



IOWA ADMINISTRATIVE BULLETIN

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PREFACE

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

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

The Bulletin may also contain public funds interest rates [12C.6]; workers' compensation rate filings [515A.6(7)]; usury rates [535.2(3)"a"]; and agricultural credit corporation maximum loan rates [535.12].

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

STEPHANIE A. HOFF, Administrative Code Editor

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CITATION of Administrative Rules

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

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

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

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

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

Schedule for Rule Making 2016

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

PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
6	Wednesday, August 24, 2016	September 14, 2016
7	Friday, September 9, 2016	September 28, 2016
8	Friday, September 23, 2016	October 12, 2016

PLEASE NOTE:

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

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

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

ALCOHOLIC BEVERAGES DIVISION[185]

Filling and selling of beer in a container other than the original container by Class "C" beer permit holders, 4.6(5) IAB 8/17/16 ARC 2679C	Division Board Room 1918 S.E. Hulsizer Road Ankeny, Iowa	September 9, 2016 10 a.m. (If requested)
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INSURANCE DIVISION[191]

Requirements for surplus lines, risk retention groups and purchasing groups, amendments to ch 21 IAB 8/3/16 ARC 2664C	Division Offices, Fourth Floor Two Ruan Center 601 Locust St. Des Moines, Iowa	August 23, 2016 10 a.m.
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Motor vehicle service contracts, rescind ch 23; adopt ch 104 IAB 8/3/16 ARC 2665C	Division Offices, Fourth Floor Two Ruan Center 601 Locust St. Des Moines, Iowa	August 23, 2016 3 p.m.
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Regulation of securities offerings and those who engage in the securities business, 50.60, 50.70, 50.90 IAB 8/3/16 ARC 2668C	Division Offices, Fourth Floor Two Ruan Center 301 Locust St. Des Moines, Iowa	August 23, 2016 2 p.m.
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Residential service contracts, rescind ch 54; adopt ch 103 IAB 8/3/16 ARC 2666C	Division Offices, Fourth Floor Two Ruan Center 601 Locust St. Des Moines, Iowa	August 23, 2016 3:30 p.m.
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Sales of cemetery merchandise, funeral merchandise and funeral services, 100.1, 100.15(1), 100.19, 100.33(1) ^{“f”} IAB 8/3/16 ARC 2667C	Division Offices, Fourth Floor Two Ruan Center 601 Locust St. Des Moines, Iowa	August 23, 2016 2:30 p.m.
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Low-income housing tax credits, 12.1, 12.2 IAB 8/3/16 ARC 2659C	Authority Offices 2015 Grand Ave. Des Moines, Iowa	August 23, 2016 9 to 11 a.m.
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PHARMACY BOARD[657]

Iowa monitoring program for pharmacy professionals, ch 30 IAB 8/3/16 ARC 2662C	Shared Conference Room, Suite E 400 SW 8th St. Des Moines, Iowa	August 30, 2016 3 to 4 p.m.
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Licensing of barbers—continuing education, 21.16, 24.2 IAB 8/3/16 ARC 2670C	Fourth Floor Conference Room 418 Lucas State Office Bldg. Des Moines, Iowa	August 23, 2016 9 to 9:30 a.m.
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Board-certified behavior analyst and board-certified assistant behavior analyst (BCBA/BCaBA) grants program, ch 107 IAB 7/20/16 ARC 2621C	Fourth Floor Conference Room 415 Lucas State Office Bldg. Des Moines, Iowa	August 17, 2016 1 to 3 p.m.
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Authorized emergency vehicle certificate of designation; update of department office name, 424.1(1), 430.1(1), 451.1, 451.2(1), 451.3 IAB 8/3/16 ARC 2640C	Motor Vehicle Division Offices 6310 SE Convenience Blvd. Ankeny, Iowa	August 25, 2016 10 a.m. (If requested)
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The following list will be updated as changes occur.

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

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

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

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ARC 2679C**ALCOHOLIC BEVERAGES DIVISION[185]****Notice of Intended Action**

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

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

Pursuant to the authority of Iowa Code section 123.10, the Alcoholic Beverages Division hereby gives Notice of Intended Action to amend Chapter 4, “Liquor Licenses—Beer Permits—Wine Permits,” Iowa Administrative Code.

Paragraph 4.6(5)“a” prohibits beer from being consumed on the premises of a class “C” beer permit holder, and paragraph 4.6(5)“h” describes the limited purposes for which an original container shall be opened. The proposed amendments to paragraphs 4.6(5)“a” and “h” will allow beer to be consumed on the premises of a class “C” beer permit holder for a tasting in accordance with rule 185—16.7(123) and will allow an original container to be opened for a tasting.

In September 2015, the Alcoholic Beverages Division drafted new administrative rules intended to implement 2015 Iowa Acts, Senate File 456, section 1, as amended by Senate File 510, section 14, which allowed class “C” beer permit holders to fill and sell beer in a container other than the original container, otherwise known as a growler, subject to the administrative rules of the Alcoholic Beverages Division. Stakeholders were consulted during the drafting process, and upon completion of the drafting, the draft of new rule 185—4.6(123) was distributed to stakeholders for input. Recommendations regarding allowable sizes and shapes of growlers, sanitation requirements, and the ability to prefill growlers were considered. The drafted administrative rules were submitted, and Notice of Intended Action was published in the November 25, 2015, Iowa Administrative Bulletin as **ARC 2255C**. Stakeholders were again offered the opportunity to provide comment during the 20-day comment period. No comments were received. The administrative rules were then Adopted and Filed and published as **ARC 2382C** in the February 3, 2016, Iowa Administrative Bulletin, with an effective date of March 9, 2016.

In June 2016, stakeholders approached the Alcoholic Beverages Division with concerns that new rule 185—4.6(123) prevented class “C” beer permit holders from providing a taste of product to a consumer prior to the filling, sealing, and selling of a growler.

Upon review, the Alcoholic Beverages Division determined that current paragraph 4.6(5)“a” prevents class “C” beer permit holders from being able to serve a taste of beer to consumers under any circumstances, including prior to the filling, sealing, and selling of a growler. The proposed amendment to paragraph 4.6(5)“a” removes that restriction while retaining protections against improper consumption.

The proposed amendment to paragraph 4.6(5)“h” is necessary in order to allow an original container to be opened for the purpose of a tasting in addition to the purpose of filling or refilling a growler. The proposed amendment to paragraph 4.6(5)“h” also removes the restriction that only the permittee or the permittee’s employees may open an original container, allowing an industry member conducting a tasting on the premises of a class “C” beer permit holder to also open original containers as part of the tasting.

Stakeholders were consulted during the drafting of the proposed amendments. The proposed amendments were then circulated to stakeholders prior to the submission of this Notice.

Any person or agency may submit written comments concerning the proposed amendments or may submit a written request to make an oral presentation. The comments or request shall:

1. Include the name, address, and telephone number of the person or agency authoring the comments or request.
2. Reference the number and title of the proposed rule, as given in this Notice, that is the subject of the comments or request.
3. Indicate the general content of a requested oral presentation.

ALCOHOLIC BEVERAGES DIVISION[185](cont'd)

4. Be addressed to Tyler Ackerson, Alcoholic Beverages Division, 1918 S.E. Hulsizer Road, Ankeny, Iowa 50021; Internet e-mail address: Ackerson@iowaabd.com.

5. Be received by the Alcoholic Beverages Division no later than 4:30 p.m. on Tuesday, September 6, 2016.

A meeting to hear requested oral presentations is scheduled for Friday, September 9, 2016, at 10 a.m. in the board room at the Alcoholic Beverages Division, 1918 S.E. Hulsizer Road, Ankeny, Iowa.

The meeting will be canceled without further notice if no oral presentation is requested.

These amendments do not provide for waivers in specified situations. An agencywide waiver provision is provided in 185—Chapter 19.

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

These amendments are intended to implement Iowa Code chapter 123.

The following amendments are proposed.

ITEM 1. Amend paragraph 4.6(5)“a” as follows:

a. Beer shall ~~not~~ only be consumed on the premises of a class “C” beer permit holder for a tasting in accordance with rule 185—16.7(123).

ITEM 2. Amend paragraph 4.6(5)“h” as follows:

h. An original container shall only be opened ~~by the permittee or the permittee’s employees on the licensed premises~~ for the limited purpose purposes of filling or refilling a growler as provided in this rule, or for a tasting in accordance with rule 185—16.7(123).

ARC 2677C

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

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

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

Pursuant to the authority of Iowa Code section 261.3, the Iowa College Student Aid Commission hereby gives Notice of Intended Action to amend Chapter 8, “All Iowa Opportunity Scholarship Program,” and Chapter 35, “Iowa Teacher Shortage Loan Forgiveness Program,” Iowa Administrative Code.

The proposed amendments to Chapter 8 strengthen the definition of “high school” and correct an Iowa Administrative Code reference.

The proposed amendments to Chapter 35 provide a definition of “eligible school or agency” and strengthen and update the definition of “teacher.” In addition, for technical purposes, numbered paragraphs “1” to “4” are renumbered as subrules 35.3(1) to 35.3(4) in Item 4.

Interested persons may submit comments orally or in writing by 4:30 p.m. on September 6, 2016, to the Executive Director, Iowa College Student Aid Commission, 430 East Grand Avenue, Third Floor, Des Moines, Iowa 50309-1920. Written comments also may be sent by fax to (515)725-3401, by e-mail to julie.leeper@iowa.gov, or via the Iowa administrative rules Web site at <https://rules.iowa.gov>.

The Commission does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, the Commission finds that there is no impact on jobs.

These amendments are intended to implement Iowa Code chapter 261.

The following amendments are proposed.

ITEM 1. Amend paragraph 8.3(1)“a” as follows:

a. An Iowa resident who begins ~~his or her~~ an initial period of postsecondary enrollment within two academic years of graduation from a public or accredited nonpublic Iowa high school that is recognized and approved by the Iowa department of education;

COLLEGE STUDENT AID COMMISSION[283](cont'd)

ITEM 2. Amend subrule 8.4(6) as follows:

8.4(6) *Renewal.* Applicants must complete and file annual applications (FAFSAs) for the all Iowa opportunity scholarship program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications. To be eligible for renewal, a recipient must maintain satisfactory academic progress as defined by the eligible college or university and must not have exceeded the funding limit as described in ~~8.4(6)~~ 8.4(3).

ITEM 3. Amend rule 283—35.2(261) as follows:

283—35.2(261) Definitions. As used in this chapter:

“Eligible school or agency” means a public school district, area education agency, charter school, or accredited nonpublic school recognized and approved by the Iowa department of education.

“Shortage area” means a geographic or subject area in which there exists a teacher shortages shortage as determined annually by the director of the Iowa department of education.

“Teacher” means an individual holding a practitioner’s license or a statement of professional recognition issued by the Iowa board of educational examiners, under Iowa Code chapter 272 and who is employed in a nonadministrative position in a designated shortage area by a school district or area education agency pursuant to a contract issued by a board of directors under Iowa Code section 279.13. “Teacher” also includes a preschool teacher who is licensed by the board of educational examiners under Iowa Code chapter 272 and is employed by an eligible school or agency. Further, a teacher is a licensed member of a school’s instructional staff who diagnoses, prescribes, evaluates, and directs student learning in a manner consistent with professional practice and school objectives, shares responsibility for the development of an instructional program and any coordinating activities, evaluates or assesses student progress before and after instruction, and uses student evaluation or assessment information to promote additional student learning.

ITEM 4. Amend rule 283—35.3(261) as follows:

283—35.3(261) Eligibility requirements.

~~1. **35.3(1)** Applicants must be teaching in approved shortage areas at Iowa kindergarten through twelfth grade schools recognized and approved by the Iowa department of education an eligible school or agency.~~

~~2. **35.3(2)** Applicants must complete and file annual applications for the Iowa teacher shortage loan forgiveness program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications.~~

~~3. **35.3(3)** Applicants must annually complete and return to the commission affidavits of practice verifying that they are teaching in eligible teacher shortage areas.~~

~~4. **35.3(4)** Applicants must begin their first teaching jobs in Iowa on or after July 1, 2007.~~

ARC 2680C

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

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

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

Pursuant to the authority of Iowa Code section 225D.2(5)“b” and 2016 Iowa Acts, House File 2460, the Department of Human Services hereby gives Notice of Intended Action to amend Chapter 22, “Autism Support Program,” Iowa Administrative Code.

HUMAN SERVICES DEPARTMENT[441](cont'd)

These amendments are proposed in accordance with legislative changes to Iowa Code chapter 225D and change program eligibility requirements in accordance with 2016 Iowa Acts, House File 2460. These amendments also clarify existing program eligibility requirements to ensure uniform application of the Autism Support Program.

Any interested person may make written comments on the proposed amendments on or before September 6, 2016. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, Fifth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

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

These amendments are intended to implement Iowa Code section 225D.2 and 2016 Iowa Acts, House File 2460.

The following amendments are proposed.

ITEM 1. Amend rule **441—22.1(225D)**, definitions of “Autism service provider” and “Household income,” as follows:

“Autism service provider” means a person providing applied behavioral analysis, who meets both of the following criteria:

1. Is certified as a behavior analyst by the Behavior Analyst Certification Board or is a health professional licensed under Iowa Code chapter 147. The person:

- Is certified as a behavior analyst by the Behavior Analyst Certification Board, is a psychologist licensed under Iowa Code chapter 154B, or is a psychiatrist licensed under Iowa Code chapter 148; or
- Is a board-certified assistant behavior analyst who performs duties, identified by and based on the standards of the behavior analyst certification board, under the supervision of a board-certified behavior analyst.

2. Is approved as a member of the provider network by the department.

“Household income” means household income, reported on the tax return on which the eligible individual is claimed as a dependent, as determined using the modified adjusted gross income methodology pursuant to Section 2002 of the federal Patient Protection and Affordable Care Act, Pub. L. No. 111-148. If the eligible individual's parents live together and file separate tax returns, the income reported on both parents' tax returns must be combined.

ITEM 2. Adopt the following **new** definition of “Household size” in rule **441—22.1(225D)**:

“Household size” means the total number of personal and dependent exemptions claimed on the tax return on which the eligible individual is claimed as a dependent plus any child under the age of 19 living in the household who is claimed for tax purposes by a noncustodial parent through a release of claim to exemption by the custodial parent.

ITEM 3. Amend rule 441—22.2(225D) as follows:

441—22.2(225D) Eligibility and application requirements. To be determined eligible for funding for services through the autism support program, an individual must meet the following requirements:

22.2(1) An individual shall submit an application to the ~~administrator of the program~~ department using a standardized application form available through the administrator's and the department's Web sites, members of the provider network, the regional autism assistance program, and advocacy organizations.

22.2(2) An applicant for autism program services shall be less than the age of ~~nine~~ 14 at the time of application for the program. Proof of age must be provided at the time of application. An individual who reaches the age of ~~nine~~ 14 prior to receipt of the maximum benefits of the program may continue to receive services from the program in accordance with the individual's treatment plan, up to a maximum of 24 months of applied behavioral analysis treatment.

22.2(3) No change.

HUMAN SERVICES DEPARTMENT[441](cont'd)

22.2(4) An individual shall be determined ineligible for coverage of applied behavioral analysis services under the medical assistance program, Iowa Code section 514C.28, or private insurance coverage. Proof of insurance coverage and noneligibility for coverage for applied behavioral analysis shall be provided at the time of application and shall include a written denial of coverage or a benefits summary indicating that the applied behavioral analysis treatment is not a covered benefit for which the applicant is eligible under the Medicaid program, Iowa Code section 514C.28, or private insurance coverage.

22.2(5) An individual shall have a household income equal to or less than ~~400~~ 500 percent of the federal poverty level. Information needed to determine household income using modified adjusted gross income methodology shall be identified on the program application. Household size will be determined according to the standards in this chapter. The information shall be provided at the time of application.

22.2(6) ~~The administrator~~ department shall provide to the parent or guardian a written notice of decision determining initial eligibility or denial within 30 calendar days of receipt of the application.

22.2(7) ~~The administrator~~ department shall refer an applicant determined to be an eligible individual to care coordination services. The referral will occur within 5 business days of determination of eligibility for the program. Care coordination services will be provided by the University of Iowa regional autism assistance program (RAP) or an integrated health home. Eligible individuals who reside in counties where integrated health homes for children with a serious emotional disturbance are operational may choose to receive care coordination through the University of Iowa RAP program or an integrated health home that serves residents of the eligible individual's county of residence. Care coordination is not required as a condition of receiving services through the autism support program.

22.2(8) ~~For individuals determined eligible for the program but unable to access services due to lack of available providers, the administrator shall maintain a list of such individuals and shall work to connect eligible individuals on the list to network providers. The department shall provide information to an applicant determined to be an eligible individual regarding all available administrators. The eligible individual may choose any available administrator.~~

22.2(9) ~~The administrator shall stop processing applications at the point where available funds are fully obligated for eligible individuals and additional eligible individuals would cause expenditures in excess of the funds available to the program. The administrator shall maintain a waiting list of individuals denied access to the program due to lack of available funds. If additional funds become available, the administrator shall contact individuals on the list in order of the earliest date and time of the receipt of the original application. The applicant shall be allowed 30 calendar days to submit an updated application and any required information needed to determine eligibility. If the applicant does not submit required information, the applicant will be denied eligibility and removed from the waiting list maintained for individuals denied access to the program due to lack of funding. The age of the applicant at the time of the most recent application will be used when determining eligibility for the program. The administrator shall maintain a list of individuals determined eligible for the program but unable to access services due to lack of available providers and shall work to connect eligible individuals on the list to network providers.~~

22.2(10) The department shall stop processing applications at the point where available funds are fully obligated for eligible individuals and additional eligible individuals would cause expenditures in excess of the funds available to the program. The department shall maintain a waiting list of individuals denied access to the program due to lack of available funds. If additional funds become available, the department shall contact individuals on the list in order of the earliest date and time of the receipt of the original application. The applicant shall be allowed 30 calendar days to submit an updated application and any required information needed to determine eligibility. If the applicant does not submit required information, the applicant will be denied eligibility and removed from the waiting list maintained for individuals denied access to the program due to lack of funding. The age of the applicant at the time of the most recent application will be used when determining eligibility for the program.

HUMAN SERVICES DEPARTMENT[441](cont'd)

ITEM 4. Amend rule 441—22.3(225D) as follows:

441—22.3(225D) Cost-sharing requirements and graduated schedule of cost sharing.

22.3(1) An individual with a household income equal to or greater than 200 percent of the federal poverty level, up to a maximum of 400 500 percent of the federal poverty level, shall be subject to cost-sharing requirements. Cost sharing shall be implemented incrementally up to a maximum of 10 15 percent of the costs of the services provided through the program for an individual with a household income equal to 400 500 percent of the federal poverty level. The following is a chart of the cost-sharing requirements:

Family income as a % of FPL	% of cost-sharing of service costs	Family income as a % of FPL	% of cost-sharing of service costs
200%	.476%	310%	5.712%
210%	.952%	320%	6.188%
220%	1.428%	330%	6.664%
230%	1.904%	340%	7.14%
240%	2.38%	350%	7.616%
250%	2.856%	360%	8.092%
260%	3.332%	370%	8.568%
270%	3.808%	380%	9.04%
280%	4.284%	390%	9.516%
290%	4.76%	400%	9.992%
300%	5.236%		

Family income as a % of FPL	% of cost sharing of service costs	Family income as a % of FPL	% of cost sharing of service costs
200–209%	0.5%	350–359%	8.0%
210–219%	1.0%	360–369%	8.5%
220–229%	1.5%	370–379%	9.0%
230–239%	2.0%	380–389%	9.5%
240–249%	2.5%	390–399%	10.0%
250–259%	3.0%	400–409%	10.5%
260–269%	3.5%	410–419%	11.0%
270–279%	4.0%	420–429%	11.5%
280–289%	4.5%	430–439%	12.0%
290–299%	5.0%	440–449%	12.5%
300–309%	5.5%	450–459%	13.0%
310–319%	6.0%	460–469%	13.5%
320–329%	6.5%	470–479%	14.0%
330–339%	7.0%	480–489%	14.5%
340–349%	7.5%	490–500%	15.0%

22.3(2) An individual may request an exemption from cost sharing due to financial hardship. To qualify for an exemption, an individual shall submit written documentation to the administrator department that the individual or the individual’s family does not have the financial means to fulfill cost-sharing requirements.

22.3(3) Criteria to determine financial hardship include, but are not limited to, a change in income, change in employment of the parent or guardian, additional medical expenditures, other family members’

HUMAN SERVICES DEPARTMENT[441](cont'd)

health conditions, or other conditions which may affect the ability to fulfill cost-sharing requirements. The ~~administrator~~ department shall provide a written determination regarding eligibility for exemption from cost-sharing requirements. Eligibility for exemption from cost sharing expires at the end of the financial eligibility period.

ITEM 5. Amend rule 441—22.4(225D) as follows:

441—22.4(225D) Review of financial eligibility, cost-sharing requirements, exemption from cost sharing, and disenrollment in the program.

22.4(1) and **22.4(2)** No change.

22.4(3) The ~~administrator~~ department shall provide a written notice of decision determining ongoing eligibility or denial within 15 calendar days of receipt of the continued financial eligibility documentation.

22.4(4) If the signed application and verification of continuing eligibility are not received by the ~~administrator~~ department by the last working day of the renewal month, the individual's eligibility for the program shall be terminated.

22.4(5) No change.

ITEM 6. Amend subrule 22.5(5) as follows:

22.5(5) The treatment plan may include services provided by staff with a minimum of a bachelor's degree in a human services or education field, working under the supervision of an autism service provider who is board-certified as a behavior analyst. The treatment plan shall identify which services shall be provided directly by the ~~autism service provider~~ board-certified behavior analyst and which services shall be provided by staff under the supervision of ~~the autism service provider~~ a board-certified behavior analyst.

ITEM 7. Amend rule 441—22.6(225D) as follows:

441—22.6(225D) Provider network. The administrator shall establish and maintain a network of department-approved autism service providers so that applied behavioral analysis services are available to eligible individuals statewide to the maximum extent possible.

22.6(1) A provider shall be approved to participate in the autism support program provider network if the provider meets one of the following standards in paragraph 22.6(1) "*a*," "*b*" or "*c*":

a. No change.

b. The autism service provider is a ~~health professional licensed under Iowa Code chapter 147. A health professional licensed under Iowa Code chapter 147 who does not hold a current certification as a board-certified behavior analyst shall provide evidence of training in applied behavioral analysis and be licensed as a mental health professional under Iowa Code section 228.1(6)~~ psychologist licensed under Iowa Code chapter 154B; or

c. The autism service provider is a psychiatrist licensed under Iowa Code chapter 148; or

e. d. A provider shall be deemed eligible to participate in the autism support program provider network if the autism service provider meets the standards in paragraph 22.6(1) "*a*," "*b*" or "*c*" and the provider is approved to provide applied behavioral analysis services through Medicaid.

22.6(2) No change.

22.6(3) The ~~administrator~~ department is responsible for calculating the cost-sharing amount according to standards established in this chapter.

22.6(4) No change.

ITEM 8. Rescind rule 441—22.7(225D) and adopt the following new rule in lieu thereof:

441—22.7(225D) Financial management of the program.

22.7(1) The department shall:

a. Not take new applications for the program that would cause expenditures of the program to exceed the budgeted amount.

HUMAN SERVICES DEPARTMENT[441](cont'd)

b. Limit expenditure of program funds to services for those individuals determined to be eligible individuals and for related administrative costs.

c. Allocate available funds for eligible individuals' services in a manner that allows for funding for all eligible individuals' services authorized by the administrator without exceeding the department's funding limits.

22.7(2) The administrator shall:

a. Limit annual expenditures for each eligible individual to the amount identified in Iowa Code section 225D.2(2) "a."

b. Limit length of service through the program to the amount identified in Iowa Code section 225D.2(2) "b."

c. Limit payment for applied behavioral analysis services to an hourly or equivalent quarter-hour unit rate that is equal to the contracted rate currently paid by Medicaid for applied behavioral analysis services.

d. Limit payment for integrated health home services to an amount consistent with the monthly per-member per-month amount paid by Medicaid to approved providers of integrated health home services for children with a serious emotional disturbance.

e. Not provide financial compensation to the University of Iowa regional autism assistance program for care coordination services.

ARC 2684C

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

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

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

Pursuant to the authority of Iowa Code section 239B.4(6), the Department of Human Services hereby gives Notice of Intended Action to amend Chapter 40, "Application for Aid," Chapter 41, "Granting Assistance," and Chapter 46, "Overpayment Recovery," Iowa Administrative Code.

These amendments are being proposed to update and clarify existing language and to ensure that the rules comply with federal requirements, including final regulations (Section 4004 of the Middle Class Tax Relief and Job Creation Act of 2012 (Pub. L. No. 112-96), 45 CFR Parts 262, 264, and 265) issued after the rules were last updated.

Specifically, these amendments add definitions for locations where applicants and recipients are prohibited from accessing Family Investment Program (FIP) funds with an electronic access card. These amendments also require applicants and recipients to agree in writing that they will not use an electronic access card at prohibited locations, and these amendments add to the amount the client must repay any fees associated with accessing FIP funds at a prohibited location.

Any interested person may make written comments on the proposed amendments on or before September 6, 2016. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, Fifth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

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

These amendments are intended to implement Iowa Code section 239B.4(6), Section 404 of the Middle Class Tax Relief and Job Creation Act of 2012 (Pub. L. No. 112-96) and 45 CFR Parts 262, 264, and 265.

HUMAN SERVICES DEPARTMENT[441](cont'd)

The following amendments are proposed.

ITEM 1. Adopt the following **new** definitions in rule **441—40.21(239B)**:

“Casino, gambling casino, or gaming establishment” means an establishment with a primary purpose of accommodating the wagering of money. It does not include:

1. A grocery store which sells groceries including staple foods and which also offers, or is located within the same building or complex as, casino, gambling, or gaming activities; or
2. Any other establishment that offers casino, gambling, or gaming activities incidental to the principal purpose of the business.

An automated teller machine (ATM) or a point-of-sale (POS) terminal located within those areas of an establishment where individuals are banned due to age restrictions associated with gambling, established by state or federal law or by any other regulatory entity having the authority to do so, is considered to be in a casino, gambling casino, or gaming establishment.

“Electronic benefit transfer transaction” means the use of a credit or debit card service, automated teller machine, point-of-sale terminal, or access to an online system for the withdrawal of funds or the processing of a payment for merchandise or a service.

“Liquor store” means any retail establishment which sells exclusively or primarily intoxicating liquor or other alcoholic beverages. Such term does not include a grocery store which sells both intoxicating liquor and groceries including staple foods (within the meaning of Section 3(r) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(r))).

Unless exempt as described in this definition, a retail establishment meets the definition of a liquor store when it has a North American Industry Classification System (NAICS) number that categorizes the retail establishment as either a beer, wine and liquor store or as a drinking place (alcoholic beverages). A retail establishment that does not have either type of NAICS code is considered to exclusively or primarily sell intoxicating liquor when 95 percent or more of the retail establishment’s gross sales are from intoxicating liquor and it is not a United States Department of Agriculture-certified Supplemental Nutrition Assistance Program (SNAP) retailer.

“Retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment” means an establishment that includes live entertainment at locations such as, but not limited to, strip clubs and gentleman’s clubs. It also includes stores and theaters that exclusively or primarily sell or feature adult-oriented videos and movies such as, but not limited to, adult book stores and adult movie theaters. A retail establishment meets this definition when the department has confirmed the primary nature of the business through the description on the business’s Web site, phone contact with the establishment, a site visit, or other means such as common local knowledge.

ITEM 2. Amend subrule 41.25(11) as follows:

41.25(11) Access to benefits. As a condition of eligibility, applicants and recipients must agree in writing to not use an electronic access card at prohibited locations. By signing Form 470-0462 or 470-0462(S), Financial Support Application, or Form 470-2881, 470-2881(S), 470-2881(M), or 470-2881(MS), Review/Recertification Eligibility Document, the applicant, the applicant’s authorized representative or, when the applicant is incompetent or incapacitated, someone acting responsibly on the applicant’s behalf agrees to this condition of eligibility. When both parents, or a parent and a stepparent, are in the home and eligibility is determined on a family or household basis, one parent or stepparent may sign the application and agree to this condition for the assistance unit. Failure to sign a form agreeing to not use the electronic access card at prohibited locations creates ineligibility for the entire eligible group.

a. A recipient shall not use the recipient’s electronic access card issued pursuant to 441—subrule 45.21(1) to access benefits at any of the following prohibited locations as defined by federal statute or regulation applicable to this prohibition and as further defined in rule 441—40.21(239B):

- (1) A liquor store,
- (2) A casino, gambling casino, or gaming establishment, or

HUMAN SERVICES DEPARTMENT[441](cont'd)

(3) A retail establishment ~~that~~ which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.

b. No change.

c. When the department of inspections and appeals finds that a recipient has used the recipient's electronic access card at a prohibited location, the household that includes the recipient is:

(1) No change.

(2) Liable for any amounts accessed and any associated fees for accessing the benefits at a prohibited location and required to repay such amount in accordance with 441—Chapter 46;

(3) and (4) No change.

d. and e. No change.

ITEM 3. Amend paragraph **46.24(3)“c”** as follows:

c. An overpayment due to a recipient's accessing benefits via the electronic access card at a prohibited location shall be the total of the transactions and any associated fees for accessing the benefits at the prohibited location pursuant to 441—subrule 41.25(11).

ARC 2681C

REVENUE DEPARTMENT[701]

Notice of Intended Action

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

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

Pursuant to the authority of Iowa Code section 422.68, the Department of Revenue hereby gives Notice of Intended Action to amend Chapter 42, “Adjustments to Computed Tax and Tax Credits,” and Chapter 52, “Filing Returns, Payment of Tax, Penalty and Interest, and Tax Credits,” Iowa Administrative Code.

The proposed amendments update the rules on tax credits for purchasers and producers of renewable energy pursuant to Iowa Code chapter 476C. These amendments are necessary as a result of 2015 Iowa Acts, chapter 124, and 2016 Iowa Acts, House File 2468. The proposed amendments also reorganize the rules and clarify language regarding the limitations period during which eligible facilities may claim the credit.

Interested persons may make written comments on the proposed amendments on or before September 6, 2016. Written comments on the proposed amendments should be directed by mail to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306-0457; or by e-mail to ben.clough@iowa.gov. Persons who wish to convey their views orally should contact the Policy Section, Policy and Communications Division, Department of Revenue by telephone at (515)725-2176, or at the Department of Revenue offices on the fourth floor of the Hoover State Office Building.

Requests for a public hearing must be received by September 6, 2016.

The Department of Revenue finds that the changes to the renewable energy tax credit as enacted by 2015 Iowa Acts, chapter 124, will reduce revenues to the general fund beginning in fiscal year 2016. The changes to the credit as enacted by 2016 Iowa Acts, House File 2468, have no identifiable fiscal impact.

Any person who believes that the application of the discretionary provisions of these rules 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).

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

These amendments are intended to implement 2015 Iowa Acts, chapter 124, and 2016 Iowa Acts, House File 2468.

REVENUE DEPARTMENT[701](cont'd)

The following amendments are proposed.

ITEM 1. Amend rule 701—42.28(422,476C) as follows:

701—42.28(422,476C) Renewable energy tax credit. Effective for tax years beginning on or after July 1, 2006, a purchaser or producer of renewable energy whose facility has been approved by the Iowa utilities board may claim a renewable energy tax credit for qualified renewable energy against a taxpayer's Iowa individual income tax liability. ~~The administrative rules for the certification of eligibility for the renewable energy tax credit for the Iowa utilities board may be found in rule 199—15.19(476C).~~

42.28(1) ~~Application and review process for the renewable energy tax credit. Eligible facility application process.~~

a. Eligible facility application process, generally. A producer or purchaser of a renewable energy facility must be approved as an eligible renewable energy facility by the Iowa utilities board in order to qualify for the renewable energy tax credit. The eligible renewable energy facility can be a wind energy conversion facility, biogas recovery facility, biomass conversion facility, methane gas recovery facility, solar energy conversion facility or refuse conversion facility. The facility must be located in Iowa and placed in service on or after July 1, 2005, and before January 1, ~~2017~~ 2018. The administrative rules for the certification of eligibility for the renewable energy tax credit for the Iowa utilities board may be found in rule 199—15.19(476C).

b. Limitations on maximum energy production and nameplate generating capacity. The maximum amount of nameplate generating capacity of all wind energy conversion facilities cannot exceed 363 megawatts. ~~The~~ For tax years beginning prior to January 1, 2015, the maximum amount of energy production capacity for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities cannot exceed a combined output of 53 megawatts of nameplate generating capacity and 167 billion British thermal units of heat for a commercial purpose. For tax years beginning on or after January 1, 2015, the maximum amount of energy production for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities cannot exceed a combined output of 63 megawatts of nameplate generating capacity and, annually, 167 billion British thermal units of heat for a commercial purpose. A facility that is not operational within 30 months after issuance of approval from the utilities board will no longer be considered a qualified facility. However, if the facility is a wind energy conversion property and is not operational within 18 months due to the unavailability of necessary equipment, the facility may apply for a 12-month extension of the 30-month limit. Extensions can be renewed for succeeding 12-month periods if the facility applies for the extension prior to expiration of the current extension period. A producer of renewable energy, who is the person who owns the renewable energy facility, cannot own more than two eligible renewable energy facilities. A person that has an equity interest equal to or greater than 51 percent in an eligible renewable energy facility cannot have an equity interest greater than 10 percent in any other renewable energy facility. However, for tax years beginning on or after January 1, 2015, an entity described in Iowa Code section 476C.1(6)“b”(4) or (5) may have an ownership interest in up to four solar energy conversion facilities described in Iowa Code section 476C.3(4)“b”(3).

42.28(2) Tax credit certificate procedure.

a. Tax credit application process. A producer or purchaser of a renewable energy facility must apply to the utilities board for the renewable energy tax credit. The application for the tax credit must be filed no later than 30 days after the close of the tax year for which the credit is applied. The information to be included in the application is set forth in 199—subrule 15.21(1). The utilities board will notify the department of the number of kilowatt-hours, standard cubic feet or British thermal units that were generated and purchased from an eligible facility or used for on-site consumption by the producer during the tax year for which the credit is applied.

b. Tax credit calculation. The department shall calculate the amount of the credit for which the applicant is eligible in accordance with subrules 42.28(3) and 42.28(4) and shall issue a tax credit certificate for that amount or shall notify the applicant in writing of its refusal to do so.

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c. Tax credit certificate issuance. The tax credit certificate will include the taxpayer's name, address and federal identification number; the tax type for which the credit will be claimed; the amount of the credit; and the tax year for which the credit may be claimed. In addition, the tax credit certificate will include a place for the name and tax identification number of a transferee and the amount of the tax credit certificate, as provided in subrule 42.28(5). Once a tax credit certificate is issued pursuant to Iowa Code chapter 476C, it shall not be terminated or rescinded.

d. Taxpayers that are partnerships, limited liability companies, S corporations, or estates or trusts. If the taxpayer is a partnership, limited liability company, S corporation, or estate or trust requesting a credit for individual or corporation income tax, the tax credit certificate will be issued to the partners, members, shareholders or beneficiaries based on the partner's, member's, shareholder's or beneficiary's pro rata share of earnings of the partnership, limited liability company, S corporation, or estate or trust, except when the taxpayer is eligible to receive renewable electricity production tax credits authorized under Section 45 of the Internal Revenue Code. In cases where the taxpayer is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the partnership, limited liability company or S corporation may designate the amount of the tax credit to be allocated to each partner, member or shareholder. In addition, if a taxpayer is a partnership, limited liability company, S corporation, or estate or trust that is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the taxpayer may distribute the tax credit to an equity holder or beneficiary as a liquidating distribution, or portion thereof, of an equity holder's interest in the partnership, limited liability company or S corporation or of the beneficiary's interest in the estate or trust.

e. Carryforward. To claim the tax credit, the taxpayer must include the tax credit certificate with the tax return for the tax period set forth on the certificate. Any tax credit in excess of the tax liability may be carried forward for seven years or until it is used, whichever is the earlier.

42.28(3) Limitations.

a. Energy production. Of the maximum amount of energy production capacity equivalent for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities:

(1) No single facility may be allocated more than ten megawatts of nameplate generating capacity or energy production capacity equivalent.

(2) For tax years beginning on or after January 1, 2015, ten megawatts of nameplate generating capacity or energy production capacity equivalent shall be reserved for solar energy conversion facilities described in Iowa Code section 476C.3(4) "b"(3) that have a generating capacity of one and one-half megawatts or less.

(3) For tax years, beginning on or after January 1, 2014, 55 billion British thermal units of heat for a commercial purpose shall be reserved annually for an eligible facility that is a refuse conversion facility for processed, engineered fuel from a multicounty solid waste management planning area.

(4) For tax years beginning on or after January 1, 2014, the maximum annual amount of energy production capacity for a single refuse conversion facility is 55 billion British thermal units of heat for a commercial purpose.

b. Related persons. The credit is not allowed for any kilowatt-hours, standard cubic feet or British thermal units that are purchased from an eligible facility by a related person. Persons shall be treated as related to each other if either person owns an 80 percent or more equity interest in the other person.

c. Operation. The facility must be operational within 30 months after approval was given by the utilities board, unless a 12-month extension is granted by the utilities board as provided in subrule 42.28(1).

d. Prohibited for persons that have received a credit under Iowa Code chapter 476B. A person that has received a wind energy production tax credit pursuant to Iowa Code chapter 476B may not be issued a renewable energy tax credit certificate.

e. Ten-year award limitation. The credit is allowed for a ten-year period beginning on the date the purchaser first purchases renewable energy from a qualified facility or on the date the qualified facility first began producing renewable energy for on-site consumption. For example, if a renewable

REVENUE DEPARTMENT[701](cont'd)

energy facility first began producing energy for on-site consumption on April 1, 2006, the credit can be claimed for kilowatt-hours, standard cubic feet or British thermal units generated and used for on-site consumption by the producer between April 1, 2006, and March 31, 2016. Tax credit certificates cannot be issued for renewable energy purchased or produced for on-site consumption after December 31, 2027.

~~42.28(2)~~ **42.28(4)** *Computation of the credit.* The renewable energy tax credit equals 1½ cents per kilowatt-hour of electricity, or 44-cents \$1.44 per 1000 standard cubic feet of hydrogen fuel, or \$4.50 per 1 million British thermal units of methane gas or other biogas used to generate electricity, or \$4.50 per 1 million British thermal units of heat for a commercial purpose generated by and purchased from an eligible renewable energy facility or used for on-site consumption by the producer during the tax year. For the first tax year in which the credit is applied, the kilowatt-hours, standard cubic feet or British thermal units generated by and purchased from the facility or used for on-site consumption by the producer may exceed 12 months if the facility was operational for fewer than 12 months in its initial year of operation.

EXAMPLE: A qualified wind energy production facility was placed in service on April 1, 2006, and the taxpayer files on a calendar-year basis. The first year for which the credit can be claimed is the year ending December 31, 2007, since that is the first tax year that began on or after July 1, 2006. The credit for the 2007 tax year can include electricity generated and purchased or used for on-site consumption by the producer between April 1, 2006, and December 31, 2007.

The credit is not allowed for any kilowatt-hours, standard cubic feet or British thermal units that are purchased from an eligible facility by a related person. Persons shall be treated as related to each other if either person owns an 80 percent or more equity interest in the other person.

The utilities board will notify the department of the number of kilowatt-hours, standard cubic feet or British thermal units that are generated and purchased from an eligible facility or used for on-site consumption by the producer during the tax year. The department will calculate the credit and issue a tax credit certificate to the purchaser or producer. The tax credit certificate will include the taxpayer's name, address and federal identification number, the tax type for which the credit will be claimed, the amount of the credit and the tax year for which the credit may be claimed. In addition, the tax credit certificate will include a place for the name and tax identification number of a transferee and the amount of the tax credit certificate, as provided in subrule 42.28(3). If the department refuses to issue the tax credit certificate, the taxpayer shall be notified in writing and the taxpayer will have 60 days from the date of denial to file a protest in accordance with rule 701—7.8(17A). The department will not issue a tax credit certificate if the facility is not operational within 30 months after approval was given by the utilities board, unless a 12-month extension is granted by the utilities board as provided in subrule 42.28(1). In addition, the department will not issue a tax credit certificate to any person who received a wind energy production tax credit in accordance with Iowa Code chapter 476B.

If the taxpayer is a partnership, limited liability company, S corporation, or estate or trust requesting a credit for individual or corporation income tax, the tax credit certificate will be issued to the partners, members, shareholders or beneficiaries based on the partner's, member's, shareholder's or beneficiary's pro rata share of earnings of the partnership, limited liability company, S corporation, or estate or trust, except when the taxpayer is eligible to receive renewable electricity production tax credits authorized under Section 45 of the Internal Revenue Code. In cases where the taxpayer is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the partnership, limited liability company or S corporation may designate the amount of the tax credit to be allocated to each partner, member or shareholder. In addition, if a taxpayer is a partnership, limited liability company, S corporation, or estate or trust that is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the taxpayer may distribute the tax credit to an equity holder or beneficiary as a liquidating distribution, or portion thereof, of an equity holder's interest in the partnership, limited liability company or S corporation, or the beneficiary's interest in the estate or trust.

The credit can be allowed for a ten-year period beginning on the date the qualified facility was originally placed in service. For example, if a renewable energy facility was placed in service on April 1, 2006, the credit can be claimed for kilowatt-hours, standard cubic feet or British thermal units generated

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~~and purchased or used for on-site consumption by the producer between April 1, 2006, and March 31, 2016. Tax credit certificates cannot be issued for renewable energy purchased or produced for on-site consumption after December 31, 2024.~~

~~To claim the tax credit, the taxpayer must include the tax credit certificate with the tax return for the tax period set forth on the certificate. Any tax credit in excess of the tax liability may be carried forward for seven years or until it is used, whichever is the earlier.~~

~~42.28(3)~~ **42.28(5)** *Transfer of the renewable energy tax credit certificate.*

~~a. *One-transfer limitation.* The renewable energy tax credit certificate may be transferred once to any person or entity. A decision between a producer and purchaser of renewable energy regarding who may claim the tax credit is not considered a transfer.~~

~~b. *Transfer process—information required.* Within 30 days of transfer of the tax credit certificate, the transferee must submit the transferred tax credit certificate to the department, along with a statement which contains the transferee's name, address and tax identification number; ~~and~~ the amount of the tax credit being transferred; the value of any consideration provided by the transferee to the transferor; and any other information required by the department. Within 30 days of receiving the transferred tax credit certificate and the statement from the transferee, the department will issue a replacement tax credit certificate to the transferee. If the transferee is a partnership, limited liability company, S corporation, or estate or trust claiming the credit for individual or corporation income tax, the transferee shall provide a list of the partners, members, shareholders or beneficiaries and information on how the renewable energy tax credit should be divided among the partners, members, shareholders or beneficiaries. The transferee shall also provide the tax identification numbers and addresses of the partners, members, shareholders or beneficiaries. The replacement tax credit certificate must contain the same information as that on the original tax credit certificate and must have the same effective taxable year and the same expiration date as the original tax credit certificate. The replacement tax credit certificate may reflect a different tax type than the original tax credit certificate.~~

~~c. *Tax year.* The transferee may use the amount of the tax credit for any tax year for which the original transferor could have claimed the tax credit.~~

~~d. *Consideration.* Any consideration received for the transfer of the tax credit certificate shall not be included in Iowa taxable income for individual income, corporation income or franchise tax purposes. Any consideration paid for the transfer of the tax credit certificate shall not be deducted from Iowa taxable income for individual income, corporation income or franchise tax purposes.~~

~~42.28(4)~~ **42.28(6)** *Small wind innovation zones.* Effective for tax years beginning on or after January 1, 2009, an owner of a small wind energy system operating within a small wind innovation zone which has been approved by the Iowa utilities board is eligible for the renewable energy tax credit. The administrative rules of the Iowa utilities board for the certification of eligibility for owners of small wind energy systems operating within a small wind innovation zone may be found in rule 199—15.22(476).

~~42.28(7)~~ *Appeals.* If the department refuses to issue the tax credit certificate, the taxpayer shall be notified in writing, and the taxpayer will have 60 days from the date of denial to file a protest in accordance with rule 701—7.8(17A).

This rule is intended to implement Iowa Code section 422.11J and Iowa Code chapter 476C as amended by 2014 Iowa Acts, Senate File 2343 2015 Iowa Acts, chapter 124, and 2016 Iowa Acts, House File 2468.

ITEM 2. Amend rule 701—52.27(422,476C) as follows:

701—52.27(422,476C) Renewable energy tax credit. Effective for tax years beginning on or after July 1, 2006, a purchaser or producer of renewable energy whose facility has been approved by the Iowa utilities board may claim a renewable energy tax credit for qualified renewable energy against a taxpayer's Iowa corporation income tax liability. ~~The administrative rules for the certification of eligibility for the renewable energy tax credit for the Iowa utilities board may be found in rule 199—15.19(476C).~~

~~52.27(1)~~ *Application and review process for the renewable energy tax credit.* Eligible facility application process.

REVENUE DEPARTMENT[701](cont'd)

a. Eligible facility application process, generally. A producer or purchaser of a renewable energy facility must be approved as an eligible renewable energy facility by the Iowa utilities board in order to qualify for the renewable energy tax credit. The eligible renewable energy facility can be a wind energy conversion facility, biogas recovery facility, biomass conversion facility, methane gas recovery facility, solar energy conversion facility or refuse conversion facility. The facility must be located in Iowa and placed in service on or after July 1, 2005, and before January 1, 2017 2018. The administrative rules for the certification of eligibility for the renewable energy tax credit for the Iowa utilities board may be found in rule 199—15.19(476C).

b. Limitations on maximum energy production and nameplate generating capacity. The maximum amount of nameplate generating capacity of all wind energy conversion facilities cannot exceed 363 megawatts of nameplate generating capacity. The For tax years beginning prior to January 1, 2015, the maximum amount of energy production capacity for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities cannot exceed a combined output of 53 megawatts of nameplate generating capacity and 167 billion British thermal units of heat for a commercial purpose. For tax years beginning on or after January 1, 2015, the maximum amount of energy production for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities cannot exceed a combined output of 63 megawatts of nameplate generating capacity and, annually, 167 billion British thermal units of heat for a commercial purpose. A facility that is not operational within 30 months after issuance of approval from the utilities board will no longer be considered a qualified facility. However, if the facility is a wind energy conversion property and is not operational within 18 months due to the unavailability of necessary equipment, the facility may apply for a 12-month extension of the 30-month limit. Extensions can be renewed for succeeding 12-month periods if the facility applies for the extension prior to expiration of the current extension period. A producer of renewable energy, which is the person who owns the renewable energy facility, cannot own more than two eligible renewable energy facilities. A person that has an equity interest equal to or greater than 51 percent in an eligible renewable energy facility cannot have an equity interest greater than 10 percent in any other renewable energy facility. However, for tax years beginning on or after January 1, 2015, an entity described in Iowa Code section 476C.1(6)“b”(4) or (5) may have an ownership interest in up to four solar energy conversion facilities described in Iowa Code section 476C.3(4)“b”(3).

52.27(2) Tax credit certificate procedure.

a. Tax credit application process. A producer or purchaser of a renewable energy facility must apply to the utilities board for the renewable energy tax credit. The application for the tax credit must be filed no later than 30 days after the close of the tax year for which the credit is applied. The information to be included in the application is set forth in 199—subrule 15.21(1). The utilities board will notify the department of the number of kilowatt-hours, standard cubic feet or British thermal units that were generated and purchased from an eligible facility or used for on-site consumption by the producer during the tax year for which the credit is applied.

b. Tax credit calculation. The department shall calculate the amount of the credit for which the applicant is eligible in accordance with subrules 52.27(3) and 52.27(4) and shall issue a tax credit certificate for that amount or shall notify the applicant in writing of its refusal to do so.

c. Tax credit certificate issuance. The tax credit certificate will include the taxpayer's name, address and federal identification number; the tax type for which the credit will be claimed; the amount of the credit; and the tax year for which the credit may be claimed. In addition, the tax credit certificate will include a place for the name and tax identification number of a transferee and the amount of the tax credit certificate, as provided in subrule 52.27(5). Once a tax credit certificate is issued pursuant to Iowa Code chapter 476C, it shall not be terminated or rescinded.

d. Taxpayers that are partnerships, limited liability companies, S corporations, or estates or trusts. If the taxpayer is a partnership, limited liability company, S corporation, or estate or trust requesting a credit for individual or corporation income tax, the tax credit certificate will be issued to the partners, members, shareholders or beneficiaries based on the partner's, member's, shareholder's

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or beneficiary's pro rata share of earnings of the partnership, limited liability company, S corporation, or estate or trust, except when the taxpayer is eligible to receive renewable electricity production tax credits authorized under Section 45 of the Internal Revenue Code. In cases where the taxpayer is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the partnership, limited liability company or S corporation may designate the amount of the tax credit to be allocated to each partner, member or shareholder. In addition, if a taxpayer is a partnership, limited liability company, S corporation, or estate or trust that is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the taxpayer may distribute the tax credit to an equity holder or beneficiary as a liquidating distribution, or portion thereof, of an equity holder's interest in the partnership, limited liability company or S corporation or of the beneficiary's interest in the estate or trust.

e. Carryforward. To claim the tax credit, the taxpayer must include the tax credit certificate with the tax return for the tax period set forth on the certificate. Any tax credit in excess of the tax liability may be carried forward for seven years or until it is used, whichever is the earlier.

52.27(3) Limitations.

a. Energy production. Of the maximum amount of energy production capacity equivalent for biogas recovery facilities, biomass conversion facilities, methane gas recovery facilities, solar energy conversion facilities and refuse conversion facilities;

(1) No single facility may be allocated more than ten megawatts of nameplate generating capacity or energy production capacity equivalent.

(2) For tax years beginning on or after January 1, 2015, ten megawatts of nameplate generating capacity or energy production capacity equivalent shall be reserved for solar energy conversion facilities described in Iowa Code section 476C.3(4) "b"(3) that have a generating capacity of one and one-half megawatts or less.

(3) For tax years beginning on or after January 1, 2014, 55 billion British thermal units of heat for a commercial purpose shall be reserved annually for an eligible facility that is a refuse conversion facility for processed, engineered fuel from a multicounty solid waste management planning area.

(4) For tax years beginning on or after January 1, 2014, the maximum annual amount of energy production capacity for a single refuse conversion facility is 55 billion British thermal units of heat for a commercial purpose.

b. Related persons. The credit is not allowed for any kilowatt-hours, standard cubic feet or British thermal units that are purchased from an eligible facility by a related person. Persons shall be treated as related to each other if either person owns an 80 percent or more equity interest in the other person.

c. Operation. The facility must be operational within 30 months after approval was given by the utilities board, unless a 12-month extension is granted by the utilities board as provided in subrule 52.27(1).

d. Prohibited for persons that have received a credit under Iowa Code chapter 476B. A person that has received a wind energy production tax credit pursuant to Iowa Code chapter 476B may not be issued a renewable energy tax credit certificate.

e. Ten-year award limitation. The credit is allowed for a ten-year period beginning on the date the purchaser first purchases renewable energy from a qualified facility or on the date the qualified facility first began producing renewable energy for on-site consumption. For example, if a renewable energy facility first began producing energy for on-site consumption on April 1, 2006, the credit can be claimed for kilowatt-hours, standard cubic feet or British thermal units generated and used for on-site consumption by the producer between April 1, 2006, and March 31, 2016. Tax credit certificates cannot be issued for renewable energy purchased or produced for on-site consumption after December 31, 2027.

52.27(2) 52.27(4) Computation of the credit. The renewable energy tax credit equals 1½ cents per kilowatt-hour of electricity, or ~~44 cents~~ \$1.44 per 1000 standard cubic feet of hydrogen fuel, or \$4.50 per 1 million British thermal units of methane gas or other biogas used to generate electricity, or \$4.50 per 1 million British thermal units of heat for a commercial purpose generated by and purchased from an eligible renewable energy facility or used for on-site consumption by the producer during the tax year. For the first tax year in which the credit is applied, the kilowatt-hours, standard cubic feet or

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British thermal units generated by and purchased from the facility or used for on-site consumption by the producer may exceed 12 months if the facility was operational for fewer than 12 months in its initial year of operation.

EXAMPLE: A qualified wind energy production facility was placed in service on April 1, 2006, and the taxpayer files on a calendar-year basis. The first year for which the credit can be claimed is the year ending December 31, 2007, since that is the first tax year that began on or after July 1, 2006. The credit for the 2007 tax year can include electricity generated and purchased or used for on-site consumption by the producer between April 1, 2006, and December 31, 2007.

~~The credit is not allowed for any kilowatt-hours, standard cubic feet or British thermal units that are purchased from an eligible facility by a related person. Persons shall be treated as related to each other if either person owns an 80 percent or more equity interest in the other person.~~

~~The utilities board will notify the department of the number of kilowatt-hours, standard cubic feet or British thermal units that are generated and purchased from an eligible facility or used for on-site consumption by the producer during the tax year. The department will calculate the credit and issue a tax credit certificate to the purchaser or producer. The tax credit certificate will include the taxpayer's name, address and federal identification number, the tax type for which the credit will be claimed, the amount of the credit and the tax year for which the credit may be claimed. In addition, the tax credit certificate will include a place for the name and tax identification number of a transferee and the amount of the tax credit certificate, as provided in subrule 52.27(3). If the department refuses to issue the tax credit certificate, the taxpayer shall be notified in writing and the taxpayer will have 60 days from the date of denial to file a protest in accordance with rule 701—7.8(17A). The department will not issue a tax credit certificate if the facility is not operational within 30 months after approval was given by the utilities board, unless a 12-month extension is granted by the utilities board as provided in subrule 52.27(1). In addition, the department will not issue a tax credit certificate to any person who received a wind energy production tax credit in accordance with Iowa Code chapter 476B.~~

~~If the taxpayer is a partnership, limited liability company, S corporation, or estate or trust requesting a credit for individual or corporation income tax, the tax credit certificate will be issued to the partners, members, shareholders or beneficiaries based on the partner's, member's, shareholder's or beneficiary's pro rata share of earnings of the partnership, limited liability company, S corporation, or estate or trust, except when the taxpayer is eligible to receive renewable electricity production tax credits authorized under Section 45 of the Internal Revenue Code. In cases where the taxpayer is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the partnership, limited liability company or S corporation may designate the amount of the tax credit to be allocated to each partner, member or shareholder. In addition, if a taxpayer is a partnership, limited liability company, S corporation, or estate or trust that is eligible to receive renewable electricity production tax credits under Section 45 of the Internal Revenue Code, the taxpayer may distribute the tax credit to an equity holder or beneficiary as a liquidating distribution or portion thereof, of an equity holder's interest in the partnership, limited liability company or S corporation, or the beneficiary's interest in the estate or trust.~~

~~The credit can be allowed for a ten-year period beginning on the date the qualified facility was originally placed in service. For example, if a renewable energy facility was placed in service on April 1, 2006, the credit can be claimed for kilowatt-hours, standard cubic feet or British thermal units generated and purchased or used for on-site consumption by the producer between April 1, 2006, and March 31, 2016. Tax credit certificates cannot be issued for renewable energy purchased or produced for on-site consumption after December 31, 2024.~~

~~To claim the tax credit, the taxpayer must include the tax credit certificate with the tax return for the tax period set forth on the certificate. Any tax credit in excess of the tax liability may be carried forward for seven years or until it is used, whichever is the earlier.~~

~~**52.27(3)** **52.27(5)** *Transfer of the renewable energy tax credit certificate.*~~

~~*a. One-transfer limitation.* The renewable energy tax credit certificate may be transferred once to any person or entity. A decision between a producer and purchaser of renewable energy regarding who may claim the tax credit is not considered a transfer.~~

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b. Transfer process—information required. Within 30 days of transfer of the tax credit certificate, the transferee must submit the transferred tax credit certificate to the department, along with a statement which contains the transferee's name, address and tax identification number; ~~and~~ the amount of the tax credit being transferred; the value of any consideration provided by the transferee to the transferor; and any other information required by the department. Within 30 days of receiving the transferred tax credit certificate and the statement from the transferee, the department will issue a replacement tax credit certificate to the transferee. If the transferee is a partnership, limited liability company, S corporation, or estate or trust claiming the credit for individual or corporation income tax, the transferee shall provide a list of the partners, members, shareholders or beneficiaries and information on how the renewable energy tax credit should be divided among the partners, members, shareholders or beneficiaries. The transferee shall also provide the tax identification numbers and addresses of the partners, members, shareholders or beneficiaries. The replacement tax credit certificate must contain the same information as that on the original tax credit certificate and must have the same effective taxable year and the same expiration date as the original tax credit certificate. The replacement tax credit certificate may reflect a different tax type than the original tax credit certificate.

c. Tax year. The transferee may use the amount of the tax credit for any tax year for which the original transferor could have claimed the tax credit.

d. Consideration. Any consideration received for the transfer of the tax credit certificate shall not be included in Iowa taxable income for individual income, corporation income or franchise tax purposes. Any consideration paid for the transfer of the tax credit certificate shall not be deducted from Iowa taxable income for individual income, corporation income or franchise tax purposes.

~~52.27(4)~~ **52.27(6)** *Small wind innovation zones.* Effective for tax years beginning on or after January 1, 2009, an owner of a small wind energy system operating within a small wind innovation zone which has been approved by the Iowa utilities board is eligible for the renewable energy tax credit. The administrative rules of the Iowa utilities board for the certification of eligibility for owners of small wind energy systems operating within a small wind innovation zone may be found in rule 199—15.22(476).

52.27(7) *Appeals.* If the department refuses to issue the tax credit certificate, the taxpayer shall be notified in writing and the taxpayer will have 60 days from the date of denial to file a protest in accordance with rule 701—7.8(17A).

This rule is intended to implement Iowa Code section 422.33 and chapter 476C as amended by ~~2014 Iowa Acts, Senate File 2343~~ 2015 Iowa Acts, chapter 124, and 2016 Iowa Acts, House File 2468.

TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION, IOWA

Public Notice

NOTICE OF OFFICIAL CONTRACT LIMITATION AMOUNT ADJUSTMENT FOR THE PERIOD COMMENCING SEPTEMBER 1, 2016, AND ENDING AUGUST 31, 2017

In accordance with Iowa Code section 8D.11, subsection 1, paragraph “c,” the Iowa Telecommunications and Technology Commission’s (Iowa Communications Network) Executive Director hereby publishes the official adjusted contract limitation amount for the period commencing on September 1, 2016, and ending on August 31, 2017, of \$2,317,698.80.

The adjusted contract limitation amount becomes effective on September 1, 2016. The amount was determined by applying the formula specified in the statute. According to the federal Department of Labor, Bureau of Labor Statistics, the consumer price index for all urban consumers increased 1 percent from June 2015 to June 2016.

Pursuant to Iowa Code section 8D.11, subsection 1, paragraph “c,” this notice is exempt from the rule-making process in Iowa Code chapter 17A.

Questions with respect to this notice should be directed to:

TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION, IOWA(cont'd)

Ric Lumbard, Executive Director
Iowa Telecommunications and Technology Commission
400 E. 14th Street
Des Moines, Iowa 50319
Telephone: (515)725-4910
E-mail: ric.lumbard@iowa.gov

TREASURER OF STATE

Notice—Public Funds Interest Rates

In compliance with Iowa Code chapter 74A and section 12C.6, the committee composed of Treasurer of State Michael L. Fitzgerald, Superintendent of Credit Unions JoAnn Johnson, Superintendent of Banking Ronald L. Hansen, and Auditor of State Mary Mosiman have established today the following rates of interest for public obligations and special assessments. The usury rate for August is 3.50%.

INTEREST RATES FOR PUBLIC OBLIGATIONS AND ASSESSMENTS

Table with 2 columns: Description and Rate. Rows include 74A.2 Unpaid Warrants (Maximum 6.0%) and 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 August 9, 2016, setting the minimums that may be paid by Iowa depositories on public funds are listed below.

TIME DEPOSITS

Table with 2 columns: Term and Minimum Rate. Rows include 7-31 days, 32-89 days, 90-179 days, 180-364 days, One year to 397 days, and More than 397 days, all with a minimum rate of .05% or .30%.

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

Inquiries may be sent to Michael L. Fitzgerald, Treasurer of State, State Capitol, Des Moines, Iowa 50319.

ARC 2673C**UTILITIES DIVISION[199]****Notice of Intended Action**

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

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

Pursuant to Iowa Code sections 17A.4, 476.6A, and 476.58, the Utilities Board (Board) gives notice that on July 22, 2016, the Board issued an order in Docket No. RMU-2016-0003, In re: Review of Electric Interconnection of Distributed Generation Facilities Rules [199 IAC 45], “Order Commencing Rule Making,” proposing to amend the Board’s rules regarding distributed generation interconnection. Chapter 45 is designed to offer standardized requirements, forms, and procedures for smaller facilities and to make the interconnection process more transparent and less complex for larger facilities. The current interconnection rules were adopted in 2010 and incorporated the then-current best practices for interconnection agreements and procedures. The proposed amendments to Chapter 45 are intended to incorporate current best practices and to incorporate newly adopted Iowa Code section 476.58.

Also, the Board is conducting a comprehensive review of its rules and, as part of that review, is attempting to make the rules more readable, to streamline reporting requirements in the rules, and to transition away from providing forms within the rules. The intent of these changes is to promote ease of access for those interacting with the Board.

The order approving this Notice of Intended Action can be found on the Board’s Electronic Filing System (EFS) Web site, <http://efs.iowa.gov>, in Docket No. RMU-2016-0003.

Pursuant to Iowa Code sections 17A.4(1)“a” and “b,” any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before September 6, 2016. The statement should be filed electronically through the Board’s EFS. Instructions for making an electronic filing can be found on the EFS Web site at <http://efs.iowa.gov>. Filings shall comply with the format requirements in 199 IAC 2.2(2) and clearly state the author’s name and address and make specific reference to Docket No. RMU-2016-0003. Paper comments may only be filed with approval of the Board.

No oral presentation is scheduled at this time. Pursuant to Iowa Code section 17A.4(1)“b,” an oral presentation may be requested or the Board on its own motion after reviewing the comments may determine an oral presentation should be scheduled. Requests for an oral presentation should be filed on the date scheduled for written comments.

After analysis and review of this rule making, the Board tentatively concludes that the proposed amendments, if adopted, will not have a detrimental effect on jobs in Iowa. The proposed amendments will have a beneficial effect by incorporating current best practices as well as adopting rules pursuant to Iowa Code section 476.58. The amendments will also promote ease of access for those interacting with the Board.

These amendments are intended to implement Iowa Code sections 17A.4, 476.6A, and 476.58.

The following amendments are proposed.

ITEM 1. Amend the following definitions in rule **199—45.1(476)**:

“*Certificate of completion*” means the ~~Standard Certificate of Completion in Appendix B (199—45.15(476)) form~~ that contains information about the interconnection equipment to be used, its installation, and local inspections.

“*Distributed generation facility*” means a qualifying facility, ~~or an AEP facility,~~ or an energy storage facility.

“*Nationally recognized testing laboratory*” or “*NRTL*” means a qualified private organization that meets the requirements of the Occupational Safety and Health Administration’s (OSHA) regulations. See

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29 CFR 1910.7 as amended through April 9, 2014 [effective date of this amendment]. NRTLs perform independent safety testing and product certification. Each NRTL shall meet the requirements as set forth by OSHA in its NRTL program.

“*UL Standard 1741*” means the standard titled “*Inverters, Converters, and Controllers, and Interconnection System Equipment for Use in Independent Power Systems with Distributed Energy Resources*,” January 28, 2010, edition, Underwriters Laboratories Inc., 333 Pfingsten Road, Northbrook, IL 60062-2096.

ITEM 2. Adopt the following new definitions of “Disconnection device” and “Electric meter” in rule ~~199—45.1(476)~~:

“*Disconnection device*” means a lockable visual disconnect or other disconnection device, such as, but not limited to, a service disconnect, gang operated main disconnect, or breaker capable of disconnecting and de-energizing the residual voltage in a distributed generation facility.

“*Electric meter*” means a device used by an electric utility that measures and registers the integral of an electrical quantity with respect to time.

ITEM 3. Rescind the definition of “Standard distributed generation interconnection agreement” in rule ~~199—45.1(476)~~.

ITEM 4. Amend rule ~~199—45.2(476)~~ as follows:

~~199—45.2(476)~~ Scope.

~~45.2(1)~~ This chapter applies to utilities, and distributed generation facilities seeking to operate in parallel with utilities, provided the facilities are not subject to the interconnection requirements of the Federal Energy Regulatory Commission (FERC), the Midwest Midcontinent Independent Transmission System Operator, Inc. (MISO), the Southwest Power Pool (SPP), the Midwest Reliability Organization (MRO), or the Mid-Continent Area Power Pool (MAPP) SERC Reliability Corporation (SERC).

~~45.2(2)~~ If the nameplate capacity of the facility is greater than 10 MVA, the interconnection customer and the utility shall start with the Level 4 review process and agreements under ~~rules rule 199—45.11(476), 199—45.17(476), 199—45.18(476), 199—45.19(476), and 199—45.20(476)~~, and modify the process and agreements as needed by mutual agreement. In addition, the interconnection customer and the utility shall start with the technical standards under rule ~~199—45.3(476)~~ and modify the standards as needed by mutual agreement. If the interconnection customer and the utility cannot reach mutual agreement, the interconnection customer may seek resolution through the rule ~~199—45.12(476)~~ dispute process.

ITEM 5. Amend paragraph **~~45.3(1)“c”~~** as follows:

c. National Electrical Code, ANSI/NFPA 70-2008 2014.

ITEM 6. Amend subrule ~~45.3(2)~~ as follows:

~~45.3(2)~~ *Interconnection facilities.*

a. ~~The utility may require the~~ A distributed generation facility placed in service after July 1, 2015, is required to ~~have the capability to be isolated from the utility, either by means of a lockable, visible-break isolation device accessible by the utility, or by means of a lockable isolation device whose status is indicated and is accessible by the utility~~ have installed a disconnection device. ~~If an isolation device is required by the utility, the~~ The disconnection device shall be installed, owned, and maintained by the owner of the distributed generation facility and located electrically between the distributed generation facility and the point of interconnection. A draw-out type of circuit breaker accessible to the utility with a provision for padlocking at the drawn-out position satisfies the requirement for an isolation device and shall be easily visible and adjacent to an interconnection customer’s electric meter at the facility. Disconnection devices are considered easily visible and adjacent: for a home or business, up to ten feet away from the meter and within the line of sight of the meter, at a height of 30 inches to 72 inches above final grade; or for large areas with multiple buildings that require electric service, up to 30 feet away from the meter and within the line of sight of the meter, at a height of 30 inches to 72 inches above final grade. The disconnection device shall be labeled with a permanently attached sign

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with clearly visible letters that give procedures/directions for disconnecting the distributed generation facility.

(1) If an interconnection customer with distributed generation facilities installed prior to July 1, 2015, adds generation capacity to its existing system that does not require upgrades to the electric meter or electrical service, a disconnection device is not required.

(2) If an interconnection customer with distributed generation facilities installed prior to July 1, 2015, upgrades or changes its electric service, the new or modified electric service must meet all current utility electric service rule requirements.

b. For all distributed generation installations, the customer shall be required to provide and place a permanent placard no more than ten feet away from the electric meter. The placard must be visible from the electric meter. The placard must clearly identify the presence and location of the disconnection device for the distributed generation facilities on the property. The placard must be made of material that is suitable for the environment and must be designed to last for the duration of the anticipated operating life of the distributed generation facility. If no disconnection device is present, the placard shall state "no disconnection device".

If the distributed generation facility is not installed at the building with the electric meter, an additional placard must be placed at the electric meter to provide specific information regarding the distributed generation facility and the disconnection device.

b. c. The interconnection shall include overcurrent devices on the facility to automatically disconnect the facility at all currents that exceed the full-load current rating of the facility.

e. d. Distributed generation facilities with a design capacity of 100 kVA or less must be equipped with automatic disconnection upon loss of electric utility-supplied voltage.

d. e. Those facilities that produce a terminal voltage prior to the closure of the interconnection shall be provided with synchronism-check devices to prevent closure of the interconnection under conditions other than a reasonable degree of synchronization between the voltages on each side of the interconnection switch.

f. An interconnection customer that fails to comply with the foregoing requirements may be disconnected as provided in 199—Chapter 20. The disconnection process details shall be provided in individual utility tariffs or in the interconnection agreement.

ITEM 7. Amend subrule 45.3(3) as follows:

45.3(3) Access. ~~If an isolation~~ a disconnection device is required ~~by the utility, both the operator of the distributed generation facility₂ and the utility, and emergency personnel shall have access to the isolation~~ disconnection device at all times. ~~An~~ For distributed generation facilities installed prior to July 1, 2015, an interconnection customer may elect to provide the utility with access to an isolation a disconnection device that is contained in a building or area that may be unoccupied and locked or not otherwise accessible to the utility by installing a lockbox provided by the utility that allows ready access to the ~~isolation~~ disconnection device. The lockbox shall be in a location determined by the utility₂ in consultation with the customer, to be accessible by the utility. The interconnection customer shall permit the utility to affix a placard in a location of the utility's choosing that provides instructions to utility operating personnel for accessing the ~~isolation~~ disconnection device. If the utility needs to isolate the distributed generation facility, the utility shall not be held liable for any damages resulting from the actions necessary to isolate the generation facility.

ITEM 8. Amend subrule 45.3(4) as follows:

45.3(4) Inspections and testing. The operator of the distributed generation facility shall adopt a program of inspection and testing of the generator and its appurtenances and the interconnection facilities in order to determine necessity for replacement and repair. Such a program should include all periodic tests and maintenance prescribed by the manufacturer. If the periodic testing of interconnection-related protective functions is not specified by the manufacturer, periodic testing shall occur at least once every five years. All interconnection-related protective functions shall be periodically tested, and a system that depends upon a battery for trip power shall be checked and logged. Representatives of the utility shall have access at all reasonable hours to the interconnection equipment specified in subrule

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45.3(2) for inspection and testing with reasonable prior notice to the applicant. If the utility discovers that the applicant's facility is not in compliance with the requirements of IEEE Standard 1547 and the noncompliance adversely affects the safety or reliability of the electrical system, the utility may require disconnection of the applicant's facility until the facility complies with this chapter.

ITEM 9. Adopt the following new subrule 45.3(6):

45.3(6) Notification. When the distributed generation facility is placed in service, owners of interconnected distributed generation facilities are required to notify local paid or volunteer fire departments via U.S. mail of the location of distributed generation facilities and the associated disconnection devices. The owner is required to provide any information related to the distributed generation facility as required by that local fire department including but not limited to:

a. A site map showing property address; service point from utility company; distributed generation facility and disconnect service location(s); location of rapid shutdown and battery disconnect(s), if applicable; property owner's or owner's representative's emergency contact information; utility company's emergency telephone number; and size of the distributed generation facility.

b. Information to access the disconnection device.

c. A statement from the owner verifying that the distributed generation facility was installed in accordance with the current state-adopted National Electrical Code.

ITEM 10. Amend rule 199—45.4(476) as follows:

199—45.4(476) Interconnection requests.

45.4(1) Applicants seeking to interconnect a distributed generation facility shall submit an interconnection request to the utility that owns the electric distribution system to which interconnection is sought. Applicants shall identify in the application if they are representing a group of customers that are located in the same vicinity and whether the application requires a group interconnection study. Applicants shall follow the board-approved processes and use the board-approved interconnection request forms approved by the board and agreements that are provided on the board's Web site, <http://iub.iowa.gov>. Applicants may request a preapplication report from the utility using the board-approved preapplication request process that is provided on the board's Web site.

45.4(2) Utilities shall specify the fee by level that the applicant shall remit to process the interconnection request. The fee shall be specified in the interconnection request forms. Utilities may charge a fee by level that applicants must remit in order to process an interconnection request. The utilities shall not charge more than the fees specified in the Standard Application Forms in Appendix A (199—45.14(476)) and Appendix C (199—45.16(476)) Level 1 Interconnection Request Application form and Distributed Generation Interconnection Agreement or the Levels 2 to 4 Interconnection Request Application form, which are located on the board's Web site.

45.4(3) Interconnection requests may be submitted electronically, if agreed to by the parties.

ITEM 11. Amend subrule 45.5(6) as follows:

45.5(6) ~~When an applicant is not currently a customer of the utility at the proposed site, the~~ The applicant shall provide, upon utility request, proof of the applicant's legal right to control the site(s) ~~; evidenced by the applicant's name on a property tax bill, deed, lease agreement or other legally binding contract.~~ Site control may be demonstrated through:

a. Ownership of, a leasehold interest in, or a right to develop a site for the purpose of constructing, the distributed generation facility;

b. An option to purchase or acquire a leasehold site for such purpose; or

c. Exclusivity or other business relationship between the interconnection customer and the entity having the right to sell, lease, or grant the interconnection customer the right to possess or occupy a site for such purpose.

ITEM 12. Amend subrule 45.5(8) as follows:

45.5(8) Any metering required for a distributed generation interconnection shall be installed, operated, and maintained in accordance with the utility's metering rules ~~filed with the board under~~

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~~199—subrule 20.2(5), and inspection and testing practices adopted under rule 199—20.6(476) defined in 199—Chapter 20. Any such metering requirements shall be identified in the Standard Level 1 Interconnection Request Application form and Distributed Generation Interconnection Agreement or the Levels 2 to 4 Distributed Generation Interconnection Request Agreement executed between the interconnection customer and the utility.~~

ITEM 13. Amend subrule 45.6(2) as follows:

45.6(2) Lab-certified interconnection equipment shall not require further design testing or production testing, as specified by IEEE Standard 1547, Sections 5.1 and 5.2, or additional interconnection equipment modification to meet the requirements for expedited review; however, ~~nothing in this subrule shall preclude the need for an interconnection installation evaluation, the applicant shall conduct all commissioning tests, or periodic testing as specified by IEEE Standard 1547, Sections 5.3, 5.4, and 5.5, or for a witness test conducted by a utility. The utility may conduct additional witness tests, but no more frequently than annually.~~

ITEM 14. Amend paragraph **45.7(1)“b”** as follows:

b. The distributed generation facility has a nameplate capacity rating of ~~40~~ 20 kVA or less; and

ITEM 15. Amend subrule 45.7(2) as follows:

45.7(2) A utility shall use Level 2 procedures for evaluating interconnection requests when:

- a. The applicant has filed a Level 2 application; and
- b. The nameplate capacity rating is 2 MVA or less for non-inverter-based systems. The Level 2 eligibility for inverter-based systems can be based on the following table.

<u>Line Voltage</u>	<u>Level 2 Eligibility Regardless of Location</u>	<u>Level 2 Eligibility on a Mainline and < 2.5 Electrical Circuit Miles from Substation</u>
<u>< 5 kV</u>	<u>< 500 kVA</u>	<u>< 500 kVA</u>
<u>> 5 kV and < 15 kV</u>	<u>< 2 MVA</u>	<u>< 3 MVA</u>
<u>> 15 kV and < 30 kV</u>	<u>< 3 MVA</u>	<u>< 4 MVA</u>
<u>> 30 kV and < 69 kV</u>	<u>< 4 MVA</u>	<u>< 5 MVA</u>

For purposes of this table, a mainline is the three-phase backbone of a circuit; and

- c. The interconnection equipment proposed for the distributed generation facility is lab-certified; and
- d. The proposed interconnection is to a radial distribution circuit or a spot network limited to serving one customer; and
- e. No construction of facilities by the utility shall be required to accommodate the distributed generation facility, other than minor modifications provided for in subrule 45.9(6).

ITEM 16. Amend subrule 45.8(2) as follows:

45.8(2) The Level 1 interconnection shall use the following procedures:

a. The applicant shall submit an interconnection request using the ~~appropriate Standard Level 1 Interconnection Request Application Form in Appendix A (199—45.14(476))~~ form and Distributed Generation Interconnection Agreement along with the Level 1 application fee.

b. to d. No change.

e. Otherwise, the utility shall approve the interconnection request and provide to the applicant a signed version of the standard “Conditional Agreement to Interconnect Distributed Generation Facility” ~~in Appendix A (199—45.14(476))~~ the Level 1 Interconnection Request Application form and Distributed Generation Interconnection Agreement subject to the following conditions:

- (1) The distributed generation facility has been approved by local or municipal electric code officials with jurisdiction over the interconnection;

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(2) The ~~Standard Certificate of Completion in Appendix B (199—45.15(476))~~ form has been returned to the utility. Completion of local inspections may be designated on inspection forms used by local inspecting authorities;

(3) The witness test has either been successfully completed or waived by the utility in accordance with Section (2)(c)(ii) of the Terms and Conditions for Interconnection in ~~Appendix A (199—45.14(476))~~ the Level 1 Interconnection Request Application form and Distributed Generation Interconnection Agreement; and

(4) The applicant has signed the standard “Conditional Agreement to Interconnect Distributed Generation Facility” in ~~Appendix A (199—45.14(476))~~ the Level 1 Interconnection Request Application form and Distributed Generation Interconnection Agreement. When an applicant does not sign the agreement within 30 business days after receipt of the agreement from the utility, the interconnection request is deemed withdrawn unless the applicant requests to have the deadline extended for no more than 15 business days. An initial request for extension shall not be denied by the utility, but subsequent requests may be denied.

f. If a distributed generation facility is not approved under a Level 1 review, and the utility’s reasons for denying Level 1 status are not subject to dispute, the applicant may submit a new interconnection request for consideration under Level 2, Level 3, or Level 4 procedures. The date of the completed Level 1 interconnection request shall be retained and shall be used to determine the review order position for subsequent Level 2 to 4 applications, provided the request is made by the applicant within 15 business days after notification that the Level 1 interconnection request is denied.

ITEM 17. Amend paragraph **45.9(1)“i”** as follows:

i. A distributed generation facility, in aggregate with other generation interconnected to the distribution side of a substation transformer feeding the circuit where the distributed generation facility proposes to interconnect, may not exceed 10 MVA in an area where there are transient stability limitations to generating units located in the general electrical vicinity, as publicly posted by the ~~Mid-Continent Area Power Pool (MAPP), Midwest Reliability Organization (MRO), the SERC Reliability Corporation (SERC), the Midwest Midcontinent Independent Transmission System Operator, Inc. (MISO), or the Midwest Reliability Organization (MRO)~~ or the Southwest Power Pool (SPP).

ITEM 18. Amend paragraph **45.9(2)“a”** as follows:

a. The applicant submits an interconnection request using the ~~appropriate Standard Levels 2 to 4 Interconnection Request Application Form in Appendix C (199—45.16(476))~~ form along with the Level 2 application fee.

ITEM 19. Amend subrule 45.9(3) as follows:

45.9(3) When a utility determines that the interconnection request passes the Level 2 screening criteria, or the utility determines that the distributed generation facility can be interconnected safely and will not cause adverse system impacts, even if ~~it~~ the facility fails one or more of the Level 2 screening criteria, ~~it~~ the utility shall provide the applicant with the ~~Standard Levels 2 to 4 Distributed Generation Interconnection Agreement in Appendix D (199—45.17(476))~~ within three business days of the date the utility makes its determination.

ITEM 20. Amend subrule 45.9(4) as follows:

45.9(4) Within ~~35~~ 30 business days after issuance by the utility of the ~~Standard Levels 2 to 4 Distributed Generation Interconnection Agreement~~, the applicant shall sign and return the agreement to the utility. If the applicant does not sign and return the agreement within ~~35~~ 30 business days, the interconnection request shall be deemed withdrawn unless the applicant requests a 15-business-day extension in writing before the end of the ~~35~~ 30-day period. The initial request for extension may not be denied by the utility. When the utility conducts an additional review under the provisions of subrule 45.9(6), the interconnection of the distributed generation facility shall proceed according to milestones agreed to by the parties in the ~~Standard Levels 2 to 4 Distributed Generation Interconnection Agreement~~.

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ITEM 21. Amend subrule 45.9(5) as follows:

45.9(5) The ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement is not final until:

- a. All requirements in the agreement are satisfied;
- b. The distributed generation facility is approved by the electric code officials with jurisdiction over the interconnection;
- c. The applicant provides the ~~Standard~~ Certificate of Completion ~~in Appendix B (199—45.15(476))~~ form to the utility. Completion of local inspections may be designated on inspection forms used by local inspecting authorities; and
- d. The witness test has either been successfully completed or waived by the utility in accordance with Article 2.1.1 of the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement.

ITEM 22. Amend subrule 45.9(6) as follows:

45.9(6) Additional review may be appropriate when a distributed generation facility fails to meet one or more of the Level 2 screens. The utility shall offer to perform additional review to determine whether there are minor modifications to the distributed generation facility or electric distribution system that would enable the interconnection to be made safely ~~and so that it will not cause without causing~~ adverse system impacts. The utility shall provide the applicant with a nonbinding estimate for the costs of additional review and the costs of minor modifications to the electric distribution system. The utility shall undertake the additional review only after the applicant pays for the additional review. The utility shall undertake the modifications only after the applicant pays for the modifications. The utility shall adopt the board-approved supplemental review process unless the utility has defined a supplemental review process in its board-approved tariff. The board-approved supplemental review process is provided on the board's Web site.

ITEM 23. Amend paragraph **45.10(1)“a”** as follows:

a. The applicant shall submit an interconnection request using the ~~appropriate Standard Levels 2 to 4 Interconnection Request Application Form in Appendix C (199—45.16(476))~~ form along with the Level 3 application fee.

ITEM 24. Amend subrule 45.10(2) as follows:

45.10(2) For a distributed generation facility that satisfies the criteria in paragraph 45.10(1)“e” or 45.10(1)“f,” the utility shall approve the interconnection request and provide the applicant with the Standard Levels 2 to 4 Distributed Generation Interconnection Agreement in Appendix D (199—45.17(476)) ~~for the applicant to sign~~ within three business days of the date the utility makes its determination.

ITEM 25. Amend subrule 45.10(3) as follows:

45.10(3) Within ~~35~~ 30 business days after issuance by the utility of the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement, the applicant shall complete, sign, and return the agreement to the utility. If the applicant does not sign the agreement within ~~35~~ 30 business days, the request shall be deemed withdrawn, unless the applicant requests a 15-business-day extension in writing before the end of the ~~35~~ 30-day period. An initial request for extension may not be denied by the utility. After the agreement is signed by the parties, interconnection of the distributed generation facility shall proceed according to any milestones agreed to by the parties in the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement.

ITEM 26. Amend subrule 45.10(4) as follows:

45.10(4) The ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement shall not be final until:

- a. All requirements in the agreement are satisfied; and
- b. The distributed generation facility is approved by the electric code officials with jurisdiction over the distributed generation facility; and
- c. The applicant provides the ~~Standard~~ Certificate of Completion ~~in Appendix B (199—45.15(476))~~ form to the utility; and

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d. The witness test has either been successfully completed or waived by the utility in accordance with Article 2.1.1 of the Standard Levels 2 to 4 Distributed Generation Interconnection Agreement.

ITEM 27. Amend subrule 45.11(1) as follows:

45.11(1) The applicant submits an interconnection request using the appropriate Standard Levels 2 to 4 Interconnection Request Application Form in Appendix C (199—45.16(476)) form along with the Level 4 application fee.

ITEM 28. Amend paragraph **45.11(4)“b”** as follows:

b. Standard Level 4 study review procedures.

(1) No change.

(2) Feasibility study. Unless waived or combined with other studies pursuant to paragraph 45.11(4)“*a*,” an interconnection feasibility study (subrule 45.11(5)) shall be performed.

1. The utility shall provide the applicant a copy of the Standard Interconnection Feasibility Study Agreement in Appendix E (199—45.18(476)) or a mutually agreed-upon alternative form, plus a description of the study and a nonbinding estimate of the cost to perform the study.

2. and 3. No change.

(3) System impact study. Unless waived or combined with other studies pursuant to paragraph 45.11(4)“*a*,” an interconnection system impact study (subrule 45.11(6)) shall be performed.

1. The utility shall provide the applicant a copy of the Standard Interconnection System Impact Study Agreement in Appendix F (199—45.19(476)) or a mutually agreed-upon alternative form, plus an outline of the scope of the study and a nonbinding estimate of the cost to perform the study.

2. and 3. No change.

(4) Facilities study. Unless waived or combined with other studies pursuant to paragraph 45.11(4)“*a*,” an interconnection facilities study (subrule 45.11(7)) shall be performed.

1. The utility shall provide the applicant a copy of the Standard Interconnection Facilities Study Agreement in Appendix G (199—45.20(476)) or a mutually agreed-upon alternative form, plus an outline of the scope of the study and a nonbinding estimate of the cost to perform the study.

2. and 3. No change.

ITEM 29. Amend paragraph **45.11(5)“e”** as follows:

e. Either party can require that the Standard Interconnection Feasibility Study Agreement in Appendix E (199—45.18(476)) be used. However, if both parties agree, an alternative form can be used.

ITEM 30. Amend paragraph **45.11(6)“d”** as follows:

d. Either party can require that the Standard Interconnection System Impact Study Agreement in Appendix F (199—45.19(476)) be used. However, if both parties agree, an alternative form can be used.

ITEM 31. Amend paragraph **45.11(7)“d”** as follows:

d. Upon completion of the interconnection facilities study, and after the applicant agrees to pay for the interconnection facilities and distribution upgrades identified in the interconnection facilities study, the utility shall provide the applicant with the Standard Levels 2 to 4 Distributed Generation Interconnection Agreement in Appendix D (199—45.17(476)) for the applicant to sign within three business days of the date the utility makes its determination.

ITEM 32. Amend paragraph **45.11(7)“f”** as follows:

f. Either party can require that the Standard Interconnection Facilities Study Agreement in Appendix G (199—45.20(476)) be used. However, if both parties agree, an alternative form can be used.

ITEM 33. Amend subrule 45.11(8) as follows:

45.11(8) When a utility determines, as a result of the studies conducted under a Level 4 review, that it is appropriate to interconnect the distributed generation facility, the utility shall provide the applicant with the Standard Levels 2 to 4 Distributed Generation Interconnection Agreement in Appendix D (199—45.17(476)). If the interconnection request is denied, the utility shall provide the applicant with a

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written explanation as to its reasons for denying interconnection. If denied, the interconnection request does not retain its position in the review order.

ITEM 34. Amend subrule 45.11(9) as follows:

45.11(9) Within 30 business days after receipt of the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement, the applicant shall provide all necessary information required of the applicant by the agreement, and the utility shall develop all other information required of the utility by the agreement. After completing the agreement with the additional information, the utility will transmit the completed agreement to the applicant. Within 30 business days after receipt of the completed agreement, the applicant shall sign and return the completed agreement to the utility. If the applicant does not sign and return the agreement within 30 business days after receipt, the interconnection request shall be deemed withdrawn, unless the applicant requests in writing to have the deadline extended by no more than 15 business days, prior to the expiration of the 30-business-day period. The initial request for extension may not be denied by the utility. If the applicant does not sign and return the agreement after the 15-business-day extension, the interconnection request shall be deemed withdrawn. If withdrawn, the interconnection request does not retain its position in the review order. When construction is required, the interconnection of the distributed generation facility shall proceed according to milestones agreed to by the parties in the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement.

ITEM 35. Amend subrule 45.11(10) as follows:

45.11(10) The ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement is not final until:

- a. The requirements of the agreement are satisfied; and
- b. The distributed generation facility is approved by electric code officials with jurisdiction over the interconnection; and
- c. The applicant provides the ~~Standard~~ Certificate of Completion ~~in Appendix B (199—45.15(476))~~ form to the utility. Completion of local inspections may be designated on inspection forms used by local inspecting authorities; and
- d. The witness test has either been successfully completed or waived by the utility in accordance with Article 2.1.1 of the ~~Standard~~ Levels 2 to 4 Distributed Generation Interconnection Agreement ~~in Appendix D (199—45.17(476))~~.

ITEM 36. Amend subrule 45.13(2) as follows:

45.13(2) ~~Beginning May 1, 2011, each~~ Each utility shall file a nonconfidential annual report detailing ~~the information required in subrule 45.13(1) for the previous calendar year~~ the utility's distributed generation interconnection as required by 199—Chapter 15.

ITEM 37. Rescind rules ~~199—45.14(476) to 199—45.20(476)~~.

ARC 2676C**AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 198.10, the Department of Agriculture and Land Stewardship hereby amends Chapter 41, "Commercial Feed," Iowa Administrative Code.

This amendment allows aflatoxin testing of cottonseed after entry into Iowa as an alternative to requiring a test prior to entry.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2585C** on June 22, 2016. No comments were received from the public. This amendment is identical to the noticed amendment.

This amendment is subject to the Department's general waiver provision.

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

This amendment is intended to implement Iowa Code section 198.7.

This amendment will become effective September 21, 2016.

The following amendment is adopted.

Amend rule 21—41.12(198) as follows:

21—41.12(198) Cottonseed product control. ~~As a condition of entry into Iowa, all shipments~~ Every shipment of whole cottonseed being sold in Iowa for animal feed use shall either be accompanied by a laboratory analysis for aflatoxin B1. ~~The~~ and the distributor shall provide the laboratory analysis with the bill of lading or invoice to the first purchaser of the whole cottonseed being sold for animal feed use or the shipment shall be tested by the first purchaser. The first purchaser shall provide a copy of the laboratory analysis to each subsequent purchaser. The whole cottonseed being sold for animal feed use must meet all livestock feeding guidelines established by the Food and Drug Administration regarding aflatoxin B1. Whole cottonseed sold for animal feed use which does not meet the guidelines established by the Food and Drug Administration will be considered adulterated under the provisions of Iowa Code section 198.7.

[Filed 7/27/16, effective 9/21/16]

[Published 8/17/16]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/17/16.

ARC 2674C**ARCHITECTURAL EXAMINING BOARD[193B]****Adopted and Filed**

Pursuant to the authority of Iowa Code section 544A.29, the Architectural Examining Board hereby amends Chapter 1, "Description of Organization," and Chapter 2, "Registration," Iowa Administrative Code.

The rules in Chapter 1 describe the organization of the Architectural Examining Board. The amendments to the chapter remove references to business entities since the reference to business entities was removed from the Iowa Code; more fully explain the role of board administrator; and allow for flexibility on meeting dates. The rules in Chapter 2 describe the process for registration and renewal of certificates of registration for registrants to be authorized to practice architecture in Iowa. The amendments to the chapter update the names of programs and documents of the National Council of Architectural Registration Boards needed for Iowa registration, allow students to take the architect registration examination, better explain the reinstatement process, and adjust the fees.

Notice of Intended Action was published on March 30, 2016, in the Iowa Administrative Bulletin as **ARC 2480C**. After the amendments were published under Notice, incorrect cross references were

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found in paragraphs 2.5(2)“a,” 2.5(2)“b,” and 2.5(3)“a.” New Items 8 to 10 were added to this Adopted and Filed document to correct those references, and subsequent items were renumbered accordingly.

These amendments were adopted by the Board on May 10, 2016.

After analysis and review of this rule making, the Professional Licensing and Regulation Bureau determined that there will be no impact on jobs and no fiscal impact to the state.

These amendments are intended to implement Iowa Code section 544A.10.

These amendments will become effective September 21, 2016.

The following amendments are adopted.

ITEM 1. Amend rule 193B—1.1(544A,17A), introductory paragraph, as follows:

193B—1.1(544A,17A) Duties. The board shall enforce the provisions of Iowa Code chapter 544A and shall maintain a roster of all registered architects ~~and a roster of all business entities~~ authorized to practice architecture in the state.

ITEM 2. Amend subrule 1.1(4) as follows:

1.1(4) Board administrator: The professional licensing and regulation bureau may employ a board administrator, who will maintain all necessary records of the board and perform all duties in connection with the operation of the board office. The board administrator is the lawful custodian of board records. The board administrator shall determine when the legal requirements for licensure have been satisfied with regard to issuance of certificates, licenses or registrations, and the board administrator shall submit to the board any questionable application. The bureau chief or designee shall sign vouchers for payment of board obligations.

ITEM 3. Rescind rule 193B—1.3(544A,17A) and adopt the following **new** rule in lieu thereof:

193B—1.3(544A,17A) Meetings. Calls for meetings shall be issued in accordance with Iowa Code section 21.4. The annual meeting of the board shall be the first meeting scheduled after April 30. At this meeting, the president, vice president and secretary shall be elected to serve until their successors are elected. Special meetings may be called by the president or board administrator, who shall set the time and place of the meeting.

ITEM 4. Amend rule 193B—2.1(544A,17A) as follows:

193B—2.1(544A,17A) Definitions. The following definitions apply as used in Iowa Code chapter 544A, and this chapter of the architectural examining board rules, unless the context otherwise requires.

“*Applicant*” means an individual who has submitted an application for registration to the board.

“*Architectural intern*” means an individual who holds a professional degree from an NAAB-accredited program, has completed or is currently enrolled in the NCARB Architectural Experience Program (AXP), formerly known as the Intern Development Program (IDP), and intends to actively pursue registration by completing the Architect Registration Examination.

“*ARE*” means the current Architect Registration Examination, as prepared and graded by the National Council of Architectural Registration Boards (NCARB).

“*Examination*” means the current Architect Registration Examination (ARE) accepted by the board.

~~“*IDP*” means Intern Development Program.~~

“*IDP AXP applicant*” means an individual who has completed the ~~IDP AXP~~ Architectural Experience Program training requirements set forth in the NCARB ~~Handbook for Interns and Architects~~ Architectural Experience Program Guidelines, formerly known as the IDP Guidelines, and has submitted an application for registration to the board.

“*Inactive*” means that an architect is not engaged in Iowa in any practice for which a certificate of registration is required.

“*Intern architect*” has the same meaning as “architectural intern.”

“*Issuance*” means the date of mailing of a decision or order or the date of delivery if service is by other means unless another date is specified in the order.

“*NAAB*” means the National Architectural Accrediting Board.

ARCHITECTURAL EXAMINING BOARD[193B](cont'd)

“*NCARB*” means the National Council of Architectural Registration Boards.

“*NCARB Architect Registration Examination (ARE) Guidelines*” means the most current edition of a document by the same title published by the National Council of Architectural Registration Boards. The document outlines the requirements for examination and is available through the National Council of Architectural Registration Boards, 1801 K Street NW, Suite 1100, Washington, D.C. 20006; NCARB’s Web site www.ncarb.org; or the architectural examining board.

“*NCARB Architectural Experience Program Guidelines*,” formerly known as the IDP Guidelines, means the most current edition of a document by the same title published by the National Council of Architectural Registration Boards. The document outlines the requirements for training and is available through the National Council of Architectural Registration Boards, 1801 K Street NW, Suite 1100, Washington, D.C. 20006; NCARB’s Web site www.ncarb.org; or the architectural examining board.

“*NCARB Handbook for Interns and Architects Certification Guidelines*” means the most current edition of a document by the same title published by the National Council of Architectural Registration Boards. The document outlines the requirements for examination and registration as an architect and is available through the National Council of Architectural Registration Boards, 1801 K Street NW, Suite 1100, Washington, D.C. 20006; NCARB’s Web site www.ncarb.org; or the architectural examining board or the state law library.

“*Retired*” means that an architect is not engaged in the practice of architecture or earning monetary compensation by providing professional architectural services in any licensing jurisdiction of the United States or a foreign country.

ITEM 5. Amend rule 193B—2.2(544A,17A), introductory paragraph, as follows:

193B—2.2(544A,17A) Application by reciprocity. Applicants for registration are required to make application to the National Council of Architectural Registration Boards (NCARB) for a certificate. A completed state application form (available on the board’s Web site) and a completed NCARB certificate, received within three months of application, shall be filed in the board office before an application will be considered by the board.

ITEM 6. Amend subrule 2.2(1) as follows:

2.2(1) Registration requirements. The board or ~~its executive officer~~ the board administrator may waive examination requirements for applicants who, at the time of application, are registered as architects in a different jurisdiction, where the applicant’s qualifications for registration are substantially equivalent to those required of applicants for initial registration in this state. All such applicants who hold an active NCARB certificate shall be deemed to possess qualifications that are substantially equivalent to those required of applicants for initial registration in this state.

ITEM 7. Amend rule 193B—2.3(544A,17A) as follows:

193B—2.3(544A,17A) Application for registration by examination.

2.3(1) Eligibility.

a. To be admitted to the examination, an applicant for registration shall ~~have~~:

(1) ~~Have~~ completed the eligibility requirements of the education standards for NCARB certification, which include a professional degree from a program accredited by the National Architectural Accrediting Board (NAAB) or the Canadian Architectural Certification Board (CACB) or be a student actively participating in an NCARB-accepted Integrated Path to Architectural Licensure (IPAL) option within a NAAB-accredited professional degree program in architecture, and ~~shall be~~

(2) ~~Be~~ enrolled in or have completed the NCARB ~~Intern Development~~ Architectural Experience Program.

b. NCARB shall notify the testing service of the applicant’s eligibility prior to the applicant’s scheduling of an examination.

2.3(2) Documentation of ~~IDP~~ AXP training units shall be submitted on ~~IDP~~ AXP report forms, published by NCARB, and shall be verified by signatures of the registered architects serving as (4) the intern architect’s supervisor in accordance with the requirements outlined in the NCARB ~~Handbook~~

ARCHITECTURAL EXAMINING BOARD[193B](cont'd)

for Interns and Architects, and (2) the intern architect's mentor, usually outside the intern's firm, with whom the intern has met for guidance and evaluation of the intern's progress in the IDP Architectural Experience Program Guidelines. The completed IDP AXP report form shall demonstrate attainment of an aggregate of the minimum number of value units in each training area and shall be submitted to NCARB for evaluation.

2.3(3) All eligibility requirements shall have been verified and satisfied in accordance with the ~~NCARB Handbook for Interns and Architects~~. The Handbook Architectural Experience Program Guidelines, which is available through NCARB, NCARB's Web site www.ncarb.org or the architectural examining board ~~or the state law library~~.

2.3(4) No change.

2.3(5) To be eligible for registration, all applicants shall have passed all divisions of the ARE prepared and provided by NCARB, have completed the NCARB ~~Intern Development Architectural Experience Program~~, and have attained an NCARB council record. A completed NCARB council record shall be transmitted to and filed in the board office within three months of application. Upon receipt of the council record, the board shall provide the applicant with an application for registration form. The board shall issue a registration number to the applicant upon receipt of the completed application form and appropriate fee.

2.3(6) No change.

ITEM 8. Amend paragraph **2.5(2)“a”** as follows:

a. Affirmation. The renewal application form shall contain a statement in which the applicant affirms that the applicant will not engage in any of the practices in Iowa that are listed in Iowa Code section 544A.16 without first complying with all rules governing reinstatement to active status. A person in inactive status may reinstate to active status at any time pursuant to rule ~~193B—2.8(544A)~~ 193B—2.7(544A).

ITEM 9. Amend paragraph **2.5(2)“b”** as follows:

b. Renewal. A person registered as inactive may renew the person's certificate of registration on the biennial schedule described in ~~193B—2.5(17A,272C,544A)~~. This person shall be exempt from the continuing education requirements and will be charged a reduced renewal fee as provided in ~~193B—2.11(544A,17A)~~ 193B—2.9(544A,17A). An inactive certificate of registration shall lapse if not timely renewed. However, the board will accept an otherwise sufficient renewal application that is untimely if the board receives the application and late fee within 30 days of the date of expiration.

ITEM 10. Amend paragraph **2.5(3)“a”** as follows:

a. Affirmation. The retired status application form shall contain a statement in which the applicant affirms that the applicant will not engage in any of the practices in Iowa that are listed in Iowa Code section 544A.16 without first complying with all rules governing reinstatement to active status. A person in retired status may reinstate to active status at any time pursuant to rule ~~193B—2.8(544A)~~ 193B—2.7(544A).

ITEM 11. Rescind rule ~~193B—2.6(544A,17A)~~ and adopt the following new rule in lieu thereof:

193B—2.6(544A,17A) Reinstatement of lapsed certificate of registration to active status. An individual may reinstate a lapsed certificate of registration to active registration as follows:

2.6(1) Pay the current renewal fee.

2.6(2) Pay the reinstatement fee of \$100 plus \$25 per month or partial month of expired registration up to a maximum of \$750. All applicants for reinstatement shall be assessed the \$100 reinstatement fee. The \$25 per month shall not be assessed if the applicant for reinstatement did not, during the period of lapse, engage in any acts or practices for which an active architect registration is required in Iowa. Falsely claiming an exemption from the monthly fee is a ground for discipline; in addition, other grounds for discipline may arise from practicing on a lapsed certificate, license or permit to practice.

2.6(3) Provide a written statement outlining the applicant's professional activities performed in Iowa during the period of nonregistration. The statement shall include a list of all projects with which the applicant had involvement and shall explain the service provided by the applicant.

ARCHITECTURAL EXAMINING BOARD[193B](cont'd)

2.6(4) Submit documented evidence of completion of 24 continuing education hours, which should have been reported on the June 30 renewal date on which the applicant failed to renew, and 12 continuing education hours for each year or portion of a year of expired registration up to a maximum of 48 continuing education hours. All continuing education hours must be completed in health, safety, and welfare subjects acquired in structured educational activities and be in compliance with requirements in 193B—Chapter 3. The continuing education hours used for reinstatement may not be used again at the next renewal. Out-of-state residents may submit a statement from their resident state's licensing board as documented evidence of compliance with their resident state's mandatory continuing education requirements during the period of nonregistration. The statement shall bear the seal of the licensing board. Out-of-state residents whose resident state has no mandatory continuing education shall comply with the documented evidence requirements outlined in this subrule.

ITEM 12. Rescind rule **193B—2.7(544A,17A)**.

ITEM 13. Renumber rules **193B—2.8(544A)**, **193B—2.9(544A,17A)** and **193B—2.11(544A,17A)** as **193B—2.7(544A)**, **193B—2.8(544A,17A)** and **193B—2.9(544A,17A)**.

ITEM 14. Amend renumbered rule 193B—2.7(544A) as follows:

193B—2.7(544A) Reinstatement from inactive status or retired status to active status.

2.7(1) An individual may reinstate an inactive registration ~~or retired registration~~ to active registration as follows:

a. ~~Pay the current active registration fee. If reinstating to active status at a date that is less than 12 months from the next biennial renewal date, one-half of the current active registration fee shall be paid.~~

b. Submit documented evidence of completion of 24 continuing education hours in compliance with requirements in 193B—Chapter 3. All continuing education hours must be completed in health, safety, and welfare subjects acquired in structured educational activities. The hours used to reinstate to active status cannot again be used to renew.

(1) At the first biennial renewal date of July 1 that is less than 12 months from the date of the filing of the application to restore the certificate of registration to active status, the person shall not be required to report continuing education hours.

(2) At the first biennial renewal date of July 1 that is more than 12 months, but less than 24 months, from the date of the filing of the application to restore the certificate of registration to active status, the person shall report 12 hours of previously unreported continuing education hours.

c. Provide a written statement in which the applicant affirms that the applicant has not engaged in any of the practices in Iowa that are listed in Iowa Code section 544A.16 during the period of inactive registration.

2.7(2) An individual may reinstate a retired registration to active registration as follows:

a. ~~Pay the current active registration fee. If the individual is reinstating to active status at a date that is less than 12 months from the next biennial renewal date, one-half of the current active registration fee shall be paid.~~

b. Submit documented evidence of completion of 24 continuing education hours in compliance with requirements in 193B—Chapter 3. All continuing education hours must be completed in health, safety, and welfare subjects acquired in structured educational activities. The hours used to reinstate to active status cannot again be used to renew.

(1) At the first biennial renewal date of July 1 that is less than 12 months from the date of the filing of the application to restore the certificate of registration to active status, the person shall not be required to report continuing education hours.

(2) At the first biennial renewal date of July 1 that is more than 12 months, but less than 24 months, from the date of the filing of the application to restore the certificate of registration to active status, the person shall report 12 hours of previously unreported continuing education hours.

c. Provide a written statement in which the applicant affirms that the applicant has not engaged in any of the practices in Iowa that are listed in Iowa Code section 544A.16 during the period of retired registration.

ARCHITECTURAL EXAMINING BOARD[193B](cont'd)

~~2.7(2)~~ **2.7(3)** An individual shall not be allowed to reinstate to inactive status from retired status.

ITEM 15. Amend renumbered rule 193B—2.9(544A,17A) as follows:

193B—2.9(544A,17A) Fee schedule. Under the authority provided in Iowa Code chapter 544A, the following fees are hereby adopted:

Examination fees:

Fees for examination subjects shall be paid directly to the testing service selected by NCARB

Initial registration fee	\$ 50
(plus \$5 per month until renewal)	
Reciprocal application and registration fee	\$200
Biennial renewal fee	\$200
Biennial renewal fee (inactive)	\$100
Retired status	None
Reinstatement of lapsed individual registration (per month)	\$ 25 \$100 + renewal fee + \$25 per month or partial month of expired registration
<u>Reinstatement of inactive individual registration</u>	<u>\$100</u>
<u>Reinstatement of retired individual registration</u>	<u>\$200</u>
Duplicate wall certificate fee	\$ 50
Late renewal fee	\$ 25
(for renewals postmarked on or after July 1 and before July 30)	

[Filed 7/25/16, effective 9/21/16]

[Published 8/17/16]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/17/16.

ARC 2678C

PAROLE BOARD[205]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 904A.4(2), 906.3, and 906.19, the Board of Parole hereby adopts amendments to Chapter 9, "Certificates of Employability," and Chapter 11, "Parole Revocation," Iowa Administrative Code.

The amendments to Chapter 9 update the rules establishing the criteria for the issuance of certificates of employability to incorporate current programs being offered by the Iowa Department of Corrections and Iowa Workforce Development and to make the issuing process more efficient. The amendments are the result of collaborative efforts between the Iowa Board of Parole, the Iowa Department of Corrections, and Iowa Workforce Development.

The amendments to Chapter 11 clarify when a parole revocation hearing may be conducted electronically and specify that videoconferencing may be the manner in which the electronic hearing is to proceed. The amendments also conform rule 205—11.12(908) to Iowa Code section 908.10A, which requires automatic revocation of parole when a parolee is convicted and sentenced to incarceration for an aggravated misdemeanor.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2590C** on June 22, 2016. A public hearing was held on July 12, 2016. No one attended the public hearing, and no

PAROLE BOARD[205](cont'd)

comments were received orally or in writing. These amendments are identical to those published under Notice.

The Board adopted these amendments on July 28, 2016.

Waiver is available in specified situations as found in rule 205—11.11(908).

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

These amendments are intended to implement Iowa Code sections 904A.4(2), 906.3, and 906.19.

These amendments will become effective on December 19, 2016.

The following amendments are adopted.

ITEM 1. Amend rules 205—9.3(906) to 205—9.5(906) as follows:

205—9.3(906) Issuance of a certificate by the board of parole of employability.

~~9.3(1) The board of parole may issue a certificate of employability to an offender who has been committed to an institution under the jurisdiction of the department of corrections. Such certificate may be issued by the board at the time the offender is released from such institution under the board's authority or at any time thereafter. The board shall only issue a certificate of employability to an offender who obtains a positive recommendation from the department of corrections or community-based corrections in the state of Iowa.~~

~~9.3(2) The board of parole shall not issue any certificate of employability pursuant to this chapter unless the board is satisfied that:~~

~~a. The person to whom it is to be granted is an eligible offender;~~

~~b. The relief to be granted by the certificate is consistent with the employability of the eligible offender; and~~

~~c. The relief to be granted by the certificate is consistent with the public interest.~~

~~9.3(3) Any certificate of employability issued by the board of parole to an eligible offender shall be deemed to be a temporary certificate until such time as the eligible offender is discharged from the board's supervision. Such a certificate may be revoked by the board, by the board's designee, or by an administrative parole judge for violation of the conditions of release or new arrest. Revocation shall be upon notice to the offender, who shall be accorded an opportunity to explain the violation prior to a decision thereon in accordance with subrule 9.3(5) below. After an eligible offender discharges all indictable criminal offenses imposed by the state of Iowa, the certificate of employability will only be revoked if it is determined that the certificate was obtained as the result of fraud or deceit or if the eligible offender is subsequently convicted in Iowa, or any other jurisdiction, of a crime that has a maximum penalty of two or more years of incarceration, in which case the certificate of employability shall be automatically revoked.~~

~~9.3(4) In the granting of a certificate of employability, the number of votes required to grant the certificate will be determined by the board of parole risk assessment score as set out in 205—subrules 8.15(2) to 8.15(4).~~

~~9.3(5) A certificate of employability may be revoked by the decision of an administrative parole judge or the board's designated officer at a parole revocation hearing held pursuant to rule 205—11.7(908). A certificate of employability may also be revoked at any time by affirmative vote of three or more of the parole board members.~~

~~9.3(6) The board may conduct an investigation of the applicant for the purpose of determining whether a certificate of employability shall be issued.~~

~~9.3(7) Any applicant whose application for a certificate of employability has been denied shall have the right to an appeal to the board of parole if the applicant initiates an appeal within ten days of written receipt of initial decision. Any appeal must be on an official board of parole appeal form.~~

9.3(1) The department of corrections shall issue a certificate of employability, at the time of release, to an eligible offender who:

a. Receives a parole, work release, or early discharge from the board of parole; and

b. Successfully completes one of the following:

(1) Department of corrections registered apprenticeship program; or

(2) National Career Readiness Certificate and the life skills program.

PAROLE BOARD[205](cont'd)

9.3(2) Reserved.

~~205—9.4(906) Effect of revocation; use of revoked certificate.~~ Where a certificate of employability is deemed to be revoked, disabilities and forfeitures relieved by the certificate shall be reinstated as of the date upon which the person to whom the certificate was issued receives written notice of such revocation. Any such person shall upon receipt of such notice surrender the certificate to the board of parole.

~~205—9.5(906) Forms and filing.~~

~~9.5(1) All applications, certificates and orders of revocation necessary for the purposes of this chapter shall be upon forms prescribed by the board of parole and in accordance with policies adopted by the board.~~

~~9.5(2) The parole board issuing or revoking any certificate pursuant to this chapter shall immediately file a copy of the certificate, or of the order of revocation, with the department of corrections and with any affected licensing agency.~~

ITEM 2. Renumber rule ~~205—9.6(906)~~ as ~~205—9.4(906)~~.

ITEM 3. Amend subrule 11.11(3) as follows:

11.11(3) Waiver of the right to personal appearance. In the event the parolee executes a waiver of the right to personal appearance and consent to parole revocation hearing to be conducted over the telephone, the parole revocation hearing shall be scheduled and conducted as a routine parole revocation hearing with the exception that it shall be conducted electronically by telephone. In the event the parolee does not execute a waiver of the right to personal appearance and consent to parole revocation hearing to be conducted over the telephone, the hearing shall be scheduled and may, at the discretion of the administrative parole judge, be conducted electronically by videoconference.

ITEM 4. Amend rule ~~205—11.12(908)~~ as follows:

205—11.12(908) Conviction of a felony or aggravated misdemeanor while on parole. When a parolee is convicted and sentenced to incarceration in Iowa for a felony or aggravated misdemeanor committed while on parole, or is convicted and sentenced to incarceration under the laws of any other state of the United States or a foreign government or country for an offense committed while on parole and which if committed in Iowa would be a felony or aggravated misdemeanor, the parolee's parole shall be deemed revoked as of the date of the commission of the offense.

11.12(1) The parole officer shall inform the sentencing judge that the convicted defendant is a parole violator. The term for which the defendant shall be imprisoned as a parole violator shall be the same as that provided in cases of revocation of parole for violation of the conditions of parole. The new sentence of imprisonment for conviction of a felony or aggravated misdemeanor shall be served consecutively to the sentence for which the defendant was on parole, unless a concurrent term of imprisonment is ordered by the court.

11.12(2) The parole officer shall forward to the board of parole a violation report together with a file-stamped copy of the judgment entry and sentencing order for the offense committed during the parole. An administrative parole judge shall review the violation report and the judgment entry and sentencing order and, if satisfied that the conditions of Iowa Code section 908.10 or 908.10A and of this rule have been met, shall issue an order revoking the parole. The judge shall also determine the date of commission of the felony or aggravated misdemeanor offense and the date of subsequent incarceration in a state institution. Time loss shall be the time between these two dates, except that the parolee shall receive credit for any time the parolee was incarcerated in a county jail between these two dates.

11.12(3) The parolee shall be notified in writing that the parole has been revoked on the basis of the new conviction, and a copy of the commitment order shall accompany the notification. The parolee's record shall be reviewed pursuant to the provisions of Iowa Code section 906.5, or as soon as practical after a final reversal of the new conviction.

11.12(4) An inmate may appeal the revocation of parole under this rule according to the procedure indicated in rule ~~205—11.8(908)~~.

PAROLE BOARD[205](cont'd)

11.12(5) Neither the administrative parole judge nor the board shall retry the facts underlying any conviction.

[Filed 7/28/16, effective 12/19/16]

[Published 8/17/16]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/17/16.

ARC 2672C

REGENTS BOARD[681]

Adopted and Filed

Pursuant to the authority of Iowa Code section 262.9(3), the Board of Regents hereby amends Chapter 13, "Iowa State University of Science and Technology Organization and General Rules," Iowa Administrative Code.

This amendment revises 681—13.8(262) to permit the President of Iowa State University to delegate authority to sign contracts through the university's contracting authority policy.

Notice of Intended Action regarding this amendment was published in the Iowa Administrative Bulletin as **ARC 2540C** on May 25, 2016. No public comment was received. This amendment is identical to that published under Notice of Intended Action.

The Board of Regents adopted this amendment on July 18, 2016.

A waiver provision is not included. The Board has adopted a uniform waiver rule, which may be found at 681—19.18(17A).

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

This amendment is intended to implement Iowa Code section 262.9.

This amendment shall become effective on September 21, 2016.

The following amendment is adopted.

Amend rule 681—13.8(262) as follows:

681—13.8(262) Contracting authority.

13.8(1) *General delegation.* Except for authority retained by the board of regents in the rules adopted under [681] of the Iowa Administrative Code or in the regents policy manual, the board of regents has delegated to the president authority to enter into contracts and agreements. The president has further delegated authority for entering into such contracts and agreements ~~to the senior vice president for business and finance in all cases except the following:~~ as outlined in the university's contracting authority policy. This policy is available for review at the following Web site: <http://www.policy.iastate.edu/policy/contracting>.

~~a.—Employment contracts and agreements involving deans, directors, department chairs and faculty are signed by the senior vice president and provost.~~

~~b.—Applications, proposals, grants, contracts and agreements relating to economic development, research and sponsored projects are signed by the senior vice president and provost, vice president for research and economic development or the director of the office of sponsored programs administration.~~

~~c.—Contracts and agreements relating to educational consortia, joint educational projects, cooperative education, service-learning and internship opportunities, and academic instruction provided to others are signed by the senior vice president and provost.~~

13.8(2) *Specific delegations.* Within the limits prescribed by the board of regents, the president, the senior vice president for business and finance, the senior vice president and provost, the vice president for research and economic development, and the director of the office of sponsored programs administration

REGENTS BOARD[681](cont'd)

~~may delegate the authority they have received as provided by the ISU contracting authority policy found in the policy library.~~

[Filed 7/20/16, effective 9/21/16]

[Published 8/17/16]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/17/16.

ARC 2675C

VETERANS AFFAIRS, IOWA DEPARTMENT OF[801]

Adopted and Filed

Pursuant to the authority of Iowa Code section 35A.3(2), the Commission of Veterans Affairs hereby amends Chapter 10, "Iowa Veterans Home," Iowa Administrative Code.

The intent of these amendments is to reflect the operational changes the Iowa Veterans Home has undertaken since the last revision of Chapter 10.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2594C** on June 22, 2016. No public comments were received. One change from the published Notice of Intended Action has been made. In Item 31, subrule 10.23(1), the words "per diem" in reference to full support rate were removed to be consistent with the definition of full support rate.

The Commission of Veterans Affairs adopted these amendments on July 27, 2016.

There will be no impact on jobs.

These amendments are intended to implement Iowa Code chapter 35D.

These amendments will become effective September 21, 2016.

The following amendments are adopted.

ITEM 1. Amend **801—Chapter 10**, preamble, as follows:

The Iowa Veterans Home is a long-term health care facility located in Marshalltown, Iowa, ~~operated with oversight provided by the Commission of Veterans Affairs~~ commission of veterans affairs.

ITEM 2. Rescind the definition of "Chief operating officer" in rule **801—10.1(35D)**.

ITEM 3. Amend rule **801—10.1(35D)**, definition of "Full support," as follows:

"*Full support rate*" means the maximum daily rate of support times the billable days of care received in any month less any offsets.

ITEM 4. Adopt the following new definition of "Licensed nursing home administrator" in rule **801—10.1(35D)**:

"*Licensed nursing home administrator*" means a duly licensed nursing home administrator pursuant to Iowa Code chapter 147.

ITEM 5. Amend paragraphs **10.3(4)"b," "d" and "e"** as follows:

~~b. An original or a certified~~ A copy of the veteran's honorable discharge from the armed forces of the United States.

~~d. If the applicant is a Gold Star parent, an original or certified~~ a copy of the child's birth certificate and certification of the child's death while serving on active duty in the armed forces of the United States during a time of military conflict.

~~e. An original or a certified~~ A copy of the applicant's birth certificate.

ITEM 6. Amend subrule 10.4(2) as follows:

10.4(2) The admissions committee shall assign the level of care required by the applicant. If a special care unit or treatment is required, this shall be designated. If there is a question regarding the level of care for which the applicant qualifies, the applicant shall be scheduled for either a preadmission visit with appropriate staff or a site visit in order to make a determination of appropriate level of care.

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

ITEM 7. Rescind paragraph **10.4(5)“c.”**

ITEM 8. Reletter paragraph **10.4(5)“d”** as **10.4(5)“c.”**

ITEM 9. Amend relettered paragraph **10.4(5)“c”** as follows:

c. Prior to an applicant's admission to a nursing care unit, the PASRR ~~is completed~~ shall be received.

ITEM 10. Amend rule 801—10.6(35D) as follows:

801—10.6(35D) Admission to IVH.

10.6(1) The applicant shall be notified by the admissions coordinator to appear for admission to IVH.

10.6(2) Upon arrival at IVH, the applicant or legal representative shall ~~report to~~ meet with the admissions office and resident finance office for an admission interview.

10.6(3) During the interview in the admissions office with the admissions coordinator, the following items will be reviewed ~~with~~ and signed by the applicant or legal representative:

~~*a.* The applicant's resources.~~

~~*b.* The member support, billing process and banking services.~~

a. Permission for Treatment, Form 475-0814.

~~*e. b.* The “Contractual Agreement,” Form 475-1833.~~

10.6(4) ~~In order to meet the requirements of subrule 10.6(3);~~ During the interview with the resident finance office, the accounting technician will review the following items with the applicant or legal representative shall complete and sign the following forms as applicable:

~~*a.* Permission for Treatment, Form 475-0814.~~

~~*b.* Financial Affidavit, Form 475-0839.~~

a. The applicant's resources.

b. The member support, billing process and banking services.

10.6(5) An applicant becomes a member at that point in time when the applicant or legal representative signs and dates the “Contractual Agreement,” Form 475-1833, or otherwise authorizes, in writing, acceptance of the terms of admittance specified in the Contractual Agreement.

10.6(6) Each member shall be placed on a unit providing the appropriate level of care based on individual needs.

a. A member requiring a subsequent change in placement based on individual care needs shall be transferred to a unit which provides the appropriate level of care within the scope of its licensure.

b. Members shall have priority over new admissions for placement on a unit when a vacant bed becomes available.

10.6(7) Care at IVH shall be provided in accordance with Iowa Code chapter 135C; 481—Chapter 57, Residential Care Facilities; 481—Chapter 58, Nursing Facilities; and DVA State Veterans Homes, Veterans Health Administration, M-5, Part 8, Chapter 2, Procedure for Obtaining Recognition of a State Veterans Home and Applicable Standards, 2.07, Standards for Nursing Care, and 2.08, Standards for Domiciliary Care, November 4, 1992.

ITEM 11. Amend subrule 10.11(4) as follows:

10.11(4) In some cases, a member may be determined to be in need of ~~a fiduciary or~~ an agent by the DVA, the Social Security Administration or ~~by~~ a similar funding source. In these cases, the commandant or designee may serve as agent subject to Iowa Code section 135C.24. All rights and responsibilities regarding the financial awards shall devolve to the commandant or designee.

ITEM 12. Amend paragraphs **10.12(1)“a,” “p”** and **“q”** as follows:

a. To timely report the existence of or changes in the member's income, spouse's income, assets or marital status, including the conversion of nonliquid assets to liquid assets. ~~The member shall also complete the change report which is enclosed with the monthly member support bill.~~

p. To carry Medicare Part B and Medicare Part D insurance if eligible. IVH shall buy the medical insurance portion of Medicare Part B and Medicare Part D if the member is not eligible to receive Medicare ~~Part B~~ under Social Security social security.

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

q. To delegate to IVH the authorization to enroll the member in a ~~prescription drug plan~~ Medicare Part B and Medicare Part D. The premium shall be deducted from the member's social security or paid monthly with the member's funds.

ITEM 13. Adopt the following **new** paragraph **10.12(1)“r”**:

r. To assign the benefits of Medicare Part B, Medicare Part D and other medical insurances to IVH. The cost of Medicare Part B, Medicare Part D and other medical insurances shall be used as an offset to the aggregate semiannual per diem rate calculation according to the particular level of care as calculated in January and July of each year for the preceding six months and effective March 1 and September 1.

ITEM 14. Amend subrule 10.12(4) as follows:

10.12(4) When a member temporarily needs a level of care that is not offered by IVH, the member shall be referred by IVH medical staff to a DVA medical center or ~~to another~~ other medical facility. ~~When a member goes to a DVA medical center, that member is responsible for the payment of any DVA charges except those charges exempted by the commandant.~~

a. If a member who is treated at a DVA medical center has coinsurance to supplement Medicare, this coinsurance shall be used for the DVA medical center charges. IVH shall be responsible for all DVA medical center charges if the member does not carry coinsurance supplement.

b. If a member chooses a medical facility other than a DVA medical center or other medical facility as referred by IVH medical staff, the member is responsible for costs resulting from care at the medical facility chosen.

ITEM 15. Amend subrule 10.14(1) as follows:

10.14(1) A monthly member support bill shall be sent to the member or legal representative charging the member for care in the previous month with any necessary adjustment for prior months. A member ~~may~~ shall be required to pay member support charges from the member's liquid assets, and long-term care insurance benefits, ~~or~~ and from the member's income. The monthly member support charge shall be the billable days, as set out in subrule 10.14(3), multiplied by the appropriate per diem from rule 801—10.15(35D). This amount shall be reduced by any offsets as set out in subrules 10.15(2) and 10.15(3). The member or legal representative shall pay an amount not to exceed the amount calculated based on the resources available for the cost of care as set out in this chapter.

ITEM 16. Amend paragraph **10.14(3)“b”** as follows:

b. All leave days in excess of the 12 free days up through the fifty-ninth leave day. Any leave days in excess of 59 days shall be considered billable, ~~but~~ and the member must pay the full ~~member~~ support rate, not the amount determined by resources.

ITEM 17. Amend paragraphs **10.15(1)“a”** and **“b”** as follows:

a. Nursing level of care.

(1) The charge for care is the per diem rate calculated in January and July of each year for the preceding six-month period and is submitted by IVH to the Iowa Medicaid enterprise of the department of human services for the Title XIX certified units as calculated in January and July of each year for the preceding six months.

(2) The ~~charge for care~~ updated per diem rate shall be ~~adjusted, if necessary,~~ effective semiannually on March 1 and September 1 of each year.

(3) Members or financial legal representatives shall be sent a notice one month in advance of the rate change.

b. Domiciliary level of care.

(1) The total cost of care per member shall be determined in January and July of each year for the preceding ~~six months~~ six-month period and calculated in a manner similar to the nursing level of care. This cost shall be the ~~charge for care~~ updated per diem rate.

(2) The ~~charge for care~~ per diem rate shall be ~~adjusted, if necessary,~~ semiannually on March 1 and September 1 of each year.

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(3) Members or financial legal representatives shall be sent a notice one month in advance of the rate change.

ITEM 18. Amend subrule 10.15(2) as follows:

~~10.15(2) Veteran members not living on Title XIX certified units and those living on Title XIX certified units but not eligible for Title XIX medical assistance~~ for whom IVH receives a per diem from the U.S. DVA (under Title 38). IVH shall consider this per diem as a third-party reimbursement to the charge for care and shall be an offset to the member support bill. The offset of the per diem received (billed to DVA) shall be shown as an offset for the month billed. The provisions of 38 U.S.C. 1745(a), which were established by Section 211 of the Veterans Benefits, Health Care, and Information Technology Act of 2006 (Public Law 109-461), set forth a mechanism for paying a higher per diem rate for certain veterans who have service-connected disabilities and are receiving nursing home care in state homes. If IVH receives this higher per diem rate from the DVA, the member will not have a support charge from IVH.

ITEM 19. Amend subrule 10.15(3) as follows:

~~10.15(3) For members not living on Title XIX certified units and those living on Title XIX certified units but not eligible for Title XIX medical assistance.~~ The daily per diem charge shall be reduced by an amount equal to the “usual” appropriate Medicare premium calculated as a per diem Part B and Medicare Part D premiums paid by the enrolled member. ~~This offset shall be available only to members eligible for Medicare insurance.~~

ITEM 20. Renumber subrules ~~10.15(4) and 10.15(5)~~ as **10.15(5) and 10.15(6)**.

ITEM 21. Adopt the following new subrule 10.15(4):

10.15(4) For members carrying other medical insurance upon admission and continuing to carry other medical insurance after admission. The member support charge shall be reduced by an amount equal to the other medical insurance premium.

ITEM 22. Amend renumbered subrules 10.15(5) and 10.15(6) as follows:

10.15(5) For members ~~not living on Title XIX certified units and those living on Title XIX certified units but not eligible for Title XIX medical assistance.~~ The member support charge shall be reduced in accordance with subrules 10.15(2), ~~and 10.15(3)~~ and 10.15(4), if applicable. The member shall then contribute all remaining available resources up to the charge for care.

Members receiving DVA pension and aid and attendance shall be considered as having used the amount equal to aid and attendance first in payment for their care at IVH.

10.15(6) Payment of support is due ~~on the tenth of the month in which~~ within ten business days after the monthly support bill is received; or ten business days after the member’s last income deposit for that month.

a. If payment is not received by IVH within 30 days following the due date, a notice of discharge may be issued.

b. If there are extenuating circumstances, the member or legal representative should meet with the commandant or designee to work out a schedule of payments.

ITEM 23. Amend subrule 10.16(1) as follows:

10.16(1) For members ~~living on Title XIX certified units~~ who have applied for and are eligible to receive Title XIX medical assistance, rule 441—75.5(249A) shall apply. Financial eligibility for Title XIX shall be determined by the department of human services income maintenance worker.

ITEM 24. Amend subrule 10.16(2), introductory paragraph, as follows:

10.16(2) For members ~~not living on Title XIX certified units and those living on Title XIX certified units but not eligible for Title XIX medical assistance,~~ the following rules apply:

ITEM 25. Amend subparagraph **10.16(2)“a”(2)** as follows:

(2) Household goods, personal effects and one motor vehicle ~~vehicles~~ vehicle.

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ITEM 26. Amend subrules 10.19(1) and 10.19(2) as follows:

10.19(1) For members ~~living on Title XIX certified units~~ who are eligible for Title XIX medical assistance, rule 441—75.5(249A) shall apply. For those members participating in the Title XIX medical assistance program, the difference between the \$140 personal needs allowance and the Title XIX personal needs allowance shall be returned to the member out of individual member participation.

10.19(2) For members ~~living on units which are not Title XIX certified and members living on Title XIX certified units~~ who are not eligible for Title XIX, the following shall apply:

a. The following types of income are exempt in the computation of member support:

- (1) The earned income of the spouse or dependents.
- (2) Unearned income restricted to the needs of the spouse or dependents (~~Social Security~~ social security, DVA, etc.).
- (3) Any other income that can be specifically identified as accruing to the spouse or dependents.
- (4) Nonrecurring gifts, contributions or winnings, not to exceed \$60 in a calendar quarter.
- (5) Interest income of less than \$20 per month from any one source.
- (6) State bonus for military services.
- (7) Any earnings received by a member for that member's participation in money-raising activities administered by ~~veterans~~ veterans' organizations or auxiliaries (i.e., poppies).
- (8) Any money received by a member from the sale of items resulting from a therapeutic activity (i.e., items sold in the IVH gift shop).
- (9) The first \$150 received by a member in a month for participation in the incentive therapy or other programs as described in rule 801—10.30(35D), for members in the domiciliary level of care. For members in the nursing level of care, the first \$75 shall be exempted.
- (10) Personal loans.
- (11) In-kind contributions to the member.
- (12) Title XIX payments.
- (13) Yearly DVA compensation clothing allowance for those who qualify.
- (14) Other income as specifically exempted by statute.
- (15) Any income similar in its origin to the assets excluded in subparagraphs 10.16(2) "a"(6) and (7).

(16) Income from employment as outlined in the IVH discharge planning policy (IVH policy #265).

b. Personal needs allowance. All members shall have an amount exempted from their monthly income intended to cover the purchase of clothing and incidentals.

- (1) All income up to the first \$140 shall be kept as a personal needs allowance.
- (2) The personal needs allowance shall be subtracted from the member's income prior to determination of moneys to which the spouse may be entitled.

c. Any type of income not specifically exempted shall be considered for the payment of member support as provided in rule 801—10.14(35D).

d. Determining income from property.

(1) Nontrust property. Where there is nontrust property, income paid in the name of one person shall be available only to that person unless the document providing income specifies differently. If payment of income is in the name of two persons, one-half is attributed to each. If payment is in the name of several persons, the income shall be considered in proportion to their ownership interest. If the member or spouse can establish different ownership by a preponderance of evidence, the income shall be divided in proportion to the ownership.

(2) Trust property. Where there is trust property, the payment of income shall be considered available as provided in the trust. In the absence of specific provisions in the trust, the income shall be considered as stated above for nontrust property.

e. The amount of income to consider in the computation of member support shall be as follows:

- (1) Regular monthly pensions and entitlements. The amount of income to be considered is the gross amount of the monthly entitlement or pension received less any medical insurance premium deductions.
- (2) Investments or nonrecurring lump-sum payments. Net unearned income from investments or nonrecurring lump-sum payments shall be determined by deducting income-producing costs from the

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gross unearned income. Income-producing costs include, but are not limited to, brokerage fees, property manager's salary, maintenance costs and attorney fees.

(3) Property sold on contract. The amount of income to consider shall be the amount received minus any payments for mortgage, taxes, insurance or assessments still owed on the property and payable by the contract holder.

(4) Earned income from a rental, sole or partnership enterprise. The amount of income to consider shall be the net profit figure as determined for the Internal Revenue Service on the member's income tax return.

EXCEPTION: The deductions of the previous year's state and federal taxes and depreciation on the income tax return are not allowable deductions for the purpose of the computation of member support. If a tax return is not available, the member or legal representative shall provide all information and verification needed in order to correctly compute member support.

(5) Partnership income. The member's share of the net profit shall be determined in the same manner as the partnership percentage as determined for the Internal Revenue Service's purposes.

ITEM 27. Rescind paragraph **10.19(3)“b.”**

ITEM 28. Reletter paragraphs **10.19(3)“c”** to **“e”** as **10.19(3)“b”** to **“d.”**

ITEM 29. Amend relettered paragraphs **10.19(3)“b”** and **“d”** as follows:

b. Spouse permanently in another nursing home ~~on Title XIX~~. Member shall be treated as single. If the member is in receipt of a DVA pension, the amount of income provided Title XIX the spouse would be the DVA pension dependency amount.

d. All current court order proceedings and guardian/conservatorship appointments regarding financial obligations, ~~except child support or alimony,~~ shall be honored.

ITEM 30. Amend subrule 10.19(4) as follows:

10.19(4) Income disbursements.

a. All ~~monthly~~ diversions to spouse or valid court orders shall be mailed or sent electronically as designated or on a monthly basis.

b. All checks or electronic payments shall be ~~mailed sent to the proper recipient~~ no later than the eighth day of any given month to proper recipient or, at IVH's option, five business days after the member's last income deposit for that month.

c. Monthly income disbursements to a community spouse may be delayed or canceled if there is an overdue amount owed for support payments.

ITEM 31. Amend subrule 10.23(1) as follows:

10.23(1) All members who have resources in excess of the full support rate shall be charged the full ~~member~~ support rate. If any member does not apply for all benefits due (such as, but not limited to, Title XIX, DVA pension, DVA compensation, ~~Social Security~~ social security, or any combination), fails to report resources accurately in order to not pay full support, or refuses to accept the available billing programs offered at IVH, that member shall be charged up to full ~~member~~ support rate as if these responsibilities had been followed. Failure to comply with these rules may result in discharge from IVH.

ITEM 32. Amend rule 801—10.30(35D), introductory paragraph, as follows:

801—10.30(35D) Incentive therapy and nonprofit rehabilitative programs. Members may be offered the opportunity to perform services for IVH through the incentive therapy program as part of their plan of care. Participating members shall be compensated at the state's minimum wage for their involvement in the incentive therapy program ~~according to applicable guidelines established by the U.S. Department of Labor, Wage and Hour Division, and the commandant or designee.~~ If members enrolled in nonprofit rehabilitative programs receive an income from such programs, that income shall be treated in the same manner as the incentive therapy program or IVH policy.

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ITEM 33. Amend rule 801—10.35(35D), introductory paragraph, as follows:

801—10.35(35D) Handling of pension money and other funds. Each member who has not been assigned a guardian, conservator, fiduciary or representative payee or has not designated a power of attorney while ~~competent~~ having adequate decision-making capacity or as otherwise specified, may manage that member's own personal financial affairs. Upon the receipt of written authorization from the member or legal representative ~~to~~ by the commandant or designee, the commandant or designee may assist the member in the management of the member's financial affairs.

ITEM 34. Amend subrules 10.35(3), 10.35(5), 10.35(6) and 10.35(7) as follows:

10.35(3) IVH shall maintain a commercial account with a federally insured bank for the personal deposits of its members. The account shall be known as the IVH membership account/rep payee for social security/VA beneficiaries. The commandant or designee shall record each member's personal deposits individually and shall deposit the funds in the membership account where the members' deposits shall be held in the aggregate. Interest shall accrue on those accounts that are on deposit the last working Friday of each month. IVH may withdraw moneys from the account maintained pursuant to this subrule to establish certificates of deposit for the benefit of all members.

10.35(5) The commandant or designee shall maintain a written record of each member's funds which are received by or deposited with IVH. The member or legal representative shall receive a monthly statement showing deposits, withdrawals, disbursements, interest and current balances. If the commandant or designee is made representative payee or fiduciary for the member's financial transactions, this statement shall be maintained in the member's administrative file.

10.35(6) Except as otherwise specified and unless the commandant or designee has been appointed representative payee or fiduciary, funds deposited with IVH shall be released to the member or legal representative upon request ~~with a~~. A statement will be provided showing deposits, disbursements, interest, and the final balance at the time the funds are withdrawn. When the member continues to maintain residency at IVH, the funds shall be released and a statement provided within three working days following the request. When a member is being discharged from IVH, the funds shall be released and a statement provided no later than the tenth day of the month following the month of discharge.

10.35(7) Upon the death of a member with personal funds deposited with IVH, IVH will first take payment for the final support bill, which may include debts owed to the IVH arts and crafts and ceramics program. If funds remain, IVH, upon receipt of documentation of the outstanding balance, will convey promptly the member's funds to ~~any outstanding the funeral home bill, or to the individual paying last funeral expenses, or whoever is administering the member's estate~~. IVH will notify promptly the estate recovery program of the death of any IVH resident who has been on Title XIX. Upon IVH's receipt of notification from the estate recovery program, any funds remaining in the deceased resident's membership account will be disbursed according to the deceased resident's directions. If probate papers are produced, a final accounting of those funds must also be provided to the individual administering the member's estate along with a disbursement of any remaining funds. If the value of the member's estate is so small as to make the granting of administration inadvisable, IVH must hold, then deliver all money plus interest within one year to the proper heirs equally or adhere to the member's request in the member's last will and testament.

ITEM 35. Adopt the following **new** subrule 10.35(8):

10.35(8) A member discharged while on leave from IVH shall have the member's account closed before the first of the month following discharge.

ITEM 36. Amend paragraphs **10.36(1)“c”** to **“f”** as follows:

c. All leaves other than free time shall require payment of member support charges as though the member were in residency. Failure to pay regular member support charges ~~shall~~ may result in discharge of the member. Leave length may be changed by notification from the member or legal representative to the nursing unit social worker or domiciliary office.

d. Hospital leaves. Leaves spent in approved medical facilities away from IVH shall not be counted against the 59-day leave time limit as set out in paragraph 10.14(3)“b.”

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Hospital leaves shall be granted and the charges for such leaves shall be as follows: During the first ten consecutive days of any hospital stay, the member shall pay the regular and usual assessed charge ~~of for the member's level of care of the bed held~~. Beginning on the eleventh day through the remainder of the hospitalization, the member shall not be charged. Each monthly member support bill shall reflect any adjustments related to hospitalization. ~~Members discharged while on leave from IVH shall have the account closed before the first of the month following the discharge.~~

Leaves to other medical facilities for the purpose of treatment shall be treated as hospital leaves.

e. General leaves.

(1) Twelve days of leave time each calendar year shall be free time.

(2) The member shall be charged the usual support charge for leave time over 12 days up to and including 59 days.

(3) The member shall be charged the full ~~member~~ support rate for the level of care in which the member resides for leave time over 59 days.

(4) Leave time is not cumulative from one calendar year to another calendar year.

(5) Leave time the member has not utilized or cannot utilize shall not be credited toward the member's support.

(6) Support charges for the member on leave who wishes to retain the member's room or bed shall be due and payable as though the member were in residency as set forth in paragraph 10.36(1) "c."

f. When the nursing care member is on leave, the member shall remain on in-house status for the first 12 leave days per calendar year for DVA per diem purposes and IVH shall be financially responsible for medical expenses, which include deductibles, co-pays and the member's share after all insurance has been filed and paid to the medical facility, ~~unless these the medical expenses~~ are assumed by the member or legal representative in relation to choice of medical facility.

ITEM 37. Amend paragraph **10.36(2)"d"** as follows:

d. A member or a legal representative who wishes to exceed the 18 visitation days and retain the member's bed, but does not have medical provider recommendation for an extension, must make arrangements with the ~~financial services operations~~ division administrator or designee for payment of the rate determined by the department of human services income maintenance worker for all days in excess of the 18 visitation days. If prior arrangements and payment are not made, a member may be discharged in accordance with subrule 10.12(2).

ITEM 38. Amend paragraphs **10.36(3)"b"** and **"c"** as follows:

b. Upon return from a pass, the member must ~~spend 24 hours~~ remain in residence past midnight of the day of return before another pass is issued.

c. When a member is on pass, the member shall remain on in-house status for DVA per diem purposes; IVH shall be financially responsible for medical expenses, which include deductibles, co-pays and the member's share after all insurance has been filed and paid to the medical facility, ~~unless these the medical expenses~~ are assumed by the member or legal representative in relation to choice of medical facility.

ITEM 39. Adopt the following new rule 801—10.37(35D):

801—10.37(35D) Mail.

10.37(1) Each member or legal representative shall be afforded a choice in the methods of handling the member's business mail and in meeting the member's responsibilities for reporting resources for the purpose of computation of member support. A member found to have inadequate financial decision making shall have that member's business mail handled in a manner as to respect that member's dignity and still meet the needs of IVH for complete information regarding resources.

10.37(2) Each member or legal representative shall be allowed to handle that member's business mail to the degree of responsibility chosen by the member or legal representative. A member may:

a. Elect to receive all business mail personally and provide the resident finance office with financial documentation, or

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b. Designate that the member shall receive personal mail items, but business mail received at IVH from entitlement sources or concerning assets shall be routed to the resident finance office, cashier's office or Medicare office, whichever is appropriate.

ITEM 40. Amend paragraphs **10.40(1)“d”** and **“i”** as follows:

d. Firearms or weapons of any nature shall be turned in to the commandant or designee for safekeeping. The commandant or designee shall decide if an instrument is a weapon. Firearms or weapons in the possession of a member which constitute a hazard to self or others shall be removed and stored in a place provided and controlled by the facility or sent with family members for safekeeping.

i. Members shall report to the ~~admissions coordinator~~ resident finance supervisor or designee any changes in assets/income, and pay support ~~by the tenth of each month~~ within ten business days after the monthly support bill is received or ten business days after the member's last income deposit for the month.

ITEM 41. Amend subparagraphs **10.40(2)“b”(2)** and **(3)** as follows:

(2) If, after a period of up to six months, the member's behavior is deemed appropriate by the facility, the handling of funds will be reviewed, and funds may be returned to the control of the member.

(3) If the member is discharged from IVH, the balance of the ~~deposit shall be paid to the member or financial legal representative within 30 days of discharge~~ funds in the IVH membership account shall be paid to the member or financial legal representative no later than the tenth day of the month following the month of discharge.

ITEM 42. Amend rule 801—10.41(35D) as follows:

801—10.41(35D) County of settlement upon discharge. A member does not acquire legal settlement in Marshall County, the county in which IVH is located, unless the member is voluntarily or involuntarily discharged from IVH, continuously resides in the county for a period of one year subsequent to the discharge and during that year is not readmitted to IVH and does not receive any services from IVH.

ITEM 43. Amend subrule 10.42(3) as follows:

10.42(3) Upon the death of a member with personal funds deposited at IVH, after the final bill and any outstanding funeral expenses have been paid, and after receipt of notification from the estate recovery program (for those on Title XIX) that release of funds is approved, IVH shall convey the member's funds along with a final statement to the legal representative administering the member's estate. When an estate is not opened or in cases where no executor is appointed, IVH shall attempt to locate the deceased member's heirs and deliver the funds ~~and property~~ equally or according to the terms of the last will and testament within one year after the date of death.

ITEM 44. Amend paragraph **10.43(1)“a,”** introductory paragraph, as follows:

a. The member has been diagnosed with a substance use disorder but continues to abuse alcohol or an illegal drug in violation of the member's conditional or provisional agreement entered into at the time of admission or at any time thereafter, and all of the following conditions are met:

ITEM 45. Amend paragraph **10.43(1)“c”** as follows:

c. The member no longer ~~requires a~~ meets the requirements for residential or nursing level of care, as determined by the IRCC or medical provider.

ITEM 46. Amend paragraph **10.43(3)“c”** as follows:

c. A statement in not less than 12-point type which reads: “You have a right to appeal the facility's decision to transfer or discharge you. If you think you should not have to leave this facility, you may request a hearing in writing or verbally with the Commission of Veterans Affairs (hereinafter referred to as “Commission”) within five (5) calendar days after receiving this notice. You have a right to be represented at the hearing by an attorney or any other individual of your choice at your own expense. If you request a hearing, it will be held, and a decision rendered within ten (10) calendar days of the filing of the appeal. Provision may be made for extension of the ten (10) day requirement upon request to the Commission designee. If you lose the hearing, you will not be discharged or transferred before the expiration of 30 days following receipt of the original notice of the discharge or transfer, or no

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sooner than five (5) days following final decision of such hearing. To request a hearing or receive further information, call the Commission or write to the Commission to the attention of: Chairperson, Commission of Veterans Affairs.”

ITEM 47. Amend subrules 10.43(6) and 10.43(7) as follows:

10.43(6) By the fourth Monday of each session of the Iowa general assembly, the commandant shall submit a report annually to the senate veterans affairs committee and the house veterans affairs committee specifying the number, circumstances and placement of each member involuntarily discharged from IVH under this rule during the previous calendar year.

10.43(7) Any involuntary discharge by the commandant or designee under this rule shall comply with the rules adopted by the commission and by the department of inspections and appeals ~~pursuant to 2009 Iowa Acts, Senate File 407, section 2~~ in accordance with Iowa Code section 35D.15.

ITEM 48. Amend subrule 10.46(1) as follows:

10.46(1) A member shall discuss the problem and action desired with the assigned social worker within five working days of the incident which caused the problem. The social worker shall investigate the situation and attempt to resolve the problem within five working days of the discussion with the member. If the assigned social worker has allegedly caused the grievance, the member may file the grievance directly with the ~~supervising unit manager~~ social work supervisor.

ITEM 49. Adopt the following new rule 801—10.49(35D):

801—10.49(35D) Licensed nursing home administrator. The commandant shall employ a licensed nursing home administrator and convey the authority for compliance with all applicable laws and rules.

This rule is intended to implement Iowa Code chapter 135C.

ITEM 50. Amend subrule 10.50(2) as follows:

10.50(2) Visitors are subject to the policies and procedures as established by IVH ~~rules,~~ including the tobacco-free policy.

ITEM 51. Adopt the following new subrule 10.50(8):

10.50(8) Visitors who bring pets must comply with IVH rules regarding pet health and safety. Pets shall be kept on a leash while on IVH grounds.

ITEM 52. Rescind and reserve rule **801—10.51(35D).**

ITEM 53. Amend rule 801—10.53(35D) as follows:

801—10.53(35D) Donations. Donations of money, new clothing, books, games, recreational equipment or other gifts shall be made directly to the commandant or designee. The commandant or designee shall evaluate the donation in terms of the nature of the contribution to the facility program. The commandant or designee shall be responsible for accepting the donation and reporting the gift to the commission. All monetary gifts shall be acknowledged in writing to the donor and reported to the Iowa ethics and campaign disclosure board.

ITEM 54. Amend subrule 10.56(3) as follows:

10.56(3) Pets are ~~not only~~ allowed inside the cottages as outlined in the IVH cottage occupancy policy. ~~Occupants who bring pets must comply with IVH rules regarding pet health and safety. Pets will be housed in a portable pet kennel outside the cottage and kept on a leash while on the IVH grounds. The kennel shall be provided by the pet owner.~~

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/17/16.

AGENCY	RULE	DELAY
Inspections and Appeals Department[481]	57.19(3)“d,” 62.15(2)“d,” 63.18(3)“d” [IAB 8/3/16, ARC 2643C]	Effective date of September 7, 2016, delayed 70 days by the Administrative Rules Review Committee at its meeting held August 5, 2016. [Pursuant to §17A.4(7)]