency Fiscal Note for 2019 Iowa Acts, Senate File 220.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Benjamin Clough  
Department of Revenue  
Hoover State Office Building  
P.O. Box 10457  
Des Moines, Iowa 50306  
Phone: 515.725.2176  
Email: [ben.clough@iowa.gov](mailto:ben.clough@iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

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

The following rule-making actions are proposed:

ITEM 1. Amend rule 701—40.65(422) as follows:

**701—40.65(422) Section 179 expensing.**

**40.65(1)** *In general.* Iowa taxpayers who elect to expense certain depreciable business assets in the year the assets were placed in service under Section 179 of the Internal Revenue Code must also expense those same assets for Iowa income tax purposes in that year. However, for certain years, the Iowa limitations on this deduction are different from the federal limitations for the same year. This means that for some tax years, adjustments are required to determine the correct Iowa section 179 expensing deduction, as described in this rule.

**40.65(2)** *Claiming the deduction.*



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

a. *Timing and requirement to follow federal election.* A taxpayer who takes a federal section 179 deduction must also take the deduction for the same asset in the same year for Iowa purposes, except as expressly provided by Iowa law or this rule. A taxpayer who takes a federal section 179 deduction is not permitted to opt out of taking the same deduction for Iowa purposes. A taxpayer who does not take a federal section 179 deduction on a specific qualifying asset is not permitted to take a section 179 deduction for Iowa purposes on that asset.

b. *Qualifying for the deduction.* Whether a specific business asset qualifies for a section 179 deduction is determined by the Internal Revenue Code (Title 26, U.S. Code) and applicable federal regulations for both federal and Iowa purposes.

c. *Amount of the Iowa deduction.* Generally, the Iowa deduction must equal the amount of the federal deduction taken for the same asset in the same year, subject to special Iowa limitations. The following chart provides a comparison of the Iowa and federal section 179 dollar limitations and reduction limitations. ~~For tax years beginning on or after January 1, 2018, and before January 1, 2019, the Iowa limitations applicable to individuals and corporations (both C and S corporations) are not the same; see See rule 701—53.23(422) for the section 179 limitations imposed on rules applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax, and see rule 701—59.24(422) for the section 179 limitations imposed on rules applicable to financial institutions subject to the franchise tax.~~

Section 179 Deduction Allowances Under Federal and Iowa Law				
Tax Year	Federal		Iowa	
	Dollar Limitation	Reduction Limitation	Dollar Limitation	Reduction Limitation
2003	\$ 100,000	\$ 400,000	\$ 100,000	\$ 400,000
2004	102,000	410,000	102,000	410,000
2005	105,000	420,000	105,000	420,000
2006	108,000	430,000	108,000	430,000
2007	125,000	500,000	125,000	500,000
2008	250,000	800,000	250,000	800,000
2009	250,000	800,000	133,000	530,000
2010	500,000	2,000,000	500,000	2,000,000
2011	500,000	2,000,000	500,000	2,000,000
2012	500,000	2,000,000	500,000	2,000,000
2013	500,000	2,000,000	500,000	2,000,000
2014	500,000	2,000,000	500,000	2,000,000
2015	500,000	2,000,000	500,000	2,000,000
2016	500,000	2,010,000	25,000	200,000
2017	510,000	2,030,000	25,000	200,000
2018	1,000,000	2,500,000	70,000*	280,000
2019	Indexed amount unknown as of 8/2/18 1,020,000	Indexed amount unknown as of 8/2/18 2,550,000	100,000	400,000
2020 and later	Iowa limitations are the same as federal			

\*The Iowa limitations for 2018 are applicable to individuals and pass-through entities other than corporations or financial institutions. For Iowa limitations applicable to corporations (both C and S corporations) and entities subject to the corporate income tax, or to financial institutions subject to the franchise tax, see rules 701—53.23(422) and 701—59.24(422), respectively.

d. to h. No change.

**40.65(3)** *Section 179 deduction received from a pass-through entity.* In some cases, an individual or entity that receives income from one or more pass-through entities may receive a section 179 deduction in

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

excess of the Iowa deduction limitation listed in paragraph 40.65(2) “c” for a given year. The individual or entity may be eligible for a special election with regard to that excess section 179 deduction, as described in this subrule.

*a. Tax years beginning before January 1, 2018.* For tax years beginning before January 1, 2018, the amount of any section 179 deduction received in excess of the Iowa deduction limitation for that year is not eligible for the special election.

*b. Special election available for tax years 2018 and 2019.* For tax years beginning on or after January 1, 2018, but before January 1, 2020, an individual or entity, ~~other than a corporation (both C and S corporations) or an entity subject to the corporate income tax or franchise tax,~~ that receives a section 179 deduction from one or more pass-through entities in excess of the Iowa deduction limitation for that tax year may elect to deduct the excess in future years, as described in this subrule. See rule 701—53.23(422) for ~~special~~ rules applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax, and see rule 701—59.24(422) for ~~special~~ rules applicable to financial institutions subject to the franchise tax.

(1) This special election applies only to section 179 deductions passed through to the individual or entity by one or more other entities.

(2) If the total Iowa section 179 deduction passed through to the individual or entity exceeds the federal section 179 deduction limitation for that year, the individual or entity may only use the amount up to the federal limitation when calculating the deduction under this election. Any amount in excess of the federal limitation shall not be deducted for Iowa purposes.

*c. to g.* No change.

This rule is intended to implement Iowa Code section 422.7 as amended by ~~2018 Iowa Acts, Senate File 2417~~ 2019 Iowa Acts, Senate File 220.

ITEM 2. Amend rule 701—53.23(422) as follows:

**701—53.23(422) Section 179 expensing.**

**53.23(1) *In general.*** Iowa taxpayers that elect to expense certain depreciable business assets in the year the assets were placed in service under section 179 of the Internal Revenue Code must also expense those same assets for Iowa income tax purposes in that year. However, for certain years, the Iowa limitations on this deduction are different from the federal limitations for the same year. This means that for some tax years, adjustments are required to determine the correct Iowa section 179 expensing deduction, as described in this rule.

**53.23(2) *Claiming the deduction.***

*a. Timing and requirement to follow federal election.* A taxpayer that takes a federal section 179 deduction must also take the deduction for the same asset in the same year for Iowa purposes, except as expressly provided by Iowa law or this rule. A taxpayer that takes a federal section 179 deduction is not permitted to opt out of taking the same deduction for Iowa purposes. A taxpayer that does not take a federal section 179 deduction on a specific qualifying asset is not permitted to take a section 179 deduction for Iowa purposes on that asset.

*b. Qualifying for the deduction.* Whether a specific business asset qualifies for a section 179 deduction is determined by the Internal Revenue Code (Title 26, U.S. Code) and applicable federal regulations for both federal and Iowa purposes.

*c. Amount of the Iowa deduction.* Generally, the Iowa deduction must equal the amount of the federal deduction taken for the same asset in the same year, subject to special Iowa limitations. The following chart provides a comparison of the Iowa and federal section 179 dollar limitations and reduction limitations. ~~For tax years beginning on or after January 1, 2018, and before January 1, 2019, the Iowa limitations applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax and to financial institutions subject to the franchise tax are not the same as the limitations applicable to individuals and other entities; see~~ See rule 701—40.65(422) for the section 179 limitations imposed on rules applicable to individuals and other noncorporate entities, and see rule 701—59.24(422) for the section 179 limitations subject to rules applicable to financial institutions subject to the franchise tax.

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

Section 179 Deduction Allowances Under Federal and Iowa Law				
	Federal		Iowa	
Tax Year	Dollar Limitation	Reduction Limitation	Dollar Limitation	Reduction Limitation
2003	\$ 100,000	\$ 400,000	\$ 100,000	\$ 400,000
2004	102,000	410,000	102,000	410,000
2005	105,000	420,000	105,000	420,000
2006	108,000	430,000	108,000	430,000
2007	125,000	500,000	125,000	500,000
2008	250,000	800,000	250,000	800,000
2009	250,000	800,000	133,000	530,000
2010	500,000	2,000,000	500,000	2,000,000
2011	500,000	2,000,000	500,000	2,000,000
2012	500,000	2,000,000	500,000	2,000,000
2013	500,000	2,000,000	500,000	2,000,000
2014	500,000	2,000,000	500,000	2,000,000
2015	500,000	2,000,000	500,000	2,000,000
2016	500,000	2,010,000	25,000	200,000
2017	510,000	2,030,000	25,000	200,000
2018	1,000,000	2,500,000	<del>25,000</del> * 70,000	<del>200,000</del> 280,000
2019	Indexed amount unknown as of 8/2/18 1,020,000	Indexed amount unknown as of 8/2/18 2,550,000	100,000	400,000
2020 and later	Iowa limitations are the same as federal			
* The Iowa limitations for 2018 are applicable to corporations (both C and S corporations), entities subject to the corporate income tax, and financial institutions subject to the franchise tax. For Iowa limitations applicable to individuals and pass-through entities which are not corporations, see rule 701—40.65(422).				

*d. Reduction.* Both the federal and the Iowa deductions for section 179 assets are reduced (phased out dollar for dollar) for taxpayers whose total section 179 assets placed in service during a given year cost more than the amount specified (reduction limitation) for that year. Like the deduction limitation, the Iowa and federal reduction limitations are different for certain years. See paragraph 53.23(2) “c” for applicable limitations.

EXAMPLE: Taxpayer, a corporation, purchases \$400,000 worth of qualifying section 179 assets and places all of them in service in 2018. Taxpayer claims a section 179 deduction of \$400,000 for the full cost of the assets on the 2018 federal return. For corporations, the Iowa section 179 deduction for 2018 is phased out dollar for dollar by the amount of section 179 assets placed in service in excess of ~~\$200,000~~ \$280,000. This means that, for 2018, the Iowa deduction is fully phased out if the taxpayer placed in service section 179 assets that cost, in total, more than ~~\$225,000~~ \$350,000. Since the cost of the qualifying assets in this example exceeds the Iowa section 179 phase-out limit, the taxpayer cannot claim any section 179 deduction on the Iowa return. However, the taxpayer may depreciate the entire cost of the assets for Iowa purposes.

*e. Amounts in excess of the Iowa limits.*

(1) Recovering the excess. Due to the differences between the Iowa and federal limitations for certain years, taxpayers may have a federal section 179 deduction that exceeds the amount allowed for Iowa purposes. This excess amount is handled in different ways depending on the source of the deduction.

1. Assets placed in service by the taxpayer or entity reporting the deduction. The cost of any section 179 assets placed in service by the taxpayer in excess of the Iowa limitation for a given year may be recovered through regular depreciation under Section 168 of the Internal Revenue Code, without regard to bonus depreciation under Section 168(k). The Iowa section 179 and depreciation deductions

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

and any basis adjustments resulting from the difference in timing of the recovery between Iowa and federal law are calculated and tracked on forms made available on the department's website.

EXAMPLE: Taxpayer, a corporation, purchases a \$100,000 piece of equipment and places it in service in 2018. Taxpayer claims a section 179 deduction of \$100,000 for the full cost of the equipment on the 2018 federal return. Taxpayer is also required to claim a section 179 deduction of ~~\$25,000~~ \$70,000 on the 2018 Iowa return (the full amount of the federal deduction up to the Iowa limit for corporations for 2018). The taxpayer can depreciate the remaining ~~\$75,000~~ \$30,000 cost of the equipment for Iowa purposes.

2. Special election for assets placed in service by a pass-through entity when the section 179 deduction is claimed by an owner of that pass-through. See subrule 53.23(3) for information on a special election available to certain owners of pass-through entities related to any section 179 deductions passed through from a partnership or other entity that, in the aggregate, exceed the Iowa limitations.

(2) Special information for pass-throughs. In the case of pass-through entities, section 179 limitations apply at both the entity level and the owner level. Pass-through entities that are required to file an Iowa return and that actually place section 179 assets in service should follow 53.23(2) "e"(1)"1" to account for any assets for which the total federal section 179 deductions for a given year exceeded the Iowa limitation. Owners of pass-throughs receiving section 179 deductions from one or more pass-throughs that, in the aggregate, exceed the Iowa limitations should follow 53.23(2) "e"(1)"2."

EXAMPLE: A, Inc. (a corporation doing business exclusively in Iowa) owns 50 percent interests in each of three partnerships: C, D, and E. Partnership C, which also does business exclusively in Iowa, places \$200,000 worth of section 179 assets in service during tax year 2019 and claims a federal section 179 deduction for the full cost of the assets. Because C is required to file an Iowa partnership return, C is subject to the Iowa section 179 limitations for 2019 and must adjust its Iowa section 179 deduction as provided in 40.65(2) "e"(1)"1." C passes through 50 percent of its section 179 deduction (\$100,000 for federal purposes, \$50,000 for Iowa purposes) to A, Inc. A, Inc. also receives \$50,000 each in section 179 deductions from D and E, for a total of \$150,000 in section 179 deductions (for Iowa purposes) in 2019. A, Inc. is subject to the \$100,000 Iowa section 179 deduction limitation for 2019, but because A, Inc. received total section 179 deductions from one or more pass-throughs in excess of the 2019 Iowa limitation, A, Inc. is eligible for the special election referenced in 53.23(2) "e"(1)"2."

*f. Income limitation.* The Iowa section 179 deduction for any given year is limited to the taxpayer's income from active conduct in a trade or business in the same manner that the section 179 deduction is limited for federal purposes. If an allowable Iowa section 179 deduction exceeds the taxpayer's business income for a given year, any excess allowable Iowa section 179 deduction may be carried forward as described in paragraph 53.23(2) "g."

*g. Carryforward.* This paragraph applies only to amounts that do not exceed the Iowa section 179 deduction limitations for a given year but do exceed the taxpayer's business income for that year. As with the federal deduction, allowable Iowa section 179 deductions claimed in a given year that exceed a taxpayer's business income may be carried forward and claimed in future years. This carryforward, if any, is calculated using only amounts up to the Iowa limit. Any federal section 179 deduction the taxpayer claimed in excess of the Iowa limit is not an Iowa section 179 deduction and therefore is not eligible for the carryforward described in this paragraph. Such amounts must instead be recovered as described in paragraph 53.23(2) "e," or in subrule 53.23(3) for taxpayers receiving the deduction from one or more pass-through entities and making the special election as described in that subrule.

*h. Difference in basis.* Iowa adjustments for differences between the Iowa and federal section 179 deduction limitations may cause the taxpayer to have a different basis in the same asset for Iowa and federal purposes. Taxpayers are required to use forms made available on the department's website to calculate and track these differences.

**53.23(3) Section 179 deduction received from a pass-through entity.** In some cases, an entity that receives income from one or more pass-through entities may receive a section 179 deduction in excess of the Iowa deduction limitation listed in paragraph 53.23(2) "c" for a given year. The entity may be eligible for a special election with regard to that excess section 179 deduction, as described in this subrule.

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

*a. Tax years beginning before January 1, 2019 2018.* For tax years beginning before January 1, 2019 2018, the amount of any section 179 deduction received by a corporation (both C and S corporations) or an entity subject to the corporate income tax in excess of the Iowa deduction limitation for that year is not eligible for the special election.

*b. Special election available for tax year 2019 years 2018 and 2019.* For tax years beginning on or after January 1, 2019 2018, but before January 1, 2020, a corporation (both C and S corporations) or an entity subject to the corporate income tax that receives a section 179 deduction from one or more pass-through entities in excess of the Iowa deduction limitation for that tax year may elect to deduct the excess in future years, as described in this subrule. See rule 701—40.65(422) for special rules applicable to individuals and other noncorporate entities, and see rule 701—59.24(422) for special rules applicable to financial institutions subject to the franchise tax.

(1) This special election applies only to section 179 deductions passed through to the corporation or entity subject to the corporate income tax by one or more other entities.

(2) If the total Iowa section 179 deduction passed through to the corporation or entity subject to the corporate income tax exceeds the federal section 179 deduction limitation for that year, the corporation or other entity may only use the amount up to the federal limitation when calculating the deduction under this election. Any amount in excess of the federal limitation shall not be deducted for Iowa purposes.

*c. to g. No change.*

This rule is intended to implement Iowa Code section 422.35 as amended by 2018 Iowa Acts, Senate File 2417 2019 Iowa Acts, Senate File 220.

ITEM 3. Amend rule 701—59.24(422) as follows:

**701—59.24(422) Section 179 expensing.**

**59.24(1) In general.** Iowa taxpayers that elect to expense certain depreciable business assets in the year the assets were placed in service under Section 179 of the Internal Revenue Code must also expense those same assets for Iowa income tax purposes in that year. However, for certain years, the Iowa limitations on this deduction are different from the federal limitations for the same year. This means that for some tax years, adjustments are required to determine the correct Iowa section 179 expensing deduction, as described in this rule.

**59.24(2) Claiming the deduction.**

*a. Timing and requirement to follow federal election.* A taxpayer that takes a federal section 179 deduction must also take the deduction for the same asset in the same year for Iowa purposes, except as expressly provided by Iowa law or this rule. A taxpayer that takes a federal section 179 deduction is not permitted to opt out of taking the same deduction for Iowa purposes. A taxpayer that does not take a federal section 179 deduction on a specific qualifying asset is not permitted to take a section 179 deduction for Iowa purposes on that asset.

*b. Qualifying for the deduction.* Whether a specific business asset qualifies for a section 179 deduction is determined by the Internal Revenue Code (Title 26, U.S. Code) and applicable federal regulations for both federal and Iowa purposes.

*c. Amount of the Iowa deduction.* Generally, the Iowa deduction must equal the amount of the federal deduction taken for the same asset in the same year, subject to special Iowa limitations. The following chart provides a comparison of the Iowa and federal section 179 dollar limitations and reduction limitations. ~~For tax years beginning on or after January 1, 2018, and before January 1, 2019, the Iowa limitations applicable to financial institutions subject to the franchise tax and to corporations (both C and S corporations) and other entities subject to the corporate income tax are not the same as the limitations applicable to individuals and other entities; see~~ See rule 701—40.65(422) for the section 179 ~~limitations imposed on~~ rules applicable to individuals and other noncorporate entities, and see rule 701—53.23(422) for the section 179 ~~limitations imposed on~~ rules applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax.

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

Section 179 Deduction Allowances Under Federal and Iowa Law				
Tax Year	Federal		Iowa	
	Dollar Limitation	Reduction Limitation	Dollar Limitation	Reduction Limitation
2003	\$ 100,000	\$ 400,000	\$ 100,000	\$ 400,000
2004	102,000	410,000	102,000	410,000
2005	105,000	420,000	105,000	420,000
2006	108,000	430,000	108,000	430,000
2007	125,000	500,000	125,000	500,000
2008	250,000	800,000	250,000	800,000
2009	250,000	800,000	133,000	530,000
2010	500,000	2,000,000	500,000	2,000,000
2011	500,000	2,000,000	500,000	2,000,000
2012	500,000	2,000,000	500,000	2,000,000
2013	500,000	2,000,000	500,000	2,000,000
2014	500,000	2,000,000	500,000	2,000,000
2015	500,000	2,000,000	500,000	2,000,000
2016	500,000	2,010,000	25,000	200,000
2017	510,000	2,030,000	25,000	200,000
2018	1,000,000	2,500,000	<del>25,000</del> * 70,000	<del>200,000</del> 280,000
2019	Indexed amount unknown as of 8/2/18 1,020,000	Indexed amount unknown as of 8/2/18 2,550,000	100,000	400,000
2020 and later	Iowa limitations are the same as federal			

\* These Iowa limitations for 2018 are applicable to financial institutions subject to the franchise tax, corporations (both C and S corporations), and entities subject to the corporate income tax. For Iowa limitations applicable to individuals and pass-through entities which are not financial institutions or corporations, see rule 701-40.65(422).

*d. Reduction.* Both the federal and the Iowa deductions for section 179 assets are reduced (phased out dollar for dollar) for taxpayers whose total section 179 assets placed in service during a given year cost more than the amount specified (reduction limitation) for that year. Like the deduction limitation, the Iowa and federal reduction limitations are different for certain years. See paragraph 59.24(2) "c" for applicable limitations.

EXAMPLE: Taxpayer, a financial institution doing business in Iowa, purchases \$400,000 worth of qualifying section 179 assets and places all of them in service in 2018. Taxpayer claims a section 179 deduction of \$400,000 for the full cost of the assets on the 2018 federal return. For financial institutions, the Iowa section 179 deduction for 2018 is phased out dollar for dollar by the amount of section 179 assets placed in service in excess of ~~\$200,000~~ \$280,000. This means that for 2018, the Iowa deduction is fully phased out if the taxpayer placed in service section 179 assets that cost, in total, more than ~~\$225,000~~ \$350,000. Since the cost of the qualifying assets in this example exceeds the Iowa section 179 phase-out limit, the taxpayer cannot claim any section 179 deduction on the Iowa return. However, the taxpayer may depreciate the entire cost of the assets for Iowa purposes.

*e. Amounts in excess of the Iowa limits.*

(1) Recovering the excess. Due to the differences between the Iowa and federal limitations for certain years, taxpayers may have a federal section 179 deduction that exceeds the amount allowed for Iowa purposes. This excess amount is handled in different ways depending on the source of the deduction.

1. Assets placed in service by the taxpayer or entity reporting the deduction. The cost of any section 179 assets placed in service by the taxpayer in excess of the Iowa limitation for a given year may be recovered through regular depreciation under Section 168 of the Internal Revenue Code, without regard to bonus depreciation under Section 168(k). The Iowa section 179 and depreciation deductions

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

and any basis adjustments resulting from the difference in timing of the recovery between Iowa and federal law are calculated and tracked on forms made available on the department's website.

EXAMPLE: Taxpayer, a financial institution doing business in Iowa, purchases a \$100,000 piece of equipment and places it in service in 2018. Taxpayer claims a section 179 deduction of \$100,000 for the full cost of the equipment on the 2018 federal return. Taxpayer is also required to claim a section 179 deduction of ~~\$25,000~~ \$70,000 on the 2018 Iowa return (the full amount of the federal deduction up to the Iowa limit for financial institutions for 2018). The taxpayer can depreciate the remaining ~~\$75,000~~ \$30,000 cost of the equipment for Iowa purposes.

2. Special election for assets placed in service by a pass-through entity when the section 179 deduction is claimed by an owner of that pass-through. See subrule 59.24(3) for information on a special election available to certain owners of pass-through entities related to any section 179 deductions passed through from a partnership or other entity that, in the aggregate, exceed the Iowa limitations.

(2) Special information for pass-throughs. In the case of pass-through entities, section 179 limitations apply at both the entity level and the owner level. Pass-through entities that are required to file an Iowa return and that actually place section 179 assets in service should follow 59.24(2) "e"(1)"1" to account for any assets for which the total federal section 179 deductions for a given year exceeded the Iowa limitation. Owners of pass-throughs receiving section 179 deductions from one or more pass-throughs that, in the aggregate, exceed the Iowa limitations should follow 59.24(2) "e"(1)"2."

EXAMPLE: Bank A (a financial institution doing business exclusively in Iowa) owns 50 percent interests in each of three partnerships: C, D, and E. Partnership C, which also does business exclusively in Iowa, places \$200,000 worth of section 179 assets in service during tax year 2019 and claims a federal section 179 deduction for the full cost of the assets. Because C is required to file an Iowa partnership return, C is subject to the Iowa section 179 limitations for 2019 and must adjust its Iowa section 179 deduction as provided in 40.65(2) "e"(1)"1." C passes through 50 percent of its section 179 deduction (\$100,000 for federal purposes, \$50,000 for Iowa purposes) to Bank A. Bank A also receives \$50,000 each in section 179 deductions from D and E, for a total of \$150,000 in section 179 deductions (for Iowa purposes) in 2019. Bank A is subject to the \$100,000 Iowa section 179 deduction limitation for 2019, but because Bank A received total section 179 deductions from one or more pass-throughs in excess of the 2019 Iowa limitation, Bank A is eligible for the special election referenced in 59.24(2) "e"(1)"2."

f. *Income limitation.* The Iowa section 179 deduction for any given year is limited to the taxpayer's income from active conduct in a trade or business in the same manner that the section 179 deduction is limited for federal purposes. If an allowable Iowa section 179 deduction exceeds the taxpayer's business income for a given year, any excess allowable Iowa section 179 deduction may be carried forward as described in paragraph 59.24(2) "g."

g. *Carryforward.* This paragraph applies only to amounts that do not exceed the Iowa section 179 deduction limitations for a given year but do exceed the taxpayer's business income for that year. As with the federal deduction, allowable Iowa section 179 deductions claimed in a given year that exceed a taxpayer's business income may be carried forward and claimed in future years. This carryforward, if any, is calculated using only amounts up to the Iowa limit. Any federal section 179 deduction the taxpayer claimed in excess of the Iowa limit is not an Iowa section 179 deduction and therefore is not eligible for the carryforward described in this paragraph. Such amounts must instead be recovered as described in paragraph 59.24(2) "e," or in subrule 59.24(3) for taxpayers receiving the deduction from one or more pass-through entities and making the special election as described in that subrule.

h. *Difference in basis.* Iowa adjustments for differences between the Iowa and federal section 179 deduction limitations may cause the taxpayer to have a different basis in the same asset for Iowa and federal purposes. Taxpayers are required to use forms made available on the department's website to calculate and track these differences.

**59.24(3) Section 179 deduction received from a pass-through entity.** In some cases, a financial institution that receives income from one or more pass-through entities may receive a section 179 deduction in excess of the Iowa deduction limitation listed in paragraph 59.24(2) "c" for a given year. The financial institution may be eligible for a special election with regard to that excess section 179 deduction, as described in this subrule.

REVENUE DEPARTMENT[701](cont'd)

a. *Tax years beginning before January 1, ~~2019~~ 2018.* For tax years beginning before January 1, ~~2019~~ 2018, the amount of any section 179 deduction received by a financial institution subject to the franchise tax in excess of the Iowa deduction limitation for that year is not eligible for the special election.

b. *Special election available for tax year ~~2019~~ years 2018 and 2019.* For tax years beginning on or after January 1, ~~2019~~ 2018, but before January 1, 2020, a financial institution subject to the franchise tax that receives a section 179 deduction from one or more pass-through entities in excess of the Iowa deduction limitation for that tax year may elect to deduct the excess in future years, as described in this subrule. See rule 701—40.65(422) for special rules applicable to individuals and other noncorporate entities, and see rule 701—53.23(422) for special rules applicable to corporations (both C and S corporations) and other entities subject to the corporate income tax.

(1) This special election applies only to section 179 deductions passed through to the financial institution by one or more other entities.

(2) If the total Iowa section 179 deduction passed through to the financial institution exceeds the federal section 179 deduction limitation for that year, the financial institution may only use the amount up to the federal limitation when calculating the deduction under this election. Any amount in excess of the federal limitation shall not be deducted for Iowa purposes.

c. to g. No change.

This rule is intended to implement Iowa Code section 422.35 as amended by ~~2018 Iowa Acts, Senate File 2417~~ 2019 Iowa Acts, Senate File 220.

### 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 Katie Averill, Superintendent of Banking Ronald L. Hansen, and Auditor of State Rob Sand has established today the following rates of interest for public obligations and special assessments. The usury rate for April is 4.75%.

#### 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 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 April 9, 2019, setting the minimums that may be paid by Iowa depositories on public funds are listed below.



TREASURER OF STATE(cont'd)

TIME DEPOSITS

7-31 days .....	Minimum .40%
32-89 days .....	Minimum .40%
90-179 days .....	Minimum .50%
180-364 days .....	Minimum .70%
One year to 397 days .....	Minimum .90%
More than 397 days .....	Minimum 1.00%

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.

USURY

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

May 1, 2018 — May 31, 2018	4.50%
June 1, 2018 — June 30, 2018	4.50%
July 1, 2018 — July 31, 2018	5.00%
August 1, 2018 — August 31, 2018	5.00%
September 1, 2018 — September 30, 2018	5.00%
October 1, 2018 — October 31, 2018	5.00%
November 1, 2018 — November 30, 2018	5.00%
December 1, 2018 — December 31, 2018	5.25%
January 1, 2019 — January 31, 2019	5.00%
February 1, 2019 — February 28, 2019	4.75%
March 1, 2019 — March 31, 2019	4.75%
April 1, 2019 — April 30, 2019	4.75%
May 1, 2019 — May 31, 2019	4.50%

ARC 4407C

UTILITIES DIVISION[199]

Amended Notice of Intended Action

Providing for a public hearing on rule making related to electric interconnection of distributed generation facilities

The Notice of Intended Action published in the Iowa Administrative Bulletin on February 13, 2019, as ARC 4284C, proposes to amend Chapter 45, "Electric Interconnection of Distributed Generation Facilities," Iowa Administrative Code. In order to receive oral comments concerning ARC 4284C, the Utilities Board hereby gives notice that an oral presentation will be held as follows:

UTILITIES DIVISION[199](cont'd)

May 21, 2019  
11 a.m.

Board Hearing Room  
1375 East Court Avenue  
Des Moines, Iowa

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

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

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 474.5, 476.2 and 476.58.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 476.1, 476.8 and 476.58.

*Purpose and Summary*

The purpose of this rule making is to update the Board's interconnection rules to be consistent with the new Institute of Electrical and Electronics Engineers, Inc. (IEEE) Standard 1547.

The Board issued an order commencing rule making on January 23, 2019. The order is available on the Board's electronic filing system, [efs.iowa.gov](http://efs.iowa.gov), under Docket No. RMU-2018-0002.

A state agency requested an oral presentation for this rule making.

*Fiscal Impact, Jobs Impact, Waivers*

Statements related to the fiscal impact, jobs impact, and waiver of this rule making may be found in the preamble of **ARC 4284C**.

*Review by Administrative Rules Review Committee*

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

**ARC 4405C**

**VETERANS AFFAIRS, IOWA DEPARTMENT OF[801]**

**Notice of Intended Action**

**Proposing rule making related to veterans trust fund  
and providing an opportunity for public comment**

The Iowa Department of Veterans Affairs hereby proposes to amend Chapter 14, "Veterans Trust Fund," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 35A.13.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, 2018 Iowa Acts, Senate File 2366, section 4.

## VETERANS AFFAIRS, IOWA DEPARTMENT OF[801](cont'd)

*Purpose and Summary*

2018 Iowa Acts, Senate File 2366, section 4, removed Iowa Code section 35A.13(6)“1.” This proposed rule making removes the related provision by rescinding subrule 14.4(12).

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

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

*Public Comment*

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on May 14, 2019. Comments should be directed to:

Missy Miller  
Iowa Department of Veterans Affairs  
Camp Dodge, Bldg. #3465  
7105 NW 70th Avenue  
Johnston, Iowa 50131  
Email: [melissa.miller2@iowa.gov](mailto:melissa.miller2@iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

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

The following rule-making action is proposed:

Rescind and reserve subrule **14.4(12)**.

**ARC 4409C****DENTAL BOARD[650]****Adopted and Filed****Rule making related to prescribing standards,  
continuing education, and disciplinary standards**

The Dental Board hereby amends Chapter 16, “Prescribing, Administering, and Dispensing Drugs,” Chapter 25, “Continuing Education,” and Chapter 30, “Discipline,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 147.76, 153.33 and 272C.3.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 147.10, 147.11, 153.15A, 153.33, 153.39 and 272C.2.

*Purpose and Summary*

The primary purpose of these amendments is to make updates in accordance with 2018 Iowa Acts, House File 2377. Additional amendments make updates to and clarify existing rules.

The amendments to Chapter 16 update requirements for prescribing controlled substances pursuant to House File 2377 and update prescribing standards in general.

The amendments to Chapter 25 add requirements for continuing education on opioids, pursuant to House File 2377, and add a provision relating to the number of hours permitted to be claimed for an advanced cardiac life support course.

The amendment to Chapter 30 replaces rule 650—30.4(147,153,272C) with a new rule pertaining to updated disciplinary standards. The amendment clarifies and reorganizes disciplinary standards, adds an opioid-related disciplinary standard as required by House File 2377, and reduces duplicative disciplinary standards.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 13, 2019, as **ARC 4305C**. No public comments were received. However, feedback from the Administrative Rules Review Committee was taken into account, and minor edits were incorporated into this rule making, which the Board adopted and filed. The Board also made a minor edit to clarify the prescription monitoring program query requirement. In addition, commas were added for clarity in sentences in Items 1 and 11; the word “for” was changed to “in the case of” in subrule 16.2(7) in Item 2; the word “otherwise” was removed and the word “prescribing” was changed to “prescription” in subrule 16.4(1) in Item 6; and the words “in any manner” were moved within paragraph 30.4(1)“e” in Item 11.

*Adoption of Rule Making*

This rule making was adopted by the Board on April 5, 2019.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

DENTAL BOARD[650](cont'd)

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to 650—Chapter 7.

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend rule 650—16.1(124,153,155A) as follows:

**650—16.1(124,153,155A) Definitions.**

“Authorized delegate” means a licensed or registered health care professional, such as a dental hygienist, dental assistant or registered nurse, who has obtained PMP log-in credentials. A dental assistant trainee may not serve as an authorized delegate.

“Controlled substance” means a drug or other substance listed in division II of Iowa Code chapter 124.

“Electronic signature” means a confidential personalized digital key, code, or number used for secure electronic data transmissions which identifies and authenticates the signatory.

“Electronic transmission” means the transmission of information in electronic form or the transmission of the exact visual image of a document by way of electronic equipment. Electronic transmission includes but is not limited to transmission by facsimile machine and transmission by computer link, modem, or other computer communication device.

“Opioid” means a drug that produces an agonist effect on opioid receptors and is indicated or used for the treatment of pain.

“Prescription drug” means any of the following: (a) a substance for which federal or state law requires a prescription before it may be legally dispensed to the public; (b) a drug or device that under federal law is required, prior to being dispensed or delivered, to be labeled with either of the following statements: (1) Caution: Federal law prohibits dispensing without a prescription or (2) Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian; or (c) a drug or device that is required by any applicable federal or state law or regulation to be dispensed on prescription only, or is restricted to use by a practitioner only means a drug, as classified by the United States Food and Drug Administration, that is required to be prescribed or administered to a patient by a practitioner prior to dispensation.

“Prescription monitoring program” or “PMP” means the information program for drug prescribing and dispensing administered by the Iowa board of pharmacy.

ITEM 2. Amend rule 650—16.2(153) as follows:

**650—16.2(153) Scope of authority and prescribing requirements.**

**16.2(1)** A license to practice dentistry issued by this board permits the licensee to prescribe, administer, or dispense prescription drugs if the use is directly related to the practice of dentistry and is within the scope of the dentist-patient relationship. Registration with the Federal Drug Enforcement

## DENTAL BOARD[650](cont'd)

Administration and the Iowa board of pharmacy ~~examiners~~ further extends this privilege to controlled substances.

~~16.2(2) A dental examination must be conducted and a medical history taken before a dentist initially prescribes, administers, or dispenses medication to a patient, except for patients who receive fluoride or silver diamine fluoride dispensed under protocols approved by the bureau of oral and health delivery systems of the department of public health. The examination must focus on the patient's dental problems, and the resulting diagnosis must relate to the patient's specific complaint. The patient's dental record must contain written evidence of the examination and medical history. Prescribing by a licensed dentist must be directly related to the practice of dentistry. A dental examination and medical history must be taken before a dentist initially prescribes, administers, or dispenses a prescription drug to a patient, except for patients who receive fluoride dispensed under protocols approved by the bureau of oral and health delivery systems of the department of public health. A prescription drug prescribed, administered, or dispensed by a licensed dentist must be for a diagnosed condition and be included in a dental treatment plan. The patient's dental record must contain written evidence of the examination and medical history.~~

~~16.2(3) On each occasion when a medication prescription drug is prescribed, administered, or dispensed to a patient, an entry must be made in the patient's dental record containing the following information: the name, quantity, and strength of the medication prescription drug; the directions for its use; the date of issuance; and the condition for which the medication prescription drug was used.~~

~~16.2(4) A patient's dental record that contains an entry pertaining to the issuance of medications must be retained in accordance with 650—27.11(153,272C).~~

~~16.2(5) 16.2(4)~~ The prescribing, administering, and dispensing of prescription drugs shall be done in accordance with all applicable state and federal laws.

~~16.2(5) When controlled substances are purchased, administered, or dispensed, a dentist shall maintain records and accountability in accordance with 657—Chapter 10.~~

~~16.2(6) A dentist shall not self-prescribe or self-administer controlled substances.~~

~~16.2(7) Prescribing, administering, or dispensing controlled substances to members of the licensee's immediate family is prohibited, except in the case of an acute dental condition or on an emergency basis for a dental condition when the licensee conducts an examination, establishes a patient record, and maintains proper documentation.~~

ITEM 3. Rescind rule **650—16.3(153)**.

ITEM 4. Renumber rules **650—16.4(153)** to **650—16.6(153)** as **650—16.3(153)** to **650—16.5(153)**.

ITEM 5. Amend renumbered rule 650—16.3(153) as follows:

**650—16.3(153) Dispensing—requirements for containers and labeling.**

~~16.3(1) Containers. A prescription drug shall be dispensed in a suitable container which meets the requirements of the Poison Prevention Packaging Act of 1970, 15 U.S.C. §§ 1471-1476 which relates to childproof closure, unless otherwise required by the patient. Containers must also meet the requirements of Section 502G of the Federal Food Drug and Cosmetic Act, 21 U.S.C. §301 et seq. which pertains to light resistance and moisture resistance needs of the drug being dispensed designed to protect its integrity in accordance with all applicable federal and state laws.~~

~~16.3(2) Labeling. A label shall be affixed to the container in which a prescription drug is dispensed bearing the following information:~~

~~1. to 7. No change.~~

~~16.3(3) Prescription sample drugs dispensed in the original container or package and provided without charge shall be deemed to conform to labeling and packaging requirements.~~

ITEM 6. Amend renumbered rule 650—16.4(153) as follows:

**650—16.4(153) Identifying information on prescriptions Prescription requirements.**

~~16.4(1) Prescriptions for Schedule II, III, IV, and V controlled substances must include the name and address of the prescribing dentist and the dentist's federal DEA number. The name and address~~

## DENTAL BOARD[650](cont'd)

~~of the prescribing dentist may be preprinted. Proper security shall be maintained if prescription forms are preprinted. Prior to January 1, 2020, a prescription drug order may be written or transmitted to a pharmacy orally, by fax, or through electronic prescribing in accordance with applicable federal and state laws. A dentist shall take adequate measures to prevent prescription forgery from occurring. Beginning January 1, 2020, all prescription drug orders, including prescriptions for controlled substances, must be electronically prescribed unless exempted. Beginning January 1, 2020, a dentist who fails to comply with the electronic prescription mandate may be subject to a nondisciplinary administrative penalty of \$250 per violation, up to a maximum of \$5,000 per calendar year.~~

~~16.4(2) The dentist's signature on a prescription must be original or an electronic signature, not a copy or stamp, except as the use of electronic signatures may be limited by federal or state law. A dentist may delegate to a licensed dental hygienist or registered dental assistant the preparation of a prescription for the review, authorization, and manual or electronic signature of the dentist, but the dentist is responsible for the accuracy, completeness, and validity of the prescription.~~

~~16.4(3) On each occasion when medication is prescribed to a patient, the prescription issued to the patient shall contain the following information: the name of the patient for whom the prescription is intended; the name, quantity, and strength of the medication; the directions for its use; the date of issuance; and the name, address, and signature of the dentist issuing the prescription. A dentist shall securely maintain the unique authentication credentials issued to the dentist for utilization of the electronic prescription application and authentication of the dentist's electronic signature. Unique authentication credentials issued to any individual shall not be shared with or disclosed to any other individual.~~

ITEM 7. Amend renumbered rule 650—16.5(153) as follows:

~~650—16.5(153) **Transmission of prescriptions Required use of the PMP.** A prescription drug order may be transmitted to a pharmacy in written form, orally including telephone voice communication, or by electronic transmission in accordance with applicable federal and state laws and rules. A dentist shall take adequate measures to guard against the diversion of prescription drugs and controlled substances through prescription forgeries. The dentist may authorize an employee to transmit to the pharmacy a prescription drug order orally or by electronic transmission provided that the identity of the transmitting employee is included in the order.~~

~~16.5(1) *Computer-to-computer transmission of a prescription.* Prescription drug orders, excluding orders for controlled substances, may be communicated directly from a dentist's computer to a pharmacy's computer by electronic transmission.~~

~~a.—Orders shall be sent only to the pharmacy of the patient's choice with no unauthorized intervening person or other entity controlling, screening, or otherwise manipulating the prescription drug order or having access to it.~~

~~b.—The electronically transmitted order shall identify the dentist's telephone number for verbal confirmation, the time and date of transmission, and the pharmacy intended to receive the transmission as well as any other information required by federal or state law or rules.~~

~~c.—Orders shall be transmitted only by the dentist or the dentist's employee and shall include the dentist's electronic signature.~~

~~d.—The electronic transmission shall be deemed the original prescription drug order provided it meets the requirements of this rule.~~

~~16.5(1) Before a dentist issues an opioid prescription or dispenses an opioid, a dentist or authorized delegate shall query the PMP. The query shall be performed within 48 hours prior to a prescription being issued or dispensed and shall be done for each patient, each time an opioid prescription is authorized or dispensed.~~

~~16.5(2) *Faecsimile transmission of a prescription.* A dentist may request that a pharmacist dispense noncontrolled and controlled drugs, excluding Schedule II controlled substances, pursuant to a prescription transmitted to the pharmacy by the dentist or the dentist's employee. A dentist shall maintain the original prescription, if printed, in the patient's record. A dentist who dispenses a controlled~~

DENTAL BOARD[650](cont'd)

substance is required to report the dispensing to the PMP within one business day in accordance with 657—Chapter 37.

ITEM 8. Rescind rule **650—16.7(153).**

ITEM 9. Adopt the following **new** definition of “Opioid” in rule **650—25.1(153):**

“*Opioid*” means a drug that produces an agonist effect on opioid receptors and is indicated or used for the treatment of pain.

ITEM 10. Amend rule 650—25.4(153) as follows:

**650—25.4(153) Required continuing education courses.**

**25.4(1)** The following courses are required for all licensees and registrants:

- a. Mandatory reporter training for child abuse and dependent adult abuse.
- b. Cardiopulmonary resuscitation.
- c. Infection control.
- d. Jurisprudence.

**25.4(2)** Mandatory reporter training for child abuse and dependent adult abuse.

a. Licensees or registrants who regularly examine, attend, counsel or treat children in Iowa shall indicate on the renewal application completion of two hours of training in child abuse identification and reporting in the previous five years or conditions for exemptions as identified in paragraph ~~“f” of this subrule,~~ 25.4(2) “f,” pursuant to Iowa Code chapter 232. Completion of training in this course shall result in two hours of continuing education credit.

b. Licensees or registrants who regularly examine, attend, counsel or treat adults in Iowa shall indicate on the renewal application completion of two hours of training in dependent adult abuse identification and reporting in the previous five years or conditions for exemptions as identified in paragraph ~~“f” of this subrule,~~ 25.4(2) “f,” pursuant to Iowa Code chapter 235B.

c. Licensees or registrants who regularly examine, attend, counsel or treat both children and adults in Iowa shall indicate on the renewal application completion of at least two hours of training on the identification and reporting of abuse in children and dependent adults in the previous five years or conditions for exemptions as identified in paragraph ~~“f” of this subrule,~~ 25.4(2) “f,” pursuant to Iowa Code chapters 232 and 235B. Training may be completed through separate courses or in one combined course that includes curricula for identifying and reporting child abuse and dependent adult abuse. Completion of training in this combined course shall result in three hours of continuing education credit.

d. to f. No change.

**25.4(3)** Cardiopulmonary resuscitation (CPR). Licensees and registrants shall furnish evidence of valid certification for CPR, which shall be credited toward the continuing education requirement for renewal of the license, faculty permit or registration. Such evidence shall be filed at the time of renewal of the license, faculty permit or registration. Valid certification means certification by an organization on an annual basis or, if that certifying organization requires certification on a less frequent basis, evidence that the licensee or registrant has been properly certified for each year covered by the renewal period. In addition, the course must include a clinical component. Credit hours awarded for certification in CPR shall not exceed three hours of required continuing education hours per biennium. Credit hours awarded for certification in pediatric advanced life support (PALS) or advanced cardiac life support (ACLS) may be claimed hour for hour.

**25.4(4)** and **25.4(5)** No change.

**25.4(6)** The following is required for dentists only.

a. As a condition of license renewal, a licensed dentist who has prescribed opioids to a patient during the biennium renewal period shall obtain a minimum of one hour of continuing education credit on opioids. This training shall include guidelines for prescribing opioids, including recommendations on limitations of dosages and the length of prescriptions, risk factors for abuse, and nonopioid and nonpharmacological therapy options. This hour may count toward the 30 hours of continuing education required for license renewal. The licensee shall maintain documentation of this hour, which may be subject to audit. If the continuing education did not cover the U.S. Centers for Disease Control and



## DENTAL BOARD[650](cont'd)

Prevention guideline for prescribing opioids for chronic pain, the licensee shall read the guideline prior to license renewal.

b. A licensed dentist who did not prescribe opioids during the biennium renewal period may attest that the dentist is not subject to this requirement due to the fact that the dentist did not prescribe opioids during the time period.

ITEM 11. Rescind rule 650—30.4(147,153,272C) and adopt the following **new** rule in lieu thereof:

**650—30.4(147,153,272C) Grounds for discipline.** The following shall constitute grounds for the imposition by the board of one or more of the disciplinary sanctions set forth in rule 650—30.2(153), specifically including the imposition of civil penalties not to exceed \$10,000. This rule is not subject to waiver pursuant to 650—Chapter 7 or any other provision of law.

**30.4(1)** The board may impose discipline for the following violations related to licensure and registration:

- a. Fraud or deceit in procuring or renewing any license, permit, or registration, including any false or misleading statement of a material fact or omission of information required to be disclosed;
- b. Engaging in the practice of dentistry, dental hygiene, or dental assisting with a lapsed or inactive license, permit, or registration, or engaging in dental radiography with a lapsed or inactive dental radiography qualification;
- c. Engaging in the practice of dentistry, dental hygiene, or dental assisting without a license, permit, or registration, or engaging in dental radiography without a dental radiography qualification;
- d. Employing or permitting an unlicensed or unregistered person or a person with a lapsed or inactive license, permit, or registration to practice dentistry, dental hygiene, or dental assisting;
- e. Encouraging, assisting, or enabling in any manner the unauthorized practice of dentistry, dental hygiene, or dental assisting; or
- f. Failure to prominently display the names of all persons who are practicing dentistry, dental hygiene, or dental assisting within an office.

**30.4(2)** The board may impose discipline for the following violations related to ethics:

- a. Fraud in representation as to skill or ability, whether by words or conduct or concealment of that which should have been disclosed, including but not limited to violations of 650—Chapter 26;
- b. Knowingly making misleading, deceptive, untrue, or fraudulent representations in the practice of the licensee's or registrant's profession;
- c. Practicing dentistry, dental hygiene, or dental assisting in a manner that is harmful or detrimental to the public. Proof of actual injury need not be established;
- d. Conviction of a felony or misdemeanor crime if the conviction relates to the practice of the profession, which includes a finding or verdict of guilt made or returned in a criminal proceeding even if the adjudication of guilt is withheld or not entered;
- e. Improper sexual contact with, or making suggestive, lewd, lascivious or improper remarks or advances to, a patient or a coworker;
- f. Actions which are abusive, coercive, intimidating, harassing, untruthful, or threatening in the practice of dentistry;
- g. Obtaining any fee by fraud or misrepresentation;
- h. Giving or receiving cash or cash equivalents, or giving or receiving any gifts exceeding nominal value, for referral of patients;
- i. Failure to transfer patient records to another licensee upon request; or
- j. Unprofessional or unethical conduct including, but not limited to, those acts defined by Iowa Code section 153.32 or any violation of 650—Chapter 27.

**30.4(3)** The board may impose discipline for the following violations related to the ability to practice:

- a. Habitual use of drugs or intoxicants rendering the licensee or registrant unfit for practice; or
- b. Practicing dentistry, dental hygiene, or dental assisting while in a state of advanced physical or mental disability where such disability renders the licensee or registrant incapable of performing professional services or impairs functions of judgment necessary to the practice.

**30.4(4)** The board may impose discipline for the following violations related to patient care:

## DENTAL BOARD[650](cont'd)

- a. Willful and gross malpractice;
- b. Willful and gross neglect;
- c. Failure to maintain a satisfactory standard of competency;
- d. Failure to preserve the confidentiality of patient information or accessing any confidential patient information without authorization;
- e. Practicing beyond training; or
- f. Delegating any acts to any licensee or registrant that are beyond the training or education of the licensee or registrant, or that are otherwise prohibited by rule.

**30.4(5)** The board may impose discipline for the following violations related to prescribing:

- a. Violating the rules governing prescribing, including any violation of 650—Chapter 16;
- b. Improperly delegating access to the Iowa prescription monitoring program (PMP) to an unauthorized individual;
- c. Indiscriminately or promiscuously prescribing, administering, or dispensing any drug;
- d. Failure to check the PMP prior to prescribing an opioid; or
- e. Prescribing opioids in dosage amounts exceeding what would be prescribed by a reasonably prudent prescribing practitioner engaged in a similar practice.

**30.4(6)** The board may impose discipline for the following violations related to infection control:

- a. Failure to maintain adequate safety and sanitary conditions for a dental office; or
- b. Failure to comply with standard precautions for preventing and controlling infectious diseases and managing personnel health and safety concerns related to infection control, as “required” or “recommended” for dentistry by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services and the Iowa occupational safety and health administration.

**30.4(7)** The board may impose discipline for the following violations related to reporting, compliance, and other state laws:

- a. Failure to notify the board of change of address within 60 days;
- b. Failure to report disciplinary action taken by a licensing authority of another state, territory or country, or another licensing authority in this state, within 30 days of the final action by the licensing authority. A stay by an appellate court shall not negate this requirement; however, if the disciplinary action is overturned or reversed by a court of last resort, the report shall be expunged from the records of the board when the board is so notified;
- c. Having a license or registration revoked, suspended, or otherwise disciplined by a licensing authority in any state, territory, or country;
- d. Failure to report any adverse judgment in a professional malpractice action to which the licensee or registrant was a party or any settlement of a claim against the licensee or registrant alleging malpractice;
- e. Failure to comply with an order of the board;
- f. Violating any provision of Iowa law or rule of the board, or being a party to or assisting in any violation of any provision of Iowa law or rule of the board;
- g. Failure to report any restriction of practice imposed by a hospital, clinic, or other practicing setting;
- h. Failure to report any misdemeanor or felony conviction within 60 days, excluding traffic offenses;
- i. Failure to comply with an Iowa practitioner review committee (IPRC) initial agreement or contract;
- j. Failure to report to the board any acts or omissions made by other licensees or registrants of the board that may constitute a basis for disciplinary action under the rules of statutory provisions governing the practice of dentistry, dental hygiene, or dental assisting in Iowa; or
- k. Failure to report adverse occurrences related to sedation, nitrous oxide inhalation analgesia, and antianxiety premedication pursuant to 650—Chapter 29.

**30.4(8)** The board may impose discipline for the following violations related to board investigations:

- a. Knowingly providing false information to the board or an agent of the board during the course of an inspection or investigation or interfering with an inspection or investigation;

DENTAL BOARD[650](cont'd)

- b. Failure to comply with a subpoena issued by the board;
- c. Failure to fully and promptly comply with office inspections conducted at the request of the board to determine compliance with sanitation and infection control standards or sedation permit requirements;
- d. Failure to cooperate with a board investigation; or
- e. Retaliating against, threatening, or coercing any person for filing a complaint with the board or cooperating with a board inspection or investigation.

**30.4(9)** The board may impose discipline for the following violations related to continuing education:

- a. Failure to respond to the board during a continuing education audit, or failure to submit verification of continuing education requirements within the time period provided;
- b. Knowingly submitting a false report of continuing education; or
- c. Failure to meet the required continuing education hours per biennium.

[Filed 4/5/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4410C**

**HOMELAND SECURITY AND EMERGENCY MANAGEMENT  
DEPARTMENT[605]**

**Adopted and Filed**

**Rule making related to flood project fund expenditures**

The Department of Homeland Security and Emergency Management hereby amends Chapter 14, "Flood Mitigation Program," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 418.7.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 418.13.

*Purpose and Summary*

This rule making implements 2018 Iowa Acts, chapter 1124, by amending Chapter 14. This amendment adds reimbursement of the governmental entity for costs of the approved project incurred after the project's approval to the list of authorized expenditures for the governmental entity's flood project fund.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 27, 2019, as **ARC 4314C**. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on April 3, 2019.

HOMELAND SECURITY AND EMERGENCY MANAGEMENT DEPARTMENT[605](cont'd)

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

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

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making action is adopted:

Amend subrule 14.8(1) as follows:

**14.8(1)** Each governmental entity that has a project approved by the board and is awarded funds from either the flood mitigation fund or sales tax increment fund shall create a separate flood project fund. The fund shall be used to pay the costs associated with the governmental entity's approved project, to reimburse the governmental entity for the costs of the approved project incurred after the project's approval, and to pay the principal and interest on bonds issued pursuant to Iowa Code section 418.14.

[Filed 4/3/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4411C**

**HUMAN SERVICES DEPARTMENT[441]**

**Adopted and Filed**

**Rule making related to juvenile detention reimbursement**

The Human Services Department hereby amends Chapter 167, "Juvenile Detention Reimbursement," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 234.6.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 234.6.

HUMAN SERVICES DEPARTMENT[441](cont'd)

*Purpose and Summary*

This amendment adds clarity to Chapter 167 by defining who must complete the financial and statistical report required for juvenile detention reimbursement.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on November 21, 2018, as **ARC 4126C**. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Council on Human Services on January 9, 2019.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making action is adopted:

Amend subrule 167.3(2) as follows:

**167.3(2)** The home submits the ~~reports~~ completed forms in paragraphs 167.3(2)“a” and 167.3(2)“b” by March 15 and the certified audit in paragraph 167.3(2)“c” by March 15 or within ten days of completion if after March 15 of the year following the conclusion of the state fiscal year for which reimbursement will be made;. The home shall have an independent certified public accountant or an independent accounting firm complete the financial and statistical report in paragraph 167.3(2)“b” and certify the fair presentation of the report. The preparer shall have the experience necessary to complete the report in accordance with generally accepted accounting principles (GAAP) and the instructions for completing the financial and statistical report.

- a. No change.
- b. ~~A printed or~~ An electronic copy of the department-authorized financial and statistical report for juvenile detention homes.
  - (1) ~~Certification page.~~
  - (2) ~~Schedule A, Revenue Report.~~
  - (3) ~~Schedule C, Property and Equipment Depreciation and Related Party Property Costs.~~

HUMAN SERVICES DEPARTMENT[441](cont'd)

~~(4) Schedule D, Expense Report.~~

c. ~~A printed or~~ An electronic copy of the home's certified audit containing financial information for the period for which reimbursement is being claimed.

[Filed 4/5/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4412C**

**LABOR SERVICES DIVISION[875]**

**Adopted and Filed**

**Rule making related to occupational safety and health**

The Labor Commissioner hereby amends Chapter 3, "Posting, Inspections, Citations and Proposed Penalties," and Chapter 4, "Recording and Reporting Occupational Injuries and Illnesses," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 88.5 and 88.14.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 88.

*Purpose and Summary*

Iowa's occupational safety and health program is required to be at least as effective as the federal occupational safety and health program. Item 1 aligns Iowa's penalties for occupational safety and health citations with the corresponding federal penalties by making an annual cost-of-living adjustment. Item 2 adopts by reference a recent change rescinding a federal requirement for larger employers to make electronic reports of injuries and illnesses.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 27, 2019, as **ARC 4318C**. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Labor Commissioner on April 4, 2019.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commissioner for a waiver of the discretionary provisions, if any, pursuant to 875—Chapter 5.

LABOR SERVICES DIVISION[875](cont'd)

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend subrule 3.11(1) as follows:

**3.11(1)** The civil penalties proposed by the labor commissioner on or after ~~June 30, 2018~~ May 29, 2019, are as follows:

*a. Willful violation.* The penalty for each willful violation under Iowa Code section 88.14(1) shall not be less than ~~\$9,239~~ \$9,472 and shall not exceed ~~\$129,336~~ \$132,598.

*b. Repeated violation.* The penalty for each repeated violation under Iowa Code section 88.14(1) shall not exceed ~~\$129,336~~ \$132,598.

*c. Serious violation.* The penalty for each serious violation under Iowa Code section 88.14(2) shall not exceed ~~\$12,934~~ \$13,260.

*d. Other-than-serious violation.* The penalty for each other-than-serious violation under Iowa Code section 88.14(3) shall not exceed ~~\$12,934~~ \$13,260.

*e. Failure to correct violation.* The penalty for failure to correct a violation under Iowa Code section 88.14(4) shall not exceed ~~\$12,934~~ \$13,260 per day.

ITEM 2. Adopt the following **new** paragraph **4.3(1)“h”**:

*h.* 84 Fed. Reg. 405 (January 25, 2019)

[Filed 4/4/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4413C**

**NURSING BOARD[655]**

**Adopted and Filed**

**Rule making related to licensure to practice**

The Board of Nursing hereby amends Chapter 3, “Licensure to Practice—Registered Nurse/Licensed Practical Nurse,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 147.73.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 147.3.

*Purpose and Summary*

The amendments to Chapter 3:

## NURSING BOARD[655](cont'd)

- Amend definitions and add definitions for clarity and strike the special license fee in the definition of “fees” since special licensure for those who are licensed in another country is no longer included in rule 655—3.6(17A,147,152,272C).
- Strike references to Chapter 16, “Nurse Licensure Compact,” since the chapter was recently rescinded.
- Strike subrule 3.3(2), which lists the exceptions for licensure by examination.
- Rescind rule 655—3.4(17A,147,152,272C) relating to licensure by examination and adopt in its place a new rule whose content is condensed due to removal of certain application procedures and language related to licensure requirements for an examination applicant.
- Rescind rule 655—3.5(17A,147,152,272C) relating to licensure by endorsement and adopt in its place a new rule whose content is condensed due to removal of certain application procedures and language related to licensure requirements for an endorsement applicant.
- Remove some references to “wallet card” in anticipation of a future paperless licensure process.
- Rescind rule 655—3.6(17A,147,152,272C) relating to foreign-educated applicants and adopt in its place a new rule whose content is condensed to outline the requirements for the evaluation of the education of an applicant educated in a foreign country or in a U.S. territory that is not a member of the National Council of State Boards of Nursing (NCSBN), add additional accepted documents in lieu of a transcript in paragraphs 3.6(1)“b” and “c,” and include Test of English as a Foreign Language (TOEFL) and International English Language Testing System (IELTS) academic scores to align with NCSBN’s recommendations.
- Mandate a nurse refresher course for a licensee who has not held an active license in any jurisdiction for the previous five years within the 12 months prior to reactivation, and outline the requirements for the nurse refresher course.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 13, 2019, as **ARC 4286C**. A public hearing was held on March 8, 2019, at 9 a.m. at the Board’s office, Suite B, 400 S.W. Eighth Street, Des Moines, Iowa. No one attended the public hearing. No comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Board on April 3, 2019.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to 655—Chapter 15.

*Review by Administrative Rules Review Committee*

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



NURSING BOARD[655](cont'd)

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend rule 655—3.1(17A,147,152,272C) as follows:

**655—3.1(17A,147,152,272C) Definitions.**

~~“Accredited or approved~~ Approved nursing program” means a nursing education program whose status has been recognized by the board or by a similar board in another jurisdiction that prepares individuals for licensure as a licensed practical nurse, registered nurse, or advanced registered nurse practitioner; or grants a baccalaureate, master’s or doctorate degree with a major in nursing.

~~“Address” means a street address in any state when a street address is available or a rural route address when a street address is not available.~~

“Applicant” means a person who is qualified to take the examination or apply for licensure by endorsement.

“CGFNS” means the Commission on Graduates of Foreign Nursing Schools.

“Endorsement” means the process by which a registered nurse/licensed practical nurse licensed in another jurisdiction becomes licensed in Iowa.

“Examination” means the tests used to determine minimum competency prior to the issuance of a registered nurse/licensed practical nurse license.

“Fees” means those fees collected which are based upon the cost of sustaining the board’s mission to protect the public health, safety and welfare. The nonrefundable fees set by the board are as follows:

1. to 13. No change.

~~14. For special licensure, \$62.~~

~~15.~~ 14. For the evaluation of the fingerprint cards and the DCI and FBI criminal history background checks, \$50.

“IELTS™” means International English Language Testing System.

~~“Inactive license” means a registered nurse or licensed practical nurse license that has been placed on inactive status because it was not renewed by the fifteenth day of the month following the expiration date, or the board has received notification that a licensee has declared another compact state as primary state of residency. Pursuant to 655—subrule 16.2(8), the former home state license shall no longer be valid upon the issuance of a new home state license.~~

“Late license” means a registered nurse or licensed practical nurse license that has not been renewed by the expiration date ~~on the wallet card~~. The time between the expiration date and the fifteenth day of the month following the expiration date is considered a grace period.

“Licensee” means a person who has been issued a license to practice as a registered nurse, licensed practical nurse or advanced registered nurse practitioner under the laws of this state.

“NCLEX®” means National Council Licensure Examination for registered nurse/licensed practical nurse licensure.

“NCSBN” means the National Council of State Boards of Nursing, Inc.

“Nurse licensure compact” means an agreement between member states that allows mutual recognition of a nursing license. The definitions in the nurse licensure compact rules are incorporated for purposes of this chapter.

“Overpayment” means payment in excess of the required fee. Overpayment less than \$10 received by the board shall not be refunded.

“Reactivation” means the process whereby an inactive licensee obtains a current license.

“Reinstatement,” pursuant to rule 655—20.36(17A,147,~~152~~,272C), means the process by which any person whose license to practice nursing has been suspended, revoked or voluntarily surrendered by order of the board may apply for license consideration.

“Temporary license” means a license issued on a short-term basis for a specified time pursuant to subrule 3.5(4).

NURSING BOARD[655](cont'd)

“TOEFL®” means Test of English as a Foreign Language.

“Unlicensed student” means a person enrolled in a nursing education program who has never been licensed as a registered nurse or licensed practical/vocational nurse in any U.S. jurisdiction.

“Verification” means the process whereby the board provides a certified statement that the license of a registered nurse/licensed practical nurse/advanced registered nurse practitioner is active, inactive, or encumbered/disciplined.

This rule is intended to implement Iowa Code sections 147.80 and 147.82.

ITEM 2. Amend rule 655—3.2(17A,147,152,272C) as follows:

**655—3.2(17A,147,152,272C) Mandatory licensure.**

**3.2(1)** A person who practices nursing in the state of Iowa as defined in Iowa Code section 152.1, outside of one’s family, shall have a current Iowa license, whether or not the employer is in Iowa and whether or not the person receives compensation. Any nurse who participates in the care of a patient situated in Iowa, whether that care is provided through telephonic, electronic or in-person means, and regardless of the location of the nurse, must obtain Iowa licensure unless specifically exempted by the licensure compact agreement. ~~The nurse shall maintain verification of licensure and shall have it available for inspection when engaged in the practice of nursing in Iowa.~~

**3.2(2)** Current Iowa licensure is not mandatory when:

*a.* A nurse who resides in another party state is recognized for licensure in this state pursuant to the nurse licensure compact contained in Iowa Code chapter 152E. ~~The nurse shall maintain verification of licensure and shall have it available for inspection when engaged in the practice of nursing in Iowa.~~ The nurse licensure compact rules are available on the board’s website.

*b.* A nurse who holds an active license in another state provides services to patients in Iowa only during interstate transit.

*c.* A nurse who holds an active license in another state provides emergency services in an area in which the governor of Iowa has declared a state of emergency.

**3.2(3)** A nurse who is enrolled in an approved nursing program shall hold an active license in the U.S. jurisdiction(s) in which the nurse provides patient care.

This rule is intended to implement Iowa Code section 147.2.

ITEM 3. Amend rule 655—3.3(17A,147,152,272C) as follows:

**655—3.3(17A,147,152,272C) Licensure qualifications for registered nurse and licensed practical nurse.**

**3.3(1)** Applicants shall meet the requirements set forth in Iowa Code sections 147.3 and 152.7. Requirements include:

~~*a.*~~ 1. Graduation from an approved nursing program preparing registered nurses as defined in Iowa Code section 152.5(1) for registered nurse applicants or graduation from an approved nursing program preparing practical nurses as defined in Iowa Code section 152.5(1) for licensed practical nurse applicants.

~~*b.*~~ 2. Passing NCLEX® or the State Board Test Pool Examination, the national examination used prior to 1982.

~~*c.*~~ 3. Board approval of an applicant with a criminal history or a record of prior disciplinary action, regardless of jurisdiction.

~~**3.3(2)**~~ The requirement listed in paragraph 3.3(1) “b” is subject to the following exceptions:

~~*a.*~~ A practical nurse applicant must have written the same examination as that administered in Iowa and achieved a score established as passing for that test by the board unless the applicant graduated and was licensed prior to July 1951.

~~*b.*~~ An applicant whose national examination scores do not meet the Iowa requirements in effect at the time of the examination and who wishes to become licensed in Iowa may appeal to the board. The board may require the applicant to pass the current examination.

This rule is intended to implement Iowa Code sections 147.2 and 152.7(3).

## NURSING BOARD[655](cont'd)

ITEM 4. Rescind rule 655—3.4(17A,147,152,272C) and adopt the following new rule in lieu thereof:

**655—3.4(17A,147,152,272C) Licensure by examination.**

**3.4(1) Board application.** A graduate of an approved nursing program seeking initial licensure shall submit the following:

- a. A completed application for licensure by examination.
- b. Payment of the application fee.
- c. Two completed fingerprint cards and a signed waiver form to facilitate a national criminal history background check.
- d. Copies of relevant court documents if the applicant has a criminal history.
- e. Official transcript denoting the date of graduation and diploma or degree conferred sent directly to the board from the nursing program.

**3.4(2) Test registration.** The applicant shall complete NCLEX® registration, including payment of applicable fees through the national test service agency.

**3.4(3) ADA accommodations.** An applicant with a disability may submit a request to the board for testing accommodations. The request should include the nature of the disability and the specific testing accommodations being requested. A request must be accompanied by written documentation from the applicant's health care provider describing the disability and the recommended accommodations, and documentation from the applicant's nursing education program if testing accommodations were provided to the applicant during school. Approved accommodation requests will be communicated to the national test service agency.

**3.4(4) Authorization to test.** An applicant will not receive authorization to test until all of the requirements in subrules 3.4(1) and 3.4(2) are met. An applicant shall self-schedule the examination with an approved testing center and must test within 91 days of receiving authorization to test. An applicant who does not test within 91 days of receiving authorization to test is required to submit a new completed application for licensure by examination and fee to the board. An applicant who does not appear for a testing appointment or does not complete the examination must follow the requirements for reexamination.

**3.4(5) Reexamination.** An applicant who fails the examination and reapplies within 12 months of submitting a prior application to the board shall be required to complete the requirements in paragraphs 3.4(1) "a" and "b" and subrule 3.4(2). An applicant who fails the examination and reapplies after 12 months of submitting a prior application to the board shall be required to complete all requirements in subrules 3.4(1) and 3.4(2).

**3.4(6) Licensure.** Upon satisfactory review of the documentation described in subrule 3.4(1) and proof of successful completion of the examination, the applicant will be issued a certificate of license by examination and a current license to practice as a registered nurse or licensed practical nurse.

**3.4(7) Failure to complete the licensure process.** Once an application is initiated, the applicant has 12 months to complete the licensure process. The board reserves the right to destroy any applications and supporting documents after 12 months if the applicant has not completed the licensure process. Applicants who fail to complete the licensure process within 12 months are required to start the application process anew.

ITEM 5. Rescind rule 655—3.5(17A,147,152,272C) and adopt the following new rule in lieu thereof:

**655—3.5(17A,147,152,272C) Licensure by endorsement.**

**3.5(1) Board application.** A graduate of an approved nursing program seeking licensure in Iowa who has been licensed in another state shall submit the following:

- a. A completed application for licensure by endorsement.
- b. Payment of the application fee.
- c. Two completed fingerprint cards and a signed waiver form to facilitate a national criminal history background check.

## NURSING BOARD[655](cont'd)

- d. Copies of relevant court documents if the applicant has a criminal history.
- e. Copies of relevant disciplinary documents if the applicant has had disciplinary action taken by another state.
- f. Verification of the license from the original state of licensure, which may be done through [www.nursys.com](http://www.nursys.com) or using the verification form depending on the requirements of the original state of licensure.
- g. Proof of active licensure in any jurisdiction within the previous five years from the date of application or proof of completion of a nurse refresher course in accordance with rule 655—3.10(152) taken within the 12 months prior to the date of application.
- h. Official transcript denoting the date of graduation and diploma or degree conferred sent directly to the board from the nursing program. An applicant may be excused from this requirement if the nursing program is closed and records are no longer available.

**3.5(2) Temporary license.** An applicant who has submitted all documentation described in paragraphs 3.5(1)“a” to “g” may request a temporary license for up to 30 days to practice in Iowa pending receipt of official transcripts from the nursing program.

**3.5(3) Licensure.** Upon satisfactory review of the documentation described in subrule 3.5(1), the applicant will be issued a certificate of license by endorsement and a current license to practice as a registered nurse or licensed practical nurse.

**3.5(4) Failure to complete the licensure process.** Once an application is initiated, the applicant has 12 months to complete the licensure process. The board reserves the right to destroy any applications and supporting documents after 12 months if the applicant has not completed the licensure process. Applicants who fail to complete the licensure process within 12 months are required to start the application process anew.

ITEM 6. Rescind rule 655—3.6(17A,147,152,272C) and adopt the following **new** rule in lieu thereof:

**655—3.6(17A,147,152,272C) Applicants educated in a foreign country or in a U.S. territory that is not a member of NCSBN.**

**3.6(1) Applicant for licensure.** An applicant seeking licensure in Iowa who was educated in a foreign country or in a U.S. territory that is not a member of NCSBN shall apply for licensure by examination pursuant to rule 655—3.4(17A,147,152,272C) or licensure by endorsement pursuant to rule 655—3.5(17A,147,152,272C), as applicable, but instead of submitting an official transcript, shall submit one of the following documents issued by CGFNS:

- a. Credentials evaluation service professional report.
- b. VisaScreen certificate or certificate verification letter verifying that a VisaScreen certificate was issued.
- c. Certification program CGFNS certificate or certificate verification letter verifying that a certification program CGFNS certificate was issued.

**3.6(2) CGFNS documentation.** The documentation issued by CGFNS shall verify all of the following:

- a. Completion of education equivalent to approved nursing programs for licensed practical nurse and registered nurse applicants.
- b. The applicant’s licensure or registration as a nurse in the applicant’s country or U.S. territory of origin, current country or U.S. territory of residence, or country or U.S. territory where educated.
- c. The ability to read, write, speak, and understand the English language as determined by passing the TOEFL® or IELTS™ test. A passing score is as follows: 560 for the TOEFL® paper-based test; 220 for the TOEFL® computer-based test; 84 for the TOEFL® Internet-based test; and an overall score of 6.5 and a speaking score of 7.0 for the IELTS™ test. An applicant shall be exempt from taking either the TOEFL® or IELTS™ test when all of the following are met: (1) the nursing education was completed in a college, university, or professional school located in Australia, Barbados, Canada (except Quebec), Ireland, Jamaica, New Zealand, South Africa, Trinidad and Tobago, or the United Kingdom; (2) the

## NURSING BOARD[655](cont'd)

language of instruction in the nursing program was English; and (3) the language of the textbooks in the nursing program was English.

**3.6(3) Social security number.** To be eligible for a multistate license, an applicant must have a social security number. An applicant who does not have a social security number shall submit documentation of lawful presence and will only be eligible for a single state license.

ITEM 7. Amend rule 655—3.7(17A,147,152,272C) as follows:

**655—3.7(17A,147,152,272C) License cycle.**

**3.7(1) Name and address changes.** Written notification to the board of name and address changes is required within 30 days of the event. Licensure documents are mailed to the licensee at the address on file in the board office. There is no fee for a change of name or address in board records.

**3.7(2) New licenses.** The board shall issue licenses by endorsement and examination for a 24- to 36-month period. When the license is renewed, it will be placed on a three-year renewal cycle. Expiration shall be on the fifteenth day of the licensee's birth month.

**3.7(3) Renewal.** The licensee may renew the license beginning 60 days prior to license expiration. ~~Renewal is available online at the board's website or by mail upon request. When the licensee has satisfactorily completed the requirements for renewal, a wallet card shall be mailed to the licensee.~~

a. The licensee shall:

(1) Attest that Iowa is the primary state of residence ~~as outlined in rule 655—16.2(152E)~~ or that the primary state of residence is a noncompact state. The board may request evidence of residency.

(2) to (4) No change.

b. Mandatory reporter training.

(1) to (5) No change.

(6) The requirement for mandatory training for identifying and reporting child and dependent adult abuse shall be suspended if the board determines that suspension is in the public interest or that a person at the time of license renewal:

1. Is engaged in active duty in the military service of this state or the United States.

2. Holds a current ~~waiver by the board exemption~~ based on evidence of significant hardship in complying with training requirements, including ~~waiver an exemption~~ of continuing education requirements or extension of time in which to fulfill requirements due to a physical or mental disability or illness as identified in 655—Chapter 5.

(7) The board may select licensees for audit of compliance with the requirements in subparagraphs 3.7(3)“b”(1) to (6).

**3.7(4) Late renewal.** The license shall become late when the license has not been renewed by the expiration date ~~on the wallet card~~. The licensee shall be assessed a late fee as specified in rule 655—3.1(17A,147,152,272C).

To renew a late license, the licensee shall complete the renewal requirements and submit the late fee before the fifteenth day of the month following the expiration date ~~on the wallet card~~.

**3.7(5) Inactive status.** The license shall become inactive when the license has not been renewed by the fifteenth day of the month following the expiration date ~~on the wallet card~~ or the board office has been notified by another compact state that a licensee has declared a new primary state. ~~Pursuant to 655—subrule 16.2(8), the~~ The former home state license shall no longer be valid upon the issuance of a new home state license.

a. If the inactive license is not reactivated, it shall remain inactive.

b. If the licensee resides in Iowa or a noncompact state, the licensee shall not practice nursing in Iowa until the license is reactivated to active status. If the licensee is identified as practicing nursing with an inactive license, disciplinary proceedings ~~shall~~ may be initiated.

c. The licensee is not required to obtain continuing education credit or pay fees while the license is inactive.

d. To reactivate the license, the licensee shall complete the reactivation requirements.

## NURSING BOARD[655](cont'd)

(1) The licensee shall be provided an application, a continuing education report form, two fingerprint cards, a waiver form, and statement of the fees. The reactivation fee and criminal history background check fee are specified in the definition of “fees” in rule 655—3.1(17A,147,152,272C).

(2) The licensee shall have obtained 36 contact hours of continuing education, as specified in 655—Chapter 5, within the 36 months prior to reactivation.

(3) A licensee who has not held an active license in any jurisdiction for the previous five years shall be required to complete a nurse refresher course in accordance with rule 655—3.10(152) within the 12 months prior to reactivation.

~~(3)~~ (4) Upon receipt of the completed reactivation application, required continuing education materials, certificate of completion of a nurse refresher course (if applicable), two completed fingerprint cards and a signed waiver form to facilitate a national criminal history background check, fees for both the reactivation and the criminal history background check and verification that the primary state of residence is Iowa or a noncompact state, the licensee shall be issued a license for a 24- to 36-month period. At the time of the next renewal, the license will be placed on a three-year renewal cycle. Expiration shall be on the fifteenth day of the licensee’s birth month. The board staff may issue a certificate of license prior to receipt of a report on the applicant from the DCI/FBI.

(4) (5) An applicant who fails to complete the reactivation of licensure process within 12 months from the date of initial application must reapply. All fees are nonrefundable.

**3.7(6) Duplicate wallet card or certificate.** ~~A duplicate wallet card or certificate shall be required if the current card or certificate is lost, stolen, destroyed or not received by the licensee within 60 days from the date the license is issued.~~ The licensee shall be issued a duplicate wallet card or certificate upon receipt of an application for a duplicate wallet card or certificate and receipt of the fee as specified in rule 655—3.1(17A,147,152,272C). If the licensee notifies the board that the wallet card or certificate has not been received within 60 days after being issued, no fee shall be required. A fee is applicable when the licensee fails to notify the board of a name or address change.

**3.7(7) Reissue of a certificate or wallet card.** The board shall reissue a certificate or current wallet card upon receipt of a written request from the licensee, return of the original document and payment of the fee as specified in rule 655—3.1(17A,147,152,272C). No fee shall be required if an error was made by the board on the original document.

~~This rule is intended to implement Iowa Code sections 147.2, 147.10, 147.11, 272C.2, and 272C.3 and chapter 152.~~

ITEM 8. Amend rule 655—3.8(17A,147,152,272C) as follows:

**655—3.8(17A,147,152,272C) Verification.** Upon written request from the licensee or another jurisdiction and payment of the verification fee as specified in rule 655—3.1(17A,147,152,272C), the board shall provide a certified statement to another jurisdiction or entity that the license of a registered nurse, licensed practical nurse or advanced registered nurse practitioner is active, inactive or encumbered/disciplined in Iowa.

~~This rule is intended to implement Iowa Code sections 147.2 and 147.8.~~

ITEM 9. Amend rule 655—3.9(17A,272C) as follows:

**655—3.9(17A,272C) License denial.**

**3.9(1) to 3.9(4)** No change.

~~This rule is intended to implement Iowa Code chapters 17A and 272C.~~

ITEM 10. Adopt the following new rule 655—3.10(152):

**655—3.10(152) Nurse refresher course.**

**3.10(1)** A nurse refresher course shall meet the following requirements:

*a.* A minimum of 80 hours of theory, with content in basic nursing skills, pharmacology, physical assessment, IV therapy (RN only), and legal and ethical considerations in healthcare; and

*b.* A minimum of 80 hours of hands-on supervised clinical learning experiences.

NURSING BOARD[655](cont'd)

**3.10(2)** To participate in the clinical component of a nurse refresher course in Iowa, a licensee must have an active license to practice nursing in Iowa or a limited authorization issued by the board. A licensee shall request the limited authorization from the board prior to beginning the clinical component of a nurse refresher course.

**3.10(3)** To receive a certificate of completion from the nurse refresher course, a licensee must complete all requirements of the nurse refresher course to the satisfaction of the course provider. The course provider shall submit proof of completion of the nurse refresher course directly to the board.

ITEM 11. Adopt the following new implementation sentence in **655—Chapter 3**:  
These rules are intended to implement Iowa Code chapters 17A, 147, 152, and 272C.

[Filed 4/5/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4414C**

## **UTILITIES DIVISION[199]**

**Adopted and Filed**

### **Rule making related to procedure for determining competitiveness**

The Utilities Board hereby amends Chapter 5, "Procedure for Determining the Competitiveness of a Communications Service or Facility," Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 474.5 and 476.2.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 476.1D, 476.2 and 546.7.

#### *Purpose and Summary*

The Board is conducting a comprehensive review of its administrative rules in accordance with Iowa Code section 17A.7(2). The purpose of this rule making is to update and amend Chapter 5 of the Board's rules establishing procedures for determining the competitiveness of a communications service or facility pursuant to Iowa Code section 476.1D.

The Board issued an order adopting amendments on March 25, 2019. The order is available on the Board's electronic filing system, [efs.iowa.gov](http://efs.iowa.gov), under Docket No. RMU-2016-0021.

#### *Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 13, 2019, as **ARC 4283C**. The Board received written comments from the Iowa Communications Alliance (ICA) and the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice. ICA supported the amendments, and OCA stated it did not object to the amendments. No changes from the Notice have been made.

#### *Adoption of Rule Making*

This rule making was adopted by the Board on March 25, 2019.

UTILITIES DIVISION[199](cont'd)

*Fiscal Impact*

These amendments update and amend existing rules. No additional actions having a fiscal impact are being adopted.

*Jobs Impact*

After analysis and review of this rule making, the Board tentatively concludes that the amendments will not have a detrimental effect on employment in Iowa.

*Waivers*

No waiver provision is included in these amendments since the Board has a general waiver provision in rule 199—1.3(17A,474,476) that provides procedures for requesting a waiver of the rules in this chapter.

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend rule 199—5.1(476) as follows:

**199—5.1(476) Purpose.** These rules govern the procedure for investigating and determining the applicable level of regulation ~~under Iowa Code Supplement section 476.1D~~ for a communications service or facility pursuant to Iowa Code section 476.1D.

ITEM 2. Amend subrule 5.2(1), introductory paragraph, as follows:

**5.2(1) Petitioner.** Any interested person may petition the board for a determination of the following under Iowa Code ~~Supplement~~ section 476.1D.

ITEM 3. Amend subrule 5.2(2), introductory paragraph, as follows:

**5.2(2) Contents of petition.** A petition for a determination under subrule 5.2(1) shall ~~substantially comply with the form prescribed in 199—subrule 2.2(1), except that references to rule making shall be replaced by references to the service or facility sought to be evaluated.~~ In addition, the petition must contain or be submitted with the following information:

ITEM 4. Rescind subrule **5.2(3)**.

ITEM 5. Amend subrule 5.3(1) as follows:

**5.3(1) Order.** If the petitioner has complied with subrule 5.2(2), the board ~~may~~ shall issue an order docketing the matter as a formal notice and comment proceeding. ~~At any time the board may initiate a formal notice and comment proceeding on its own motion. At any time, the board may also on its own motion initiate evidentiary hearings to develop a reliable record of facts related to the issues raised and to allow discovery to the extent the board deems necessary. The petition will not be deemed to be an application for new or changed rates, charges, schedules or regulations and setting a procedural schedule.~~



## UTILITIES DIVISION[199](cont'd)

ITEM 6. Rescind subrule 5.3(2) and adopt the following **new** subrule in lieu thereof:

**5.3(2) Responses.** Any person, including the consumer advocate, wanting to file a response to a petition must do so within 30 days of the filing of the petition or as otherwise directed by the board in its order docketing the matter.

ITEM 7. Rescind subrule **5.3(4)**.

ITEM 8. Rescind rule 199—5.4(476) and adopt the following **new** rule in lieu thereof:

**199—5.4(476) Comments.** All comments shall be sworn and shall be filed within 30 days after publication of notice of the proceeding in the Iowa Administrative Bulletin unless otherwise directed by the board. Reply comments may be allowed at the discretion of the board. Comments shall be filed electronically unless otherwise allowed by the board.

ITEM 9. Rescind rule 199—5.5(476) and adopt the following **new** rule in lieu thereof:

**199—5.5(476) Formal proceeding.** The board may schedule an oral argument, evidentiary hearing, or other formal proceeding as appropriate to allow all interested persons the opportunity to address the issues raised in the petition and any comments filed with the board. All persons filing comments will be required to appear at any formal proceeding that may be held. If the board holds an evidentiary hearing, all persons filing comments shall have at least one witness available who may be cross-examined about the subject matter of the comments.

ITEM 10. Rescind rule **199—5.8(476)**.

[Filed 3/25/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

**ARC 4415C**

**WORKERS' COMPENSATION DIVISION[876]**

**Adopted and Filed**

**Rule making related to payroll tax tables**

The Workers' Compensation Commissioner hereby amends Chapter 8, "Substantive and Interpretive Rules," Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 86.8.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 85.61(6).

*Purpose and Summary*

This amendment updates references to the tables which determine payroll taxes.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on February 27, 2019, as **ARC 4312C**. No public comments were received. No changes from the Notice have been made.

WORKERS' COMPENSATION DIVISION[876](cont'd)

*Adoption of Rule Making*

This rule making was adopted by the Commissioner on April 5, 2019.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

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

*Waivers*

This amendment does not include a waiver provision because rule 876—12.4(17A) provides the specific situations for waiver of Workers' Compensation Division rules.

*Review by Administrative Rules Review Committee*

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

*Effective Date*

This rule making will become effective on May 29, 2019.

The following rule-making action is adopted:

Amend rule 876—8.8(85,17A) as follows:

**876—8.8(85,17A) Payroll tax tables.** Tables for determining payroll taxes to be used for the period July 1, ~~2018~~ 2019, through June 30, ~~2019~~ 2020, are the tables in effect on July 1, ~~2018~~ 2019, for computation of:

1. Federal income tax withholding according to the percentage method of withholding for weekly payroll period. (Internal Revenue Service, Employer's Supplemental Tax Guide, Publication 15-A [2018].)
2. Iowa Withholding Tax Guide. (Iowa Department of Revenue Iowa Withholding Tax Rate Tables [Effective ~~April 1, 2006~~ January 1, 2019].)
3. Social Security and Medicare withholding (FICA) at the rate of 7.65 percent. (Internal Revenue Service, Circular E, Employer's Tax Guide, Publication 15 [2018].)

This rule is intended to implement Iowa Code section 85.61(6).

[Filed 4/5/19, effective 5/29/19]

[Published 4/24/19]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/24/19.

AGENCY	RULE	DELAY
Medicine Board[653]	ch 20 [IAB 3/13/19, <b>ARC 4339C</b> ]	Effective date of April 17, 2019, delayed 70 days by the Administrative Rules Review Committee at its meeting held April 5, 2019. [Pursuant to §17A.4(7)]
Pharmacy Board[657]	amendments to ch 39 [IAB 1/30/19, <b>ARC 4270C</b> ]	Effective date of March 6, 2019, delayed 70 days by the Administrative Rules Review Committee at its meeting held February 8, 2019. [Pursuant to §17A.4(7)] Delay Lifted: At its meeting held April 5, 2019, the Committee lifted the delay, effective April 5, 2019.