

State of Iowa

Iowa
Administrative
Code
Supplement

Biweekly
August 3, 2016



STEPHANIE A. HOFF
ADMINISTRATIVE CODE EDITOR

Published by the
STATE OF IOWA
UNDER AUTHORITY OF IOWA CODE SECTION 17A.6

The Iowa Administrative Code Supplement is published biweekly pursuant to Iowa Code section 17A.6. The Supplement contains replacement chapters to be inserted in the loose-leaf Iowa Administrative Code (IAC) according to instructions included with each Supplement. The replacement chapters incorporate rule changes which have been adopted by the agencies and filed with the Administrative Rules Coordinator as provided in Iowa Code sections 7.17 and 17A.4 to 17A.6. To determine the specific changes in the rules, refer to the Iowa Administrative Bulletin bearing the same publication date.

In addition to the changes adopted by agencies, the replacement chapters may reflect objection to a rule or a portion of a rule filed by the Administrative Rules Review Committee (ARRC), the Governor, or the Attorney General pursuant to Iowa Code section 17A.4(6); an effective date delay imposed by the ARRC pursuant to section 17A.4(7) or 17A.8(9); rescission of a rule by the Governor pursuant to section 17A.4(8); or nullification of a rule by the General Assembly pursuant to Article III, section 40, of the Constitution of the State of Iowa.

The Supplement may also contain replacement pages for the IAC Index or the Uniform Rules on Agency Procedure.

INSTRUCTIONS

FOR UPDATING THE

IOWA ADMINISTRATIVE CODE

Agency names and numbers in bold below correspond to the divider tabs in the IAC binders. New and replacement chapters included in this Supplement are listed below. Carefully remove and insert chapters accordingly.

Editor's telephone (515)281-3355 or (515)242-6873

Commerce Department[181]

Replace Analysis

Replace Chapter 1

Replace Chapters 2 and 3 with Reserved Chapters 2 and 3

Human Services Department[441]

Replace Analysis

Replace Chapter 25

Replace Chapters 109 and 110

Remove Reserved Chapters 120 to 129

Insert Chapter 120 and Reserved Chapters 121 to 129

Replace Chapter 170

Inspections and Appeals Department[481]

Replace Chapter 57

Replace Chapters 62 and 63

Employment Appeal Board[486]

Replace Chapter 6

Public Health Department[641]

Replace Analysis

Replace Chapters 21 and 22

Replace Chapter 177

Pharmacy Board[657]

Replace Chapter 21

Revenue Department[701]

Replace Analysis

Replace Chapters 1 and 2 with Reserved Chapters 1 and 2

Replace Chapters 6 and 7

Replace Chapters 10 and 11

Replace Chapter 67

Replace Chapter 71

Replace Chapter 73

Replace Chapters 76 and 77

Replace Chapters 80 and 81

Replace Chapter 85
Replace Chapter 89
Replace Chapter 103

Secretary of State[721]

Replace Analysis
Replace Chapter 21

Transportation Department[761]

Replace Analysis
Replace Chapters 117 and 118
Replace Chapter 602

COMMERCE, DEPARTMENT OF[181]

[Created by 1986 Iowa Acts, Senate File 2175]

NOTE: For the rules of divisions under this Department “umbrella,” see Alcoholic Beverages Division[185],
Banking Division[187], Credit Union Division[189], Insurance Division[191],
Professional Licensing and Regulation Division[193], Savings and Loan Division[197], Utilities Division[199]

CHAPTER 1 ORGANIZATION AND OPERATION

- 1.1(546,17A) Purpose
- 1.2(546,17A) Scope of rules
- 1.3 Reserved
- 1.4(546,17A) Duties of the department
- 1.5(546,17A) Definitions
- 1.6(546,17A) Central offices and communications
- 1.7(546,17A) Custodians of records, filings and requests for public information
- 1.8(546,17A) Division administrators’ responsibilities

CHAPTER 1
ORGANIZATION AND OPERATION

181—1.1(546,17A) Purpose. This chapter describes the organization and operation of the department of commerce (the “department”).
[ARC 2650C, IAB 8/3/16, effective 9/7/16]

181—1.2(546,17A) Scope of rules. The rules for the department of commerce are promulgated under Iowa Code chapters 17A and 546 and shall apply to all matters before the department. No rule shall, in any way, relieve a person affected by or subject to these rules, or any person affected by or subject to the rules promulgated by the various divisions of the department from any duty under the laws of this state.

181—1.3(546,17A) Waiver. Rescinded ARC 2650C, IAB 8/3/16, effective 9/7/16.

181—1.4(546,17A) Duties of the department. The commerce department administers and coordinates the various regulatory, service, and licensing functions of the state relating to the conducting of business or commerce in the state. The department consists of the following divisions: banking, credit union, utilities, insurance, and alcoholic beverages.

1.4(1) Banking division. The banking division regulates and supervises state banks, regulated loan companies, industrial loan companies, mortgage bankers, mortgage brokers, real estate closing agents, debt management companies, money services companies, and delayed deposit service businesses and performs other duties assigned to it by law. In addition, as provided in Iowa Code section 546.10, the division administers and coordinates the activities of the following professional licensing boards: the engineering and land surveying examining board, the Iowa accountancy examining board, the real estate commission, the architectural examining board, the landscape architectural examining board, the real estate appraiser examining board, and the interior design examining board.

1.4(2) Credit union division. The credit union division regulates and supervises the operation of credit unions within the state; the credit union review board performs duties assigned to it by Iowa Code chapter 533.

1.4(3) Utilities division. The utilities division regulates and supervises certain public utilities which operate within the state, and enforces or administers the laws promulgated under Iowa Code chapters 476, 476A, 476B, 476C, 477A, 477C, 478, 479, 479A and 479B. The division performs other duties assigned to it by law.

1.4(4) Insurance division. The insurance division regulates and supervises the conduct of the business of insurance within the state, and enforces the laws promulgated under Title XX, and Iowa Code chapters 502, 503, 505 to 523D, and 523I. The division performs other duties assigned to it by law.

1.4(5) Alcoholic beverages division. The alcoholic beverages division supervises and regulates all matters relating to alcoholic beverages within the state, and enforces the laws promulgated under Iowa Code chapter 123.

[ARC 2650C, IAB 8/3/16, effective 9/7/16]

181—1.5(546,17A) Definitions.

“*Administrator of alcoholic beverages*” means the chief executive officer of the alcoholic beverages division of the department of commerce.

“*Administrator of professional licensing and regulation*” means the superintendent of banking.

“*Commissioner of insurance*” means the chief executive officer of the insurance division of the department of commerce.

“*Department*” means the department of commerce.

“*Director*” means the director of the department of commerce.

“*Person*” means an individual, corporation, partnership, association, professional corporation, licensee or permittee.

“*Superintendent of banking*” means the chief administrative officer of the banking division of the department of commerce.

“*Superintendent of credit unions*” means the chief administrative officer of the credit union division of the department of commerce.

“*Utilities board*” means the board composed of three persons, who are appointed by the governor subject to confirmation by the senate, and who serve as the policymaking body for the utilities division. The chairperson of the utilities board shall be the administrator of the utilities division.
[ARC 2650C, IAB 8/3/16, effective 9/7/16]

181—1.6(546,17A) Central offices and communications. Correspondence and communications with the department of commerce shall be addressed or directed to the department’s director. The director is the division head appointed by the governor to fulfill the responsibilities and duties of the director in addition to the individual’s responsibilities and duties as the head of a division. The department’s Web site is <http://commerce.iowa.gov/>.

1.6(1) Correspondence and communications with the banking division shall be addressed or directed to its central office located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, (515)281-4014. The division’s Web site is <http://www.idob.state.ia.us/>.

1.6(2) Correspondence and communications with the professional licensing and regulation bureau of the banking division shall be addressed or directed to its office located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, (515)725-9022. The bureau’s Web site is <https://plb.iowa.gov/>.

1.6(3) Correspondence and communications with the alcoholic beverages division shall be addressed or directed to its central office located at 1918 S.E. Hulsizer Road, Ankeny, Iowa 50021-3961, (515)281-7400. The division’s Web site is <https://abd.iowa.gov/>.

1.6(4) Correspondence and communications with the insurance division shall be addressed or directed to its central office located at 601 Locust Street, Fourth Floor, Des Moines, Iowa 50309-3738, (515)281-5705. The division’s Web site is <http://www.iid.iowa.gov/>.

1.6(5) Correspondence and communications with the utilities division shall be addressed or directed to its central office located at 1375 East Court Avenue, Des Moines, Iowa 50319-0069, (515)725-7300. The division’s Web site is <https://iub.iowa.gov/>.

1.6(6) Correspondence and communications with the credit union division shall be addressed or directed to its central office located at 200 East Grand Avenue, Suite 370, Des Moines, Iowa 50309-1827, (515)725-0505. The division’s Web site is <https://creditunions.iowa.gov/>.
[ARC 2650C, IAB 8/3/16, effective 9/7/16]

181—1.7(546,17A) Custodians of records, filings and requests for public information. Unless otherwise specified by the department or the rules of its various divisions, each division is the principal custodian of its own divisional orders, statements of law or policy issued by the respective divisions, legal documents and other public documents on file with the department or its respective divisions. This is true in particular for the Iowa fair information practices Act. The responsibility for complying with that Act shall be upon the individual divisions. Each division shall promulgate rules pursuant to Iowa Code chapter 17A governing the manner in which documents may be filed with the respective divisions. Each division shall promulgate rules pursuant to Iowa Code chapters 17A, 21, and 22 governing the manner in which interested persons may obtain public information regarding that division.
[ARC 2650C, IAB 8/3/16, effective 9/7/16]

181—1.8(546,17A) Division administrators’ responsibilities.

1.8(1) Rule making. Except to the extent that rule-making authority is vested in a policy-making commission, each division administrator has the authority to promulgate rules pursuant to Iowa Code chapter 17A to implement the duties of the division. Such rules are not subject to review by the department director. All applicable rules previously promulgated by the divisions shall remain in effect until amended by the divisions.

1.8(2) Decision making. Except to the extent that decision-making authority is vested in a licensing and regulation commission or other body, decisions of the division administrator with respect to duties assigned to the division under the law are final agency actions pursuant to chapter 17A. Decisions by either the commissions or division administrators are not subject to review by the department director.

1.8(3) *Supervision.* Each division administrator has the authority to hire, allocate, develop, and direct employees and other resources assigned to the division by law.

1.8(4) *Establish fees.* Except to the extent otherwise vested in a policy-making commission, each division administrator has the authority to establish fees assessed to the regulated industry. The fees so established are not reviewable by the department director.

1.8(5) *Expenditure authorization.* Each division administrator may authorize expenditures from accounts for that division or office within the department of commerce revolving fund established in Iowa Code section 546.12, or otherwise use funds as permitted by Iowa Code section 546.12.

[ARC 2650C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement Iowa Code sections 17A.3 and 546.2.

[Filed emergency 7/1/86—published 7/30/86, effective 7/1/86]

[Filed 9/22/86, Notice 7/30/86—published 10/8/86, effective 11/12/86]

[Filed 3/4/88, Notice 10/21/87—published 3/23/88, effective 4/27/88]

[Filed emergency 11/4/94—published 11/23/94, effective 11/4/94]

[Filed ARC 2650C (Notice ARC 2575C, IAB 6/8/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 2
PETITIONS FOR RULE MAKING
Rescinded **ARC 2650C**, IAB 8/3/16, effective 9/7/16

CHAPTER 3
DECLARATORY RULINGS
Rescinded **ARC 2650C**, IAB 8/3/16, effective 9/7/16

HUMAN SERVICES DEPARTMENT[441]

Rules transferred from Social Services Department[770] to Human Services Department[498],
see 1983 Iowa Acts, Senate File 464, effective July 1, 1983.

Rules transferred from agency number [498] to [441] to conform with the reorganization
numbering scheme in general, IAC Supp. 2/11/87.

TITLE I

GENERAL DEPARTMENTAL PROCEDURES

CHAPTER 1

DEPARTMENTAL ORGANIZATION AND PROCEDURES

- 1.1(17A) Director
- 1.2(17A) Council
- 1.3(17A) Organization at state level
- 1.4(17A) Field operations structure
- 1.5 Reserved
- 1.6(17A) Mental health and developmental disabilities commission
- 1.7(17A) Governor's developmental disabilities council (governor's DD council)
- 1.8(17A,217) Waivers of administrative rules (hereinafter referred to as exceptions to policy)
- 1.9 Reserved
- 1.10(17A,514I) HAWK-I board

CHAPTER 2

CONTRACTING OUT DEPARTMENT OF HUMAN SERVICES
EMPLOYEES AND PROPERTY

- 2.1(23A,225C) Definitions
- 2.2(23A,225C) Contracts for use of the services of department employees
- 2.3(23A,225C) Contract provisions
- 2.4(23A,225C) Leasing of space at state institutions
- 2.5(23A,225C) Requirements prior to leasing

CHAPTER 3

DEPARTMENT PROCEDURE FOR RULE MAKING

- 3.1(17A) Applicability
- 3.2(17A) Advice on possible rules before notice of proposed rule adoption
- 3.3(17A) Public rule-making docket
- 3.4(17A) Notice of proposed rule making
- 3.5(17A) Public participation
- 3.6(17A) Regulatory analysis
- 3.7(17A,25B) Fiscal impact statement
- 3.8(17A) Time and manner of rule adoption
- 3.9(17A) Variance between adopted rule and published notice of proposed rule adoption
- 3.10(17A) Exemptions from public rule-making procedures
- 3.11(17A) Concise statement of reasons
- 3.12(17A) Contents, style, and form of rule
- 3.13(17A) Department rule-making record
- 3.14(17A) Filing of rules
- 3.15(17A) Effectiveness of rules prior to publication
- 3.16(17A) Review by department of rules

CHAPTER 4

PETITIONS FOR RULE MAKING

- 4.1(17A) Petition for rule making
- 4.2(17A) Briefs

- 4.3(17A) Inquiries
- 4.4(17A) Agency consideration

CHAPTER 5
DECLARATORY ORDERS

- 5.1(17A) Petition for declaratory order
- 5.2(17A) Notice of petition
- 5.3(17A) Intervention
- 5.4(17A) Briefs
- 5.5(17A) Inquiries
- 5.6(17A) Service and filing of petitions and other papers
- 5.7(17A) Consideration
- 5.8(17A) Action on petition
- 5.9(17A) Refusal to issue order
- 5.10(17A) Contents of declaratory order—effective date
- 5.11(17A) Copies of orders
- 5.12(17A) Effect of a declaratory order

CHAPTER 6
Reserved

CHAPTER 7
APPEALS AND HEARINGS

- 7.1(17A) Definitions
- 7.2 Reserved

DIVISION I

- 7.3(17A) Presiding officer
- 7.4(17A) Notification of hearing procedures
- 7.5(17A) The right to appeal
- 7.6(17A) Informing persons of their rights
- 7.7(17A) Notice of intent to approve, deny, terminate, reduce, or suspend assistance or deny reinstatement of assistance
- 7.8(17A) Opportunity for hearing
- 7.9(17A) Continuation of assistance pending a final decision on appeal
- 7.10(17A) Procedural considerations
- 7.11(17A) Information and referral for legal services
- 7.12(17A) Subpoenas
- 7.13(17A) Rights of appellants during hearings
- 7.14(17A) Limitation of persons attending
- 7.15(17A) Medical examination
- 7.16(17A) The appeal decision
- 7.17(17A) Exhausting administrative remedies
- 7.18(17A) Ex parte communication
- 7.19(17A) Accessibility of hearing decisions
- 7.20(17A) Right of judicial review and stays of agency action
- 7.21(17A) Food assistance hearings and appeals
- 7.22 Reserved
- 7.23(17A) Contested cases with no factual dispute
- 7.24(17A) Emergency adjudicative proceedings
- 7.25 to 7.40 Reserved

DIVISION II

APPEALS BASED ON THE COMPETITIVE PROCUREMENT BID PROCESS

- 7.41(17A) Scope and applicability
- 7.42(17A) Requests for timely filing of an appeal
- 7.43(17A) Bidder appeals
- 7.44(17A) Procedures for bidder appeal
- 7.45(17A) Stay of agency action for bidder appeal
- 7.46(17A) Request for review of the proposed decision
- 7.47(17A) Other procedural considerations
- 7.48(17A) Appeal record
- 7.49(17A) Pleadings
- 7.50(17A) Ex parte communications
- 7.51(17A) Right of judicial review

CHAPTER 8

PAYMENT OF SMALL CLAIMS

- 8.1(217) Authorization to reimburse

CHAPTER 9

PUBLIC RECORDS AND FAIR
INFORMATION PRACTICES

- 9.1(17A,22) Definitions
- 9.2(17A,22) Statement of policy
- 9.3(17A,22) Requests for access to records
- 9.4(17A,22) Access to confidential records
- 9.5(17A,22) Requests for treatment of a record as a confidential record and its withholding from examinations
- 9.6(17A,22) Procedure by which additions, dissents, or objections may be entered into certain records
- 9.7(17A,22,228) Consent to disclosure by the subject of a confidential record
- 9.8(17A,22) Notice to suppliers of information
- 9.9(17A,22) Release to subject
- 9.10(17A,22) Use and disclosure without consent of the subject
- 9.11(22) Availability of records
- 9.12(22,252G) Personally identifiable information
- 9.13(217) Distribution of informational materials
- 9.14(17A,22) Special policies and procedures for protected health information
- 9.15(17A,22) Person who may exercise rights of the subject

CHAPTER 10

Reserved

CHAPTER 11

COLLECTION OF PUBLIC ASSISTANCE DEBTS

- 11.1(217) Definitions
- 11.2(217) Establishment of claim
- 11.3(217) Application of payment
- 11.4(217) Setoff against state income tax refund, rebate, or other state payments, including, for example, state employee wages
- 11.5(234) Setoff against federal income tax refund or other federal payments, including, for example, federal employee wages

CHAPTER 12
VOLUNTEER SERVICES

- 12.1(234) Definition
- 12.2(234) Allocation of block grant funds
- 12.3(234) Requirements for volunteers
- 12.4(234) Volunteer service programs
- 12.5(234) Services and benefits available to volunteers

CHAPTER 13
PROGRAM EVALUATION

- 13.1(234,239B,249A) Definitions
- 13.2(234,239B,249A) Review of public assistance records by the department
- 13.3(234,239B,249A) Who shall be reviewed
- 13.4(234,239B,249A) Notification of review
- 13.5(234,239B,249A) Review procedure
- 13.6(234,239B,249A) Failure to cooperate
- 13.7(234,239B,249A) Report of findings
- 13.8(234,239B,249A) Federal rereview

CHAPTER 14
OFFSET OF COUNTY DEBTS OWED DEPARTMENT

- 14.1(217,234) Definitions
- 14.2(217,234) Identifying counties with liabilities
- 14.3(217,234) List of counties with amounts owed
- 14.4(217,234) Notification to county regarding offset
- 14.5(217,234) Implementing the final decision
- 14.6(217,234) Offset completed

CHAPTER 15
RESOLUTION OF LEGAL SETTLEMENT DISPUTES

- 15.1(225C) Definitions
- 15.2(225C) Assertion of legal settlement dispute
- 15.3(225C) Response to dispute notification
- 15.4(225C) Contested case hearing
- 15.5(225C) Change in determination

TITLE II
Reserved

CHAPTERS 16 to 21

Reserved

TITLE III
MENTAL HEALTH

CHAPTER 22
AUTISM SUPPORT PROGRAM

- 22.1(225D) Definitions
- 22.2(225D) Eligibility and application requirements
- 22.3(225D) Cost-sharing requirements and graduated schedule of cost sharing
- 22.4(225D) Review of financial eligibility, cost-sharing requirements, exemption from cost sharing, and disenrollment in the program
- 22.5(225D) Initial service authorization and renewal of service authorization
- 22.6(225D) Provider network

- 22.7(225D) Financial management of the program
- 22.8(225D) Appeal

CHAPTER 23
MENTAL HEALTH AND DISABILITY SERVICES
REDESIGN TRANSITION FUND

- 23.1(225C,84GA,SF2315) Definitions
- 23.2(225C,84GA,SF2315) Eligibility
- 23.3(225C,84GA,SF2315) Application requirements
- 23.4(225C,84GA,SF2315) Guidelines for the management of transition funds
- 23.5(225C,84GA,SF2315) Allocation of transition funds

CHAPTER 24
ACCREDITATION OF PROVIDERS OF SERVICES TO PERSONS WITH MENTAL ILLNESS,
INTELLECTUAL DISABILITIES, OR DEVELOPMENTAL DISABILITIES

DIVISION I
SERVICES FOR INDIVIDUALS WITH DISABILITIES

- 24.1(225C) Definitions
- 24.2(225C) Standards for policy and procedures
- 24.3(225C) Standards for organizational activities
- 24.4(225C) Standards for services
- 24.5(225C) Accreditation
- 24.6(225C) Deemed status
- 24.7(225C) Complaint process
- 24.8(225C) Appeal procedure
- 24.9(225C) Exceptions to policy
- 24.10 to 24.19 Reserved

DIVISION II
CRISIS RESPONSE SERVICES

- 24.20(225C) Definitions
- 24.21(225C) Standards for crisis response services
- 24.22(225C) Standards for policies and procedures
- 24.23(225C) Standards for organizational activities
- 24.24(225C) Standards for crisis response staff
- 24.25(225C) Standards for services
- 24.26(225C) Accreditation
- 24.27(225C) Deemed status
- 24.28(225C) Complaint process
- 24.29(225C) Appeal procedure
- 24.30(225C) Exceptions to policy
- 24.31(225C) Standards for individual crisis response services
- 24.32(225C) Crisis evaluation
- 24.33(225C) Twenty-four-hour crisis response
- 24.34(225C) Twenty-four-hour crisis line
- 24.35(225C) Warm line
- 24.36(225C) Mobile response
- 24.37(225C) Twenty-three-hour crisis observation and holding
- 24.38(225C) Crisis stabilization community-based services (CSCBS)
- 24.39(225C) Crisis stabilization residential services (CSRS)
- 24.40(225C) Medication—administration, storage and documentation

CHAPTER 25
DISABILITY SERVICES MANAGEMENT

DIVISION I
REGIONAL CORE SERVICES

25.1(331)	Definitions
25.2(331)	Core service domains
25.3(331)	Access standards
25.4(331)	Practices
25.5 to 25.10	Reserved

DIVISION II
REGIONAL SERVICE SYSTEM

25.11(331)	Definitions
25.12(331)	Regional governance structure
25.13(331)	Regional finances
25.14(331)	Regional governance agreement
25.15(331)	Eligibility, diagnosis, and functional assessment criteria
25.16(331)	Financial eligibility requirements
25.17(331)	Exempted counties
25.18(331)	Annual service and budget plan
25.19(331)	Annual service and budget plan approval
25.20(331)	Annual report
25.21(331)	Policies and procedures manual for the regional service system
25.22 to 25.40	Reserved

DIVISION III
MINIMUM DATA SET

25.41(331)	Minimum data set
25.42 to 25.50	Reserved

DIVISION IV
INCENTIVE AND EFFICIENCY POOL FUNDING

25.51(77GA, HF2545)	Desired results areas
25.52(77GA, HF2545)	Methodology for applying for incentive funding
25.53(77GA, HF2545)	Methodology for awarding incentive funding
25.54(77GA, HF2545)	Subsequent year performance factors
25.55(77GA, HF2545)	Phase-in provisions
25.56 to 25.60	Reserved

DIVISION V
RISK POOL FUNDING

25.61(426B)	Definitions
25.62(426B)	Risk pool board
25.63(426B)	Application process
25.64(426B)	Methodology for awarding risk pool funding
25.65(426B)	Repayment provisions
25.66(426B)	Appeals
25.67 to 25.70	Reserved

DIVISION VI
TOBACCO SETTLEMENT FUND RISK POOL FUNDING

25.71(78GA, ch1221)	Definitions
25.72(78GA, ch1221)	Risk pool board
25.73(78GA, ch1221)	Rate-setting process
25.74(78GA, ch1221)	Application process
25.75(78GA, ch1221)	Methodology for awarding tobacco settlement fund risk pool funding

- 25.76(78GA,ch1221) Repayment provisions
- 25.77(78GA,ch1221) Appeals
- 25.78 to 25.80 Reserved

DIVISION VII
COMMUNITY MENTAL HEALTH CENTER WAIVER REQUEST

- 25.81(225C) Waiver request
- 25.82 to 25.90 Reserved

DIVISION VIII
CRITERIA FOR EXEMPTING COUNTIES FROM JOINING INTO REGIONS TO ADMINISTER
MENTAL HEALTH AND DISABILITY SERVICES

- 25.91(331) Exemption from joining into mental health and disability services region
- 25.92 to 25.94 Reserved

DIVISION IX
DATA SUBMISSION TO DETERMINE MEDICAID OFFSET FOR COUNTIES

- 25.95(426B) Definitions
- 25.96(426B) Data to determine Medicaid offset
- 25.97 to 25.100 Reserved

DIVISION X
MENTAL HEALTH ADVOCATES

- 25.101(229) Definitions
- 25.102(229) Advocate appointment and qualifications
- 25.103(229) Advocate assignment
- 25.104(229) Advocate responsibilities
- 25.105(229) County responsibilities
- 25.106(229) Data collection requirements
- 25.107(229) Quality assurance system
- 25.108 to 25.116 Reserved

DIVISION XI
PROCESS FOR APPROVING SUBACUTE MENTAL HEALTH CARE FACILITY LICENSING APPLICATIONS
TO THE DEPARTMENT OF INSPECTIONS AND APPEALS

- 25.117(135G) Definitions
- 25.118(135G) Approval process for subacute care facility applications to be licensed by the department of inspections and appeals

CHAPTERS 26 and 27
Reserved

CHAPTER 28
POLICIES FOR MENTAL HEALTH
INSTITUTES AND RESOURCE CENTERS

- 28.1(218) Definitions
- 28.2(218,222) Selection of facility
- 28.3 Reserved
- 28.4(225C,229) Grievances
- 28.5(217,218) Photographing and recording of individuals and use of cameras
- 28.6(217,218) Interviews and statements
- 28.7(218) Use of grounds, facilities, or equipment
- 28.8(218) Tours of facility
- 28.9(218) Donations
- 28.10 and 28.11 Reserved
- 28.12(217) Release of confidential information
- 28.13(218) Applying county institutional credit balances

CHAPTER 29
MENTAL HEALTH INSTITUTES

29.1(218)	Catchment areas
29.2(218,229)	Voluntary admissions
29.3(229,230)	Certification of county of residence
29.4(218,230)	Charges for care
29.5(229)	Authorization for treatment
29.6(217,228,229)	Rights of individuals
29.7(218)	Visiting

CHAPTER 30
STATE RESOURCE CENTERS

30.1(218,222)	Catchment areas
30.2(218,222)	Admission
30.3(222)	Non-Medicaid payment-eligible individuals
30.4(222)	Liability for support
30.5(217,218,225C)	Rights of individuals
30.6(218)	Visiting

CHAPTER 31
CIVIL COMMITMENT UNIT

31.1(229A)	Definitions
31.2(229A)	Visitation
31.3(229A)	Group visitation
31.4(229A)	Grievances
31.5(229A)	Photographing and recording individuals
31.6(229A)	Release of information
31.7(229A)	Communication with individuals
31.8(229A)	Building and grounds
31.9(8,218)	Gifts and bequests
31.10(229A)	Cost of care

CHAPTERS 32 and 33
Reserved

CHAPTER 34
ALTERNATIVE DIAGNOSTIC FACILITIES

34.1(225C)	Definitions
34.2(225C)	Function
34.3(225C)	Standards

CHAPTER 35
Reserved

CHAPTER 36
FACILITY ASSESSMENTS

DIVISION I

ASSESSMENT FEE FOR INTERMEDIATE CARE FACILITIES FOR PERSONS WITH AN INTELLECTUAL DISABILITY

36.1(249A)	Assessment of fee
36.2(249A)	Determination and payment of fee for facilities certified to participate in the Medicaid program
36.3(249A)	Determination and payment of fee for facilities not certified to participate in the Medicaid program
36.4(249A)	Termination of fee assessment

36.5 Reserved

DIVISION II

QUALITY ASSURANCE ASSESSMENT FOR NURSING FACILITIES

36.6(249L) Assessment

36.7(249L) Determination and payment of assessment

36.8 and 36.9 Reserved

DIVISION III

HEALTH CARE ACCESS ASSESSMENT FOR HOSPITALS

36.10(249M) Application of assessment

36.11(249M) Determination and payment of assessment

36.12(249M) Termination of health care access assessment

CHAPTER 37

Reserved

CHAPTER 38

DEVELOPMENTAL DISABILITIES BASIC STATE GRANT

38.1(225C,217) Definitions

38.2(225C,217) Program eligibility

38.3(225C,217) Application under competitive process

38.4(225C,217) Competitive project awards

38.5(225C,217) Sole source or emergency selection project awards

38.6(225C,217) Field-initiated proposals

38.7(225C,217) Notification

38.8(225C,217) Request for reconsideration

38.9(225C,217) Contracts

38.10 Reserved

38.11(225C,217) Reallocation of funds

38.12(225C,217) Conflict of interest policy

CHAPTER 39

Reserved

TITLE IV

FAMILY INVESTMENT PROGRAM

CHAPTER 40

APPLICATION FOR AID

DIVISION I

FAMILY INVESTMENT PROGRAM—CONTROL GROUP

40.1 to 40.20 Reserved

DIVISION II

FAMILY INVESTMENT PROGRAM—TREATMENT GROUP

40.21(239B) Definitions

40.22(239B) Application

40.23(239B) Date of application

40.24(239B) Procedure with application

40.25(239B) Time limit for decision

40.26(239B) Effective date of grant

40.27(239B) Continuing eligibility

40.28(239B) Referral for investigation

CHAPTER 41
GRANTING ASSISTANCE

DIVISION I
FAMILY INVESTMENT PROGRAM—
CONTROL GROUP

41.1 to 41.20 Reserved

DIVISION II
FAMILY INVESTMENT PROGRAM—TREATMENT GROUP

41.21(239B) Eligibility factors specific to child
41.22(239B) Eligibility factors specific to payee
41.23(239B) Home, residence, citizenship, and alienage
41.24(239B) Promoting independence and self-sufficiency through employment job
 opportunities and basic skills (PROMISE JOBS) program
41.25(239B) Uncategorized factors of eligibility
41.26(239B) Resources
41.27(239B) Income
41.28(239B) Need standards
41.29(239B) Composite FIP/SSI cases
41.30(239B) Time limits

CHAPTER 42
Reserved

CHAPTER 43
ALTERNATE PAYEES

DIVISION I
FAMILY INVESTMENT PROGRAM—CONTROL GROUP

43.1 to 43.20 Reserved

DIVISION II
FAMILY INVESTMENT PROGRAM—TREATMENT GROUP

43.21(239B) Conservatorship or guardianship
43.22 and 43.23 Reserved
43.24(239B) Emergency payee

CHAPTER 44
Reserved

CHAPTER 45
PAYMENT

DIVISION I
FAMILY INVESTMENT PROGRAM—CONTROL GROUP

45.1 to 45.20 Reserved

DIVISION II
FAMILY INVESTMENT PROGRAM—TREATMENT GROUP

45.21(239B) Issuing payment
45.22(239B) Return
45.23(239B) Held warrants
45.24(239B) Underpayment
45.25(239B) Deceased payees
45.26(239B) Limitation on payment
45.27(239B) Rounding of need standard and payment amount

CHAPTER 46
OVERPAYMENT RECOVERY

DIVISION I
FAMILY INVESTMENT PROGRAM—CONTROL GROUP

46.1 to 46.20 Reserved

DIVISION II
FAMILY INVESTMENT PROGRAM—TREATMENT GROUP

46.21(239B) Definitions
 46.22(239B) Monetary standards
 46.23(239B) Notification and appeals
 46.24(239B) Determination of overpayments
 46.25(239B) Source of recoupment
 46.26 Reserved
 46.27(239B) Procedures for recoupment
 46.28 Reserved
 46.29(239B) Fraudulent misrepresentation of residence

CHAPTER 47
DIVERSION INITIATIVES

DIVISION I
PROMOTING AWARENESS OF THE BENEFITS OF A HEALTHY MARRIAGE

47.1(234) Eligibility criteria
 47.2(234) Notice and eligibility period
 47.3 to 47.20 Reserved

DIVISION II
FAMILY SELF-SUFFICIENCY GRANTS PROGRAM

47.21(239B) Definitions
 47.22(239B) Availability of the family self-sufficiency grants program
 47.23(239B) General criteria
 47.24(239B) Assistance available in family self-sufficiency grants
 47.25(239B) Application, notification, and appeals
 47.26(239B) Approved local plans for family self-sufficiency grants
 47.27(239B) Evaluation of family self-sufficiency grants
 47.28(239B) Recovery of FSSG overpayments

CHAPTERS 48 and 49
Reserved

TITLE V
STATE SUPPLEMENTARY ASSISTANCE

CHAPTER 50
APPLICATION FOR ASSISTANCE

50.1(249) Definitions
 50.2(249) Application procedures
 50.3(249) Approval of application and effective date of eligibility
 50.4(249) Reviews
 50.5(249) Application under conditional benefits

CHAPTER 51
ELIGIBILITY

51.1(249) Application for other benefits
 51.2(249) Supplementation
 51.3(249) Eligibility for residential care

- 51.4(249) Dependent relatives
- 51.5(249) Residence
- 51.6(249) Eligibility for supplement for Medicare and Medicaid eligibles
- 51.7(249) Income from providing room and board
- 51.8(249) Furnishing of social security number
- 51.9(249) Recovery

CHAPTER 52
PAYMENT

- 52.1(249) Assistance standards

CHAPTER 53
Reserved

CHAPTER 54
FACILITY PARTICIPATION

- 54.1(249) Application and contract agreement
- 54.2(249) Maintenance of case records
- 54.3(249) Financial and statistical report
- 54.4(249) Goods and services provided
- 54.5(249) Personal needs account
- 54.6(249) Case activity report
- 54.7(249) Billing procedures
- 54.8(249) Audits

TITLE VI
GENERAL PUBLIC ASSISTANCE PROVISIONS

CHAPTERS 55 and 56
Reserved

CHAPTER 57
INTERIM ASSISTANCE REIMBURSEMENT

- 57.1(249) Definitions
- 57.2(249) Requirements for reimbursement
- 57.3(249) Certificate of authority

CHAPTER 58
EMERGENCY ASSISTANCE

DIVISION I
IOWA DISASTER AID INDIVIDUAL ASSISTANCE GRANT PROGRAM

- 58.1(29C) Definitions
- 58.2(29C) Program implementation
- 58.3(29C) Application for assistance
- 58.4(29C) Eligibility criteria
- 58.5(29C) Eligible categories of assistance
- 58.6(29C) Eligibility determination and payment
- 58.7(29C) Contested cases
- 58.8(29C) Discontinuance of program
- 58.9 to 58.20 Reserved

DIVISION II
FAMILY INVESTMENT PROGRAM—EMERGENCY ASSISTANCE

- 58.21 to 58.40 Reserved

DIVISION III
TEMPORARY MEASURES RELATED TO DISASTERS

- 58.41(217) Purpose
 58.42(234,237A,239B,249,249A,249J,514I) Extension of scheduled reporting and review requirements
 58.43(237A) Need for child care services
 58.44(249A,249J,514I) Premium payments
 58.45(249A) Citizenship and identity
 58.46 to 58.50 Reserved

DIVISION IV
IOWANS HELPING IOWANS UNMET NEEDS DISASTER ASSISTANCE PROGRAM

- 58.51(234) Definitions
 58.52(234) Program implementation
 58.53(234) Application for assistance
 58.54(234) Eligibility criteria
 58.55(234) Eligible categories of assistance
 58.56(234) Eligibility determination and payment
 58.57(234) Contested cases
 58.58(234) Discontinuance of program
 58.59 and 58.60 Reserved

DIVISION V
TICKET TO HOPE PROGRAM

- 58.61(234) Definitions
 58.62(234) Application process
 58.63(234) Eligibility criteria
 58.64(234) Provider participation
 58.65(234) Provider reimbursement
 58.66(234) Reconsideration
 58.67(234) Appeal
 58.68(234) Discontinuance of program

CHAPTER 59
Reserved

CHAPTER 60
REFUGEE CASH ASSISTANCE

- 60.1(217) Alienage requirements
 60.2(217) Application procedures
 60.3(217) Effective date of grant
 60.4(217) Accepting other assistance
 60.5(217) Eligibility factors
 60.6(217) Students in institutions of higher education
 60.7(217) Time limit for eligibility
 60.8(217) Criteria for exemption from registration for employment services, registration,
 and refusal to register
 60.9(217) Work and training requirements
 60.10(217) Uncategorized factors of eligibility
 60.11(217) Temporary absence from home
 60.12(217) Application
 60.13(217) Continuing eligibility
 60.14(217) Alternate payees
 60.15(217) Payment
 60.16(217) Overpayment recovery

CHAPTER 61
REFUGEE SERVICES PROGRAM

61.1(217)	Definitions
61.2(217)	Authority
61.3(217)	Eligibility for refugee services
61.4(217)	Planning and coordinating the placement of refugees in advance of their arrival
61.5(217)	Services of the department available for refugees
61.6(217)	Provision of services
61.7(217)	Application for services
61.8(217)	Adverse service actions
61.9(217)	Client appeals
61.10(217)	Refugee sponsors
61.11(217)	Adverse actions regarding sponsor applications
61.12(217)	Administrative review of denial of sponsorship application
61.13(217)	Refugee resettlement moneys
61.14(217)	Unaccompanied refugee minors program
61.15(217,622A)	Interpreters and translators for legal proceedings
61.16(217)	Pilot recredentialing services
61.17(217)	Targeted assistance grants
61.18(217)	Iowa refugee services foundation

CHAPTERS 62 to 64
Reserved

TITLE VII
FOOD PROGRAMS

CHAPTER 65
FOOD ASSISTANCE PROGRAM ADMINISTRATION

DIVISION I

65.1(234)	Definitions
65.2(234)	Application
65.3(234)	Administration of program
65.4(234)	Issuance
65.5(234)	Simplified reporting
65.6(234)	Delays in certification
65.7	Reserved
65.8(234)	Deductions
65.9(234)	Treatment centers and group living arrangements
65.10	Reserved
65.11(234)	Discrimination complaint
65.12(234)	Appeals
65.13(234)	Joint processing
65.14	Reserved
65.15(234)	Proration of benefits
65.16(234)	Complaint system
65.17(234)	Involvement in a strike
65.18 and 65.19	Reserved
65.20(234)	Notice of expiration issuance
65.21(234)	Claims
65.22(234)	Verification
65.23(234)	Prospective budgeting
65.24(234)	Inclusion of foster children in household

65.25(234)	Effective date of change
65.26(234)	Eligible students
65.27(234)	Voluntary quit or reduction in hours of work
65.28(234)	Work requirements
65.29(234)	Income
65.30(234)	Resources
65.31(234)	Homeless meal providers
65.32(234)	Basis for allotment
65.33(234)	Dependent care deduction
65.34 to 65.36	Reserved
65.37(234)	Eligibility of noncitizens
65.38(234)	Income deductions
65.39(234)	Categorical eligibility
65.40	Reserved
65.41(234)	Actions on changes increasing benefits
65.42 and 65.43	Reserved
65.44(234)	Reinstatement
65.45	Reserved
65.46(234)	Disqualifications
65.47 to 65.49	Reserved
65.50(234)	No increase in benefits
65.51(234)	State income and eligibility verification system
65.52(234)	Systematic alien verification for entitlements (SAVE) program

CHAPTER 66

EMERGENCY FOOD ASSISTANCE PROGRAM

66.1(234)	Definitions
66.2(234)	Application to be a TEFAP contractor
66.3(234)	Contracts
66.4(234)	Distribution
66.5(234)	Household eligibility
66.6(234)	Reimbursement for allowable costs
66.7(234)	Commodity losses and claims
66.8(234)	State monitoring
66.9(234)	Limits on unrelated activities
66.10(234)	Complaints

CHAPTERS 67 to 72

Reserved

TITLE VIII

MEDICAL ASSISTANCE

CHAPTER 73

MANAGED CARE

73.1(249A)	Definitions
73.2(249A)	Contracts with a managed care organization
73.3(249A)	Enrollment
73.4(249A)	Disenrollment process
73.5(249A)	Covered services
73.6(249A)	Amount, duration and scope of services
73.7(249A)	Emergency services
73.8(249A)	Access to service
73.9(249A)	Incident reporting

- 73.10(249A) Discharge planning
- 73.11(249A) Level of care assessment and annual reviews
- 73.12(249A) Appeal of managed care organization actions
- 73.13(249A) Appeal to department
- 73.14(249A) Continuation of benefits
- 73.15(249A) Grievances
- 73.16(249A) Written record
- 73.17(249A) Information concerning procedures relating to the review of managed care organization decisions and actions
- 73.18(249A) Records and reports
- 73.19(249A) Audits
- 73.20(249A) Marketing
- 73.21(249A) Enrollee education
- 73.22(249A) Payment to the managed care organization
- 73.23(249A) Claims payment by the managed care organization
- 73.24(249A) Quality assurance
- 73.25(249A) Certifications and program integrity

CHAPTER 74

IOWA HEALTH AND WELLNESS PLAN

- 74.1(249A,85GA,SF446) Definitions
- 74.2(249A,85GA,SF446) Eligibility factors
- 74.3(249A,85GA,SF446) Application
- 74.4(249A,85GA,SF446) Financial eligibility
- 74.5(249A,85GA,SF446) Enrollment period
- 74.6(249A,85GA,SF446) Reporting changes
- 74.7(249A,85GA,SF446) Reenrollment
- 74.8(249A,85GA,SF446) Terminating enrollment
- 74.9(249A,85GA,SF446) Recovery
- 74.10(249A,85GA,SF446) Right to appeal
- 74.11(249A,85GA,SF446) Financial participation
- 74.12(249A,85GA,SF446) Benefits and service delivery
- 74.13(249A,85GA,SF446) Claims and reimbursement methodologies
- 74.14(249A,85GA,SF446) Discontinuance of program

CHAPTER 75

CONDITIONS OF ELIGIBILITY

DIVISION I

GENERAL CONDITIONS OF ELIGIBILITY, COVERAGE GROUPS, AND SSI-RELATED PROGRAMS

- 75.1(249A) Persons covered
- 75.2(249A) Medical resources
- 75.3(249A) Acceptance of other financial benefits
- 75.4(249A) Medical assistance lien
- 75.5(249A) Determination of countable income and resources for persons in a medical institution
- 75.6(249A) Entrance fee for continuing care retirement community or life care community
- 75.7(249A) Furnishing of social security number
- 75.8(249A) Medical assistance corrective payments
- 75.9(249A) Treatment of Medicaid qualifying trusts
- 75.10(249A) Residency requirements
- 75.11(249A) Citizenship or alienage requirements
- 75.12(249A) Inmates of public institutions

75.13(249A)	Categorical relatedness
75.14(249A)	Establishing paternity and obtaining support
75.15(249A)	Disqualification for long-term care assistance due to substantial home equity
75.16(249A)	Client participation in payment for medical institution care
75.17(249A)	Verification of pregnancy
75.18(249A)	Continuous eligibility for pregnant women
75.19(249A)	Continuous eligibility for children
75.20(249A)	Disability requirements for SSI-related Medicaid
75.21(249A)	Health insurance premium payment (HIP) program
75.22(249A)	AIDS/HIV health insurance premium payment program
75.23(249A)	Disposal of assets for less than fair market value after August 10, 1993
75.24(249A)	Treatment of trusts established after August 10, 1993
75.25(249A)	Definitions
75.26	Reserved
75.27(249A)	AIDS/HIV settlement payments
75.28(249A)	Recovery
75.29(249A)	Investigation by quality control or the department of inspections and appeals
75.30 to 75.49	Reserved

DIVISION II

ELIGIBILITY FACTORS SPECIFIC TO COVERAGE GROUPS RELATED TO
THE FAMILY MEDICAL ASSISTANCE PROGRAM (FMAP)

75.50(249A)	Definitions
75.51	Reserved
75.52(249A)	Continuing eligibility
75.53(249A)	Iowa residency policies specific to FMAP and FMAP-related coverage groups
75.54(249A)	Eligibility factors specific to child
75.55(249A)	Eligibility factors specific to specified relatives
75.56(249A)	Resources
75.57(249A)	Income
75.58(249A)	Need standards
75.59(249A)	Persons who may be voluntarily excluded from the eligible group when determining eligibility for the family medical assistance program (FMAP) and FMAP-related coverage groups
75.60(249A)	Pending SSI approval
75.61 to 75.69	Reserved

DIVISION III

FINANCIAL ELIGIBILITY BASED ON MODIFIED ADJUSTED GROSS INCOME (MAGI)

75.70(249A)	Financial eligibility based on modified adjusted gross income (MAGI)
75.71(249A)	Income limits

CHAPTER 76

ENROLLMENT AND REENROLLMENT

76.1(249A)	Definitions
76.2(249A)	Application with the department
76.3(249A)	Referrals from a health insurance marketplace
76.4(249A)	Express lane eligibility
76.5(249A)	Enrollment through SSI
76.6(249A)	Referral for Medicare savings program
76.7(249A)	Presumptive eligibility
76.8(249A)	Applicant responsibilities
76.9(249A)	Responsible persons and authorized representatives
76.10(249A)	Right to withdraw the application

- 76.11(249A) Choice of electronic notifications
- 76.12(249A) Application not required
- 76.13(249A) Initial enrollment
- 76.14(249A) Reenrollment
- 76.15(249A) Report of changes
- 76.16(249A) Action on information received
- 76.17(249A) Automatic redetermination of eligibility

CHAPTER 77

CONDITIONS OF PARTICIPATION FOR PROVIDERS OF MEDICAL AND REMEDIAL CARE

- 77.1(249A) Physicians
- 77.2(249A) Retail pharmacies
- 77.3(249A) Hospitals
- 77.4(249A) Dentists
- 77.5(249A) Podiatrists
- 77.6(249A) Optometrists
- 77.7(249A) Opticians
- 77.8(249A) Chiropractors
- 77.9(249A) Home health agencies
- 77.10(249A) Medical equipment and appliances, prosthetic devices and medical supplies
- 77.11(249A) Ambulance service
- 77.12(249A) Behavioral health intervention
- 77.13(249A) Hearing aid dispensers
- 77.14(249A) Audiologists
- 77.15(249A) Community mental health centers
- 77.16(249A) Screening centers
- 77.17(249A) Physical therapists
- 77.18(249A) Orthopedic shoe dealers and repair shops
- 77.19(249A) Rehabilitation agencies
- 77.20(249A) Independent laboratories
- 77.21(249A) Rural health clinics
- 77.22(249A) Psychologists
- 77.23(249A) Maternal health centers
- 77.24(249A) Ambulatory surgical centers
- 77.25(249A) Home- and community-based habilitation services
- 77.26(249A) Behavioral health services
- 77.27(249A) Birth centers
- 77.28(249A) Area education agencies
- 77.29(249A) Case management provider organizations
- 77.30(249A) HCBS health and disability waiver service providers
- 77.31(249A) Occupational therapists
- 77.32(249A) Hospice providers
- 77.33(249A) HCBS elderly waiver service providers
- 77.34(249A) HCBS AIDS/HIV waiver service providers
- 77.35(249A) Federally qualified health centers
- 77.36(249A) Advanced registered nurse practitioners
- 77.37(249A) Home- and community-based services intellectual disability waiver service providers
- 77.38(249A) Assertive community treatment
- 77.39(249A) HCBS brain injury waiver service providers
- 77.40(249A) Lead inspection agencies

77.41(249A)	HCBS physical disability waiver service providers
77.42(249A)	Public health agencies
77.43(249A)	Infant and toddler program providers
77.44(249A)	Local education agency services providers
77.45(249A)	Indian health service 638 facilities
77.46(249A)	HCBS children's mental health waiver service providers
77.47(249A)	Health home services providers
77.48(249A)	Speech-language pathologists
77.49(249A)	Physician assistants
77.50(249A)	Ordering and referring providers
77.51(249A)	Child care medical services
77.52(249A)	Community-based neurobehavioral rehabilitation services

CHAPTER 78

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL SERVICES

78.1(249A)	Physicians' services
78.2(249A)	Prescribed outpatient drugs
78.3(249A)	Inpatient hospital services
78.4(249A)	Dentists
78.5(249A)	Podiatrists
78.6(249A)	Optometrists
78.7(249A)	Opticians
78.8(249A)	Chiropractors
78.9(249A)	Home health agencies
78.10(249A)	Durable medical equipment (DME), prosthetic devices and medical supplies
78.11(249A)	Ambulance service
78.12(249A)	Behavioral health intervention
78.13(249A)	Nonemergency medical transportation
78.14(249A)	Hearing aids
78.15(249A)	Orthopedic shoes
78.16(249A)	Community mental health centers
78.17(249A)	Physical therapists
78.18(249A)	Screening centers
78.19(249A)	Rehabilitation agencies
78.20(249A)	Independent laboratories
78.21(249A)	Rural health clinics
78.22(249A)	Family planning clinics
78.23(249A)	Other clinic services
78.24(249A)	Psychologists
78.25(249A)	Maternal health centers
78.26(249A)	Ambulatory surgical center services
78.27(249A)	Home- and community-based habilitation services
78.28(249A)	List of medical services and equipment requiring prior authorization, preprocedure review or preadmission review
78.29(249A)	Behavioral health services
78.30(249A)	Birth centers
78.31(249A)	Hospital outpatient services
78.32(249A)	Area education agencies
78.33(249A)	Case management services
78.34(249A)	HCBS ill and handicapped waiver services
78.35(249A)	Occupational therapist services

78.36(249A)	Hospice services
78.37(249A)	HCBS elderly waiver services
78.38(249A)	HCBS AIDS/HIV waiver services
78.39(249A)	Federally qualified health centers
78.40(249A)	Advanced registered nurse practitioners
78.41(249A)	HCBS intellectual disability waiver services
78.42(249A)	Pharmacies administering influenza vaccine to children
78.43(249A)	HCBS brain injury waiver services
78.44(249A)	Lead inspection services
78.45(249A)	Assertive community treatment
78.46(249A)	Physical disability waiver service
78.47(249A)	Pharmaceutical case management services
78.48(249A)	Public health agencies
78.49(249A)	Infant and toddler program services
78.50(249A)	Local education agency services
78.51(249A)	Indian health service 638 facility services
78.52(249A)	HCBS children's mental health waiver services
78.53(249A)	Health home services
78.54(249A)	Speech-language pathology services
78.55(249A)	Services rendered via telehealth
78.56(249A)	Community-based neurobehavioral rehabilitation services
78.57(249A)	Child care medical services

CHAPTER 79

OTHER POLICIES RELATING TO PROVIDERS OF MEDICAL AND REMEDIAL CARE

79.1(249A)	Principles governing reimbursement of providers of medical and health services
79.2(249A)	Sanctions
79.3(249A)	Maintenance of records by providers of service
79.4(249A)	Reviews and audits
79.5(249A)	Nondiscrimination on the basis of handicap
79.6(249A)	Provider participation agreement
79.7(249A)	Medical assistance advisory council
79.8(249A)	Requests for prior authorization
79.9(249A)	General provisions for Medicaid coverage applicable to all Medicaid providers and services
79.10(249A)	Requests for preadmission review
79.11(249A)	Requests for preprocedure surgical review
79.12(249A)	Advance directives
79.13(249A)	Requirements for enrolled Medicaid providers supplying laboratory services
79.14(249A)	Provider enrollment
79.15(249A)	Education about false claims recovery
79.16(249A)	Electronic health record incentive program

CHAPTER 80

PROCEDURE AND METHOD OF PAYMENT

80.1	Reserved
80.2(249A)	Submission of claims
80.3(249A)	Payment from other sources
80.4(249A)	Time limit for submission of claims and claim adjustments
80.5(249A)	Authorization process

80.6(249A) Payment to provider—exception
 80.7(249A) Health care data match program

CHAPTER 81
 NURSING FACILITIES

DIVISION I
 GENERAL POLICIES

81.1(249A) Definitions
 81.2 Reserved
 81.3(249A) Initial approval for nursing facility care
 81.4(249A) Arrangements with residents
 81.5(249A) Discharge and transfer
 81.6(249A) Financial and statistical report and determination of payment rate
 81.7(249A) Continued review
 81.8 Reserved
 81.9(249A) Records
 81.10(249A) Payment procedures
 81.11(249A) Billing procedures
 81.12(249A) Closing of facility
 81.13(249A) Conditions of participation for nursing facilities
 81.14(249A) Audits
 81.15 Reserved
 81.16(249A) Nurse aide requirements and training and testing programs
 81.17 Reserved
 81.18(249A) Sanctions
 81.19 Reserved
 81.20(249A) Out-of-state facilities
 81.21(249A) Outpatient services
 81.22(249A) Rates for Medicaid eligibles
 81.23(249A) State-funded personal needs supplement
 81.24 to 81.30 Reserved

DIVISION II
 ENFORCEMENT OF COMPLIANCE

81.31(249A) Definitions
 81.32(249A) General provisions
 81.33(249A) Factors to be considered in selecting remedies
 81.34(249A) Available remedies
 81.35(249A) Selection of remedies
 81.36(249A) Action when there is immediate jeopardy
 81.37(249A) Action when there is no immediate jeopardy
 81.38(249A) Action when there is repeated substandard quality of care
 81.39(249A) Temporary management
 81.40(249A) Denial of payment for all new admissions
 81.41(249A) Secretarial authority to deny all payments
 81.42(249A) State monitoring
 81.43(249A) Directed plan of correction
 81.44(249A) Directed in-service training
 81.45(249A) Closure of a facility or transfer of residents, or both
 81.46(249A) Civil money penalties—basis for imposing penalty
 81.47(249A) Civil money penalties—when penalty is collected
 81.48(249A) Civil money penalties—notice of penalty
 81.49(249A) Civil money penalties—waiver of hearing, reduction of penalty amount

81.50(249A)	Civil money penalties—amount of penalty
81.51(249A)	Civil money penalties—effective date and duration of penalty
81.52(249A)	Civil money penalties—due date for payment of penalty
81.53(249A)	Use of penalties collected by the department
81.54(249A)	Continuation of payments to a facility with deficiencies
81.55(249A)	State and federal disagreements involving findings not in agreement when there is no immediate jeopardy
81.56(249A)	Duration of remedies
81.57(249A)	Termination of provider agreement

CHAPTER 82

INTERMEDIATE CARE FACILITIES FOR PERSONS
WITH AN INTELLECTUAL DISABILITY

82.1(249A)	Definition
82.2(249A)	Licensing and certification
82.3(249A)	Conditions of participation for intermediate care facilities for persons with an intellectual disability
82.4	Reserved
82.5(249A)	Financial and statistical report
82.6(249A)	Eligibility for services
82.7(249A)	Initial approval for ICF/ID care
82.8(249A)	Determination of need for continued stay
82.9(249A)	Arrangements with residents
82.10(249A)	Discharge and transfer
82.11 and 82.12	Reserved
82.13(249A)	Records
82.14(249A)	Payment procedures
82.15(249A)	Billing procedures
82.16(249A)	Closing of facility
82.17(249A)	Audits
82.18(249A)	Out-of-state facilities
82.19(249A)	State-funded personal needs supplement

CHAPTER 83

MEDICAID WAIVER SERVICES

DIVISION I—HCBS HEALTH AND DISABILITY WAIVER SERVICES

83.1(249A)	Definitions
83.2(249A)	Eligibility
83.3(249A)	Application
83.4(249A)	Financial participation
83.5(249A)	Redetermination
83.6(249A)	Allowable services
83.7(249A)	Service plan
83.8(249A)	Adverse service actions
83.9(249A)	Appeal rights
83.10 to 83.20	Reserved

DIVISION II—HCBS ELDERLY WAIVER SERVICES

83.21(249A)	Definitions
83.22(249A)	Eligibility
83.23(249A)	Application
83.24(249A)	Client participation
83.25(249A)	Redetermination

83.26(249A)	Allowable services
83.27(249A)	Service plan
83.28(249A)	Adverse service actions
83.29(249A)	Appeal rights
83.30(249A)	Enhanced services
83.31 to 83.40	Reserved

DIVISION III—HCBS AIDS/HIV WAIVER SERVICES

83.41(249A)	Definitions
83.42(249A)	Eligibility
83.43(249A)	Application
83.44(249A)	Financial participation
83.45(249A)	Redetermination
83.46(249A)	Allowable services
83.47(249A)	Service plan
83.48(249A)	Adverse service actions
83.49(249A)	Appeal rights
83.50 to 83.59	Reserved

DIVISION IV—HCBS INTELLECTUAL DISABILITY WAIVER SERVICES

83.60(249A)	Definitions
83.61(249A)	Eligibility
83.62(249A)	Application
83.63(249A)	Client participation
83.64(249A)	Redetermination
83.65	Reserved
83.66(249A)	Allowable services
83.67(249A)	Service plan
83.68(249A)	Adverse service actions
83.69(249A)	Appeal rights
83.70 and 83.71	Reserved
83.72(249A)	Rent subsidy program
83.73 to 83.80	Reserved

DIVISION V—BRAIN INJURY WAIVER SERVICES

83.81(249A)	Definitions
83.82(249A)	Eligibility
83.83(249A)	Application
83.84(249A)	Client participation
83.85(249A)	Redetermination
83.86(249A)	Allowable services
83.87(249A)	Service plan
83.88(249A)	Adverse service actions
83.89(249A)	Appeal rights
83.90 to 83.100	Reserved

DIVISION VI—PHYSICAL DISABILITY WAIVER SERVICES

83.101(249A)	Definitions
83.102(249A)	Eligibility
83.103(249A)	Application
83.104(249A)	Client participation
83.105(249A)	Redetermination
83.106(249A)	Allowable services
83.107(249A)	Individual service plan

- 83.108(249A) Adverse service actions
- 83.109(249A) Appeal rights
- 83.110 to 83.120 Reserved

DIVISION VII—HCBS CHILDREN’S MENTAL HEALTH WAIVER SERVICES

- 83.121(249A) Definitions
- 83.122(249A) Eligibility
- 83.123(249A) Application
- 83.124(249A) Financial participation
- 83.125(249A) Redetermination
- 83.126(249A) Allowable services
- 83.127(249A) Service plan
- 83.128(249A) Adverse service actions
- 83.129(249A) Appeal rights

CHAPTER 84

EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT

- 84.1(249A) Definitions
- 84.2(249A) Eligibility
- 84.3(249A) Screening services
- 84.4(249A) Referral
- 84.5(249A) Follow up

CHAPTER 85

SERVICES IN PSYCHIATRIC INSTITUTIONS

DIVISION I
PSYCHIATRIC HOSPITALS

- 85.1(249A) Acute care in psychiatric hospitals
- 85.2(249A) Out-of-state placement
- 85.3(249A) Eligibility of persons under the age of 21
- 85.4(249A) Eligibility of persons aged 65 and over
- 85.5(249A) Client participation
- 85.6(249A) Responsibilities of hospitals
- 85.7(249A) Psychiatric hospital reimbursement
- 85.8(249A,81GA,ch167) Eligibility of persons aged 21 through 64
- 85.9 to 85.20 Reserved

DIVISION II
PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN

- 85.21(249A) Conditions for participation
- 85.22(249A) Eligibility of persons under the age of 21
- 85.23(249A) Client participation
- 85.24(249A) Responsibilities of facilities
- 85.25(249A) Reimbursement to psychiatric medical institutions for children
- 85.26(249A) Outpatient day treatment for persons aged 20 or under
- 85.27 to 85.40 Reserved

DIVISION III
NURSING FACILITIES FOR PERSONS WITH MENTAL ILLNESS

- 85.41(249A) Conditions of participation
- 85.42(249A) Out-of-state placement
- 85.43(249A) Eligibility of persons aged 65 and over
- 85.44(249A) Client participation
- 85.45(249A) Responsibilities of nursing facility

- 85.46(249A) Policies governing reimbursement
- 85.47(249A) State-funded personal needs supplement

CHAPTER 86

HEALTHY AND WELL KIDS IN IOWA (HAWK-I) PROGRAM

- 86.1(514I) Definitions
- 86.2(514I) Eligibility factors
- 86.3(514I) Application process
- 86.4(514I) Coordination with Medicaid
- 86.5(514I) Effective date of coverage
- 86.6(514I) Selection of a plan
- 86.7(514I) Cancellation
- 86.8(514I) Premiums and copayments
- 86.9(514I) Annual reviews of eligibility
- 86.10(514I) Reporting changes
- 86.11(514I) Notice requirements
- 86.12(514I) Appeals and fair hearings
- 86.13(514I) Third-party administrator
- 86.14(514I) Covered services
- 86.15(514I) Participating health and dental plans
- 86.16(514I) Clinical advisory committee
- 86.17(514I) Use of donations to the HAWK-I program
- 86.18(505) Health insurance data match program
- 86.19(514I) Recovery
- 86.20(514I) Supplemental dental-only coverage

CHAPTER 87

STATE-FUNDED FAMILY PLANNING PROGRAM

- 87.1(82GA,ch1187) Definitions
- 87.2(82GA,ch1187) Eligibility
- 87.3(82GA,ch1187) Application
- 87.4(82GA,ch1187) Effective date
- 87.5(82GA,ch1187) Period of eligibility and reapplication
- 87.6(82GA,ch1187) Reporting changes
- 87.7(82GA,ch1187) Allocation of funds
- 87.8(82GA,ch1187) Availability of services
- 87.9(82GA,ch1187) Payment of covered services
- 87.10(82GA,ch1187) Submission of claims

CHAPTER 88

SPECIALIZED MANAGED CARE PROGRAMS

DIVISION I PREPAID HEALTH PLANS

- 88.1(249A) Definitions
- 88.2(249A) Participation
- 88.3(249A) Enrollment
- 88.4(249A) Disenrollment
- 88.5(249A) Covered services
- 88.6(249A) Emergency services
- 88.7(249A) Access to service
- 88.8(249A) Grievance procedures
- 88.9(249A) Records and reports
- 88.10(249A) Marketing

88.11(249A)	Patient education
88.12(249A)	Payment to the PHP
88.13(249A)	Quality assurance
88.14 to 88.20	Reserved

DIVISION II
PROGRAMS OF ALL-INCLUSIVE CARE FOR THE ELDERLY

88.21(249A)	Scope and definitions
88.22(249A)	PACE organization application and waiver process
88.23(249A)	PACE program agreement
88.24(249A)	Enrollment and disenrollment
88.25(249A)	Program services
88.26(249A)	Access to PACE services
88.27(249A)	Program administrative requirements
88.28(249A)	Payment

CHAPTER 89
DEBTS DUE FROM TRANSFERS OF ASSETS

89.1(249F)	Definitions
89.2(249F)	Creation of debt
89.3(249F)	Exceptions
89.4(249F)	Presumption of intent
89.5(249F)	Notice of debt
89.6(249F)	No timely request of a hearing
89.7(249F)	Timely request for a hearing
89.8(249F)	Department-requested hearing
89.9(249F)	Filing and docketing of the order
89.10(249F)	Exemption from Iowa Code chapter 17A

CHAPTER 90
TARGETED CASE MANAGEMENT

90.1(249A)	Definitions
90.2(249A)	Eligibility
90.3(249A)	Determination of need for service
90.4(249A)	Application
90.5(249A)	Service provision
90.6(249A)	Terminating services
90.7(249A)	Appeal rights
90.8(249A)	Provider requirements

CHAPTER 91
MEDICARE DRUG SUBSIDY

91.1(249A)	Definitions
91.2(249A)	Application
91.3(249A)	Eligibility determination
91.4(249A)	Notice of decision
91.5(249A)	Effective date
91.6(249A)	Changes in circumstances
91.7(249A)	Reinvestigation
91.8(249A)	Appeals

CHAPTER 92
Reserved

TITLE IX
WORK INCENTIVE DEMONSTRATION

CHAPTER 93
PROMISE JOBS PROGRAM

93.1(239B)	Definitions
93.2(239B)	Program administration
93.3(239B)	Registration and referral
93.4(239B)	The family investment agreement (FIA)
93.5(239B)	Assessment
93.6(239B)	Job readiness and job search activities
93.7(239B)	Work activities
93.8(239B)	Education and training activities
93.9(239B)	Other FIA activities
93.10(239B)	Required documentation and verification
93.11(239B)	Supportive payments
93.12(239B)	Recovery of PROMISE JOBS expense payments
93.13(239B)	Resolution of participation issues
93.14(239B)	Problems that may provide good cause for participation issues
93.15(239B)	Right of appeal
93.16(239B)	Resolution of a limited benefit plan
93.17(239B)	Worker displacement grievance procedure

CHAPTER 94
Reserved

TITLE X
SUPPORT RECOVERY

CHAPTER 95
COLLECTIONS

95.1(252B)	Definitions
95.2(252B)	Child support recovery eligibility and services
95.3(252B)	Crediting of current and delinquent support
95.4(252B)	Prepayment of support
95.5(252B)	Lump sum settlement
95.6(252B)	Offset against state income tax refund or rebate
95.7(252B)	Offset against federal income tax refund and federal nontax payment
95.8(96)	Child support offset of unemployment insurance benefits
95.9 to 95.11	Reserved
95.12(252B)	Procedures for providing information to consumer reporting agencies
95.13(17A)	Appeals
95.14(252B)	Termination of services
95.15(252B)	Child support recovery unit attorney
95.16(252B)	Handling and use of federal 1099 information
95.17(252B)	Effective date of support
95.18(252B)	Continued services available to canceled family investment program (FIP) or Medicaid recipients
95.19(252B)	Cooperation of public assistance recipients in establishing and obtaining support
95.20(252B)	Cooperation of public assistance applicants in establishing and obtaining support
95.21(252B)	Cooperation in establishing and obtaining support in nonpublic assistance cases
95.22(252B)	Charging pass-through fees
95.23(252B)	Reimbursing assistance with collections of assigned support

- 95.24(252B) Child support account
 95.25(252B) Emancipation verification

CHAPTER 96

INFORMATION AND RECORDS

- 96.1(252B) Access to information and records from other sources
 96.2(252B) Refusal to comply with written request or subpoena
 96.3(252B) Procedure for refusal
 96.4(252B) Conference conducted
 96.5(252B) Fine assessed
 96.6(252B) Objection to fine or failure to pay

CHAPTER 97

COLLECTION SERVICES CENTER

- 97.1(252B) Definitions
 97.2(252B) Transfer of records and payments
 97.3(252B) Support payment records
 97.4(252B) Method of payment
 97.5(252D) Electronic transmission of payments
 97.6(252B) Authorization of payment
 97.7(252B) Processing misdirected payments

CHAPTER 98

SUPPORT ENFORCEMENT SERVICES

DIVISION I

MEDICAL SUPPORT ENFORCEMENT

- 98.1(252E) Definitions
 98.2(252E) Provision of services
 98.3(252E) Establishing medical support
 98.4(252E) Accessibility of the health benefit plan
 98.5(252E) Health benefit plan information
 98.6(252E) Insurer authorization
 98.7(252E) Enforcement
 98.8(252E) Contesting the order
 98.9 to 98.20 Reserved

DIVISION II

INCOME WITHHOLDING

PART A

DELINQUENT SUPPORT PAYMENTS

- 98.21(252D) When applicable
 98.22 and 98.23 Reserved
 98.24(252D) Amount of withholding
 98.25 to 98.30 Reserved

PART B

IMMEDIATE INCOME WITHHOLDING

- 98.31(252D) Effective date
 98.32(252D) Withholding automatic
 98.33 Reserved
 98.34(252D) Approval of request for immediate income withholding
 98.35(252D) Modification or termination of withholding
 98.36(252D) Immediate income withholding amounts
 98.37(252D) Immediate income withholding amounts when current support has ended
 98.38 Reserved

PART C
INCOME WITHHOLDING—GENERAL PROVISIONS

- 98.39(252D,252E) Provisions for medical support
- 98.40(252D,252E) Maximum amounts to be withheld
- 98.41(252D) Multiple obligations
- 98.42(252D) Notice to employer and obligor
- 98.43(252D) Contesting the withholding
- 98.44(252D) Termination of order
- 98.45(252D) Modification of income withholding
- 98.46(252D) Refunds of amounts improperly withheld
- 98.47(252D) Additional information about hardship
- 98.48 to 98.50 Reserved

DIVISION III
REVIEW AND ADJUSTMENT OF CHILD SUPPORT OBLIGATIONS

- 98.51 to 98.60 Reserved

DIVISION IV
PUBLICATION OF NAMES

- 98.61(252B) List for publication
- 98.62(252B) Releasing the list
- 98.63 to 98.70 Reserved

DIVISION V
ADMINISTRATIVE SEEK EMPLOYMENT ORDERS

- 98.71(252B) Seek employment order
- 98.72(252B) Effective date of order
- 98.73(252B) Method and requirements of reporting
- 98.74(252B) Reasons for noncompliance
- 98.75(252B) Method of service
- 98.76(252B) Duration of order
- 98.77 to 98.80 Reserved

DIVISION VI
DEBTOR OFFSET

- 98.81(252B) Offset against payment owed to a person by a state agency
- 98.82 to 98.90 Reserved

DIVISION VII
ADMINISTRATIVE LEVY

- 98.91(252I) Administrative levy
- 98.92 Reserved
- 98.93(252I) Verification of accounts
- 98.94(252I) Notice to financial institution
- 98.95(252I) Notice to support obligor
- 98.96(252I) Responsibilities of financial institution
- 98.97(252I) Challenging the administrative levy
- 98.98 to 98.100 Reserved

DIVISION VIII
LICENSE SANCTION

- 98.101(252J) Referral for license sanction
- 98.102(252J) Reasons for exemption
- 98.103(252J) Notice of potential sanction of license
- 98.104(252J) Conference
- 98.105(252J) Payment agreement
- 98.106(252J) Staying the process due to full payment of support
- 98.107(252J) Duration of license sanction

98.108 to 98.120 Reserved

DIVISION IX
EXTERNAL ENFORCEMENT

98.121(252B) Difficult-to-collect arrearages
98.122(252B) Enforcement services by private attorney entitled to state compensation

CHAPTER 99
SUPPORT ESTABLISHMENT AND ADJUSTMENT SERVICES

DIVISION I
CHILD SUPPORT GUIDELINES

99.1(234,252B,252H) Income considered
99.2(234,252B) Allowable deductions
99.3(234,252B) Determining net income
99.4(234,252B) Applying the guidelines
99.5(234,252B) Deviation from guidelines
99.6 to 99.9 Reserved

DIVISION II
PATERNITY ESTABLISHMENT
PART A
JUDICIAL PATERNITY ESTABLISHMENT

99.10(252A) Temporary support
99.11 to 99.20 Reserved

PART B
ADMINISTRATIVE PATERNITY ESTABLISHMENT

99.21(252F) When paternity may be established administratively
99.22(252F) Mother's certified statement
99.23(252F) Notice of alleged paternity and support debt
99.24(252F) Conference to discuss paternity and support issues
99.25(252F) Amount of support obligation
99.26(252F) Court hearing
99.27(252F) Paternity contested
99.28(252F) Paternity test results challenge
99.29(252F) Agreement to entry of paternity and support order
99.30(252F) Entry of order establishing paternity only
99.31(252F) Exception to time limit
99.32(252F) Genetic test costs assessed
99.33 to 99.35 Reserved

PART C
PATERNITY DISESTABLISHMENT

99.36(598,600B) Definitions
99.37(598,600B) Communication between parents
99.38(598,600B) Continuation of enforcement
99.39(598,600B) Satisfaction of accrued support
99.40 Reserved

DIVISION III
ADMINISTRATIVE ESTABLISHMENT OF SUPPORT

99.41(252C) Establishment of an administrative order
99.42 to 99.60 Reserved

DIVISION IV
REVIEW AND ADJUSTMENT OF CHILD SUPPORT OBLIGATIONS

99.61(252B,252H) Definitions
99.62(252B,252H) Review of permanent child support obligations

- 99.63(252B,252H) Notice requirements
- 99.64(252B,252H) Financial information
- 99.65(252B,252H) Review and adjustment of a child support obligation
- 99.66(252B,252H) Medical support
- 99.67(252B,252H) Confidentiality of financial information
- 99.68(252B,252H) Payment of service fees and other court costs
- 99.69(252B,252H) Denying requests
- 99.70(252B,252H) Withdrawing requests
- 99.71(252H) Effective date of adjustment
- 99.72 to 99.80 Reserved

DIVISION V
ADMINISTRATIVE MODIFICATION

- 99.81(252H) Definitions
- 99.82(252H) Availability of service
- 99.83(252H) Modification of child support obligations
- 99.84(252H) Notice requirements
- 99.85(252H) Financial information
- 99.86(252H) Challenges to the proposed modification action
- 99.87(252H) Voluntary reduction of income
- 99.88(252H) Effective date of modification
- 99.89(252H) Confidentiality of financial information
- 99.90(252H) Payment of fees
- 99.91(252H) Denying requests
- 99.92(252H) Withdrawing requests
- 99.93 to 99.100 Reserved

DIVISION VI
SUSPENSION AND REINSTATEMENT OF SUPPORT

- 99.101(252B) Definitions
- 99.102(252B) Availability of service
- 99.103(252B) Basis for suspension of support
- 99.104(252B) Request for assistance to suspend
- 99.105(252B) Order suspending support
- 99.106(252B) Suspension of enforcement of current support
- 99.107(252B) Request for reinstatement
- 99.108(252B) Reinstatement
- 99.109(252B) Reinstatement of enforcement of support
- 99.110(252B) Temporary suspension becomes final

CHAPTER 100
CHILD SUPPORT PARENTAL OBLIGATION PILOT PROJECTS

- 100.1(17A,80GA,HF667) Definitions
- 100.2(17A,80GA,HF667) Incentives
- 100.3(17A,80GA,HF667) Application to be a funded pilot project
- 100.4(17A,80GA,HF667) Selection of projects
- 100.5(17A,80GA,HF667) Termination of pilot projects
- 100.6(17A,80GA,HF667) Reports and records
- 100.7(17A,80GA,HF667) Appeals
- 100.8(17A,80GA,HF667) Continued application of rules and sunset provisions

TITLE XI
CHILDREN'S INSTITUTIONS

CHAPTER 101
IOWA JUVENILE HOME

101.1(218)	Definitions
101.2(218)	Standards
101.3(218)	Admission
101.4(218)	Plan of care
101.5(218)	Communication with individuals
101.6(218)	Photographing and recording of individuals
101.7(218)	Employment of individual
101.8(218)	Temporary home visits
101.9(218)	Grievances
101.10(218)	Alleged child abuse
101.11(233B)	Cost of care
101.12(218)	Buildings and grounds
101.13(8,218)	Gifts and bequests

CHAPTER 102
Reserved

CHAPTER 103
STATE TRAINING SCHOOL

103.1(218)	Definitions
103.2(218)	Admission
103.3(218)	Plan of care
103.4(218)	Communication with individuals
103.5(218)	Photographing and recording of individuals
103.6(218)	Employment of individual
103.7(218)	Temporary home visits
103.8(218)	Grievances
103.9(692A)	Sex offender registration
103.10(218)	Alleged child abuse
103.11(233A)	Cost of care
103.12(218)	Buildings and grounds
103.13(8,218)	Gifts and bequests

CHAPTER 104
Reserved

TITLE XII
LICENSING AND APPROVED STANDARDS

CHAPTER 105
JUVENILE DETENTION
AND SHELTER CARE HOMES

105.1(232)	Definitions
105.2(232)	Buildings and grounds
105.3(232)	Personnel policies
105.4(232)	Procedures manual
105.5(232)	Staff
105.6(232)	Intake procedures
105.7(232)	Assessments
105.8(232)	Program services

105.9(232)	Medication management and administration
105.10(232)	Control room—juvenile detention home only
105.11(232)	Clothing
105.12(232)	Staffings
105.13(232)	Child abuse
105.14(232)	Daily log
105.15(232)	Children's rights
105.16(232)	Discipline
105.17(232)	Case files
105.18(232)	Discharge
105.19(232)	Approval
105.20(232)	Provisional approval
105.21(232)	Mechanical restraint—juvenile detention only
105.22(232)	Chemical restraint

CHAPTER 106

SAFETY STANDARDS FOR CHILDREN'S CENTERS

106.1(237B)	Definitions
106.2(237B)	Application of the standards
106.3(237B)	Providing for basic needs
106.4(237B)	Protection from mistreatment, physical abuse, sexual abuse, and neglect
106.5(237B)	Record checks
106.6(237B)	Seclusion and restraints
106.7(237B)	Health
106.8(237B)	Safety
106.9(237B)	Emergencies
106.10(237B)	Buildings

CHAPTER 107

CERTIFICATION OF ADOPTION INVESTIGATORS

107.1(600)	Introduction
107.2(600)	Definitions
107.3(600)	Application
107.4(600)	Requirements for certification
107.5(600)	Granting, denial, or revocation of certification
107.6(600)	Certificate
107.7(600)	Renewal of certification
107.8(600)	Investigative services
107.9(600)	International adoptions postplacement report
107.10(600)	Retention of adoption records
107.11(600)	Reporting of violations
107.12(600)	Appeals

CHAPTER 108

LICENSING AND REGULATION OF CHILD-PLACING AGENCIES

108.1(238)	Definitions
108.2(238)	Licensing procedure
108.3(238)	Administration and organization
108.4(238)	Staff qualifications
108.5(238)	Staffing requirements
108.6(238)	Personnel administration
108.7(238)	Foster care services
108.8(238)	Foster home studies

- 108.9(238) Adoption services
- 108.10(238) Supervised apartment living placement services

CHAPTER 109
CHILD CARE CENTERS

- 109.1(237A) Definitions
- 109.2(237A) Licensure procedures
- 109.3(237A) Inspection and evaluation
- 109.4(237A) Administration
- 109.5(237A) Parental participation
- 109.6(237A) Personnel
- 109.7(237A) Professional growth and development
- 109.8(237A) Staff ratio requirements
- 109.9(237A) Records
- 109.10(237A) Health and safety policies
- 109.11(237A) Physical facilities
- 109.12(237A) Activity program requirements
- 109.13(237A) Extended evening care
- 109.14(237A) Get-well center
- 109.15(237A) Food services

CHAPTER 110
CHILD DEVELOPMENT HOMES

- 110.1(237A) Definitions
- 110.2(237A) Application for registration
- 110.3(237A) Renewal of registration
- 110.4(237A) Compliance checks
- 110.5(237A) Parental access
- 110.6(237A) Number of children
- 110.7(237A) Provider requirements
- 110.8(237A) Standards
- 110.9(237A) Files
- 110.10(237A) Professional development
- 110.11(234) Registration decision
- 110.12(237A) Complaints
- 110.13(237A) Additional requirements for child development home category A
- 110.14(237A) Additional requirements for child development home category B
- 110.15(237A) Additional requirements for child development home category C
- 110.16(237A) Registration actions for nonpayment of child support
- 110.17(237A) Prohibition from involvement with child care

CHAPTER 111
FAMILY-LIFE HOMES

- 111.1(249) Definitions
- 111.2(249) Application for certification
- 111.3(249) Provisions pertaining to the certificate
- 111.4(249) Physical standards
- 111.5(249) Personal characteristics of family-life home family
- 111.6(249) Health of family
- 111.7(249) Planned activities and personal effects
- 111.8(249) Client eligibility
- 111.9(249) Medical examinations, records, and care of a client
- 111.10(249) Placement agreement

- 111.11(249) Legal liabilities
- 111.12(249) Emergency care and release of client
- 111.13(249) Information about client to be confidential

CHAPTER 112

LICENSING AND REGULATION OF CHILD FOSTER CARE FACILITIES

- 112.1(237) Applicability
- 112.2(237) Definitions
- 112.3(237) Application for license
- 112.4(237) License
- 112.5(237) Denial
- 112.6(237) Revocation
- 112.7(237) Provisional license
- 112.8(237) Adverse actions
- 112.9(237) Suspension
- 112.10(232) Mandatory reporting of child abuse
- 112.11(237) Required training on the reasonable and prudent parent standard

CHAPTER 113

LICENSING AND REGULATION OF FOSTER FAMILY HOMES

- 113.1(237) Applicability
- 113.2(237) Definitions
- 113.3(237) Licensing procedure
- 113.4(237) Provisions pertaining to the license
- 113.5(237) Physical standards
- 113.6(237) Sanitation, water, and waste disposal
- 113.7(237) Safety
- 113.8(237) Foster parent training
- 113.9(237) Involvement of kin
- 113.10(237) Information on the foster child
- 113.11(237) Health of foster family
- 113.12(237) Characteristics of foster parents
- 113.13(237) Record checks
- 113.14(237) Reference checks
- 113.15(237) Unannounced visits
- 113.16(237) Planned activities and personal effects
- 113.17(237) Medical examinations and health care of the child
- 113.18(237) Training and discipline of foster children
- 113.19(237) Emergency care and release of children
- 113.20(237) Changes in foster family home

CHAPTER 114

LICENSING AND REGULATION OF ALL GROUP LIVING FOSTER CARE FACILITIES FOR CHILDREN

- 114.1(237) Applicability
- 114.2(237) Definitions
- 114.3(237) Physical standards
- 114.4(237) Sanitation, water, and waste disposal
- 114.5(237) Safety
- 114.6(237) Organization and administration
- 114.7(237) Policies and record-keeping requirements
- 114.8(237) Staff
- 114.9(237) Intake procedures

114.10(237)	Program services
114.11(237)	Case files
114.12(237)	Drug utilization and control
114.13(237)	Children's rights
114.14(237)	Personal possessions
114.15(237)	Religion—culture
114.16(237)	Work or vocational experiences
114.17(237)	Family involvement
114.18(237)	Children's money
114.19(237)	Child abuse
114.20(237)	Discipline
114.21(237)	Illness, accident, death, or absence from the facility
114.22(237)	Records
114.23(237)	Unannounced visits
114.24(237)	Standards for private juvenile shelter care and detention homes

CHAPTER 115
LICENSING AND REGULATION OF
COMPREHENSIVE RESIDENTIAL FACILITIES FOR CHILDREN

115.1(237)	Applicability
115.2(237)	Definitions
115.3(237)	Information upon admission
115.4(237)	Staff
115.5(237)	Program services
115.6(237)	Restraints
115.7(237)	Control room
115.8(237)	Locked cottages
115.9(237)	Mechanical restraint
115.10(237)	Chemical restraint

CHAPTER 116
LICENSING AND REGULATION OF RESIDENTIAL FACILITIES
FOR MENTALLY RETARDED CHILDREN

116.1(237)	Applicability
116.2(237)	Definitions
116.3(237)	Qualifications of staff
116.4(237)	Staff to client ratio
116.5(237)	Program components
116.6(237)	Restraint

CHAPTER 117
FOSTER PARENT TRAINING

117.1(237)	Required preservice training
117.2(237)	Required orientation
117.3(237)	Application materials for in-service training
117.4(237)	Application process for in-service training
117.5(237)	Application decisions
117.6(237)	Application conference available
117.7(237)	Required in-service training
117.8(237)	Specific in-service training required
117.9(237)	Foster parent training expenses

CHAPTER 118
CHILD CARE QUALITY RATING SYSTEM

118.1(237A)	Definitions
118.2(237A)	Application for quality rating
118.3(237A)	Rating standards for child care centers and preschools (sunsetting on July 31, 2011)
118.4(237A)	Rating criteria for child development homes (sunsetting on July 31, 2011)
118.5(237A)	Rating standards for child care centers, preschools, and programs operating under the authority of an accredited school district or nonpublic school
118.6(237A)	Rating criteria for child development homes
118.7(237A)	Award of quality rating
118.8(237A)	Adverse actions

CHAPTER 119
RECORD CHECK EVALUATIONS FOR
CERTAIN EMPLOYERS AND EDUCATIONAL TRAINING PROGRAMS

119.1(135B,135C)	Definitions
119.2(135B,135C)	When record check evaluations are requested
119.3(135C)	Request for evaluation
119.4(135B,135C)	Completion of evaluation
119.5(135B,135C)	Appeal rights

CHAPTER 120
CHILD CARE HOMES

120.1(237A)	Definitions
120.2(237A)	Application for payment
120.3(237A)	Renewal of agreement
120.4(237A)	Compliance checks
120.5(237A)	Parental access
120.6(237A)	Number of children
120.7(237A)	Provider requirements
120.8(237A)	Standards
120.9(237A)	Children's files
120.10(237A)	Professional development
120.11(237A)	Child care assistance provider agreement decision
120.12(237A)	Complaints
120.13(237A)	Prohibition from involvement with child care

CHAPTERS 121 to 129
Reserved

TITLE XIII
SERVICE ADMINISTRATION

CHAPTER 130
GENERAL PROVISIONS

130.1(234)	Definitions
130.2(234)	Application
130.3(234)	Eligibility
130.4(234)	Fees
130.5(234)	Adverse service actions
130.6(234)	Social casework
130.7(234)	Case plan
130.8	Reserved
130.9(234)	Entitlement

CHAPTER 131
SOCIAL CASEWORK

- 131.1(234) Definitions
- 131.2(234) Eligibility
- 131.3(234) Service provision
- 131.4 Reserved
- 131.5(234) Adverse actions

CHAPTER 132
Reserved

CHAPTER 133
IV-A EMERGENCY ASSISTANCE PROGRAM

- 133.1(235) Definitions
- 133.2(235) Application
- 133.3(235) Eligibility
- 133.4(235) Method of service provision
- 133.5(235) Duration of services
- 133.6(235) Discontinuance of the program

CHAPTERS 134 to 141
Reserved

CHAPTER 142
INTERSTATE COMPACT ON THE PLACEMENT OF CHILDREN

- 142.1(238) Compact agreement
- 142.2(238) Compact administrator
- 142.3(238) Article II(d)
- 142.4(238) Article III(a)
- 142.5(238) Article III(a) procedures
- 142.6(238) Article III(c)
- 142.7(238) Article VIII(a)
- 142.8(238) Applicability

CHAPTER 143
INTERSTATE COMPACT ON JUVENILES

- 143.1(232) Compact agreement
- 143.2(232) Compact administrator
- 143.3(232) Sending a juvenile out of Iowa under the compact
- 143.4(232) Receiving cases in Iowa under the interstate compact
- 143.5(232) Runaways

CHAPTERS 144 to 149
Reserved

TITLE XIV
GRANT/CONTRACT/PAYMENT ADMINISTRATION

CHAPTER 150
PURCHASE OF SERVICE

- DIVISION I
TERMS AND CONDITIONS FOR IOWA PURCHASE OF SOCIAL SERVICES AGENCY AND
INDIVIDUAL CONTRACTS, IOWA PURCHASE OF ADMINISTRATIVE SUPPORT, AND
IOWA DONATIONS OF FUNDS CONTRACT AND PROVISIONS FOR PUBLIC ACCESS TO CONTRACTS
- 150.1(234) Definitions
150.2(234) Categories of contracts
150.3(234) Iowa purchase of social services agency contract
150.4(234) Iowa purchase of social services contract—individual providers
150.5(234) Iowa purchase of administrative support
150.6 to 150.8 Reserved
150.9(234) Public access to contracts

CHAPTER 151
JUVENILE COURT SERVICES DIRECTED PROGRAMS

- DIVISION I
GENERAL PROVISIONS
- 151.1(232) Definitions
151.2(232) Administration of funds for court-ordered services and graduated sanction services
151.3(232) Administration of juvenile court services programs within each judicial district
151.4(232) Billing and payment
151.5(232) Appeals
151.6(232) District program reviews and audits
151.7 to 151.19 Reserved

- DIVISION II
COURT-ORDERED SERVICES
- 151.20(232) Juvenile court services responsibilities
151.21(232) Certification process
151.22(232) Expenses
151.23 to 151.29 Reserved

- DIVISION III
GRADUATED SANCTION SERVICES
- 151.30(232) Community-based interventions
151.31(232) School-based supervision
151.32(232) Supportive enhancements
151.33 Reserved
151.34(232) Administration of graduated sanction services
151.35(232) Contract development for graduated sanction services

CHAPTER 152
FOSTER GROUP CARE CONTRACTING

- 152.1(234) Definitions
152.2(234) Conditions of participation
152.3(234) Determination of rates
152.4(234) Initiation of contract proposal
152.5(234) Contract
152.6(234) Client eligibility and referral
152.7(234) Billing procedures
152.8(234) Contract management

- 152.9(234) Provider reviews
- 152.10(234) Sanctions against providers
- 152.11(234) Appeals of departmental actions

CHAPTER 153
FUNDING FOR LOCAL SERVICES

DIVISION I
SOCIAL SERVICES BLOCK GRANT

- 153.1(234) Definitions
- 153.2(234) Development of preexpenditure report
- 153.3(234) Amendment to preexpenditure report
- 153.4(234) Service availability
- 153.5(234) Allocation of block grant funds
- 153.6 and 153.7 Reserved
- 153.8(234) Expenditure of supplemental funds
- 153.9 and 153.10 Reserved

DIVISION II
DECATEGORIZATION OF CHILD WELFARE AND JUVENILE JUSTICE FUNDING

- 153.11(232) Definitions
- 153.12(232) Implementation requirements
- 153.13(232) Role and responsibilities of decategorization project governance boards
- 153.14(232) Realignment of decategorization project boundaries
- 153.15(232) Decategorization services funding pool
- 153.16(232) Relationship of decategorization funding pool to other department child welfare funding
- 153.17(232) Relationship of decategorization funding pool to juvenile court services funding streams
- 153.18(232) Requirements for annual services plan
- 153.19(232) Requirements for annual progress report
- 153.20 to 153.30 Reserved

DIVISION III
MENTAL ILLNESS, MENTAL RETARDATION, AND
DEVELOPMENTAL DISABILITIES—LOCAL SERVICES

- 153.31 to 153.50 Reserved

DIVISION IV
STATE PAYMENT PROGRAM FOR LOCAL MENTAL HEALTH, MENTAL RETARDATION, AND
DEVELOPMENTAL DISABILITIES SERVICES TO ADULTS WITHOUT LEGAL SETTLEMENT

- 153.51(331) Definitions
- 153.52(331) Eligibility requirements
- 153.53(331) Application procedure
- 153.54(331) Eligibility determination
- 153.55(331) Eligible services
- 153.56(331) Program administration
- 153.57(331) Reduction, denial, or termination of benefits
- 153.58(331) Appeals

CHAPTER 154
Reserved

CHAPTER 155
CHILD ABUSE PREVENTION PROGRAM

- 155.1(235A) Definitions
- 155.2(235A) Contract for program administration
- 155.3(235A) Awarding of grants

CHAPTER 156
PAYMENTS FOR FOSTER CARE

- 156.1(234) Definitions
- 156.2(234) Foster care recovery
- 156.3 to 156.5 Reserved
- 156.6(234) Rate of maintenance payment for foster family care
- 156.7 Reserved
- 156.8(234) Additional payments
- 156.9(234) Rate of payment for foster group care
- 156.10(234) Payment for reserve bed days
- 156.11(234) Emergency care
- 156.12(234) Supervised apartment living
- 156.13 Reserved
- 156.14(234,252C) Voluntary placements
- 156.15(234) Child's earnings
- 156.16(234) Trust funds and investments
- 156.17(234) Preadoptive homes
- 156.18 Reserved
- 156.19(237) Rate of payment for care in a residential care facility
- 156.20(234) Eligibility for foster care payment

CHAPTER 157
Reserved

CHAPTER 158
FOSTER HOME INSURANCE FUND

- 158.1(237) Payments from the foster home insurance fund
- 158.2(237) Payment limits
- 158.3(237) Claim procedures
- 158.4(237) Time frames for filing claims
- 158.5(237) Appeals

CHAPTER 159
CHILD CARE RESOURCE AND REFERRAL SERVICES

- 159.1(237A) Definitions
- 159.2(237A) Availability of funds
- 159.3(237A) Participation requirements
- 159.4(237A) Request for proposals for project grants
- 159.5(237A) Selection of proposals

CHAPTER 160
ADOPTION OPPORTUNITY GRANT PROGRAM

- 160.1(234) Definitions
- 160.2(234) Availability of grant funds
- 160.3(234) Project eligibility
- 160.4(234) Request for proposals for project grants
- 160.5(234) Selection of proposals

- 160.6(234) Project contracts
- 160.7(234) Records
- 160.8(234) Evaluation of projects
- 160.9(234) Termination
- 160.10(234) Appeals

CHAPTER 161
IOWA SENIOR LIVING TRUST FUND

- 161.1(249H) Definitions
- 161.2(249H) Funding and operation of trust fund
- 161.3(249H) Allocations from the senior living trust fund
- 161.4(249H) Participation by government-owned nursing facilities

CHAPTER 162
NURSING FACILITY CONVERSION
AND LONG-TERM CARE SERVICES
DEVELOPMENT GRANTS

- 162.1(249H) Definitions
- 162.2(249H) Availability of grants
- 162.3(249H) Grant eligibility
- 162.4(249H) Grant application process
- 162.5(249H) Grant dispersal stages
- 162.6(249H) Project contracts
- 162.7(249H) Grantee responsibilities
- 162.8(249H) Offset
- 162.9(249H) Appeals

CHAPTER 163
ADOLESCENT PREGNANCY PREVENTION AND SERVICES
TO PREGNANT AND PARENTING ADOLESCENTS
PROGRAMS

- 163.1(234) Definitions
- 163.2(234) Availability of grants for projects
- 163.3(234) Project eligibility
- 163.4(234) Request for proposals for pilot project grants
- 163.5(234) Selection of proposals
- 163.6(234) Project contracts
- 163.7(234) Records
- 163.8(234) Evaluation
- 163.9(234) Termination of contract
- 163.10(234) Appeals

CHAPTER 164
IOWA HOSPITAL TRUST FUND

- 164.1(249I) Definitions
- 164.2(249I) Funding and operation of trust fund
- 164.3(249I) Allocations from the hospital trust fund
- 164.4(249I) Participation by public hospitals

CHAPTER 165
Reserved

CHAPTER 166
QUALITY IMPROVEMENT INITIATIVE GRANTS

166.1(249A)	Definitions
166.2(249A)	Availability of grants
166.3(249A)	Requirements for applicants
166.4(249A)	Requirements for initiatives
166.5(249A)	Applications
166.6(249A)	Awarding of grants
166.7(249A)	Grant requirements

CHAPTER 167
JUVENILE DETENTION REIMBURSEMENT

DIVISION I
ANNUAL REIMBURSEMENT PROGRAM

167.1(232)	Definitions
167.2(232)	Availability of funds
167.3(232)	Eligible facilities
167.4(232)	Available reimbursement
167.5(232)	Submission of voucher
167.6(232)	Reimbursement by the department

CHAPTER 168
CHILD CARE EXPANSION PROGRAMS

168.1(234)	Definitions
168.2(234)	Availability of funds
168.3(234)	Eligibility requirements
168.4(234)	Request for proposals
168.5(234)	Selection of proposals
168.6(234)	Appeals
168.7(234)	Contracts
168.8(234)	Reporting requirements
168.9(234)	Termination of contract

CHAPTER 169
Reserved

TITLE XV
*INDIVIDUAL AND FAMILY SUPPORT
AND PROTECTIVE SERVICES*

CHAPTER 170
CHILD CARE SERVICES

170.1(237A)	Definitions
170.2(237A,239B)	Eligibility requirements
170.3(237A,239B)	Application and determination of eligibility
170.4(237A)	Elements of service provision
170.5(237A)	Adverse actions
170.6(237A)	Appeals
170.7(237A)	Provider fraud
170.8	Reserved
170.9(237A)	Child care assistance overpayments

CHAPTER 171
Reserved

CHAPTER 172
FAMILY-CENTERED CHILD WELFARE SERVICES

DIVISION I
GENERAL PROVISIONS

- 172.1(234) Definitions
- 172.2(234) Purpose and scope
- 172.3(234) Authorization
- 172.4(234) Reimbursement
- 172.5(234) Client appeals
- 172.6(234) Reviews and audits
- 172.7 to 172.9 Reserved

DIVISION II
SAFETY PLAN SERVICES

- 172.10(234) Service requirements
- 172.11(234) Contractor selection
- 172.12(234) Service eligibility
- 172.13(234) Service components
- 172.14(234) Monitoring of service delivery
- 172.15(234) Billing and payment
- 172.16 to 172.19 Reserved

DIVISION III
FAMILY SAFETY, RISK, AND PERMANENCY SERVICES

- 172.20(234) Service requirements
- 172.21(234) Contractor selection
- 172.22(234) Service eligibility
- 172.23(234) Service components
- 172.24(234) Monitoring of service delivery
- 172.25(234) Billing and payment
- 172.26 to 172.29 Reserved

DIVISION IV
FAMILY-CENTERED SUPPORTIVE SERVICES

- 172.30(234) Service components
- 172.31(234) Contractor selection
- 172.32(234) Service eligibility
- 172.33(234) Monitoring of service delivery
- 172.34(234) Billing and payment

CHAPTERS 173 and 174
Reserved

CHAPTER 175
ABUSE OF CHILDREN

DIVISION I
CHILD ABUSE

- 175.1 to 175.20 Reserved

DIVISION II
CHILD ABUSE ASSESSMENT

- 175.21(232,235A) Definitions
- 175.22(232) Receipt of a report of suspected child abuse
- 175.23(232) Sources of report of suspected child abuse
- 175.24(232) Assessment intake process
- 175.25(232) Assessment process

175.26(232)	Completion of a written assessment report
175.27(232)	Contact with juvenile court or the county attorney
175.28(232)	Consultation with health practitioners or mental health professionals
175.29(232)	Consultation with law enforcement
175.30(232)	Information shared with law enforcement
175.31(232)	Completion of required correspondence
175.32(232,235A)	Case records
175.33(232,235A)	Child protection centers
175.34(232)	Department-operated facilities
175.35(232,235A)	Jurisdiction of assessments
175.36(235A)	Multidisciplinary teams
175.37(232)	Community education
175.38(235)	Written authorizations
175.39(232)	Founded child abuse
175.40	Reserved
175.41(235A)	Access to child abuse information
175.42(235A)	Person conducting research
175.43(235A)	Child protection services citizen review panels

CHAPTER 176
DEPENDENT ADULT ABUSE

176.1(235B)	Definitions
176.2(235B)	Denial of critical care
176.3(235B)	Appropriate evaluation
176.4(235B)	Reporters
176.5(235B)	Reporting procedure
176.6(235B)	Duties of the department upon receipt of report
176.7(235B)	Appropriate evaluation or assessment
176.8(235B)	Immunity from liability for reporters
176.9(235B)	Registry records
176.10(235B)	Adult abuse information disseminated
176.11(235B)	Person conducting research
176.12(235B)	Examination of information
176.13(235B)	Dependent adult abuse information registry
176.14	Reserved
176.15(235B)	Multidisciplinary teams
176.16(235B)	Medical and mental health examinations
176.17(235B)	Request for correction or expungement

CHAPTER 177
IN-HOME HEALTH RELATED CARE

177.1(249)	In-home health related care
177.2(249)	Own home
177.3(249)	Service criteria
177.4(249)	Eligibility
177.5(249)	Providers of health care services
177.6(249)	Health care plan
177.7(249)	Client participation
177.8(249)	Determination of reasonable charges
177.9(249)	Written agreements
177.10(249)	Emergency services
177.11(249)	Termination

CHAPTERS 178 to 183
Reserved

CHAPTER 184
INDIVIDUAL AND FAMILY DIRECT SUPPORT

DIVISION I
FAMILY SUPPORT SUBSIDY PROGRAM

- 184.1(225C) Definitions
- 184.2(225C) Eligibility requirements
- 184.3(225C) Application process
- 184.4(225C) Family support services plan
- 184.5 Reserved
- 184.6(225C) Amount of subsidy payment
- 184.7(225C) Redetermination of eligibility
- 184.8(225C) Termination of subsidy payments
- 184.9(225C) Appeals
- 184.10 to 184.20 Reserved

DIVISION II
COMPREHENSIVE FAMILY SUPPORT PROGRAM

- 184.21(225C) Definitions
- 184.22(225C) Eligibility
- 184.23(225C) Application
- 184.24(225C) Contractor selection and duties
- 184.25(225C) Direct assistance
- 184.26(225C) Appeals
- 184.27(225C) Parent advisory council

CHAPTER 185
Reserved

CHAPTER 186
COMMUNITY CARE

- 186.1(234) Definitions
- 186.2(234) Eligibility
- 186.3(234) Services provided
- 186.4(234) Appeals

CHAPTER 187
AFTERCARE SERVICES PROGRAM

DIVISION I
AFTERCARE SERVICES

- 187.1(234) Purpose
- 187.2(234) Aftercare services program eligibility requirements
- 187.3(234) Services and supports provided
- 187.4(234) Termination
- 187.5(234) Waiting list
- 187.6(234) Administration
- 187.7 to 187.9 Reserved

DIVISION II
PREPARATION FOR ADULT LIVING (PAL) PROGRAM COMPONENT

- 187.10(234) Purpose
- 187.11(234) PAL program component eligibility requirements
- 187.12(234) Payment

187.13(234)	Termination of stipend
187.14(234)	Waiting list
187.15(234)	Administration

CHAPTERS 188 to 199

Reserved

TITLE XVI

ALTERNATIVE LIVING

CHAPTER 200

ADOPTION SERVICES

200.1(600)	Definitions
200.2(600)	Release of custody services
200.3(600)	Application
200.4(600)	Adoption services
200.5(600)	Termination of parental rights
200.6 and 200.7	Reserved
200.8(600)	Interstate placements
200.9	Reserved
200.10(600)	Requests for home studies
200.11(600)	Reasons for denial
200.12(600)	Removal of child from preadoptive family
200.13(600)	Consents
200.14(600)	Requests for access to information for research or treatment
200.15(600)	Requests for information for purposes other than research or treatment
200.16(600)	Appeals

CHAPTER 201

SUBSIDIZED ADOPTIONS

201.1(600)	Administration
201.2(600)	Definitions
201.3(600)	Conditions of eligibility or ineligibility
201.4(600)	Application
201.5(600)	Negotiation of amount of presubsidy or subsidy
201.6(600)	Types of subsidy
201.7(600)	Termination of subsidy
201.8(600)	Reinstatement of subsidy
201.9(600)	New application
201.10(600)	Medical assistance based on residency
201.11(600)	Presubsidy recovery

CHAPTER 202

FOSTER CARE PLACEMENT AND SERVICES

202.1(234)	Definitions
202.2(234)	Eligibility
202.3(234)	Voluntary placements
202.4(234)	Selection of facility
202.5(234)	Preplacement
202.6(234)	Placement
202.7(234)	Out-of-area placements
202.8(234)	Out-of-state placements
202.9(234)	Supervised apartment living
202.10(234)	Services to foster parents

202.11(234)	Services to the child
202.12(234)	Services to parents
202.13(234)	Removal of the child
202.14(234)	Termination
202.15(234)	Case permanency plan
202.16(135H)	Department approval of need for a psychiatric medical institution for children
202.17(232)	Area group care targets
202.18(235)	Local transition committees

CHAPTER 203

IOWA ADOPTION EXCHANGE

203.1(232)	Definitions
203.2(232)	Children to be registered on the exchange system
203.3(232)	Families to be registered on the exchange system
203.4(232)	Matching process

CHAPTER 204

SUBSIDIZED GUARDIANSHIP PROGRAM

204.1(234)	Definitions
204.2(234)	Eligibility
204.3(234)	Application
204.4(234)	Negotiation of amount of subsidy
204.5(234)	Parental liability
204.6(234)	Termination of subsidy
204.7(234)	Reinstatement of subsidy
204.8(234)	Appeals
204.9(234)	Medical assistance

CHAPTER 25
DISABILITY SERVICES MANAGEMENT

PREAMBLE

This chapter provides for definitions of regional core services, access and practice standards, reporting of regional expenditures, development and submission of regional management plans, data collection, applications for funding as they relate to regional service systems for individuals with mental illness, intellectual disabilities, developmental disabilities, or brain injury, and submission of data for Medicaid offset calculations.

[ARC 0576C, IAB 2/6/13, effective 1/8/13; ARC 0735C, IAB 5/15/13, effective 8/1/13; ARC 1096C, IAB 10/16/13, effective 11/20/13; ARC 1173C, IAB 11/13/13, effective 1/1/14; ARC 1671C, IAB 10/15/14, effective 9/25/14]

DIVISION I
REGIONAL CORE SERVICES

441—25.1(331) Definitions.

“Assertive community treatment” means a program of comprehensive outpatient services provided in the community directed toward the amelioration of symptoms and the rehabilitation of behavioral, functional, and social deficits of individuals with severe and persistent mental disorders and individuals with complex symptomatology who require multiple mental health and supportive services to live in the community consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Assessment and evaluation” means the clinical review by a mental health professional of the current functioning of the individual using the service in regard to the individual’s situation, needs, strengths, abilities, desires and goals to determine the appropriate level of care.

“Case management” means service provided by a case manager who assists individuals in gaining access to needed medical, social, educational, and other services through assessment, development of a care plan, referral, monitoring and follow-up using a strengths-based service approach that helps individuals achieve specific desired outcomes leading to a healthy self-reliance and interdependence with their community.

“Case manager” means a person who has completed specified and required training to provide case management through the medical assistance program or the Iowa Behavioral Health Care Plan.

“Community-based crisis intervention service” means a program designed to stabilize an acute crisis episode and to restore an individual and family to their pre-crisis level of functioning. Crisis services are available 24 hours a day, 365 days a year, including telephone and walk-in crisis service and crisis care coordination.

“Crisis care coordination” means a service provided during an acute crisis episode that facilitates working together to organize a plan and service transition programming, including working agreements with inpatient behavioral health units and other community programs. The service shall include referrals to mental health services and other supports necessary to maintain community-based living capacity, including case management as defined herein.

“Crisis evaluation” means the process used with an individual to collect information related to the individual’s history and needs, strengths, and abilities in order to determine appropriate services or referral during an acute crisis episode.

“Day habilitation” means services that assist or support the individual in developing or maintaining life skills and community integration. Services shall enable or enhance the individual’s functioning, physical and emotional health and development, language and communication development, cognitive functioning, socialization and community integration, functional skill development, behavior management, responsibility and self-direction, daily living activities, self-advocacy skills, or mobility.

“Emergency care” means the same as defined in rule 441—88.21(249A).

“Evidence-based services” means using interventions that have been rigorously tested, have yielded consistent, replicable results, and have proven safe, beneficial and effective and have established standards for fidelity of the practice.

“Family psychoeducation” means services including the provision of emotional support, education, resources during periods of crisis, and problem-solving skills consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Family support” means services provided by a family support peer specialist that assist the family of an individual to live successfully in the family or community including, but not limited to, education and information, individual advocacy, family support groups, and crisis response.

“Family support peer specialist” means a parent, primary caregiver, foster parent or family member of an individual who has successfully completed standardized training to provide family support through the medical assistance program or the Iowa Behavioral Health Care Plan.

“Group supported employment” means the job and training activities in business and industry settings for groups of no more than eight workers with disabilities. Group settings include enclaves, mobile crews, and other business-based workgroups employing small groups of workers with disabilities in integrated, sustained, paid employment.

“Health homes” means a service model that facilitates access to an interdisciplinary array of medical care, behavioral health care, and community-based social services and supports for both children and adults with chronic conditions. Services may include comprehensive care management; care coordination and health promotion; comprehensive transitional care from inpatient to other settings, including appropriate follow-up; individual and family support, which includes authorized representatives; referral to community and social support services, if relevant; and the use of health information technology to link services, as feasible and appropriate.

“Home and vehicle modification” means a service that provides physical modifications to the home or vehicle that directly address the medical health or remedial needs of the individual that are necessary to provide for the health, welfare, and safety of the member and to increase or maintain independence.

“Home health aide services” means unskilled medical services which provide direct personal care. This service may include assistance with activities of daily living, such as helping the recipient to bathe, get in and out of bed, care for hair and teeth, exercise, and take medications specifically ordered by the physician.

“Illness management and recovery” means a broad set of strategies designed to help individuals with serious mental illness collaborate with professionals, reduce the individuals’ susceptibility to the illness, and cope effectively with the individuals’ symptoms consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Individual” means any person seeking or receiving services in a regional service system.

“Individual supported employment” means services including ongoing supports needed by an individual to acquire and maintain a job in the integrated workforce at or above the state’s minimum wage. The outcome of this service is sustained paid employment that meets personal and career goals.

“Integrated treatment for co-occurring substance abuse and mental health disorders” means effective dual diagnosis programs that combine mental health and substance abuse interventions tailored for the complex needs of individuals with co-morbid disorders. Critical components of effective programs include a comprehensive, long-term, staged approach to recovery; assertive outreach; motivational interviews; provision of help to individuals in acquiring skills and supports to manage both illnesses and pursue functional goals with cultural sensitivity and competence consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Job development” means services that assist individuals in preparing for, securing and maintaining gainful, competitive employment. Employment shall be integrated into normalized work settings, shall provide pay of at least minimum wage, and shall be based on the individual’s skills, preferences, abilities, and talents. Services assist individuals seeking employment to develop or re-establish skills, attitudes, personal characteristics, interpersonal skills, work behaviors, and functional capacities to achieve positive employment outcomes.

“Medication management” means services provided directly to or on behalf of the individual by a licensed professional as authorized by Iowa law including, but not limited to, monitoring effectiveness of and compliance with a medication regimen; coordination with care providers; investigating potentially

negative or unintended psychopharmacologic or medical interactions; reviewing laboratory reports; and activities pursuant to licensed prescriber orders.

“Medication prescribing” means services with the individual present provided by an appropriately licensed professional as authorized by Iowa law including, but not limited to, determining how the medication is affecting the individual; determining any drug interactions or adverse drug effects on the individual; determining the proper dosage level; and prescribing medication for the individual for the period of time before the individual is seen again.

“Mental health outpatient therapy” means the same as defined in Iowa Code section 230A.106(2)“a.”

“Mental health professional” means the same as defined in Iowa Code section 228.1(6).

“Peer support services” means a program provided by a peer support specialist including but not limited to education and information, individual advocacy, family support groups, crisis response, and respite to assist individuals in achieving stability in the community.

“Peer support specialist” means an individual who has experienced a severe and persistent mental illness and who has successfully completed standardized training to provide peer support services through the medical assistance program or the Iowa Behavioral Health Care Plan.

“Permanent supportive housing” means voluntary, flexible supports to help individuals with psychiatric disabilities choose, get, and keep housing that is decent, safe, affordable, and integrated into the community. Tenants have access to an array of services that help them keep their housing, such as case management, assistance with daily activities, conflict resolution, and crisis response consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Personal emergency response system” means an electronic device connected to a 24-hour staffed system which allows the individual to access assistance in the event of an emergency.

“Prevocational services” means services that focus on developing generalized skills that prepare an individual for employment. Prevocational training topics include but are not limited to attendance, safety skills, following directions, and staying on task.

“Reasonably close proximity” means a distance of 100 miles or less or a driving distance of two hours or less from the county seat or county seats of the region.

“Respite services” means a temporary period of relief and support for individuals and their families provided in a variety of settings. The intent is to provide a safe environment with staff assistance for individuals who lack an adequate support system to address current issues related to a disability. Respite may be provided for a defined period of time; respite is either planned or provided in response to a crisis.

“Routine care” means the same as defined in rule 441—88.21(249A).

“Rural” means any area that is not defined as urban.

“Strengths-based case management” means a service that focuses on possibilities rather than problems and strives to identify and develop strengths to assist individuals reach their goals leading to a healthy self-reliance and interdependence with their community. Identifiable strengths and resources include family, cultural, spiritual, and other types of social and community-based assets and networks.

“Supported community living services” means services as defined in Iowa Code section 225C.21(1).

“Supported employment” means an approach to helping individuals participate as much as possible in competitive work in integrated work settings that are consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individuals. Services are targeted for individuals with significant disabilities for whom competitive employment has not traditionally occurred; or for whom competitive employment has been interrupted or intermittent as a result of a significant disability including either individual or group supported employment, or both, consistent with evidence-based practice standards published by the Substance Abuse and Mental Health Services Administration.

“Telephone crisis service” means a program that operates a crisis hotline either directly or through a contract. The service shall be available 24 hours a day and seven days a week including, but not limited to, relief of distress in pre-crisis and crisis situations, reduction of the risk of escalation, arrangements for emergency on-site responses when necessary, and referral of callers to appropriate services.

“Trauma-focused services” means services provided by caregivers and professionals that recognize when an individual who has been exposed to violence is in need of help to recover from adverse impacts; recognize and understand the impact that exposure to violence has on victims’ physical, psychological, and psychosocial development and well-being; and respond by helping in ways that reflect awareness of adverse impacts and consistently support the individual’s recovery.

“Trauma-informed care” means services that are based on an understanding of the vulnerabilities or triggers of those who have experienced violence, that recognize the role violence has played in the lives of those individuals, that are supportive of recovery, and that avoid retraumatization including trauma-focused services and trauma-specific treatment.

“Trauma-specific treatment” means services provided by a mental health professional using therapies that are free from the use of coercion, restraints, seclusion and isolation; and designed specifically to promote recovery from the adverse impacts of violence exposure on physical, psychological, psychosocial development, health and well-being.

“Urban” means a county that has a total population of 50,000 or more residents or includes a city with a population of 20,000 or more.

“Urgent nonemergency need” means the same as defined in rule 441—88.21(249A).

“Walk-in crisis service” means a program that provides unscheduled face-to-face support and intervention at an identified location or locations. The service may be provided directly by the program or through a contract with another mental health provider.

[ARC 1096C, IAB 10/16/13, effective 11/20/13]

441—25.2(331) Core service domains.

25.2(1) The region shall ensure that core service domains are available in regions as determined in Iowa Code section 331.397.

25.2(2) The region shall include and respect the recommendation of the individual and the individual’s care team in the process of transition to new services.

25.2(3) The region shall ensure that the following services are available in the region:

- a. Assessment and evaluation.
- b. Case management.
- c. Crisis evaluation.
- d. Day habilitation.
- e. Family support.
- f. Health homes.
- g. Home and vehicle modification.
- h. Home health aide.
- i. Job development.
- j. Medication prescribing and management.
- k. Mental health inpatient treatment.
- l. Mental health outpatient treatment.
- m. Peer support.
- n. Personal emergency response system.
- o. Prevocational services.
- p. Respite.
- q. Supported employment.
- r. Supportive community living.
- s. Twenty-four-hour access to crisis response.

Regions may fund or provide other services in addition to the required core services consistent with requirements set forth in subrules 25.2(4) and 25.2(5).

25.2(4) A regional service system shall consider the scope of services included in addition to the required core services. Each service included shall be described and projection of need and the funding necessary to meet the need shall be included.

25.2(5) A regional service system may provide funding for other appropriate services or other support. In considering whether to provide such funding, a region may consider the following criteria:

a. Applying a person-centered planning process to identify the need for the services or other support.

b. The efficacy of the services or other support is recognized as an evidence-based practice, is deemed to be an emerging and promising practice, or providing the services is part of a demonstration and will supply evidence as to the effectiveness of the services.

c. A determination that the services or other support provides an effective alternative to existing services that have been shown by the evidence base to be ineffective, to not yield the desired outcome, or to not support the principles outlined in *Olmstead v. L.C.*, 527 U.S. 581.

[ARC 1096C, IAB 10/16/13, effective 11/20/13]

441—25.3(331) Access standards. The region shall include:

25.3(1) A sufficient provider network which shall include:

a. A community mental health center or federally qualified health center that provides psychiatric and outpatient mental health services in the region.

b. A hospital with an inpatient psychiatric unit or state mental health institute located in or within reasonably close proximity that has the capacity to provide inpatient services to the applicant.

25.3(2) Crisis services shall be available 24 hours per day, seven days per week, 365 days per year for mental health and disability-related emergencies.

25.3(3) The region shall provide the following treatment services:

a. Outpatient.

(1) Emergency: During an emergency, outpatient services shall be initiated to an individual within 15 minutes of telephone contact.

(2) Urgent: Outpatient services shall be provided to an individual within one hour of presentation or 24 hours of telephone contact.

(3) Routine: Outpatient services shall be provided to an individual within four weeks of request for appointment.

(4) Distance: Outpatient services shall be offered within 30 miles for an individual residing in an urban community and 45 miles for an individual residing in a rural community.

b. Inpatient.

(1) An individual in need of emergency inpatient services shall receive treatment within 24 hours.

(2) Inpatient services shall be available within reasonably close proximity to the region.

c. Assessment and evaluation. An individual who has received inpatient services shall be assessed and evaluated within four weeks.

25.3(4) A region shall provide the following basic crisis response:

a. Twenty-four-hour access to crisis response, 24 hours per day, seven days per week, 365 days per year.

b. Crisis evaluation within 24 hours.

25.3(5) Support for community living. The first appointment shall occur within four weeks of the individual's request of support for community living.

25.3(6) Support for employment. The initial referral shall take place within 60 days of the individual's request of support for employment.

25.3(7) Recovery services. An individual receiving recovery services shall not have to travel more than 30 miles if residing in an urban area or 45 miles if residing in a rural area to receive services.

25.3(8) Service coordination:

a. An individual receiving service coordination shall not have to travel more than 30 miles if residing in an urban area or 45 miles if residing in a rural area to receive services.

b. An individual shall receive service coordination within 10 days of the initial request for such service or being discharged from an inpatient facility.

25.3(9) The following limitations apply to home and vehicle modification for an individual receiving mental health and disability services:

a. A lifetime limit equal to that established for the home- and community-based services waiver for individuals with intellectual disabilities in the medical assistance program.

b. A provider reimbursement payment will be no lower than that provided through the home- and community-based services waiver for individuals with intellectual disabilities in the medical assistance program.

[ARC 1096C, IAB 10/16/13, effective 11/20/13]

441—25.4(331) Practices. A region shall ensure that access is available to providers of core services that demonstrate the following competencies:

25.4(1) Regions shall have service providers that are trained to provide effective services to individuals with two or more of the following co-occurring conditions:

- a.* Mental illness.
- b.* Intellectual disability.
- c.* Developmental disability.
- d.* Brain injury.
- e.* Substance use disorder.

Training for serving individuals with co-occurring conditions provided by the region shall be training identified by the Substance Abuse and Mental Health Services Administration, the Dartmouth Psychiatric Research Center or other generally recognized professional organization specified in the regional service system management plan.

25.4(2) Regions shall have service providers that are trained to provide effective trauma-informed care. Trauma-informed care training provided by the region shall be recognized by the National Center for Trauma-Informed Care or other generally recognized professional organization specified in the regional service system management plan.

25.4(3) Regions must have evidence-based practices that the region has independently verified as meeting established fidelity to evidence-based service models including, but not limited to, assertive community treatment or strengths-based case management; integrated treatment of co-occurring substance abuse and mental health disorders; supported employment; family psychoeducation; illness management and recovery; and permanent supportive housing.

[ARC 1096C, IAB 10/16/13, effective 11/20/13]

These rules are intended to implement Iowa Code chapter 331 and 2012 Iowa Acts, chapter 1120, section 15.

441—25.5 to 25.10 Reserved.

DIVISION II REGIONAL SERVICE SYSTEM

PREAMBLE

These rules define the standards for a regional service system. The mental health and disability services provided by counties operating as a region shall be delivered in accordance with a regional service system management plan approved by the region's governing board and implemented by the regional administrator (Iowa Code section 331.393). Iowa counties are encouraged to enter into a regional system when the regional approach is likely to increase the availability of services to residents of the state who need the services. It is the intent of the Iowa general assembly that the adult residents of this state should have access to needed mental health and disability services regardless of the location of their residence.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.11(331) Definitions.

“Access point” means a provider, public or private institution, advocacy organization, legal representative, or educational institution with staff trained to complete applications and guide individuals with a disability to needed services.

“*Applicant*” means an individual who applies to receive services and supports from the service system.

“*Assessment and evaluation*” means the same as defined in rule 441—25.1(331).

“*Assistive technology account*” means funds in contracts, savings, trust or other financial accounts, financial instruments, or other arrangements with a definite cash value that are set aside and designated for the purchase, lease, or acquisition of assistive technology, assistive technology services, or assistive technology devices. Assistive technology accounts must be held separately from other accounts. Funds must be used to purchase, lease, or otherwise acquire assistive technology services or devices for a working individual with a disability. Any withdrawal from an assistive technology account other than for the designated purpose becomes a countable resource.

“*Authorized representative*” means a person designated by the individual or by Iowa law to act on the individual’s behalf in specified affairs to the extent prescribed by law.

“*Chief executive officer*” means the person chosen and supervised by the governing board who serves as the single point of accountability for the mental health and disability services region and whose responsibilities include, but are not limited to, planning, budgeting, monitoring county and regional expenditures, and ensuring the delivery of quality services that achieve expected outcomes for the individuals served.

“*Choice*” means the individual or authorized representative chooses the services, supports, and goods needed to best meet the individual’s goals and accepts the responsibility and consequences of those choices.

“*Clear lines of accountability*” means the structure of the governing board’s organization makes it evident that the ultimate responsibility for the administration of the non-Medicaid-funded mental health and disability services lies with the governing board and that the governing board directly and solely supervises the organization’s chief executive officer.

“*Community*” means an integrated setting of an individual’s choice.

“*Conflict-free case management*” means there is no real or seeming incompatibility between the case manager’s other interests and the case manager’s duties to the individual served and includes case management separate from direct service provision; eligibility determination for services; establishment of funding levels for the individual’s services; and requirements that prohibit the case manager from performing evaluations, assessments, and plans of care if the case manager is related by blood or marriage to the individual or any of the individual’s paid caregivers or persons financially responsible for the individual or empowered to make financial or health-related decisions on behalf of the individual.

“*Coordinator of disability services*” means the same as defined in Iowa Code section 331.390(3) “*b.*”

“*Countable resource*” means real or personal property that has a cash value that is available to the owner upon disposition and is capable of being liquidated.

“*Countable value*” means the equity value of a resource, which is the current fair market value minus any legal debt on the item.

“*County of residence*” means the same as defined in Iowa Code section 331.394.

“*Department*” means the department of human services.

“*Director*” means the director of human services.

“*Disability services*” means the same as defined in Iowa Code section 225C.2.

“*Emergency service*” means the same as defined in rule 441—88.21(249A).

“*Empowerment*” means that the service system ensures the rights, dignity, and ability of individuals and their families to exercise choices, take risks, provide input, and accept responsibility.

“*Exempt resource*” means a resource that is disregarded in the determination of eligibility for public funding assistance and in the calculation of client participation amounts.

“*Homeless person*” means the same as defined in Iowa Code section 48A.2.

“*Household*” means, for an individual who is 18 years of age or over, the individual, the individual’s spouse or domestic partner, and any children, stepchildren, or wards under the age of 18 who reside with the individual. For an individual under the age of 18, “household” means the individual, the individual’s parents (or parent and domestic partner), stepparents or guardians, and any children, stepchildren, or

wards under the age of 18 of the individual's parents (or parent and domestic partner), stepparents, or guardians who reside with the individual.

"Income" means all gross income received by the individual's household, including but not limited to wages, income from self-employment, retirement benefits, disability benefits, dividends, annuities, public assistance, unemployment compensation, alimony, child support, investment income, rental income, and income from trust funds.

"Individual" means any person seeking or receiving services in a regional service system.

"Individualized services" means services and supports that are tailored to meet the personalized needs of the individual.

"Liquid assets" means assets that can be converted to cash in 20 days. Liquid assets include but are not limited to cash on hand, checking accounts, savings accounts, stocks, bonds, cash value of life insurance, individual retirement accounts, certificates of deposit, and other investments.

"Managed care" means a system that provides the coordinated delivery of services and supports that are necessary and appropriate, delivered in the least restrictive settings and in the least intrusive manner. Managed care seeks to balance three factors: achieving high-quality outcomes for participants, coordinating access, and containing costs.

"Managed system" means a system that integrates planning, administration, financing, and service delivery. The system consists of the financing or governing organization, the entity responsible for care management, and the network of service providers.

"Management organization" means an organization contracted to manage part or all of the service system for a region.

"Medical savings account" means an account that is exempt from federal income taxation pursuant to Section 220 of the U.S. Internal Revenue Code (26 U.S.C. §220) as supported by documentation provided by the bank or other financial institution. Any withdrawal from a medical savings account other than for the designated purpose becomes a countable resource.

"Mental health professional" means the same as defined in Iowa Code section 228.1(6).

"Non-liquid assets" means assets that cannot be converted to cash in 20 days. Non-liquid assets include, but are not limited to, real estate, motor vehicles, motor vessels, livestock, tools, machinery, and personal property.

"Population" means the same as defined in Iowa Code section 331.388.

"Provider" means an individual, firm, corporation, association, or institution which is providing or has been approved to provide medical assistance, is accredited under 441—Chapter 24, holds a professional license to provide the service, is accredited by a national insurance panel, or holds other national accreditation or certification.

"Regional administrator" or *"regional administrative entity"* means the administrative office or organization formed by agreement of the counties participating in a mental health and disability services region to function on behalf of those counties.

"Regional services fund" means the mental health and disability regional services fund created in Iowa Code section 225C.7A.

"Regional service system management plan" means the regional service system plan developed pursuant to Iowa Code section 331.393 for the funding and administration of non-Medicaid-funded mental health and disability services and includes an annual service and budget plan, a policies and procedures manual, and an annual report and how the region will coordinate with the department in the provision of mental health and disability services funded under the medical assistance program.

"Resources" means all liquid and non-liquid assets that are owned in part or in whole by the individual household, that could be converted to cash to use for support and maintenance, and that the individual household is not legally restricted from using for support and maintenance.

"Retirement account" means any retirement or pension fund or account listed in Iowa Code section 627.6(8) "f."

"Retirement account in the accumulation stage" means a retirement account into which a deposit was made in the previous tax year. Any withdrawal from a retirement account becomes a countable resource.

“*Service system*” refers to the mental health and disability services and supports administered by the regional administrative entity and paid from the regional services fund.

“*State case status*” means the standing of an individual who has no county of residence.

“*State commission*” means the same as defined in Iowa Code section 225C.5.

“*System of care*” means the coordination of a system of services and supports to individuals and their families that ensures they optimally live, work, and recreate in integrated communities of their choice.

“*System principles*” means practices that include individual choice, community and empowerment.
[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.12(331) Regional governance structure. The counties comprising a mental health and disability services region shall enter into an agreement to form a regional administrator under the control of a governing board to function on behalf of those counties as defined in Iowa Code chapter 28E and sections 331.388, 331.390 and 331.392 and 2013 Iowa Acts, House File 648, section 14.

25.12(1) Governing board. The governing board shall comply with the following requirements:

a. The governing board shall comply with the membership requirements as outlined in Iowa Code section 331.390 and follow the requirements in Iowa Code chapter 69 and other applicable laws relating to boards and commissions.

b. A regional advisory committee shall be created and shall designate members to the governing board as defined in Iowa Code section 331.390(2).

c. The governing board shall appoint and evaluate the performance of the chief executive officer of the regional administrative entity who will serve as the single point of accountability for the region.

25.12(2) Regional administrator. The formation of the regional administrator shall be as defined in Iowa Code sections 331.388 and 331.390.

a. The regional administrative entity is under the control of the governing board.

b. The regional administrative entity shall enter into and manage performance-based contracts in accordance with Iowa Code section 225C.4(1)“*u.*”

c. The regional administrative entity structure shall have clear lines of accountability.

d. The regional administrative entity functions as a lead agency utilizing shared county or regional staff or other means of limiting administrative costs.

e. The regional administrative entity staff shall include one or more coordinators of disability services.

25.12(3) Regional service system management. The region may either directly implement a system of service management and contract with service providers, or contract with a private entity to manage the regional service system, provided all requirements of Iowa Code section 331.393 are met by the private entity.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.13(331) Regional finances.

25.13(1) Funding. Non-Medicaid mental health and disability services funding is under the control of the governing board and shall:

a. Be maintained to limit administrative burden and provide public transparency regarding financial processes.

b. Be maintained in one of three ways:

(1) In a combined account.

(2) In separate county accounts that are under the control of the governing board.

(3) In other arrangements authorized by law.

25.13(2) Accounting system and financial reporting. The accounting system and financial reporting to the department shall conform to Iowa Code section 331.391 and include all non-Medicaid mental health and disability expenditures. Information shall be separated and identified in a uniform chart of accounts, including but not limited to the following: expenses for administration; purchase of services; and enterprise costs for which the region is a service provider or is directly billing and collecting payments.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.14(331) Regional governance agreement. The expectations for regional governance agreements entered into by the counties comprising a mental health and disability services region are defined in Iowa Code sections 28E.1, 331.388, 331.390 and 331.392.

25.14(1) Organizational provisions. The organizational provisions of the regional governance agreement shall include the following:

- a. A statement of purpose, goals, and objective of entering into the agreement.
- b. Identification of the governing board membership and the terms, methods of appointment, and voting procedures, including whether or not voting will be weighted.
- c. The identification of the process for selecting the executive staff, including but not limited to the chief executive officer of the regional administrative entity.
- d. Identification of the counties participating in the agreement.
- e. The time period of the agreement and terms for termination or renewal of the agreement.
- f. Provisions for joining a region. Additional counties may join the region. The agreement shall not prohibit a county from being assigned by the department to a region according to Iowa Code section 331.389(4) “c.”

- g. Methods for dispute resolution and mediation.
- h. Methods for termination of a county’s participation in the region.
- i. Provision for formation and assigned responsibilities for one or more advisory committees consisting of:

- (1) Individuals who utilize services or the actively involved relatives of such individuals.
- (2) Service providers.
- (3) Governing board members.
- (4) Other interests identified in the agreement.

25.14(2) Administrative provisions. The administrative provisions of the regional governance agreement shall include all of the following:

- a. Identification of whether the region will either directly implement a system of service management or contract with a private entity to manage the regional service system as defined in Iowa Code section 331.393(7).
- b. Responsibility of the governing board in appointing and evaluating the performance of the chief executive officer of the regional administrative entity.
- c. A general list of the functions and responsibilities of the regional administrative entity’s chief executive officer and other staff including but not limited to coordinators of disability services.
- d. Specification of the functions to be carried out by each party to the agreement and by any subcontractor of a party to the agreement.

25.14(3) Financial provisions. The financial provisions of the regional governance agreement shall include all of the following:

- a. Methods for pooling, managing and expending funds under control of the regional administrative entity. If the agreement does not provide for pooling of the participating county moneys in a single fund, the agreement shall specify how the participating county moneys will be subject to the control of the regional administrative entity.
- b. Methods for allocating administrative funding and resources.
- c. Methods for contributing initial funds to the region.
- d. Methods for acquiring or disposing of real property.
- e. The process for how to use savings achieved for reinvestment.
- f. A process for performance of an annual independent audit of the regional administrator.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.15(331) Eligibility, diagnosis, and functional assessment criteria.

25.15(1) Eligibility for mental health services. An individual must comply with all of the following requirements to be eligible for mental health services under the regional service system:

- a. The individual complies with the financial eligibility requirements in rule 441—25.16(331).
- b. The individual is at least 18 years of age.

c. The individual is a resident of this state.

d. The individual has had at any time during the preceding 12-month period a mental health, behavioral, or emotional disorder or, in the opinion of a mental health professional, may now have such a diagnosable disorder. The diagnosis shall be made in accordance with the criteria provided in the most recent Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association and shall not include the manual's "V" codes identifying conditions other than a disease or injury. The diagnosis shall also not include substance-related disorders, dementia, antisocial personality, or developmental disabilities, unless co-occurring with another diagnosable mental illness.

e. The results of a standardized functional assessment support the need for mental health services of the type and frequency identified in the individual's case plan. The standardized functional assessment methodology shall be designated for mental health services by the director of human services in consultation with the state commission. A functional assessment must be completed within 90 days of application for services.

25.15(2) Other conditions of eligibility for mental health services.

a. An individual who is 17 years of age, is a resident of this state, and is receiving publicly funded children's services may be considered eligible for services through the regional service system during the three-month period preceding the individual's eighteenth birthday in order to provide a smooth transition from children's to adult services.

b. An individual less than 18 years of age and a resident of the state may be considered eligible for those mental health services made available to all or a portion of the residents of the region of the same age and eligibility class under the county management plan of one or more counties of the region applicable prior to formation of the region. Eligibility for services under this paragraph is limited to availability of regional service system funds without limiting or reducing core services, and if part of the approved regional service system management plan.

25.15(3) Eligibility for intellectual disability services. An individual must comply with all of the following requirements to be eligible for intellectual disability services under the regional service system:

a. The individual complies with the financial eligibility requirements in rule 441—25.16(331).

b. The individual is at least 18 years of age.

c. The individual is a resident of this state.

d. The individual has a diagnosis of intellectual disability as defined by Iowa Code section 4.1(9A).

e. The results of a standardized functional assessment support the need for intellectual disability services of the type and frequency identified in the individual's case plan. The standardized functional assessment methodology shall be designated for intellectual services by the director of human services in consultation with the state commission. A functional assessment must be completed within 90 days of application for services.

25.15(4) Other conditions of eligibility for intellectual disability services.

a. An individual who is 17 years of age, is a resident of this state, and is receiving publicly funded children's services may be considered eligible for services through the regional service system during the three-month period preceding the individual's eighteenth birthday in order to provide a smooth transition from children's to adult services.

b. An individual less than 18 years of age and a resident of the state may be considered eligible for those intellectual disability services made available to all or a portion of the residents of the region of the same age and eligibility class under the county management plan of one or more counties of the region applicable prior to formation of the region. Eligibility for services under this paragraph is limited to availability of regional service system funds without limiting or reducing core services, and if part of the approved regional service system management plan.

25.15(5) Eligibility for brain injury services. An individual must comply with all of the following requirements to be eligible for brain injury services under the regional service system, if such services were provided to the same class of individuals by a county in the region prior to regional formation and if funds are available to continue such services without limiting or reducing core services.

a. The individual complies with the financial eligibility requirements in rule 441—25.16(331).

b. The individual is at least 18 years of age.

- c. The individual is a resident of this state.
- d. The individual has a diagnosis of brain injury as defined in rule 441—83.81(249A).
- e. The results of a standardized functional assessment support the need for brain injury services of the type and frequency identified in the individual's case plan. The standardized functional assessment methodology used is the methodology approved for brain injury services by the director of human services in consultation with the state commission. A functional assessment must be completed within 90 days of application for services.

25.15(6) Other conditions of eligibility for brain injury services. An individual who is 17 years of age, is a resident of this state, and is receiving publicly funded children's services may be considered eligible for services through the regional service system during the three-month period preceding the individual's eighteenth birthday in order to provide a smooth transition from children's to adult services.

25.15(7) Eligibility for developmental disability services.

- a. Until funding is designated for other service populations, eligibility for the core service domains shall be as identified in Iowa Code section 331.397(1) "b."
- b. If a county in a region was providing services to an eligibility class of individuals with a developmental disability other than intellectual disability prior to formation of the region, the class of individuals shall remain eligible for the services provided when the region is formed, providing that funds are available to continue such services without limiting or reducing core services. The individual must also meet the requirements in paragraphs 25.15(7) "c," "d," "e" and "f."
- c. The individual complies with the financial eligibility requirements in rule 441—25.16(331).
- d. The individual is at least 18 years of age.
- e. The individual is a resident of this state.
- f. The individual has a diagnosis of a developmental disability other than an intellectual disability as defined in rule 441—24.1(225C).

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.16(331) Financial eligibility requirements. The regional service system management plan shall identify basic financial eligibility standards for disability services as defined in Iowa Code section 331.395.

25.16(1) Income requirements. Income requirements shall be as defined in Iowa Code section 331.395(1).

25.16(2) Resource requirements. An individual must have resources that are equal to or less than \$2,000 in countable value for a single-person household or \$3,000 in countable value for a multiperson household or follow the most recent federal supplemental security income guidelines.

- a. The countable value of all countable resources, both liquid and non-liquid, shall be included in the eligibility determination except as exempted in this subrule.
- b. A transfer of property or other assets within five years of the time of application with the result of, or intent to, qualify for assistance may result in denial or discontinuation of funding.
- c. The following resources shall be exempt:
 - (1) The homestead, including equity in a family home or farm that is used as the individual household's principal place of residence. The homestead shall include all land that is contiguous to the home and the buildings located on the land.
 - (2) One automobile used for transportation.
 - (3) Tools of an actively pursued trade.
 - (4) General household furnishings and personal items.
 - (5) Burial account or trust limited in value as to that allowed in the medical assistance program.
 - (6) Cash surrender value of life insurance with a face value of less than \$1,500 on any one person.
 - (7) Any resource determined excludable by the Social Security Administration as a result of an approved Social Security Administration work incentive.

d. If an individual does not qualify for federally funded or state-funded services or other support but meets all income, resource, and functional eligibility requirements of this chapter, the following types of resources shall additionally be considered exempt from consideration in eligibility determination:

- (1) A retirement account that is in the accumulation stage.
 - (2) A medical savings account.
 - (3) An assistive technology account.
 - (4) A burial account or trust limited in value as to that allowed in the medical assistance program.
- e. An individual who is eligible for federally funded services and other support must apply for and accept such funding and support.

25.16(3) Copayment standards. A regional administrative entity must comply with copayment standards as defined in Iowa Code section 331.395.

a. Copayments are allowed for individuals with income above 150 percent of the federal poverty level.

b. Copayments in this rule are related to core services as defined in Iowa Code section 331.397.

25.16(4) Copayment standards required by any federal, state, regional, or municipal program. Any copayments or other client participation required by any federal, state, regional or municipal program in which the individual participates shall be required by the regional administrative entity. Such copayments include, but are not limited to:

a. Client participation for maintenance in a residential care facility through the state supplementary assistance program.

b. The financial liability for institutional services paid by counties as provided in Iowa Code section 230.15.

c. The financial liability for attorney fees related to commitment as provided by Iowa Code section 229.8.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.17(331) Exempted counties. If a county has been exempted pursuant to Iowa Code section 331.389 from the requirement to enter into a regional service system, the county and the county's board of supervisors shall fulfill all the requirements of this chapter for a regional service system management plan.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.18(331) Annual service and budget plan. The annual service and budget plan shall describe the services to be provided and the cost of those services for the ensuing year.

25.18(1) The annual service and budget plan is due on April 1 prior to the July 1 implementation of the annual plan and shall be approved by the region's governing board prior to submittal to the department. The initial plan is due on April 1, 2014.

25.18(2) The annual service and budget plan shall include but not be limited to:

a. The locations of the local access points for services. This shall include the name of the access points including the physical locations and contact information.

b. Targeted case management. The targeted case management agencies for the region, including the physical location and contact information for those agencies, shall be included.

c. Crisis planning. The plan for ensuring effective crisis prevention, response and resolution, including contact information for the agencies responsible, shall be included.

d. Scope of services. A description of the scope of services to be provided, a projection of need for the service, and the funding necessary to meet the need shall be included.

(1) The scope shall include the regional core services as defined in rule 441—25.1(331).

(2) The scope shall also include services in addition to the required core services.

e. Budget and financing provisions for the next year. The provisions shall address how county, regional, state and other funding sources will be used to meet the service needs within the region.

f. Financial forecasting measures. The plan shall describe the financial forecasting measures used in the identification of service need and funding necessary for services.

g. The provider reimbursement provisions. The plan shall describe the types of reimbursement methods that will be used, including fee for service, compensating providers for a "system of care" approach, and use of nontraditional providers. A region also shall provide funding approaches that

identify and incorporate all services and sources of funding used by the individuals receiving services, including the medical assistance program.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.19(331) Annual service and budget plan approval. The annual service and budget plan shall be submitted by April 1, 2014, as a part of the region's management plan for the fiscal year beginning July 1, 2014. The director shall review all regional annual service and budget plans submitted by the dates specified. If the director finds the regional annual service and budget plan in compliance with these rules and state and federal laws, the director may approve the plan. A plan approved by the director for the fiscal year beginning July 1, 2014, shall remain in effect until June 30, 2015, subject to amendment.

25.19(1) Criteria for acceptance. The director shall determine a plan is acceptable when it contains all the required information, meets the criteria described in this division, and is in compliance with all applicable state and federal laws. The director may request additional information to determine whether or not the plan contains all the required information and meets criteria described in this division.

25.19(2) Notification. Except as specified in subrule 25.19(3), the director shall notify the region in writing of the decision on the plan by June 1, 2014. The decision shall specify that either:

a. The annual service and budget plan is approved as it was submitted, either with or without supplemental information already requested and received.

b. The annual service and budget plan will not be approved until revisions are made. The letter will specify the nature of the revisions requested and the time frames for their submission.

25.19(3) Review of late submittals. The director may review plans not submitted by April 1, 2014, after all plans submitted by that date have been reviewed. The director will proceed with the late submittals in a timely manner.

25.19(4) Amendments. An amendment to the annual service and budget plan shall be approved by the regional governance board and submitted to the department at least 45 days before the date of implementation. Before implementation of any amendment to the plan, the director must approve the amendment.

a. *Criteria for acceptance.* The director shall determine an amendment is acceptable when it contains all the required information and meets the criteria described in this division for the applicable part of the annual service and budget plan and is in compliance with all applicable state and federal laws. The director may request additional information to determine whether or not the amendment contains all the required information and meets criteria described in this division.

b. *Notification.* The director shall notify the region, in writing, of the decision on the amendment within 45 days of receipt of the amendment. The decision shall specify either that:

(1) The amendment is approved as it was submitted, either with or without supplemental information already requested and received.

(2) The amendment is not approved. The notification will include why the amendment is not approved.

25.19(5) Reconsideration. Regions dissatisfied with the director's decision on a plan or an amendment may file a letter with the director requesting reconsideration. The letter requesting reconsideration must be received within 30 working days of the date of the notice of decision and shall include a request for the director to review the decision and the reasons for dissatisfaction. Within 30 working days of the receipt of the letter requesting reconsideration, the director will review both the reconsideration request and evidence provided. The director shall issue a final decision in writing.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.20(331) Annual report. The annual report shall describe the services provided, the cost of those services, the number of individuals served, and the outcomes achieved for the previous fiscal year. The annual report is due on December 1 following a completed fiscal year of implementing the annual service and budget plan. The initial report is due on December 1, 2015. The annual report shall include but not be limited to:

1. Services actually provided.
2. Actual numbers of individuals served.

3. Moneys expended.
4. Outcomes achieved.

[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.21(331) Policies and procedures manual for the regional service system. The policies and procedures manual shall describe the policies and process developed to direct the management and administration of the regional service system. The initial manual is due on April 1, 2014, and will remain in effect subject to amendment.

25.21(1) Content. The manual shall include but not be limited to:

a. Financing and delivery of services and supports. A description of the region's process used to develop and ensure the ongoing financial accountability and delivery of services outlined in the region's annual service and budget plan shall be included.

b. Enrollment. The application and enrollment process that is readily accessible to applicants and their families or authorized representatives shall be included. This procedure shall identify regional access points and where applicants can apply for services and how and when the applications will reach the regional administrative entity's designated staff for processing.

c. Eligibility. The process utilized to determine eligibility shall be included in the manual and shall include but not be limited to:

(1) The criteria used to authorize or deny funding for services and supports. This shall include guidelines for who is eligible to receive services and supports by eligibility group, and type of service or support.

(2) Financial eligibility and copayment criteria, which shall meet the requirements of rule 441—25.16(331).

(3) The time frames for conducting eligibility determination that provide for timely access to services, including necessary and immediate services not to exceed ten days.

(4) The process for development of a written notice of decision. The time frame for sending a written notice of decision to the individual and guardian (if applicable) and the service providers identified in the notice shall be included. The notice of decision shall:

1. Explain the action taken on the application and the reasons for that action.
2. State what services are approved and name the service providers.
3. Outline the applicant's right to appeal.
4. Describe the appeal process.

d. Utilization of and access to services. The process for managing utilization of and access to services and other assistance shall be included. The process shall describe how coordination between the services included in the annual service and budget plan and the disability services administered by the state and others will be managed.

e. Quality management and improvement process. The quality management and improvement process shall at a minimum meet the requirements of the department's outcome and performance measures process as outlined in Iowa Code sections 225C.4(1)"j" and 225C.6A.

f. Risk management and fiscal viability. If the region contracts with a private entity, the manual must include risk management provisions and fiscal viability of the annual services and budget plan.

g. Targeted case management.

(1) Designation of targeted case management providers. The process used to identify and designate targeted case management providers for the region shall be described. This process shall include the requirement for the implementation of evidence-based practice models of case management within the region. Requirements of this practice include:

1. Providing the individual receiving the case management with a choice of providers.
2. Allowing a service provider to be the case manager but prohibiting the provider from referring that individual only to services administered by the provider.
3. Provisions to ensure compliance with, but not exceed, federal requirements for conflict-free case management.

(2) Qualifications of targeted case managers. A region's manual shall require that any targeted case managers or other persons providing service coordination while working for the designated provider meet the qualifications of qualified case managers and supervisors as defined in rule 441—24.1(225C).

(3) Targeted case management and service coordination services. Targeted case management and service coordination services utilized in a regional service system shall include but are not limited to the following as defined in Iowa Code section 331.393(4) "g":

1. Performance and outcome measures relating to the health, safety, work performance, and community residency of the individuals receiving the services.

2. Standards for delivery of the services, including but not limited to the social history, assessment, service planning, incident reporting, crisis planning, coordination, and monitoring for individuals receiving the services.

3. Methodologies for complying with the requirements of paragraph 25.21(1) "g." Methodologies may include the use of electronic record keeping and remote or Internet-based training.

h. System of care approach plan.

i. Decentralized service provision. Measures to provide services in a dispersed manner that meet the minimum access standards of core services and that utilize the strengths and assets of the service providers within and available to the region shall be included.

j. Provider network formation and management. The manual shall require that providers that are subject to license, accreditation or approval meet established standards. The manual shall detail the approval process, including criteria, developed to select providers that are not currently subject to license, accreditation or approval standards. The manual shall identify the process the regional administrative entity will use to contract with providers and manage the provider network to ensure it meets the needs of the individuals in the region. The provider network will include but is not limited to the following:

(1) A contract with a community mental health center that provides services in the individual's region or with a federally qualified health center that provides psychiatric and outpatient mental health services in the individual's region.

(2) Contracts with licensed and accredited providers to provide each service in the required core service domains.

(3) Adequate numbers of licensed and accredited providers to ensure availability of core services so that there is no waiting list for services due to lack of available providers.

(4) A contract with an inpatient psychiatric hospital unit or state mental health institute within reasonably close proximity.

k. Service provider payment provisions. A policy for payment of service providers which describes the method and process of paying for services and supports delivered to the region shall be included.

l. Grievance processes. The manual shall develop and implement processes for appealing the decisions of the regional administrative entity in the following circumstances:

(1) Nonexpedited appeal process. The appeal process shall be based on objective criteria, specify time frames, provide for notification in accessible formats of the decisions to all parties, and provide some assistance to individuals with disabilities using the process. Responsibility for the final step in the appeal process shall be a state administrative law judge in nonexpedited appeals.

(2) Expedited appeal process. This appeal process is to be used when the decision of the regional administrative entity concerning an individual varies from the type and amount of service identified to be necessary for the individual in a clinical determination made by a mental health professional and the mental health professional believes that the failure to provide the type and amount of service identified could cause an immediate danger to an individual's health or safety. This appeal process shall be performed by a mental health professional who is either the administrator of the division of mental health and disability services of the department of human services or the administrator's designee.

1. The appeal shall be filed within five days of receipt of the notice of decision by the regional administrative entity.

2. The expedited review by the division administrator or designee shall take place within two days of receipt of the request, unless more information is needed. There is an extension of two days from the time the new information is received.

3. The administrator shall issue an order, including a brief statement of findings of fact, conclusions of law, and policy reasons for the order, to justify the decision made concerning the expedited review. If the decision concurs with the contention that there is an immediate danger to the individual's health or safety, the order shall identify the type and amount of service which shall be provided for the individual. The administrator or designee shall give such notice as is practicable to individuals who are required to comply with the order. The order is effective when issued.

4. The decision of the administrator or designee shall be considered a final agency action and is subject to judicial review in accordance with Iowa Code section 17A.19.

m. Implementation of interagency and multisystem collaboration and care coordination. The policies and procedures manual shall describe how the region will collaborate with other funders, other regional service systems, service providers, case management, individuals and their families or authorized representatives, and advocates to ensure that authorized services and supports are responsive to individuals' needs, consistent with system principles, and cost-efficient. The manual shall describe the process for collaboration with the court to ensure alternatives to commitment and to coordinate funding for services to individuals who are under court-ordered commitment services pursuant to Iowa Code chapter 229.

n. Addressing multioccurring needs. The policies and procedures manual shall include criteria and measures to be used to address the needs of individuals who have two or more co-occurring mental health, intellectual or other developmental disability, brain injury, or substance-related disorders. The manual shall also include criteria and measures to be used to address the needs of individuals with specialized needs.

o. Service management and functional assessment. The policies and procedures manual shall describe how functional assessments and service management will be incorporated in accordance with applicable requirements.

p. Service system management. The policies and procedures manual shall identify whether the region will be directly implementing a system of service management or will contract with a private entity to manage the regional service system. If the region contracts with a private entity, the region will ensure that all requirements of Iowa Code section 331.393 and these administrative rules are fulfilled.

q. Assistance to other than core service populations. The policies and procedures manual shall specify the services populations, other than core service populations, to whom the region will provide assistance if funding is available.

r. Waiting list criteria. The policies and procedures manual shall specify whether the region will use waiting lists. If the policy and procedures manual specifies the use of waiting lists for funding services and supports, it shall specify criteria for the use and review of each waiting list, including the criteria to be used to determine how and when an individual will be placed on a waiting list. The criteria will include how core services and additional core services will be impacted the least by budgetary limitations. The manual shall specify how waiting list data will be used in future planning.

25.21(2) Approval. The manual shall be submitted by April 1, 2014, as a part of the region's management plan for the fiscal year beginning July 1, 2014. The manual shall be approved by the region's governing board and is subject to approval by the director of human services. The director shall review all regional annual service and budget plans submitted by the dates specified. If the director finds the manual in compliance with these rules and state and federal laws, the director may approve the plan. A plan approved by the director for the fiscal year beginning July 1, 2014, shall remain in effect subject to amendment.

a. Criteria for acceptance. The director shall determine a plan is acceptable when it contains all the required information, meets the criteria described in this division, and is in compliance with all applicable state and federal laws. The director may request additional information to determine whether or not the plan contains all the required information and meets criteria described in this division.

b. Notification.

(1) Except as specified in subparagraph 25.21(2)“b”(2), the director shall notify the region in writing of the decision on the plan by June 1, 2014. The decision shall specify that either:

1. The policies and procedures manual is approved as it was submitted, either with or without supplemental information already requested and received.

2. The policies and procedures manual will not be approved until revisions are made. The letter will specify the nature of the revisions requested and the time frames for their submission.

(2) Review of late submittals. The director may review manuals not submitted by April 1, 2014, after all manuals submitted by that date have been reviewed. The director will proceed with the late submittals in a timely manner.

25.21(3) Amendments. An amendment to the policy and procedures manual shall be approved by the regional governance board and submitted to the department at least 45 days before the date of implementation. Before implementation of any amendment to the manual, the director must approve the amendment.

a. Criteria for acceptance. The director, in consultation with the state commission, shall determine an amendment is acceptable when it contains all the required information and meets the criteria described in this division for the applicable part of the policy and procedures manual and is in compliance with all applicable state and federal laws. The director may request additional information to determine whether or not the amendment contains all the required information and meets criteria described in this division.

b. Notification. The director shall notify the region, in writing, of the decision on the amendment within 45 days of receipt of the amendment. The decision shall specify either that:

(1) The amendment is approved as it was submitted, either with or without supplemental information already requested and received.

(2) The amendment is not approved. The notification will explain why the amendment is not approved.

25.21(4) Reconsideration. Regions dissatisfied with the director’s decision on a manual or an amendment may file a letter with the director requesting reconsideration. The letter of reconsideration must be received within 30 working days of the date of the notice of decision and shall include a request for the director to review the decision and the reasons for dissatisfaction. Within 30 working days of the receipt of the letter requesting reconsideration, the director will review both the reconsideration request and evidence provided. The director shall issue a final decision in writing.

These rules are intended to implement Iowa Code sections 331.388 to 331.398.
[ARC 1173C, IAB 11/13/13, effective 1/1/14]

441—25.22 to 25.40 Reserved.

DIVISION III
MINIMUM DATA SET

441—25.41(331) Minimum data set. Each county shall maintain data on all clients served through the MH/DD services fund.

25.41(1) Submission of data. Each county shall submit to DHS a copy of the data regarding each individual that the county serves through the central point of coordination process.

a. DHS state payment program, state supplementary assistance program, mental health institutes, state resource centers, Medicaid program, and Medicaid managed care contractors shall provide the equivalent data in a compatible format on the same schedule as the required submission from the counties.

b. DHS shall maintain the data in the data analysis unit for research and analysis purposes only. Only summary data shall be reported to policymakers or the public.

25.41(2) Data required. The data to be submitted are as follows:

a. Basic client information including a unique identifier, name, address, county of residence and county of legal settlement.

b. The state I.D. number for state payment cases.

c. Demographic information including date of birth, sex, ethnicity, marital status, education, residential living arrangement, current employment status, monthly income, income sources, type of insurance, insurance carrier, veterans' status, guardianship status, legal status in the system, source of referral, diagnosis in the current version of the DSM, diagnosis in the current version of the ICD, disability group (i.e., intellectual disability, developmental disability, chronic mental illness, mental illness), central point of coordination (county number preceded by A 1), and central point of coordination (CPC) name.

d. Service information including the decision on services, date of decision, date client terminated from CPC services and reason for termination, residence, approved service, service beginning dates, service ending dates, reason for terminating each service, approved units of services, unit rate for service, expenditure data, and provider data.

e. Counties shall not be penalized in any fashion for failing to collect data elements in situations of crisis or in outreach efforts to identify or engage people in needed mental health services. For the purposes of this rule:

(1) Situations of crisis include but are not limited to voluntary and involuntary hospitalizations, legal and transportation services associated with involuntary hospitalizations, emergency outpatient services, mobile crisis team services, jail diversion services, mental health services provided in a county jail, and other services for which the county is required to pay but does not have access to the client to collect the required information.

(2) Outreach efforts to identify or engage people in needed mental health services include but are not limited to mental health advocate services; services for homeless persons, refugees, or other legal immigrants; services for state cases who do not have documentation with them and are unable to help the county locate appropriate records; consultation; education to raise public awareness; 12-step or other support groups for persons with dual disorders; and drop-in centers.

f. Although all of the data in the minimum data set are important to provide support for program analysis, a county shall be penalized for noncompliance with this rule if the county does not provide 100 percent reporting of the data elements listed in this paragraph. Beginning with the data reported for state fiscal year 2008, less than 100 percent reporting for the following items shall be viewed as noncompliance unless the data are exempted by paragraph "e":

(1) Client identifiers:

1. Lname3 (the first three letters of the client's last name).
2. Last4SSN (the last four digits of the client's social security number).
3. SEX (the client's sex).
4. BDATE (the client's birth date).

(2) CPC (central point of coordination).

(3) Payment information:

1. PYMTDATE (CoMIS payment date).
2. FUND CODE (CoMIS fund code).
3. DG (CoMIS diagnosis).
4. COACODE (CoMIS chart of accounts code).
5. BEGDATE (CoMIS service beginning date).
6. ENDDATE (CoMIS service ending date).
7. UNITS (CoMIS units of service).
8. COPD (CoMIS county paid).

(4) ValidSSN (valid social security number indicator).

(5) IsPerson (IsPerson indicator).

g. Although all of the data in the minimum data set are important to provide support for program analysis, a county shall be penalized for noncompliance with this rule if the county does not provide 90 percent reporting of the data elements listed in this paragraph beginning with the data reported for fiscal year 2008. Less than 90 percent reporting for the following items shall be viewed as noncompliance unless the data are exempted by paragraph "e":

- (1) Application Date (application date).

- (2) RESCO (residence county).
- (3) LEGCO (legal county).
- (4) Provider ID (vendor number).

h. The department shall analyze the data received on or before December 1 each year by December 15 or by the next business day if December 15 falls on a weekend or holiday.

(1) When a county’s data submission does not meet the specifications in paragraph “*f*” or “*g*,” the department will notify the county by E-mail.

(2) The county shall have 30 days from the date of the E-mail notice to submit the missing data or to provide an explanation of why the data cannot be reported.

(3) If the county does not report the data or provide an adequate explanation within 30 days, the department shall find the county in noncompliance.

i. The department shall post the aggregate reports received by December 1 on the department’s Web site within 90 days.

25.41(3) Method of data collection. A county may choose to collect this information using the county management information system (CoMIS) that was designed by the department or may collect the information through some other means. If a county chooses to use another system, the county must be capable of supplying the information in the same format as CoMIS.

a. Except as provided in subparagraph (3), each county shall submit the following files in Microsoft Excel format (version 97 to 2000) or comma-delimited text file (CSV) format using data from the associated CoMIS table or from the county’s chosen management information system:

<u>Files to submit</u>	<u>Associated CoMIS Table</u>
WarehouseClient.xls or WarehouseClient.csv	Client Data
WarehouseIncome.xls or WarehouseIncome.csv	Income Review
WarehousePayment.xls or WarehousePayment.csv	Payment
WarehouseProvider.xls or WarehouseProvider.csv	Provider
WarehouseProviderServices.xls or WarehouseProviderServices.csv	tblProviderServices
WarehouseService.xls or WarehouseService.csv	Service Authorizations

(1) Paragraphs “*b*” through “*g*” list the data required in each file and specify the structure or description for each data item to be reported.

(2) The field names used in the report files must be exactly the same as indicated in the corresponding paragraph, including spaces, and must be entered in the first row for each sheet.

(3) The file labeled WarehouseService.xls or WarehouseService.csv or service authorization (described in paragraph “*g*” of this subrule) shall be removed from this requirement on June 30, 2011, if data from this file have not been used by that date.

b. File name: WarehouseClient.xls or WarehouseClient.csv.

Sheet name: Warehouse_Client_Transfer_Query.

Field Name	Data Type	Field Size	Format	Description
CPC	Number	3	0 decimal places	Central point of coordination number: county number preceded by a 1
RESCO	Number	3	0 decimal places	Residence county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
LEGCO	Number	3	0 decimal places	Legal county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute

Field Name	Data Type	Field Size	Format	Description
Lname3	Text	3		The first 3 characters of the last name
Last4SSN	Text	4		The last 4 digits of the client's social security number. If that number is unknown, then use the last 4 digits of the CLIENT ID# field and mark column "ValidSSN" with the value "No."
BDATE	Date	10	mm/dd/yyyy	Date of client's birth
SEX	Text	1		Sex of client: M = Male F = Female
Last Update	Date	10	mm/dd/yyyy	Date of last update to client record
SID	Text	8	9999999a	State identification number of client, if applicable (format of a valid number is 7 digits plus 1 alphabetical character).
ADD1	Text	50		First address line
ADD2	Text	50		Second address line (if applicable)
CITY	Text	50		City address line
STATE	Text	2		State code
ZIP	Number	5	0 decimal places	5-digit ZIP code
ETHN	Number	1	0 decimal places	Ethnicity of client: 0 = Unknown 1 = White, not Hispanic 2 = African-American, not Hispanic 3 = American Indian or Alaskan native 4 = Asian or Pacific Islander 5 = Hispanic 6 = Other (biracial; Sudanese; etc.)
MARITAL	Number	1	0 decimal places	Marital status of client: 1 = Single, never married 2 = Married (includes common-law marriage) 3 = Divorced 4 = Separated 5 = Widowed
EDUC	Number	2	0 decimal places	Education level of the client
RARG	Number	2	0 decimal places	Residential arrangement of client: 1 = Private residence/household 2 = State MHI 3 = State resource center 4 = Community supervised living 5 = Foster care or family life home 6 = Residential care facility 7 = RCF/MR 8 = RCF/PMI 9 = Intermediate care facility 10 = ICF/MR 11 = ICF/PMI 12 = Correctional facility 13 = Homeless shelter or street 14 = Other
LARG	Number	1	0 decimal places	Living arrangement of client: 1 = Lives alone 2 = Lives with relatives 3 = Lives with persons unrelated to client
INS	Number	1	0 decimal places	Health insurance owned by client: 1 = Client pays 3 = Medicaid 4 = Medicare 5 = Private third party 6 = Not insured 7 = Medically Needy

Field Name	Data Type	Field Size	Format	Description
INSCAR	Text	50		First insurance company name, if applicable
INSCAR1	Text	50		Second insurance company name, if applicable
INSCAR2	Text	50		Third insurance company name, if applicable
VET	Text	1		Veteran status of client: Y = Yes N = No
CONSERVATOR	Number	1	0 decimal places	Conservator status of client: 1 = Self 2 = Other
GUARDIAN	Number	1	0 decimal places	Guardian status of client: 1 = Self 2 = Other
LEGSTAT	Number	1	0 decimal places	Legal status of client: 1 = Voluntary 2 = Involuntary, civil commitment 3 = Involuntary, criminal commitment
REFSO	Number	1	0 decimal places	Referral source of client: 1 = Self 2 = Family or friend 3 = Targeted case management 4 = Other case management 5 = Community corrections 6 = Social service agency other than case management 7 = Other
DSM (current version)	Text	50		DSM (current version) diagnosis code of client
ICD (current version)	Text	50		ICD (current version) diagnosis code (optional for county use; not tied to CoMIS entry)
DG	Number	2	0 decimal places	Disability group of client: 40 = Mental illness 41 = Chronic mental illness 42 = Mental retardation 43 = Other developmental disability 44 = Other categories
Application Date	Date	10	mm/dd/yyyy	Date of client's initial application
Outcome decision	Number	1	0 decimal places	Decision on client's application: 1 = Application accepted 2 = Application denied 3 = Decision pending
Decision date	Date	10	mm/dd/yyyy	Date decision was made on client's application
Denial reason	Text	2		Denial reason code: 00 = Not applicable 01 = Over income guidelines 1A = Over resource guidelines 02 = Does not meet county plan criteria 2A = Legal settlement in another county 2B = State case 3A = Brain injury 3B = Alzheimer's 3C = Substance abuse 3D = Other 04 = Does not meet service plan criteria 05 = Client desires to discontinue process 5A = Client fails to return requested information

Field Name	Data Type	Field Size	Format	Description
Client exit date from CPC	Date	10	mm/dd/yyyy	Date client was terminated from CPC services
Exit reason	Number	1	0 decimal places	Reason client left the CPC system: 0 = Unknown 1 = Client voluntarily withdrew 2 = Client deceased 3 = Unable to locate consumer 4 = Ineligible due to reasons other than income 5 = Ineligible, over income guidelines 6 = Client moved out of state 7 = Client no longer needs service 8 = Client has legal settlement in another county
Review Date	Date	10	mm/dd/yyyy	Date of last application review
PhoneNumber	Text	50		Phone number of client
ValidSSN	Text	3	Generated for CoMIS users in the data extract only	Populate this field with YES if the client has a valid social security number. If the client does not have a valid social security number, populate this field with NO.
IsPerson	Text	3	Generated for CoMIS users in the data extract only	Populate this field with YES if the client is a person. If the client entry represents a nonperson such as administrative costs, populate this field with NO.

c. File name: WarehouseIncome.xls or WarehouseIncome.csv.

Sheet name: Warehouse_Income_Transfer_Query.

Field Name	Data Type	Field Size	Format	Description
CPC	Number	3	0 decimal places	Central point of coordination number: county number preceded by a 1
RESCO	Number	3	0 decimal places	Residence county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
LEGCO	Number	3	0 decimal places	Legal county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
Lname3	Text	3		The first 3 characters of the last name
Last4SSN	Text	4		The last 4 digits of the client's social security number. If that number is unknown, then use the last 4 digits of the CLIENT ID# field and mark column "ValidSSN" with the value "No."
BDATE	Date	10	mm/dd/yyyy	Date of client's birth
SEX	Text	1		Sex of client: M = Male F = Female

Field Name	Data Type	Field Size	Format	Description
EMPL	Number	2	0 decimal places	Employment situation of client: 1 = Unemployed, available for work 2 = Unemployed, unavailable for work 3 = Employed full-time 4 = Employed part-time 5 = Retired 6 = Student 7 = Work activity employment 8 = Sheltered work employment 9 = Supported employment 10 = Vocational rehabilitation 11 = Seasonally employed 12 = In the armed forces 13 = Homemaker 14 = Other or not applicable 15 = Volunteer
House Hold Size	Number	2	0 decimal places	Number of people in client's household
INCSOUR	Number	2	0 decimal places	Primary income source of client: 1 = Family and friends 2 = Private relief agency 3 = Social security disability benefits 4 = Supplemental Security Income 5 = Social security benefits 6 = Pension 7 = Food assistance 8 = Veterans benefits 9 = Workers compensation 10 = General assistance 11 = Family investment program (FIP) 12 = Wages
Public Assistance Payments	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Social Security	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Social Security Disability	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
SSI	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
VA Benefits	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
R/R Pension	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Child Support	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Employment Wages	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Dividend Interest	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Other Income	Currency	14	2 decimal places	Monthly dollar amount for this income source (where applicable)
Description 1	Text	50		Description of "Other Income"
Cash on hand	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Checking	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Savings	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Stocks/Bonds	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Time Certificates	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)

Field Name	Data Type	Field Size	Format	Description
Trust Funds	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Other Resources	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Description 2	Text	50		Description of "Other Resources" (where applicable)
Other Resources 2	Currency	14	2 decimal places	Dollar amount for this resource type (where applicable)
Description 3	Text	50		Description of "Other Resources 2"
Date reviewed	Date	10	mm/dd/yyyy	Date income was last reviewed (where applicable)

d. File name: WarehousePayment.xls or WarehousePayment.csv. Sheet name: Warehouse_Payment_Transfer_Quer.

Field Name	Data Type	Field Size	Format	Description
CPC	Number	3	0 decimal places	Central point of coordination number: county number preceded by a 1
RESCO	Number	3	0 decimal places	Residence county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
LEGCO	Number	3	0 decimal places	Legal county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
Lname3	Text	3		The first 3 characters of the last name
Last4SSN	Text	4		The last 4 digits of the client's social security number. If that number is unknown, use the last 4 digits of the CLIENT ID# field and mark column "ValidSSN" with the value "No."
BDATE	Date	10	mm/dd/yyyy	Date of client's birth
SEX	Text	1		Sex of client: M = Male F = Female
PYMTDATE	Date	10	mm/dd/yyyy	Date county approves or makes payment
VENNAME	Text	50		Vendor or provider paid
COCODE	Number	3	0 decimal places	County where service was provided
FUND CODE	Text	10		Fund code for payment
DG	Number	2	0 decimal places	Disability group code for payment: 40 = Mental illness 41 = Chronic mental illness 42 = Mental retardation 43 = Other developmental disability 44 = Other categories
COACODE	Number	5	0 decimal places	Chart of accounts code for payment
BEGDATE	Date	10	mm/dd/yyyy	Beginning date of payment period
ENDDATE	Date	10	mm/dd/yyyy	Ending date of payment period
UNITS	Number	4	0 decimal places	Number of service units for payment
COPD	Currency	14	2 decimal places	Amount paid by the county
RECEIVED	Currency	14	2 decimal places	Amount received for reimbursement (if applicable)

e. File name: WarehouseProvider.xls or WarehouseProvider.csv. Sheet name: Warehouse_Provider_Transfer_Que. (If the provider has more than one office location, enter information for the headquarters office.)

Field Name	Data Type	Field Size	Format	Description
Provider ID	Text	50		Provider identifier (tax ID code)
Provider Name	Text	50		Provider name
Provider Address1	Text	50		Provider address line 1
Provider Address2	Text	50		Provider address line 2 (if applicable)
City	Text	50		Provider city
State	Text	2		Provider state code
Zip	Text	10		Provider ZIP code
COCODE	Number	3	0 decimal places	Provider county code
PhoneNumber	Text	50		Provider phone number
Date of Last Update	Date	10	mm/dd/yyyy	Provider last updated date

f. File name: WarehouseProviderServices.xls or WarehouseProviderServices.csv. Sheet name: Warehouse_Provider_Services_Tra.

Field Name	Data Type	Field Size	Format	Description
Provider ID	Text	50		Provider identifier (tax ID code)
Provider Name	Text	50		Provider name
FUND CODE	Text	10		Fund code for payment
DG	Number	2	0 decimal places	Disability group code for payment: 40 = Mental illness 41 = Chronic mental illness 42 = Mental retardation 43 = Other developmental disability 44 = Other categories
COACODE	Number	5	0 decimal places	Chart of accounts code for service
RATE	Currency	14	2 decimal places	Payment rate

g. File name: WarehouseService.xls or WarehouseService.csv. Sheet name: Warehouse_Service_Transfer_Quer.

Field Name	Data Type	Field Size	Format	Description
CPC	Number	3	0 decimal places	Central point of coordination number: county number preceded by a 1
RESCO	Number	3	0 decimal places	Residence county of client: 1-99 = County number 100 = State of Iowa 900 = Undetermined or in dispute
LEGCO	Number	3	0 decimal places	Legal county of client: 1-99 = County number 100 = State of Iowa 200 = Iowa nonresident 900 = Undetermined or in dispute
Lname3	Text	3		The first 3 characters of the last name
Last4SSN	Text	4		The last 4 digits of the client's social security number. If that number is unknown, then use the last 4 digits of the CLIENT ID# field and mark column "ValidSSN" with the value "No."
BDATE	Date	10	mm/dd/yyyy	Date of client's birth
SEX	Text	1		Sex of client: M = Male F = Female

Field Name	Data Type	Field Size	Format	Description
FUND CODE	Text	10		Fund code for service
DG	Number	2	0 decimal places	Disability group code for payment: 40 = Mental illness 41 = Chronic mental illness 42 = Mental retardation 43 = Other developmental disability 44 = Other category
COACODE	Number	5	0 decimal places	Chart of accounts code for service
Begin Date	Date	10	mm/dd/yyyy	Beginning date of service period
End Date	Date	10	mm/dd/yyyy	Ending date of service period
Ending Reason	Number	1	0 decimal places	Reason for terminating approval of service: 0 = NA 1 = Voluntary withdrawal 2 = Client no longer needs service 3 = Ineligible, over income guidelines 4 = Ineligible due to other than income 5 = Client moved out of state 6 = Client deceased 7 = Reauthorization
Units	Number	4	0 decimal places	Average number of service units approved monthly
Rate	Currency	14	2 decimal places	Dollar amount per service unit
Review Date	Date	10	mm/dd/yyyy	Date for next service review

This rule is intended to implement Iowa Code sections 331.438 and 331.439.
[ARC 2164C, IAB 9/30/15, effective 10/1/15]

441—25.42 to 25.50 Reserved.

DIVISION IV
INCENTIVE AND EFFICIENCY POOL FUNDING

PREAMBLE

These rules establish requirements for counties to receive funding from the incentive and efficiency pool. To be eligible for these funds, a county must select five performance indicators, submit a proposal, collect data, report data, and show improvement over time on the selected performance indicators.

441—25.51(77GA, HF2545) Desired results areas. In order to receive funds from the incentive and efficiency pool established in 1998 Iowa Acts, House File 2545, section 8, subsection 2, each county shall collect and report performance measure data in the following areas:

25.51(1) Equity of access. Each county shall measure the extent to which services are available and used. Each county shall:

a. Report annually the total number of consumers served, as well as an unduplicated total of the number of consumers served by disability category.

b. Calculate and report annually the percentage of service provision by dividing the number of consumers served in a year by the county's population as defined in 1998 Iowa Acts, House File 2545, section 7.

c. Calculate and report annually the percentage of denial of access by dividing the number of new, completed applications denied by the total number of new applications for service that year. A new, completed application shall be defined as an initial application of a consumer or any former consumer who is reapplying for service eligibility after more than 30 days of not being enrolled in the system, for which the consumer has supplied the information required on the application form.

d. Report annually the county's eligibility guidelines, which may include, but are not limited to, the income level below which an individual or family must be in order to be eligible for county-funded

services, the maximum amount of resources which an individual or family may have in order to be eligible for county-funded services, covered populations, and service access criteria.

25.51(2) Community-based supports. Each county shall measure the extent to which community-based supports are available and used. Each county shall calculate and report annually:

a. The service setting percentage by dividing the unduplicated number of persons served in each of the following service settings in a fiscal year by the total unduplicated number of consumers served, both in total and by population group: mental health institutes, state hospital schools, intermediate care facilities for the mentally retarded, other living arrangements over five beds as captured by the county chart of accounts, and employment settings which include sheltered workshops, enclaves and supported employment.

b. The home-based percentage by subtracting the number of consumers currently being served in residential placements from the total unduplicated number of consumers served, and dividing the difference by the total number of consumers served. The calculation shall be made both in total and by population group.

c. The inpatient spending percentage by dividing the amount the county spent for inpatient services by the amount the county spent for outpatient services. Each county shall also divide the unduplicated number of consumers who received inpatient services during the fiscal year by the total unduplicated number of consumers who received services during that same fiscal year. Inpatient services shall be defined as any acute care for which the county is wholly or partially financially responsible.

25.51(3) Consumer participation. Each county shall measure the extent to which consumers participate in all aspects of the service system.

a. Each county shall report annually on the number of opportunities during the year for consumers to participate in planning activities, which may include, but are not limited to, open forums, focus groups, consumer advisory committee meetings, and planning council meetings by calculating the total number of consumers participating in these activities and dividing by the unduplicated number of consumers served and also by the total population of the county. In addition, the county shall report duplicated and unduplicated total attendance at all of these meetings. These calculations shall be made for consumers and family members separately.

b. Each county which has a planning group shall calculate and report annually the planning group percentage by dividing the number of consumers who actively serve on the planning group by the total number of people on the planning group. This calculation shall be made for consumers and family members separately. For the purposes of this subrule, a planning group is any group of individuals designated by the board of supervisors, or if no designation has been made, any group acknowledged by the central point of coordination administrator as assisting in the development of the county management plan.

c. Each county shall conduct a consumer satisfaction survey following adoption of more detailed rules for the survey.

25.51(4) Administration. Each county shall measure the extent to which the county services system is administered efficiently and effectively. Each county shall:

a. Calculate and report annually the administrative cost percentage by dividing the amount spent administering the county services system by the total amount spent from the services fund for the fiscal year.

b. Calculate and report annually the service responsiveness average by measuring the number of days between the date a new, completed application was submitted and the date a notice of decision of eligibility was sent to the consumer, adding all of these numbers of days, and dividing by the total number of new, completed applications for the fiscal year. A new, completed application shall be defined as an initial application of a consumer or an application of any former consumer who is reapplying for service eligibility after more than 30 days of not being enrolled in the system, for which the consumer has supplied the information required on the application form.

c. Report annually the number of appeals filed as a percent of the unduplicated total number of consumers served per year.

441—25.52(77GA, HF2545) Methodology for applying for incentive funding. Beginning with the county management plan for the fiscal year which begins July 1, 1999, each county applying for funding under 1998 Iowa Acts, House File 2545, section 8, subsection 2, shall include with its county management plan a performance improvement proposal for improving the county's performance on at least five performance measures. Three of the measures must be selected from at least two of the desired results areas stated in rule 441—25.51(77GA, HF2545). For the remaining two measures, the county either may propose measures not identified in these rules or may use measures described in these rules. A performance improvement proposal is not a mandatory element of a county management plan.

25.52(1) *Performance improvement proposal.* Each county shall identify the performance measures which the county has targeted for improvement and shall propose a percentage change for each indicator. The proposal shall include the county's rationale for selecting the indicators and may include any supporting information the county deems necessary. The proposal shall describe the process the county will use to involve consumers in the evaluation.

25.52(2) *Committee responsibility.* The state county management committee shall review all county proposals, and may either accept the proposal, request modifications, or reject the proposal. In order to interpret and provide context for each county's performance improvement proposal, the state county management committee shall, by January 1, 1999, establish the background data to be collected and aggregated for all counties.

25.52(3) *County ineligibility.* A county which does not have an accepted proposal prior to July 1 will be ineligible to receive incentive funds for that fiscal year. A county may apply for an extension by petitioning the state county management committee prior to July 1. The petition shall describe the circumstances which will cause the proposal to be delayed and identify the date by which the proposal will be submitted. In addition, the state county management committee may grant an extension for the purposes of negotiation.

441—25.53(77GA, HF2545) Methodology for awarding incentive funding. Each county shall report on all performance measures listed in this division, plus any additional performance measures the county has selected, by December 1 of each year.

25.53(1) *Reporting.* Each county shall report performance measure information on forms, or by electronic means, developed for the purpose by the department in consultation with the state county management committee.

25.53(2) *Scoring.* The department shall analyze each county's report to determine the extent to which the county achieved the levels contained in the proposal accepted by the state county management committee. Prior to distribution of incentive funding to counties, results of the analysis shall be shared with the state county management committee.

25.53(3) *County ineligibility.* A county which does not report performance measure data by December 1 will be ineligible to receive incentive funds for that fiscal year. A county may apply for an extension by petitioning the state county management committee prior to December 1. The petition shall describe the circumstances which will cause the report to be delayed and identify the date by which the report will be submitted.

441—25.54(77GA, HF2545) Subsequent year performance factors. For any fiscal year which begins after July 1, 1999, the state county management committee shall not apply any additional performance measures until the county management information system (CoMIS) developed and maintained by the division of mental health and developmental disabilities has been modified, if necessary, to collect and calculate required data elements and performance measures and each county has been given the opportunity to establish baseline measures for those measures.

441—25.55(77GA, HF2545) Phase-in provisions.

25.55(1) *State fiscal year 1999.* For the fiscal year which begins July 1, 1998, each county shall collect data as required above in order to establish a baseline level on all performance measures. A county

which collects and reports all required data by December 1, 1999, shall be deemed to have received a 100 percent score on the county's performance indicators.

25.55(2) State fiscal year 2000. A county which submits a proposal with its management plan for the fiscal year which begins July 1, 1999, and reports the levels achieved on the selected performance measures by December 1, 2000, shall be deemed to have received a 100 percent score on the county's performance indicators, regardless of the actual levels achieved.

These rules are intended to implement 1998 Iowa Acts, House File 2545, section 8, subsection 2.

441—25.56 to 25.60 Reserved.

DIVISION V
RISK POOL FUNDING

PREAMBLE

These rules establish a risk pool board to administer the risk pool fund established by the legislature and set forth the requirements for counties for receiving and repaying funding from the fund.

441—25.61(426B) Definitions.

"Available pool" means those funds remaining in the risk pool less any actuarial and other direct administrative costs.

"Central point of coordination (CPC)" means the administrative entity designated by a county board of supervisors, or the boards of a consortium of counties, to act as the single entry point to the service system as required in Iowa Code section 331.440.

"Commission" means the mental health, mental retardation, developmental disabilities, and brain injury commission.

"Division" means the mental health and disability services division of the department of human services.

"Mandated services" means those services for which a county is required to pay. Mandated services include, but may not be limited to, the following:

1. The costs for commitments for persons with mental illness, chronic mental illness, mental retardation, or developmental disabilities.
2. Inpatient services at the state mental health institutes for persons with mental illness or chronic mental illness.
3. Inpatient services at the state resource centers for persons with mental retardation or developmental disabilities.
4. Medicaid-funded care in an intermediate care facility for persons with mental retardation.
5. Medicaid-funded partial hospitalization and day treatment services for persons with chronic mental illness.
6. Medicaid-funded case management services for persons with mental retardation or developmental disabilities and for anyone not covered under the Iowa Plan.
7. Services provided under the Medicaid home- and community-based services mental retardation waiver.
8. Services provided under the Medicaid home- and community-based services brain injury waiver for which the county is responsible according to rule 441—83.90(249A).
9. Medicaid habilitation services for persons with chronic mental illness.

"Services fund" means a county's mental health, mental retardation, and developmental disabilities services fund created in Iowa Code section 331.424A.

441—25.62(426B) Risk pool board. This ten-member board consists of two county supervisors, two county auditors, a member of the commission who is not a member of a county board of supervisors, a member of the county finance committee created in Iowa Code chapter 333A who is not an elected official, a representative of a provider of mental health or developmental disabilities services selected

from nominees submitted by the Iowa Association of Community Providers, and two central point of coordination administrators, all appointed by the governor, subject to confirmation by two-thirds of the members of the senate, and one member appointed by the director of the department of human services.

25.62(1) Organization.

a. The members of the board shall annually elect from the board's voting membership a chairperson and vice-chairperson of the board.

b. Members appointed by the governor shall serve three-year terms.

25.62(2) Duties and powers of the board. The board's powers and duties are to make policy and to provide direction for the administration of the risk pool established by Iowa Code section 426B.5, subsection 2. In carrying out these duties, the board shall do all of the following:

a. Recommend to the commission for adoption rules governing the risk pool fund.

b. Determine application requirements to ensure prudent use of risk pool assistance.

c. Accept or reject applications for assistance in whole or in part.

d. Review the fiscal year-end financial records for all counties that are granted risk pool assistance and determine if repayment is required.

e. Approve actuarial and other direct administrative costs to be paid from the pool.

f. Compile a list of requests for risk pool assistance that are beyond the amount available in the risk pool fund for a fiscal year and the supporting information for those requests and submit the list and supporting information to the commission, the department of human services, and the general assembly.

g. Perform any other duties as mandated by law.

25.62(3) Board action.

a. A quorum shall consist of two-thirds of the membership appointed and qualified to vote.

b. When a quorum is present, an action is carried by a majority of the qualified members of the board.

25.62(4) Board minutes.

a. Copies of administrative rules and other materials considered are made part of the minutes by reference.

b. Copies of the minutes are kept on file in the office of the administrator of the division.

25.62(5) Board meetings.

a. The board shall meet in August of each year and may hold special meetings at the call of the chairperson or at the request of a majority of the voting members.

b. Any county making application for risk pool funds must be represented at the board meeting for awarding funds when that request is considered.

(1) The division shall notify the county of the date, time and location of the meeting.

(2) Any other persons with questions about the date, time or location of the meeting may contact the Administrator, Division of Mental Health and Disability Services, Department of Human Services, Hoover State Office Building, Fifth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319-0114, telephone (515)281-7277.

c. The board shall comply with applicable provisions of Iowa's open meetings law, Iowa Code chapter 21.

25.62(6) Records. Any records maintained by the board or on behalf of the board shall be made available to the public for examination in compliance with Iowa's open records law, Iowa Code chapter 22. To the extent possible, before submitting applications, records and documents, applicants shall delete any confidential information. These records shall be maintained in the office of the division.

25.62(7) Conflict of interest. A board member cannot be a part of any presentation to the board of that board member's county's application for risk pool funds nor can the board member be a part of any action pertaining to that application.

25.62(8) Robert's Rules of Order. In cases not covered by these rules, Robert's Rules of Order shall govern.

25.62(9) Report. On or before March 1 and September 1 of each fiscal year, the department of human services shall provide the risk pool board with a report of the financial condition of each funding source administered by the board. The report shall include, but is not limited to, an itemization of the

funding source's balances, types and amount of revenues credited and payees and payment amounts for the expenditures made from the funding source during the reporting period.

[ARC 7879B, IAB 6/17/09, effective 6/1/09]

441—25.63(426B) Application process.

25.63(1) Applicants. A county may be eligible for risk pool assistance when the county demonstrates that it meets the conditions in this subrule.

a. Basic eligibility.

- (1) The county complies with the requirements of Iowa Code section 331.439.
- (2) The county levied the maximum amount allowed for the county's services fund under Iowa Code section 331.424A for the fiscal year of application.

(3) In the fiscal year that commenced two years before the fiscal year of distribution, the county's services fund ending balance under generally accepted accounting principles was equal to or less than 20 percent of the county's actual gross expenditures for that fiscal year.

b. Circumstances indicating need for assistance. Risk pool assistance is needed for one or more of the following purposes:

- (1) To continue support for mandated services.
- (2) To avoid the need for reduction or elimination of:
 1. Critical services, creating risk to a consumer's health or safety;
 2. Critical emergency or mobile crisis services, creating risk to the public's health or safety;
 3. Services or other support provided to an entire disability category; or
 4. Services or other support provided to maintain consumers in a community setting, creating risk of placement in a more restrictive, higher-cost setting.

25.63(2) Application procedures.

a. Format for submission. The county shall submit the application package electronically or send an original plus 15 copies to the division. Facsimiles are not acceptable.

b. Deadline. The division must receive the application no later than 4:30 p.m. on July 1 of each year; or, if July 1 is a holiday, Saturday or Sunday, the division must receive the application no later than 4:30 p.m. on the first working day thereafter.

c. Signature. The application shall be signed and dated by both the chairperson of the county board of supervisors and the central point of coordination administrator.

d. Notice of receipt. Staff of the division shall notify each county of receipt of the county's application.

e. Content. In addition to Form 470-3723, Risk Pool Application, the application package shall include the following forms for the fiscal year that commenced two years before the fiscal year of distribution:

- (1) Form 634C, Service Area 4 Supporting Detail (pages 1 to 8).
- (2) Form 638R, Statement of Revenues, Expenditures, and Changes in Fund Balance—Actual and Budget (pages 1 and 2).
- (3) If the budget has been amended, Form 653A-R, Record of Hearing and Determination on the Amendment to County Budget (sheet 2), as last amended.

25.63(3) Request for additional information. Staff shall review all applications for completeness. If an application is not complete, staff of the division shall contact the county within four working days after July 1 to request the information needed to complete the application. If July 1 is a holiday, Saturday or Sunday, the division shall make this contact within five working days after July 1. The county shall submit the required information within five working days from the date of the division's request for the additional information.

[ARC 7879B, IAB 6/17/09, effective 6/1/09]

441—25.64(426B) Methodology for awarding risk pool funding. The risk pool board shall make an eligibility decision on each application within 45 days after receiving the application and shall make a funding decision no later than August 15.

25.64(1) Notice of decision. The risk pool board shall send a notice of decision of the board's action to the chairperson of the applying county's board of supervisors. Copies of the notice of decision shall be sent to the county auditor and the central point of coordination administrator.

25.64(2) Distribution of funds. The total amount of the risk pool shall be limited to the available pool for a fiscal year.

a. If the total dollar amount of the approved applications exceeds the available pool, the board shall prorate the amount paid for an approved application. The funds will be prorated to each county based upon the proportion of each approved county's request to the total amount of all approved requests.

b. The division shall authorize the issuance of warrants payable to the county treasurers for the amounts due. The warrants shall be issued on or before September 15.

[ARC 7879B, IAB 6/17/09, effective 6/1/09]

441—25.65(426B) Repayment provisions.

25.65(1) Required repayment. Counties shall be required to repay risk pool funds if the county's actual need for risk pool assistance was less than the amount of risk pool assistance granted to the county. The county shall refund the lesser of:

a. The amount of assistance awarded; or

b. An amount such that the fund balance after refund will not exceed 5 percent of the expenditures for the year as determined on a modified accrual basis.

25.65(2) Year-end report. Each county granted risk pool funds shall complete a year-end financial report as required by Iowa Code section 225C.6A(2)(c)(3). The division shall review the accrual information and notify the mental health risk pool board if any county that was granted assistance in the prior year received more than the county's actual need based on the submitted financial report.

25.65(3) Notification to county. The chairperson of the mental health risk pool board shall notify each county by January 1 of each fiscal year of the amount to be reimbursed. The county shall reimburse the risk pool within 30 days of receipt of notification by the chairperson of the mental health risk pool board. If a county fails to reimburse the mental health risk pool, the board may request a revenue offset through the department of revenue. Copies of the overpayment and request for reimbursement shall be sent to the county auditor and the central point of coordination administrator of the county.

[ARC 7879B, IAB 6/17/09, effective 6/1/09]

441—25.66(426B) Appeals. The risk pool board may accept or reject an application for assistance from the risk pool fund in whole or in part. The decision of the board is final and is not appealable.

These rules are intended to implement Iowa Code section 426B.5, subsection 2.

441—25.67 to 25.70 Reserved.

DIVISION VI
TOBACCO SETTLEMENT FUND RISK POOL FUNDING

PREAMBLE

These rules provide for use of an appropriation from the tobacco settlement fund to establish a risk pool fund which may be used by counties with limited county mental health, mental retardation and developmental disabilities services funds to pay for increased compensation of the service staff of eligible purchase of service (POS) providers and establish the requirements for counties for receiving and repaying the funding. Implementation of the rate increases contemplated by the tobacco settlement fund in a timely manner will require cooperation among all eligible counties and providers.

441—25.71(78GA,ch1221) Definitions.

"Adjusted actual cost" means a POS provider's cost as computed using the financial and statistical report for the provider's fiscal year which ended during the state fiscal year beginning July 1, 1998 (state fiscal year 1999), as adjusted by multiplying those actual costs by 103.4 percent or the percentage

adopted by the risk pool board in accordance with 2000 Iowa Acts, chapter 1221, section 3, subsection 3, paragraph “c.”

“*Department*” means the Iowa department of human services.

“*Division*” means the mental health and developmental disabilities division of the department of human services.

“*Financial and statistical report*” means a report prepared by a provider and submitted to host counties that is prepared in accordance with department rules for cost determination set forth in 441—Chapter 150.

“*Host county*” means the county in which the primary offices of a POS provider are located. However, if a POS provider operates separate programs in more than one county, “host county” means each county in which a separate program is operated.

“*Purchase of service provider*” or “*POS provider*” means a provider of sheltered work, work activity, supported employment, job placement, enclave services, adult day care, transportation, supported community living services, or adult residential services paid by a county from the county’s services fund created in Iowa Code section 331.424A under a state purchase of service or county contract.

“*Risk pool board*” means that board established by Iowa Code section 426B.5, subsection 3.

“*Separate program*” means a POS service operated in a county other than the county in which the provider’s home office is located and for which the provider allocates costs separately from similar programs located in the county where the provider’s home office is located.

“*Services fund*” means the fund defined in Iowa Code section 331.424A.

“*Tobacco settlement fund loan*” or “*TSF loan*” means the tobacco settlement fund risk pool funds a county received in a fiscal year in which the county did not levy the maximum amount allowed for the county’s mental health, mental retardation, and developmental disabilities services fund under Iowa Code section 331.424A. The repayment amount shall be limited to the amount by which the actual amount levied was less than the maximum amount allowed.

441—25.72(78GA,ch1221) Risk pool board. The risk pool board is organized and shall take action and keep minutes and records as set out in rule 441—25.62(426B).

A risk pool board member cannot be a part of any presentation to the board of that board member’s county’s application for tobacco settlement fund risk pool funds nor can the board member be a part of any action pertaining to that application. If a risk pool board member is employed by or is a board member of a POS provider whose increases in compensation caused the host county to apply to the fund, the board member cannot be a part of any presentation to the board nor can the board member be a part of any action pertaining to that application.

441—25.73(78GA,ch1221) Rate-setting process. For services provided on or after July 1, 2000, each county shall increase its reimbursement rates for each program to the lesser of the adjusted actual cost or 105 percent of the rate paid for services provided on June 30, 2000.

25.73(1) Financial and statistical report. Each provider of POS services shall submit a financial and statistical report to each host county for each program that the provider operates within that county. These reports shall include actual costs for each separate program for the provider’s fiscal year that ended during state fiscal year 1999 and state fiscal year 2000. These reports shall be submitted to the central point of coordination (CPC) administrator of the host county or counties no later than August 15, 2000.

25.73(2) Rate determination. The CPC administrator in each host county shall receive and review provider financial and statistical reports for each separate program for which that county is the host county. If the host county determines that all or part of the provider’s increase in costs is attributable to increases in service staff compensation and that the adjusted actual cost is more than the rate paid by the county on June 30, 2000, the CPC administrator shall notify the provider in writing of the new rate for each program no later than September 1, 2000.

If a rate paid for services provided on June 30, 2000, exceeds the adjusted actual cost, the county shall not be required to adjust the rate for services provided on or after July 1, 2000.

The provider shall, no later than September 11, 2000, send to the CPC administrator of any other counties with consumers in those programs a copy of the rate determination signed by the CPC administrator of the host county. A county may delay payment of the reimbursement rate established pursuant to this subrule until the risk pool board has completed action as to adopting or not adopting a different percentage for the definition of adjusted actual cost, provided however that any increased rates required by 2000 Iowa Acts, chapter 1221, section 3, subsection 2, paragraph "c," shall be paid retroactively for all services provided on or after July 1, 2000.

25.73(3) Exemptions.

a. A POS provider that has negotiated a reimbursement rate increase with a host county as of July 1, 2000, has the option of exemption from the provisions of these rules. However, a county shall not be eligible to receive tobacco settlement funds for any rates established outside of the process established in these rules.

b. Nothing in these rules precludes a county from increasing reimbursement rates of POS providers by an amount that is greater than that specified in these rules. However, a county shall not be eligible for tobacco settlement funds for the amount of any rate increase in excess of the amount established pursuant to these rules.

441—25.74(78GA,ch1221) Application process.

25.74(1) Who may apply. If a county determines that payment of POS provider rates in accordance with these rules will cause the county to expend more funds in FY2001 than budgeted for POS services, the county may apply for assistance from the tobacco settlement fund. However, any fiscal year 2000 projected accrual basis fund balances in excess of 25 percent of fiscal year 2000 services fund gross expenditures will reduce the amount for which a county is eligible. In considering the cost of implementing these provisions, a county shall not include the cost of rate increases granted to any providers who fail to complete financial and statistical reports as provided in these rules.

25.74(2) How to apply. The county shall send the original and 15 copies of Form 470-3768, Tobacco Settlement Fund Risk Pool Application, to the division. The division must receive the application no later than 4:30 p.m. on September 25, 2000. Facsimiles and electronic mail are not acceptable. The application shall be signed and dated by the chairperson of the county board of supervisors, the county auditor, and the CPC administrator. Staff of the division shall notify each county of receipt of the county's application.

25.74(3) Request for additional information. Staff shall review all applications for completeness. If an application is not complete, staff of the division shall contact the county by October 5, 2000, and request the information needed to complete the application. The county shall submit the required information by October 16, 2000.

441—25.75(78GA,ch1221) Methodology for awarding tobacco settlement fund risk pool funding.

25.75(1) Review of applications. The risk pool board shall review all of the applications from counties for assistance from the tobacco settlement fund. If the total amount requested from the tobacco settlement fund does not exceed \$2 million, eligible counties shall be awarded funding pursuant to this division. The risk pool board shall determine for each county whether any or all of the assistance granted to that county is a TSF loan.

25.75(2) Notice of decision. The risk pool board shall notify the chair of the applying county's board of supervisors of the board's action no later than November 3, 2000. Copies shall be sent to the county auditor and the CPC administrator.

25.75(3) Distribution of funds. The total amount of the risk pool shall be limited to \$2 million. If the total dollar amount of the eligible applications exceeds the available pool, the risk pool board shall revise the percentage adjustment to actual cost to arrive at adjusted actual cost as defined in this division and prorate funding to the eligible counties. If it becomes necessary to revise the percentage adjustment used to determine adjusted actual cost, the risk pool board shall determine if applicant counties remain eligible under this program.

25.75(4) Notification of adjustment. If the risk pool board rolls back the percentage adjustment used to determine adjusted actual cost, the risk pool board shall notify the chair of the board of supervisors of all counties, and copies shall be sent to the county auditor and the CPC administrator of each county. Each host county shall recalculate the reimbursement rate under this division using the revised adjusted actual cost percentage and notify each provider in writing of the revised rate within 30 days of receiving notice of the percentage adjustment. The provider shall, within 30 days of receipt of notice, send to the CPC administrator of any other counties with consumers in those programs a copy of the revised rate determination signed by the CPC administrator of the host county.

441—25.76(78GA,ch1221) Repayment provisions.

25.76(1) Required repayment. Counties shall be required to repay TSF loans by January 1, 2002. Repayments shall be credited to the tobacco settlement fund.

25.76(2) Notification to county. In the notice of decision provided pursuant to these rules, the chairperson of the risk pool board shall notify each county of the portion, if any, of the assistance that is considered a TSF loan. If a county fails to reimburse the tobacco settlement fund by January 1, 2002, the board may request a revenue offset through the department of revenue. Copies of the overpayment and request for reimbursement shall be sent to the county auditor and the CPC administrator of the county.

441—25.77(78GA,ch1221) Appeals. The risk pool board may accept or reject an application for assistance from the tobacco settlement fund risk pool fund in whole or in part. The decision of the board is final and is not appealable.

These rules are intended to implement 2000 Iowa Acts, chapter 1221, section 3, as amended by chapter 1232, section 4.

441—25.78 to 25.80 Reserved.

DIVISION VII
COMMUNITY MENTAL HEALTH CENTER WAIVER REQUEST

PREAMBLE

This division establishes a process for the mental health and developmental disabilities commission to grant a waiver to any county not affiliated with a community mental health center.

441—25.81(225C) Waiver request. Counties that have not established or that are not affiliated with a community mental health center under Iowa Code chapter 230A are required to expend a portion of the money received from the MI/MR/DD/BI community services fund to contract with a community mental health center for services. When a county determines that a contractual arrangement is undesirable or unworkable, it may request a waiver from this requirement for a fiscal year. The waiver request and justification may be submitted to the mental health and developmental disabilities commission with the application for MI/MR/DD/BI community services funds on Form 470-0887, Waiver Request, or it may be submitted separately. The commission may grant a waiver if the request successfully demonstrates that all of the following conditions are met:

25.81(1) Accreditation of provider. The provider or network of providers that the county has contracted with to deliver the identified mental health services is accredited as another mental health provider pursuant to 441—Chapter 24.

25.81(2) Contracted services. The county has contracted to provide services that are equal to or greater than the smallest set of services provided by an accredited community mental health center in the department's service area for that county.

25.81(3) Eligible populations. The county contract includes the following eligible populations:

- a. Children.
- b. Adults.
- c. Elderly.
- d. Chronically mentally ill.

e. Mentally ill.

This rule is intended to implement Iowa Code section 225C.7.

441—25.82 to 25.90 Reserved

DIVISION VIII
CRITERIA FOR EXEMPTING COUNTIES FROM JOINING INTO REGIONS TO ADMINISTER
MENTAL HEALTH AND DISABILITY SERVICES

441—25.91(331) Exemption from joining into mental health and disability services region.

25.91(1) Definitions.

“*Applicant*” means a single county or two counties that submit an application for an exemption from the requirement to join a region of three or more contiguous counties.

“*Clear lines of accountability*” means the governing board’s organizational structure makes it evident that the ultimate responsibility for the administration of non-Medicaid-funded mental health and disability services lies with the governing board and that the governing board directly and solely supervises the organization’s chief executive officer.

“*Coordinator of disability services*” means a person who meets the qualifications of a coordinator of disability services as defined in Iowa Code section 331.390(3) “b” and is responsible for ensuring that individuals receive effective service coordination consistent with the county’s or counties’ management plan.

“*Core services*” means core services mandated to be provided by the regional service system as defined in Iowa Code section 331.397.

“*Department*” means the Iowa department of human services.

“*Director*” means the director of the department.

“*Evidence-based practice*” means interventions that have been rigorously tested, have yielded consistent, replicable results, and have proven safe, beneficial, and effective.

“*Penetration rate,*” for the purposes of this rule, means the per capita number of adults in the adult population of a county who are receiving mental health and disability services.

“*Reasonably close proximity*” means a distance of 100 miles or less or a driving distance of two hours or less from the county seat or county seats of the applicant.

“*Trauma-informed care*” means services that are based on an understanding of the vulnerabilities or triggers of individuals who have experienced trauma, recognize the role trauma has played in the lives of those individuals, are supportive of trauma recovery, and avoid retraumatization.

25.91(2) Application for exemption from the requirement to form a region of three or more contiguous counties. The following requirements apply to an application for exemption from the requirement to form a region of three or more contiguous counties:

a. The applicant shall submit a written statement that the applicant intends to apply for an exemption from the requirement to form a region of three or more contiguous counties. The statement must be signed by the chairperson of the county board of supervisors of the applicant’s county. The signed written statement of intent must be received by the department on or before May 1, 2013, at 4:30 p.m.

b. The applicant shall submit a written application on forms specified by the department with required supporting documentation. The department shall only accept applications that are complete, signed by the applicant’s chairperson of the county board of supervisors, dated, and received by the department on or before June 30, 2013, at 4:30 p.m.

c. The director of the department shall issue a decision on the application within 45 days of receiving the application. The director shall deny an application if the application does not meet the criteria described in Iowa Code or rule.

25.91(3) Applicant criteria. The application shall include written documentation and evidence that the applicant has:

a. The capacity to provide required core services and perform required functions described in Iowa Code section 331.397.

b. A contract with a community mental health center or a federally qualified health center that provides psychiatric and outpatient mental health services in the applicant's county or counties or written intent from the community mental health center or federally qualified health center to enter into such a contract.

c. A contract with a hospital with an inpatient psychiatric unit or a state mental health institute located in or within reasonably close proximity that has the capacity to provide inpatient services to the applicant or written intent from the state mental health institute or inpatient psychiatric unit to enter into such a contract.

d. An administrative structure with clear lines of accountability. A description of the applicant's administrative functions shall be included with the application.

e. Taken steps to determine and demonstrate that forming a region of three or more contiguous counties is not workable.

25.91(4) *Core services and required functions standards.* The department shall review the application to determine if the applicant has provided written documentation and evidence for the availability of:

a. A 24-hour, 7-day-a-week, 365-days-per-year telephone response system for mental health and disability-related emergencies in the applicant's county or counties.

b. Service providers in the applicant's county or counties that demonstrate the capability of providing evidence-based practices that the applicant has independently verified meet established fidelity to evidence-based service models including, but not limited to:

- (1) Assertive community treatment or strengths-based case management.
- (2) Integrated treatment of co-occurring substance abuse and mental health disorders.
- (3) Supported employment.
- (4) Family psychoeducation.
- (5) Illness management and recovery.
- (6) Permanent supportive housing.

c. Service providers in the applicant's county or counties that are trained to provide effective services to persons with two or more of the following co-occurring conditions: mental illness, intellectual disability, developmental disability, brain injury, or substance use disorder. Training for serving persons with co-occurring conditions shall be training identified by the Substance Abuse and Mental Health Services Administration, the Dartmouth Psychiatric Research Center or other generally recognized professional organization specified in the application.

d. Service providers in the applicant's county or counties that are trained to provide effective trauma-informed care. Trauma-informed care training shall be training identified by the National Center for Trauma-Informed Care or other generally recognized professional organization specified in the application.

25.91(5) *Service capacity.* The department shall review the material provided in the application and by the applicant and other counties in their required county reports to determine if the applicant demonstrates that it has:

a. Sufficient financial resources to fund required core services.

b. A penetration rate that is at least equal to or exceeds the statewide per capita average for individuals with a mental illness or individuals with an intellectual disability.

c. A per capita use of inpatient psychiatric hospital services that is less than or equal to the statewide per capita average.

d. A per capita use of intermediate care facilities for individuals with intellectual disabilities that is less than or equal to the statewide per capita average.

e. A per capita use of outpatient mental health services that is greater than or equal to the statewide per capita average.

f. A per capita use of supported community living services that is greater than or equal to the statewide per capita average.

g. An average cost of service per individual served that is equal to or less than the statewide average.

h. Administrative costs, as a percentage of non-Medicaid service expenditures, that are less than or equal to the statewide average.

25.91(6) Provider network sufficiency. The department shall review the application to determine if the applicant provided written documentation and evidence of:

a. A contract with a community mental health center that provides services in the applicant's county or counties or a federally qualified health center that provides psychiatric and outpatient mental health services in the applicant's county or counties or written intent by a community mental health center or federally qualified health center to enter into such a contract.

b. Contracts with licensed and accredited providers to provide each service in the required core service domains or written intent by providers to enter into such contracts.

c. Adequate numbers of licensed and accredited providers to ensure availability of core services so that there is no waiting list for services due to lack of available providers.

d. A contract with an inpatient psychiatric hospital unit or state mental health institute within reasonably close proximity or written intent by an inpatient psychiatric hospital unit or state mental health institute to enter into such a contract.

25.91(7) to 25.91(9) Reserved.

25.91(10) Staffing. The department shall review the application to determine if the applicant provided written documentation and evidence of:

a. Clear lines of accountability.

b. The inclusion of one or more coordinators of disability services on the county administrator staff.

25.91(11) Reserved.

25.91(12) Determination that formation of a region is unworkable. The department shall review the application to determine if the applicant has provided documentation and convincing evidence that the applicant has evaluated the feasibility of forming into a region of three or more contiguous counties and that forming into such a region is unworkable.

25.91(13) Compliance with requirements of a mental health and disability services region. The applicant shall continuously fulfill all of the requirements of a region under Iowa Code chapters 331 and 225C for a regional service system, regional service system management plan, regional governing board, and regional administrator and any other requirements applicable to a region of counties providing local mental health and disability services. If the applicant does not fulfill these requirements, the department may address the deficiencies in the following order:

a. Require compliance with a corrective action plan that may include, but is not limited to, participation in technical assistance provided or arranged by the department, revision of the regional management plan, or other corrective actions required by the department.

b. Reduce the amount of the annual state funding provided through the mental health and disabilities regional services fund for the regional service system, not to exceed 15 percent of the amount of the annual state funding.

c. Withdraw approval for the county exemption.

This rule is intended to implement Iowa Code section 331.389.

[ARC 0576C, IAB 2/6/13, effective 1/8/13; ARC 0735C, IAB 5/15/13, effective 8/1/13]

441—25.92 to 25.94 Reserved.

DIVISION IX
DATA SUBMISSION TO DETERMINE MEDICAID OFFSET FOR COUNTIES

PREAMBLE

These rules define the department's standards for the submission of county mental health and disability services expenditure data so that the department can calculate the Medicaid offset for each county consistent with 2014 Iowa Acts, House File 2473, section 82.

[ARC 1671C, IAB 10/15/14, effective 9/25/14]

441—25.95(426B) Definitions.

“Department” means the Iowa department of human services.

“Medicaid offset amount” means the amount resulting from the calculations described in Iowa Code section 426B.3 as amended by 2014 Iowa Acts, House File 2463, section 82(5) *“d.”*

“Uniform chart of accounts for Iowa county governments” means the set of codes used by counties to organize and delineate revenues and expenditures. The codes related to mental health and disability services expenditures identify diagnosis and types of services.
[ARC 1671C, IAB 10/15/14, effective 9/25/14]

441—25.96(426B) Data to determine Medicaid offset. Each county must submit to the department a report that provides the county mental health and disability services data needed to calculate the Medicaid offset for the county.

25.96(1) Data required. Each county is required to submit expenditure data as specified by the department based on the agreement by the department and representatives of the mental health and disability services regions consistent with the requirements of Iowa Code section 426B.3 as amended by 2014 Iowa Acts, House File 2463, section 82(5) *“b.”*

25.96(2) Submission of mental health and disability services data.

a. Counties must submit the required data to the department by 4:30 p.m. on September 19, 2014, consistent with data submissions as required in subrule 25.41(3).

b. If a county fails to submit data within the required time frame or a county submits data that is demonstrably inaccurate, the department will use a pro-rata methodology to determine the county’s Medicaid offset using data submitted by other counties.

[ARC 1671C, IAB 10/15/14, effective 9/25/14]

These rules are intended to implement Iowa Code section 225C.6 and 2014 Iowa Acts, House File 2463, section 82.

441—25.97 to 25.100 Reserved.

DIVISION X
MENTAL HEALTH ADVOCATES

PREAMBLE

This division establishes definitions, appointment and qualifications, assignment, responsibilities of the advocate and the county, data collection requirements, and quality assurance for mental health advocate services under Iowa Code chapter 229.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.101(229) Definitions.

“Advocate” means mental health advocate as defined in Iowa Code section 229.1.

“Conflict of interest” means any activity that interferes or gives the appearance of interference with the exercise of professional discretion and impartial judgment.

“County of residence” means the same as defined in Iowa Code section 331.394.

“County of venue” means the county in which the Iowa Code chapter 229 commitment was filed pursuant to Iowa Code section 229.44.

“County where the individual is located” means the individual’s county of residence as defined in Iowa Code section 331.394, or if the individual has been ordered to receive treatment services under an Iowa Code chapter 229 commitment and is placed in a residential or other treatment facility.

“Individual” means the respondent who is receiving mental health advocate services under Iowa Code chapter 229.

“Judicial district” means the same as defined in Iowa Code section 602.6107.

“Mental health and disability services region” means the same as defined in Iowa Code section 331.389.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.102(229) Advocate appointment and qualifications. The board of supervisors of each county shall appoint a person to act as an advocate representing the interests of individuals involuntarily hospitalized by the court under Iowa Code chapter 229. The advocate is hired by the board of supervisors and employed by the county.

25.102(1) A person may be appointed and employed or contracted with as the advocate by one county or by multiple counties. Advocates may be appointed for counties in more than one judicial district or more than one mental health and disability services region.

25.102(2) Qualifications.

a. The advocate shall meet the following qualifications:

(1) Possess a bachelor's degree with 30 semester hours or equivalent quarter hours in a human services field (including, but not limited to, psychology, social work, mental health counseling, marriage and family therapy, nursing, education, occupational therapy, and recreational therapy) and at least one year of experience in the delivery of services to persons with mental illness; or

(2) Hold an Iowa license to practice as a registered nurse and have at least three years of experience in delivery of services to persons with mental illness.

b. A person employed as an advocate on or before July 1, 2015, who does not meet the requirements of subparagraph 25.102(2) "a"(1) or (2) shall be considered to meet those requirements so long as the person is continuously appointed as an advocate in the employing county.

c. A person employed as an advocate must pass criminal background, sex offender registry, and child and dependent adult abuse registry checks before hire.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.103(229) Advocate assignment. The committing court shall assign the advocate from the county where the individual is located.

25.103(1) If the advocate assigned cannot serve the individual in an effective and efficient manner, the advocate may request another advocate to perform advocate duties on the individual's behalf. In the event that another advocate can better represent the individual on a longer term basis, the advocate shall request that the court transfer the individual to another advocate.

25.103(2) When a conflict of interest is identified between an advocate and an individual, the court and the advocate's county of employment shall be notified and an alternative advocate shall be assigned. The advocate's direct supervisor is responsible to monitor and ensure that the advocate does not have a conflict of interest. In instances when dual or multiple relationships are unavoidable, advocates should take steps to protect individuals and are responsible for setting clear, appropriate, and culturally sensitive boundaries. Advocates who anticipate a conflict of interest among the individuals receiving services should clarify the advocate's role with the parties involved and take appropriate action to minimize any conflict of interest.

25.103(3) When the advocate assigned is not the advocate from the individual's county of residence, the advocate's county of employment may seek reimbursement from the region in which the individual's county of residence is located as outlined in Iowa Code section 229.19(1) "b."

25.103(4) An advocate shall only be assigned to a child 17 years of age or under when the child is not represented by an attorney due to an existing child in need of assistance (CINA) or other juvenile court action pursuant to the Iowa Code.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.104(229) Advocate responsibilities. The minimum duties of the advocate are outlined in Iowa Code section 229.19. The role of the advocate is to ensure that the rights of the individual are upheld.

25.104(1) The advocate shall be readily accessible to communication from the individual and shall initiate contact within 5 days of the individual's commitment. The advocate shall inform the individual regarding the role of the advocate.

25.104(2) The advocate shall meet the individual in person within 15 days of the individual's commitment. The advocate shall present the county grievance procedure process, in writing, to the individual. The presentation shall include the county grievance procedure and contact information and

the contact information for the citizens' aide/ombudsman. The advocate shall inform the individual about the mental health crisis services that are available.

25.104(3) The advocate shall review each report submitted to the court and communicate with the individual's medical and treatment team. Advocates shall abide by all federal, state, and local confidentiality laws.

25.104(4) The advocate shall file with the court Iowa Ct. R. 12.36—Form 30, quarterly reports for each individual assigned to the advocate. The report shall state the actions taken with the individual and amount of time spent on behalf of the individual.

25.104(5) The advocate shall maintain an organized confidential and secure file for each individual served. The file shall contain but not be limited to:

- a. Copies of quarterly reports submitted to the court.
- b. Copies of correspondence sent to and received from the individual, family members, providers and others.
- c. Releases of information.
- d. Case notes describing the date, time and type of contact with the individuals or others and a brief narrative summary of the content or outcome of the contact.

e. Documents filed with the court electronically shall be considered as part of the individual's file.

25.104(6) The advocate shall register as provided in Iowa Ct. R. 16.305(1) to participate in the court's electronic document management system and shall submit all documents to be filed with the court electronically. The documents will be stored as electronic records that are retrievable and readable through the electronic document management system.

25.104(7) The advocate, as an employee of the county, shall comply with all county policies and procedures, including but not limited to hiring, supervision, grievance procedures, and training.

25.104(8) All advocate records are the property of the county, which is responsible for the provision of confidential storage, transfer, and destruction of client files, including those maintained on electronic and digital devices, with access limited according to the county's policy on confidentiality as described in subrule 25.105(6).

25.104(9) The advocate may attend the hospitalization hearing of an individual represented by an attorney; however, payment for the advocate's attendance is at the discretion of the county of employment.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.105(229) County responsibilities. As the employer of the advocate, the county shall provide qualified staff to support and facilitate the provision of quality advocate services. The county shall:

25.105(1) Assign a single supervisor, a single contract manager, or the county board of supervisors as the supervising entity to carry out responsibilities in this chapter.

25.105(2) Have a job description in the personnel file of the advocate that clearly defines the advocate's responsibilities and qualifications as defined in Iowa Code section 229.19 and in rule 441—25.104(229).

25.105(3) Have a process to verify, within 90 days of the advocate's hire, qualification of the advocate, including degrees and certifications obtained from a primary source.

25.105(4) Provide to the advocate training and education relevant to the position, including but not limited to overview of mental health diagnosis and treatment, the mental health and disability services delivery system, confidentiality, individual rights, professional conduct, the role of advocacy and service coordination within an interdisciplinary team, Iowa Code and administrative rules, and court procedures.

25.105(5) Provide approved training on child and dependent adult abuse reporter requirements.

25.105(6) Provide to any employee with access to individuals' files training on state and federal laws regarding nondisclosure and confidentiality of client protected health information during and after employment and maintain in the personnel files a signed document indicating the employee's awareness of the county's policy on confidentiality.

25.105(7) Complete criminal background, sex offender registry and child and dependent adult abuse registry checks before employment of the advocate. Any person who does not pass these checks is prohibited from being hired, or continuing to serve, as an advocate.

25.105(8) Provide advocate staff to cover the county's caseload at all times, according to, but not limited to, each county's unique number of individuals assigned to the advocate, travel required, types of settings where the individuals reside, services available and extended staff absences.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.106(229) Data collection requirements.

25.106(1) Beginning in 2016 and by December 1 each year, each county shall submit to the department of human services data regarding each individual who received advocate services during the previous state fiscal year.

25.106(2) As defined in rule 441—25.41(331), the data to be submitted are as follows:

a. Basic information about the individual, including a unique identifier and county of residence.

b. Demographic information, including the individual's date of birth, sex, ethnicity, education, and diagnosis made in accordance with the criteria provided in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) published by the American Psychiatric Association (APA).

c. Commitment information, including the date of the individual's initial commitment, type of commitment order, whether a juvenile or adult case, date of commitment and name of treatment facility the individual is committed to, any subsequent changes in treatment facility, and date commitment is terminated.

[ARC 2438C, IAB 3/16/16, effective 5/1/16; see Delay note at end of chapter]

441—25.107(229) Quality assurance system. The county shall implement a quality assurance system which:

1. Annually measures and assesses advocates' activities and services.
2. Gathers feedback from stakeholders including individuals using advocate services, family members, court staff, service provider staff, and regional staff regarding advocate services.
3. Implements an internal review of individual records.
4. Identifies areas in need of improvement.
5. Develops a plan to address the areas in need of improvement.
6. Implements the plan and documents the results.

[ARC 2438C, IAB 3/16/16, effective 5/1/16]

441—25.108 to 25.116 Reserved.

DIVISION XI
PROCESS FOR APPROVING SUBACUTE MENTAL HEALTH CARE FACILITY LICENSING APPLICATIONS
TO THE DEPARTMENT OF INSPECTIONS AND APPEALS

PREAMBLE

This division establishes the process that the department of human services will use in approving licensing applications to the department of inspections and appeals for subacute care facilities as defined in Iowa Code chapter 135G and 481—Chapter 71.

[ARC 2637C, IAB 8/3/16, effective 9/7/16]

441—25.117(135G) Definitions.

“Department” means the department of human services.

“Governing board” means the board that directs the operations of the mental health and disability services region.

“Mental health and disability services region” means counties that have formed through an agreement to administer the mental health and disability services for its member counties.

“*Subacute care facility*” means the same as defined in Iowa Code chapter 135G.
[ARC 2637C, IAB 8/3/16, effective 9/7/16]

441—25.118(135G) Approval process for subacute care facility applications to be licensed by the department of inspections and appeals. The department will use the following process for approving licensing applications to the department of inspections and appeals for subacute care facilities described in 481—Chapter 71.

25.118(1) Applications for licensure of subacute care facilities must be submitted to the department of inspections and appeals in the form and manner established by the department of inspections and appeals in 481—Chapter 71.

25.118(2) The department of inspections and appeals may review the application and ascertain whether or not the applicant’s facility and staff are adequate to provide the care and services required of a subacute care facility.

25.118(3) The department of inspections and appeals shall provide to the department:

- a. The completed licensure application;
- b. The date and time the department of inspections and appeals received the completed application;
- c. The number of beds proposed by the applicant for the subacute care facility; and
- d. The results of any review the department of inspections and appeals made of the adequacy of the applicant’s facilities and staff.

25.118(4) The department will review subacute care facility applications as follows:

- a. Applications will be reviewed and acted upon in the order the completed application is received by the department of inspections and appeals.
- b. The department will review and act on applications until the department has approved applications for 75 subacute care facility beds.
- c. The department will review additional applications for a number of beds above that specified in paragraph 25.118(4) “b” if the department of inspections and appeals denies or revokes a license to any subacute care facility approved by the department such that the number of publicly funded subacute care facility beds is less than 75.

d. The department will not review applications for subacute care facilities that will not access public funding.

25.118(5) The department will determine that the application for a subacute care facility is geographically dispersed from other subacute care facilities and provide notice to the mental health and disability services regions as follows:

a. Geographic dispersion of subacute care facility beds.

- (1) The department will allocate a share of the statewide total of 75 subacute care facility beds to each mental health and disability services region by dividing the number of residents of the mental health and disability services region’s member county or counties by the total state population using the most recent available federal estimate of Iowa population multiplied by 75.
- (2) The department will take under consideration the number of beds identified in the application and the number of beds allocated to mental health and disability services regions to ensure that the subacute care facility is geographically dispersed.

b. The department will notify the mental health and disability services regional chief executive officer when the department receives an application for subacute care facility licensure within 60 miles of one of the mental health and disability services region’s member counties. The notice will include:

- (1) The name of the facility;
- (2) The location of the facility;
- (3) The department of inspections and appeals’ facility application;
- (4) The number of beds requested in the facility application; and
- (5) The names of all mental health and disability services regions notified.

c. The governing boards of the mental health and disability services regions notified by the department may provide comment in writing to the department on the subacute care facility application.

A governing board may comment on the number of beds in the subacute care facility consistent with the allocation made in paragraph 25.118(5) “a.”

25.118(6) The department will evaluate the subacute care facility’s qualifications based on the following:

a. Comments received within 21 days from the governing boards of the mental health and disability services region in which the subacute care facility will be located;

b. The department of inspections and appeals’ determination of the adequacy of the facility and staff;

c. Information contained in the subacute care facility’s application that describes the resources and staff needed to provide each of the services as required in 481—subrule 71.3(1), including the following:

(1) The name and résumé of the facility administrator and description of how the administrator meets the qualifications described in 481—subrule 71.10(2);

(2) The names and résumés of the psychiatrist or advanced registered nurse practitioner, registered nurse, mental health professional, and social services staff and a description of how these staff meet the requirements of 481—subrule 71.12(2); and

(3) The description of how the facility will coordinate with human services agencies to identify unnecessary duplication of services and plan for development and coordination of needed services.

d. Information related to adverse findings or founded complaints against the applicant in the provision of any service. The department will make reasonable efforts to obtain this information through a review of the following:

(1) The Iowa Medicaid providers sanction list;

(2) The Office of Inspector General’s List of Excluded Individuals and Entities; and

(3) The department of inspections and appeals health facilities division’s public reports and final findings of complaint investigations.

25.118(7) All decisions made by the department related to this process are subject to administrative review in accordance with 441—Chapter 7.

[ARC 2637C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement Iowa Code chapter 229.

[Filed emergency 12/14/94—published 1/4/95, effective 12/14/94]

[Filed 2/16/95, Notice 1/4/95—published 3/15/95, effective 5/1/95]

[Filed 1/10/96, Notice 11/22/95—published 1/31/96, effective 4/1/96]

[Filed 12/12/96, Notice 11/6/96—published 1/1/97, effective 3/1/97]

[Filed emergency 6/25/98—published 7/15/98, effective 7/1/98]

[Filed 9/3/98, Notice 7/15/98—published 9/23/98, effective 11/1/98]

[Filed 2/9/00, Notice 12/29/99—published 3/8/00, effective 4/12/00]

[Filed emergency 3/8/00—published 4/5/00, effective 3/8/00]

[Filed emergency 7/5/00—published 7/26/00, effective 8/1/00]

[Filed 9/6/00, Notice 4/5/00—published 10/4/00, effective 11/8/00]

[Filed 10/23/00, Notice 7/26/00—published 11/15/00, effective 1/1/01]

[Filed 11/14/01, Notice 9/19/01—published 12/12/01, effective 2/1/02]°

[Filed 5/9/02, Notice 3/6/02—published 5/29/02, effective 7/3/02]

[Filed emergency 12/22/03 after Notice 10/15/03—published 1/21/04, effective 1/1/04]

[Filed 5/4/05, Notice 1/19/05—published 5/25/05, effective 7/1/05]

[Filed emergency 1/19/07—published 2/14/07, effective 1/20/07]

[Filed emergency 6/22/07—published 7/18/07, effective 7/1/07]

[Filed emergency 9/27/07—published 10/24/07, effective 10/10/07]

[Filed 11/16/07, Notice 8/1/07—published 12/19/07, effective 2/1/08]

[Filed 12/14/07, Notice 7/18/07—published 1/16/08, effective 2/20/08]

[Filed 12/14/07, Notice 10/24/07—published 1/16/08, effective 2/20/08]

[Filed emergency 9/19/08—published 10/8/08, effective 10/1/08]

[Filed ARC 7768B (Notice ARC 7626B, IAB 3/11/09), IAB 5/20/09, effective 7/1/09]

[Filed Emergency ARC 7879B, IAB 6/17/09, effective 6/1/09]

[Filed Emergency ARC 0576C, IAB 2/6/13, effective 1/8/13]

[Filed ARC 0735C (Notice ARC 0575C, IAB 2/6/13), IAB 5/15/13, effective 8/1/13]

[Filed ARC 1096C (Notice ARC 0885C, IAB 7/24/13), IAB 10/16/13, effective 11/20/13]

[Filed ARC 1173C (Notice ARC 0974C, IAB 8/21/13), IAB 11/13/13, effective 1/1/14]

[Filed Emergency After Notice ARC 1671C (Notice ARC 1591C, IAB 8/20/14), IAB 10/15/14,
effective 9/25/14]

[Filed Emergency After Notice ARC 2164C (Notice ARC 2062C, IAB 7/22/15), IAB 9/30/15,
effective 10/1/15]

[Filed ARC 2438C (Notice ARC 2350C, IAB 1/6/16), IAB 3/16/16, effective 5/1/16]¹

[Filed ARC 2637C (Notice ARC 2550C, IAB 5/25/16), IAB 8/3/16, effective 9/7/16]

⁰ Two or more ARCs

¹ May 1, 2016, effective date of 25.106 (ARC 2438C) delayed 70 days by the Administrative Rules Review Committee at its meeting held April 8, 2016. At its meeting held June 14, 2016, the Committee delayed the effective date of 25.106 until the adjournment of the 2017 Session of the General Assembly.

CHAPTER 109
CHILD CARE CENTERS

[Filed as Chapter 108, 2/14/75 and renumbered 7/1/75]

[Prior to 7/1/83, Social Services[770] Ch 109]

[Prior to 2/11/87, Human Services[498]]

PREAMBLE

The intent of this chapter is to specify minimum requirements for licensed child care centers and preschools and to define those child-caring environments that are governed by the licensing standards. The licensing standards govern licensing procedures, administration, parental participation, personnel, records, health and safety policies, physical facilities, activity programs, and food services.

441—109.1(237A) Definitions.

“*Adult*” means a person 18 years of age or older.

“*Child*” means either of the following:

1. A person 12 years of age or younger.
2. A person 13 years of age or older but younger than 19 years of age who has a developmental disability, as defined under the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, Public Law No. 106-402, codified in 42 U.S.C. 15002(8).

“*Child care*” means the care, supervision, or guidance of a child by a person other than the parent, guardian, or custodian for periods of less than 24 hours per day per child on a regular basis in a place other than the child’s home, but does not include care, supervision, or guidance of a child by any of the following:

1. An instructional program for children attending prekindergarten as defined by the state board of education under Iowa Code section 256.11 or a higher level and are at least four years of age and administered by a public or nonpublic school system accredited by the department of education or the state board of regents or a nonpublic school system which is not accredited by the department of education or the state board of regents.
2. Any of the following church-related programs:
 - An instructional program.
 - A youth program other than a preschool, before or after school child care program, or other child care program.
 - A program providing care to children on church premises while the children’s parents are attending church-related or church-sponsored activities on the church premises.
3. Short-term classes of less than two weeks’ duration held between school terms or during a break within a school term.
4. A child care center for sick children operated as part of a pediatrics unit in a hospital licensed by the department of inspections and appeals pursuant to Iowa Code chapter 135B.
5. A program operated not more than one day per week by volunteers that meets all the following conditions:
 - Not more than 11 children are served per volunteer.
 - The program operates for less than 4 hours during any 24-hour period.
 - The program is provided at no cost to the children’s parent, guardian, or custodian.
6. A program administered by a political subdivision of the state which is primarily for recreational or social purposes and is limited to children who are five years of age or older and attending school.
7. An after-school program continuously offered throughout the school year to children who are at least five years of age and enrolled in school and attend the program intermittently, or a summer-only program for such children. The program must be provided through a nominal membership fee or at no cost.
8. A special activity program which meets less than four hours per day for the sole purpose of the special activity. Special activity programs include but are not limited to music or dance classes, organized athletic or sports programs, recreational classes, scouting programs, and hobby or craft clubs or classes.

9. A nationally accredited camp.
10. A structured program for the purpose of providing therapeutic, rehabilitative, or supervisory services to children under any of the following:
 - A purchase of service or managed care contract with the department.
 - A contract approved by a local decategorization governance board.
 - An arrangement approved by a juvenile court order.
11. Care provided on site to children of parents residing in an emergency, homeless, or domestic violence shelter.
12. A child care facility providing respite care to a licensed foster family home for a period of 24 hours or more to a child who is placed with that licensed foster family home.
13. A program offered to a child whose parent, guardian, or custodian is engaged solely in a recreational or social activity, remains immediately available and accessible on the physical premises on which the child's care is provided, and does not engage in employment while the care is provided. However, if the recreational or social activity is provided in a fitness center or on the premises of a nonprofit organization, the parent, guardian, or custodian of the child may be employed to teach or lead the activity.

"Child care center" or *"center"* means a facility providing child day care for seven or more children, except when the facility is registered as a child development home. For the purposes of this chapter, the word *"center"* shall apply to a child care center or preschool, unless otherwise specified.

"Child care facility" or *"facility"* means a child care center, a preschool, or a registered child development home.

"Department" means the department of human services.

"Direct responsibility for child care" means being charged with the care, supervision, or guidance of a child.

"Extended evening care" means child care provided by a child care center between the hours of 9 p.m. and 5 a.m.

"Facility" means a building or physical plant established for the purpose of providing child day care.

"Get-well center" means a facility that cares for a child with an acute illness of short duration for short enrollment periods.

"Involvement with child care" means licensed or registered as a child care facility, employed in a child care facility, residing in a child care facility, receiving public funding for providing child care, providing child care as a child care home provider, or residing in a child care home.

"National Health and Safety Performance Standards" means the National Health and Safety Performance Standards: Guidelines for Out-of-Home Child Care Programs produced by the American Public Health Association and the American Academy of Pediatrics with the support of the Maternal and Child Health Bureau, Department of Health and Human Services.

"Parent" means parent or legal guardian.

"Person subject to an evaluation" means a person who has committed a transgression and who is described by any of the following:

1. The person is being considered for licensure or is licensed.
2. The person is being considered by a child care facility for employment involving direct responsibility for a child or with access to a child when the child is alone, or the person is employed with such responsibilities.
3. The person will reside or resides in a child care facility.
4. The person has applied for or receives public funding for providing child care.

"Preschool" means a child day care facility which provides care to children aged three through five, for periods of time not exceeding three hours per day. The preschool's program is designed to help the children develop intellectual, social and motor skills, and to extend their interest in and understanding of the world about them.

"Regulatory fee" means the amount payable to the department for licensure of a child care center based on the capacity of the center.

“*Requesting entity*” means an entity covered by these rules that is requesting an evaluation to determine if the person being evaluated can have involvement with child care. The requesting entity must be a child care facility as defined in Iowa Code chapter 237A.

“*Transgression*” means the existence of any of the following in a person’s record:

1. Conviction of a crime.
2. A record of having committed founded child or dependent adult abuse.
3. Listing in the sex offender registry established under Iowa Code chapter 692A.
4. A record of having committed a public or civil offense.
5. Department revocation or denial of a child care facility registration or license due to the person’s continued or repeated failure to operate the child care facility in compliance with licensing and registration laws and rules.

“*Unrestricted access*” means that a person has contact with a child alone or is directly responsible for child care.

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 0030C, IAB 3/7/12, effective 5/1/12; ARC 1809C, IAB 1/7/15, effective 3/1/15; ARC 2169C, IAB 9/30/15, effective 1/1/16; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.2(237A) Licensure procedures.

109.2(1) *Application for license.*

a. Any adult or agency has the right to apply for a license. The application for a license shall be made to the department on a department-provided application for a license to operate a child care center.

b. Requested reports including the fire marshal’s report and other information relevant to the licensing determination shall be furnished to the department upon application and renewal. A building owned or leased by a school district or accredited nonpublic school that complies with rules adopted by the state fire marshal for school buildings is considered appropriate for use by a child care facility.

c. When a center makes a sufficient application for an initial license, the center may operate for a period of up to 120 calendar days from the date of issuance of the form granting permission to open without a license, pending a final licensing decision. A center has made a sufficient application when it has submitted the following to the department:

- (1) An application for a license.
- (2) An approved fire marshal’s report.
- (3) A floor plan indicating room descriptions and dimensions, including location of windows and doors.
- (4) Information sufficient to determine that the center director meets minimum personnel qualifications.
- (5) The regulatory fee as specified in subrule 109.2(7), and the fee is received by the department’s division of fiscal management.

d. Applicants shall be notified of approval or denial of initial applications within 120 days from the date the application is submitted.

(1) If the applicant has been issued a form granting permission to open without a license, the applicant shall be notified of approval or denial within 120 calendar days of the date of issuance of the form.

(2) No full or provisional license shall be issued before payment of the applicable regulatory fee as determined pursuant to subrule 109.2(7).

e. The department shall not act on a licensing application for 12 months after an applicant’s child care center license has been denied or revoked.

f. When the department has denied or revoked a license, the applicant or person shall be prohibited from involvement with child care unless the department specifically permits involvement through a record check decision.

109.2(2) *License.*

a. An applicant showing compliance with center licensing laws and these rules, including department approval of center plans and procedures and submission of the regulatory fee as specified in subrule 109.2(7) to the department by the date due, shall be issued a license for 24 months. In

determining whether or not a center is in compliance with the intent of a licensing standard outlined in this chapter, the department shall make the final decision.

b. A new license shall be applied for when the center moves, expands, or the facility is remodeled to change licensed capacity.

c. A new license shall be applied for when another adult or agency assumes ownership or legal responsibility for the center.

109.2(3) Provisional license.

a. A provisional license may be issued or a previously issued license may be reduced to a provisional license for a period up to one year when the center does not meet all standards imposed by law and these rules.

b. A provisional license shall be renewable when written plans giving specific dates for completion to bring the center up to standards are submitted to and approved by the department. A provisional license shall not be reissued for more than two consecutive years when the lack of compliance with the same standards has not been corrected within two years.

c. When the center submits documentation or it can otherwise be verified that the center complies with standards imposed by law or these rules, the license shall be upgraded to a full license.

109.2(4) Denial. Initial applications or renewals shall be denied when:

a. The center does not comply with center licensing laws and these rules in order to qualify for a full or provisional license.

b. The center is operating in a manner which the department determines impairs the safety, health, or well-being of children in care.

c. A person subject to an evaluation has transgressions that merit prohibition of involvement with child care and of licensure, as determined by the department.

d. Information provided either orally or in writing to the department or contained in the center's files is shown to have been falsified by the provider or with the provider's knowledge.

e. The center is not able to obtain an approved fire marshal's certificate as prescribed by the state fire marshal or fails to comply in correcting or repairing any deficiencies in the time determined by the fire marshal or the fire marshal determines the facility is not safe for occupancy.

f. The regulatory fee as specified in subrule 109.2(7) is not received by the department's division of fiscal management by the due date indicated on the child care center licensing fee invoice.

109.2(5) Revocation and suspension. A license shall be revoked or suspended if corrective action has not been taken when:

a. The center does not comply with center licensing laws or these rules.

b. The center is operating in a manner which the department determines impairs the safety, health, or well-being of the children in care.

c. A person subject to an evaluation has transgressions that merit prohibition of involvement with child care and of licensure, as determined by the department.

d. Information provided to the department or contained in the center's files is shown to have been falsified by the provider or with the provider's knowledge.

e. The facility is not able to obtain an approved fire marshal's certificate as prescribed by the state fire marshal or fails to comply in correcting or repairing any deficiencies in the time determined by the fire marshal or the fire marshal determines the facility is not safe for occupancy.

f. The regulatory fee as specified in subrule 109.2(7) is not paid in full due to insufficient funds to cover a check submitted to the department for the fee.

109.2(6) Adverse actions.

a. Notice of adverse actions for a denial, revocation, or suspension and the right to appeal the licensing decision shall be given to applicants and licensees in accordance with 441—Chapter 7.

b. An applicant or licensee affected by an adverse action may request a hearing by means of a written request directed to the Department of Human Services, Appeals Section, 1305 E. Walnut Street, Fifth Floor, Des Moines, Iowa 50319-0114. The request shall be submitted within 30 days after the date the department mailed the official notice containing the nature of the denial, revocation, or suspension.

c. A letter received by an owner or director of a licensed center initiating action to deny, suspend, or revoke the facility's license shall be conspicuously posted at the main entrance to the facility where it can be read by parents or any member of the public. The letter shall remain posted until resolution of the action to deny, suspend or revoke the license. If the action to deny, suspend, or revoke is upheld, the center shall return the license to the department.

d. If the center's license is denied, suspended or revoked, the administrator of the department shall notify the parent, guardian, or legal custodian of each child for whom the facility provides child care. The center shall cooperate with the department in providing the names and address of the parent, guardian, or legal custodian of each child for whom the facility provides child care.

109.2(7) Regulatory fees. A fee based upon center capacity is due to the department before the issuance of the license in accordance with this subrule.

a. Fee structure. The amount of the fee is based on the capacity of the center as indicated below:

<u>Center Capacity</u>	<u>Fee Amount</u>
0 to 20 children	\$50
21 to 50 children	\$75
51 to 100 children	\$100
101 to 150 children	\$125
151 or more children	\$150

b. Determination of capacity. The licensing consultant shall determine center capacity by dividing the amount of usable space by the amount of space required per child, as specified in subrule 109.11(1) and subparagraphs 109.11(3) "a"(2) and (3). Upon approval by the department, the final determination of center capacity may include evaluation of other factors that influence capacity, as long as physical space requirements per child as defined in subrule 109.11(1) and subparagraphs 109.11(3) "a"(2) and (3) are maintained.

c. Notification. Upon final determination of center capacity by the licensing consultant, the licensing consultant or designee shall sign and provide the child care center licensing fee invoice to the center.

d. Payment. The center shall return the child care center licensing fee invoice to the department with the licensing fee payment within 30 calendar days from the date of the licensing consultant's or designee's signature on the invoice. Payment may be in the form of cash, check, money order, or cashier's check.

(1) Payment must be received before the department will issue a full or provisional license.

(2) Regulatory fees are nonrefundable and nontransferable.

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 1209C, IAB 12/11/13, effective 2/1/14; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.3(237A) Inspection and evaluation. The department shall conduct an on-site visit in order to make a licensing recommendation for all initial and renewal applications for licensure and shall determine compliance with licensing standards imposed by licensing laws and these rules when a complaint is received.

109.3(1) At least one unannounced on-site visit shall be conducted each calendar year.

109.3(2) After each visit and complaint, the department shall document whether a center was in compliance with center licensing standards imposed by licensing laws and these rules.

109.3(3) The written documentation of the department's conclusion as to whether a center was in compliance with licensing standards for all licensing visits and complaints shall be available to the public. However, the identity of the complainant shall be withheld unless expressly waived by the complainant.

441—109.4(237A) Administration.

109.4(1) Purpose and objectives. Incorporated and unincorporated centers shall submit a written statement of purpose and objectives. The plan and practices of operation shall be consistent with this statement.

109.4(2) Required written policies. The child care center owner, board or director shall:

a. Develop fee policies and financial agreements for the children served.

b. Develop and implement policies for enrollment and discharge of children, field trips and non-center activities, transportation, discipline, nutrition, and health and safety policies.

c. Develop a curriculum or program structure that uses developmentally appropriate practices and an activity program appropriate to the developmental level and needs of the children.

d. Develop and implement a written plan for staff orientation to the center's policies and to the provisions of 441—Chapter 109 where applicable to staff.

e. Develop and implement a written plan for ongoing training and staff development in compliance with professional growth and development requirements established by the department in rule 441—109.7(237A).

f. Make available for review a copy of the center policies and program to all staff at the time of employment and each parent at the time a child is admitted to the center. A copy of the fee policies and financial agreements shall be provided to each parent at the time a child is admitted to the center.

g. Develop and implement a policy for responding to incidents of biting that includes the following elements.

(1) An explanation of the center's perspective on biting.

(2) A description of how the center will respond to individual biting incidents and episodes of ongoing biting.

(3) A description of how the center will assess the adequacy of caregiver supervision and the context and the environment in which the biting occurred.

(4) A description of how the center will respond to the individual child or caregiver who was bitten.

(5) A description of the process for notification of parents of children involved in the incident.

(6) A description of how the incident will be documented.

(7) A description of how confidentiality will be protected.

(8) A description of first-aid procedures that the center will use in response to biting incidents.

h. Develop a policy to ensure that people do not have unauthorized access to children at the center. The policy shall be subject to review for minimum safety standards by the licensing consultant. The policy shall include but is not limited to the following:

(1) The center's criteria for allowing people to be on the property of the facility when children are present.

(2) A description of how center staff will supervise and monitor people who are permitted on the property of the center when children are present, but who have not been cleared for involvement with child care through the formal record check process as outlined in subrule 109.6(6). The description shall include definitions of "supervision" and "monitoring."

(3) A description of how responsibility for supervision and monitoring of people in the center will be delegated to center staff, which includes provisions that address conflicts of interest.

(4) A description of how the policy will be shared with parents, guardians, and custodians of all children who are enrolled at the center.

i. Develop and implement a policy for protection of each child's confidentiality.

109.4(3) Required postings.

a. Postings are required for the certificate of license, notice of exposure of children to a communicable disease, and notice of decision to deny, suspend, or revoke the center's license or reduce the center's license to a provisional status. The center's license, reflecting current regulatory status, and all other required postings shall be conspicuously placed at the main entrance to the center. If the center is located in a building used for additional purposes and shares the main entrance to the building, the required postings shall be conspicuously placed in the center in an area that is frequented daily by parents or the public.

b. Postings are required for mandatory reporter requirements, the notice of availability of the handbook required in subrule 109.4(5), and the program activities and shall be placed in an area that is frequented daily by parents or the public.

109.4(4) *Mandatory reporters.* Requirements and procedures for mandatory reporting of suspected child abuse as defined in Iowa Code section 232.69 shall be posted where they can be read by staff and parents. Methods of identifying and reporting suspected child abuse and neglect shall be discussed with all staff within 30 days of employment.

109.4(5) *Handbook.* A copy of “Child Care Centers and Preschools Licensing Standards and Procedures” shall be available in the child care center, and a notice stating that a copy is available for review upon request from the center director shall be conspicuously posted. The name, office mailing address and telephone number of the child care consultant shall be included in the notice.

109.4(6) *Certificate of license.* The child care license shall be posted in a conspicuous place and shall state the particular premises in which child care may be offered and the number of children who may be cared for at any one time. Notwithstanding the requirements in rule 441—109.8(237A), no greater number of children than is authorized by the license shall be cared for at any one time.

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 1209C, IAB 12/11/13, effective 2/1/14; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.5(237A) Parental participation.

109.5(1) *Unlimited access.* Parents shall be afforded unlimited access to their children and to the provider caring for their children during the center’s hours of operation or whenever their children are in the care of a provider, unless parental contact is prohibited by court order. The provider shall inform all parents of this policy in writing at the time the child is admitted to the center.

109.5(2) *Parental evaluation.* If requested by the department, centers shall assist the department in conducting an annual survey of parents being served by their center. The department shall notify centers of the time frames for distribution and completion of the survey and the procedures for returning the survey to the department. The purpose of the survey shall be to increase parents’ understanding of developmentally appropriate and safe practice, solicit statewide information regarding parental satisfaction with the quality of care being provided to children and obtain the parents’ perspective regarding the center’s compliance with licensing requirements.

[ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.6(237A) Personnel. The board or director of the center shall develop policies for hiring and maintaining staff that demonstrate competence in working with children and that meet the following minimum requirements:

109.6(1) *Center director requirements.* Centers that have multiple sites shall have a center director or on-site supervisor in each center. The center director is responsible for the overall functions of the center, including supervising staff, designing curriculum and administering programs. The director shall ensure services are provided for the children within the framework of the licensing requirements and the center’s statement of purpose and objectives. The center director shall have overall responsibility for carrying out the program and ensuring the safety and protection of the children. Information shall be submitted in writing to the child care consultant prior to the start of employment. Final determination shall be made by the department. Information shall be submitted sufficient to determine that the director meets the following minimum qualifications:

- a. Is at least 21 years of age.
- b. Has obtained a high school diploma or passed a general education development test.
- c. Has completed at least one course in business administration or 12 contact hours in administrative-related training related to personnel, supervision, record keeping, or budgeting or has one year of administrative-related experience.
- d. Has certification in infant, child, and adult cardiopulmonary resuscitation (CPR), first aid, and Iowa’s training for the mandatory reporting of child abuse.
- e. Has achieved a total of 100 points obtained through a combination of education, experience, and child development-related training as outlined in the following chart:

EDUCATION		EXPERIENCE (Points multiplied by years of experience)		CHILD DEVELOPMENT- RELATED TRAINING
Bachelor's or higher degree in early childhood, child development, or elementary education	75	Full-time (20 hours or more per week) in a child care center or preschool setting	20	One point per contact hour of training
Associate's degree in child development or bachelor's degree in a child-related field	50	Part-time (less than 20 hours per week) in a child care center or preschool setting	10	
Child development associate (CDA) or one-year diploma in child development from a community college or technical school	40	Full-time (20 hours or more per week) child development-related experience	10	
Bachelor's or higher degree in a non-child-related field	40	Part-time (less than 20 hours per week) child development-related experience	5	
Associate's degree in a non-child-related field or completion of at least two years of a four-year degree	20	Registered child development home provider	10	
		Nonregistered family home provider	5	

(1) In obtaining the total of 100 points, a minimum of two categories must be used, no more than 75 points may be achieved in any one category, and at least 20 points shall be obtained from the experience category.

(2) Points obtained in the child development-related training category shall have been taken within the past five years.

(3) For directors in centers predominantly serving children with special needs, the directors may substitute a disabilities-related or nursing degree for the bachelor's degree in early childhood, child development or elementary education in determining point totals. In addition, experience in working with children with special needs in an administrative or direct care capacity shall be equivalent to full-time experience in a child care center or preschool in determining point totals.

(4) For directors in centers serving predominantly school-age children, the directors may substitute a degree in secondary education, physical education, recreation or related fields for the bachelor's degree in early childhood, child development or elementary education in determining point totals. In addition, child-related experience working with school-age children shall be equivalent to full-time experience in a child care center or preschool in determining point totals.

109.6(2) On-site supervisor. The on-site supervisor is responsible for the daily supervision of the center and must be on site daily either during the hours of operation that children are present or a minimum of eight hours of the center's hours of operation. Information shall be submitted in writing to the child care consultant prior to the start of employment. Final determination shall be made by the department. Information shall be submitted sufficient to determine that the on-site supervisor meets the following minimum qualifications:

- a. Is an adult.
- b. Has obtained a high school diploma or passed a general education development test.
- c. Has certification in infant, child, and adult cardiopulmonary resuscitation (CPR), first aid, and Iowa's mandatory reporting of child abuse.
- d. Has achieved a total of 75 points obtained through a combination of education, experience, and child development-related training as outlined in the following chart:

EDUCATION		EXPERIENCE (Points multiplied by years of experience)		CHILD DEVELOPMENT- RELATED TRAINING
Bachelor's or higher degree in early childhood, child development, or elementary education	75	Full-time (20 hours or more per week) in a child care center or preschool setting	20	One point per contact hour of training
Associate's degree in child development or bachelor's degree in a child-related field	50	Part-time (less than 20 hours per week) in a child care center or preschool setting	10	
Child development associate (CDA) or one-year diploma in child development from a community college or technical school	40	Full-time (20 hours or more per week) child development-related experience	10	
Bachelor's or higher degree in a non-child-related field	40	Part-time (less than 20 hours per week) child development-related experience	5	
Associate's degree in a non-child-related field or completion of at least two years of a four-year degree	20	Registered child development home provider	10	
		Nonregistered family home provider	5	

(1) In obtaining the total of 75 points, a minimum of two categories must be used, no more than 50 points may be achieved in any one category, and at least 10 points shall be obtained from the experience category.

(2) Points obtained in the child development-related training category shall have been taken within the past five years.

(3) For on-site supervisors in centers predominantly serving children with special needs, the on-site supervisor may substitute a disabilities-related or nursing degree for the bachelor's degree in early childhood, child development or elementary education in determining point totals. In addition, experience in working with children with special needs in an administrative or direct care capacity shall be equivalent to full-time experience in a child care center or preschool in determining point totals.

(4) For on-site supervisors in centers serving predominantly school-age children, the on-site supervisor may substitute a degree in secondary education, physical education, recreation or related fields for the bachelor's degree in early childhood, child development or elementary education in determining point totals. In addition, child-related experience working with school-age children shall be equivalent to full-time experience in a child care center or preschool in determining point totals.

109.6(3) Director and on-site supervisor functions combined. In a center where the functions of the center director and the on-site supervisor are accomplished by the same person, the educational and experience requirements for a center director shall apply. If the center director is serving in the role of the on-site supervisor, the director shall be on site daily either during the hours of operation or a minimum of at least eight hours of the center's hours of operation. If the staff person designated as the on-site supervisor is temporarily absent from the center, another responsible adult staff shall be designated as the interim on-site supervisor.

109.6(4) Transition period for staff. Rescinded IAB 8/3/16, effective 10/1/16.

109.6(5) Volunteers and substitutes. A volunteer shall be at least 16 years of age. All volunteers and substitutes shall:

a. Sign a statement indicating whether or not they have one of the following:

(1) A conviction of any law in any state or any record of founded child abuse or dependent adult abuse in any state.

(2) A communicable disease or other health concern that could pose a threat to the health, safety, or well-being of the children.

b. Sign a statement indicating the volunteer or substitute has been informed of the volunteer's or substitute's responsibilities as a mandatory reporter.

c. Undergo the record check process when any of the following criteria are met:

- (1) The volunteer or substitute is included in meeting the required child-to-staff ratio;
- (2) The volunteer or substitute has direct responsibility for a child or children; or
- (3) The volunteer or substitute has access to a child or children with no other staff present.

d. Have on file at the facility a record containing the statements required in paragraphs 109.6(5) "a" and "b" and documentation of any record check process. The record shall be maintained as required in paragraph 109.9(1) "b."

109.6(6) Record checks.

a. Applicability.

(1) Criminal and child abuse record checks shall be conducted for:

1. Each owner, director, staff member, substitute, volunteer, or subcontracted staff person with direct responsibility for child care or with access to a child when the child is alone;

2. Anyone living in the child care facility who is 14 years of age or older.

(2) Parents, guardians, and custodians are exempt from the record check process in relation to access to their own children or wards.

(3) Professional staff who hold a current, valid license issued by the educational examiners board are exempt from the record check process in relation to children in the center to whom they provide professional services consistent with Iowa Code chapter 272 and rules adopted by the educational examiners board.

b. Authorization. A requesting entity shall request a record check evaluation prior to the employment of a person subject to record checks. The person subject to record checks shall complete the DHS criminal history record check form and any other forms required by the department of public safety to authorize the release of records.

c. Iowa records checks. Checks and evaluations of Iowa child abuse and criminal records, including the sex offender registry, shall be completed before the person's involvement with child care at the center. Iowa records checks shall be repeated at a minimum of every two years and when the department or the center becomes aware of any possible transgressions. The department is not responsible for the cost of conducting the Iowa records check.

(1) The child care center may access the single-contact repository (SING) as necessary to conduct a criminal and child abuse record check of the person in Iowa. If the results of the check indicate a potential transgression, the center shall send a copy of the results to the department for determination of whether or not the person may be involved with child care, regardless of the person's status with the center.

(2) Unless a record check has already been conducted in accordance with subparagraph (1), the department shall conduct a criminal and child abuse record check in Iowa for a person who is subject to a record check. When the department conducts the records check, the fee shall be \$35 for each record check. The center shall submit the fee before the department initiates the record check process. Payment must be in the form of cash, check, money order, or cashier's check. The department may access SING to conduct the records check. The department may also conduct dependent adult abuse, sex offender, and other public or civil offense record checks in Iowa for a person who is subject to a record check.

(3) Centers that participate in student intern programs may seek a waiver for substitution of the state record check process with a check performed by the student's educational institution. Requests for a waiver shall be submitted on Form 470-4893, Record Check Waiver, to the address listed on the form.

d. National criminal history checks. National criminal history checks based on fingerprints are required for all persons subject to record checks under this subrule effective with a center's initial licensure or relicensure on or after June 1, 2010. The national criminal history check shall be repeated for each person every four years and when the department or center becomes aware of any new transgressions committed by that person in another state. The department is not responsible for the cost of conducting the national criminal history check.

(1) The child care center is responsible for obtaining the fingerprints of all persons subject to record checks. Fingerprints may be taken by law enforcement agencies, by agencies or companies that specialize in taking fingerprints, or by center staff or subcontractors who have received appropriate training in the taking of fingerprints.

(2) If the results of the Iowa records checks do not warrant prohibition of the person's involvement with child care or otherwise present protective concerns, the person may be involved with child care on a provisional basis until the national criminal history check and evaluation have been completed.

(3) The child care center shall provide fingerprints to the department of public safety no later than 30 days after the subject's approval for employment at the center. The center shall submit the fingerprints on forms or in a manner allowed by the department of public safety.

(4) Centers that are required to submit fingerprint-based checks of the FBI national criminal database to comply with federal regulations may seek a waiver to substitute that record check for the procedure required in this subrule. Requests for a waiver shall be submitted on Form 470-4893, Record Check Waiver, to the address listed on the form.

(5) Centers that participate in student intern programs may seek a waiver to substitute the fingerprint-based check of the FBI national criminal database performed by the student's educational institution for the procedure required in this subrule. Requests for a waiver shall be submitted on Form 470-4893, Record Check Waiver, to the address listed on the form.

(6) A center considering involvement of a person who has had a national criminal history check at another center may request information from that center. That center may provide the following information in writing upon a center's request, using Form 470-4896, National Criminal History Check Confirmation:

1. Date of most recent national criminal history check conducted by the center on the person in question, and

2. Whether or not the national check process resulted in clearance of the person for involvement with child care.

(7) If the results of the national criminal history check indicate that the person has committed a transgression, the center, if interested in continuing the person's involvement in child care, shall send a copy of the results to the department for evaluation. The department shall determine whether or not the person may be involved with child care.

(8) A center shall submit all required fingerprints to the department of public safety before the issuance or renewal of the center's license.

e. Mandatory prohibition. A person with the following convictions or founded abuse reports is prohibited from involvement with child care:

- (1) Founded child or dependent adult abuse that was determined to be sexual abuse.

- (2) Placement on the sex offender registry.

- (3) Felony child endangerment or neglect or abandonment of a dependent person.

- (4) Felony domestic abuse.

- (5) Felony crime against a child including, but not limited to, sexual exploitation of a minor.

- (6) Forcible felony.

f. Mandatory time-limited prohibition.

(1) A person with the following convictions or founded abuse reports is prohibited from involvement with child care for five years from the date of the conviction or founded abuse report:

1. Conviction of a controlled substance offense under Iowa Code chapter 124.

2. Founded child abuse that was determined to be physical abuse.

(2) After the five-year prohibition period imposed pursuant to 109.6(6) "f"(1), the person may request the department to perform an evaluation under paragraph 109.6(6) "g" to determine whether prohibition of the person's involvement with child care continues to be warranted.

g. Evaluation required. For all other transgressions, and as requested under subparagraph 109.6(6) "f"(2), the department shall notify the requesting entity that an evaluation shall be conducted to determine whether prohibition of the person's involvement with child care is warranted.

(1) The person with the transgression shall complete the record check evaluation form. The requesting entity shall provide the form and any other documents to the department within ten calendar days of the date on the form. The department shall use the information the person with the transgression provides on this form to assist in the evaluation. Failure of the person with the transgression to complete and the requesting entity to return this form by the specified date shall result in denial or revocation of the license or denial of employment. The department shall not process evaluations that are not signed by the person subject to an evaluation.

(2) The department may use information from the department's case records in performing the evaluation.

(3) The requesting entity may provide, or the department may request from the person subject to an evaluation or from the requesting entity, information to assist in performance of the evaluation that includes, but is not limited to, the following:

1. Documentation of criminal justice proceedings.
2. Documentation of rehabilitation.
3. Written employment references or applications.
4. Documentation of substance abuse education or treatment.
5. Criminal history records, child abuse information, and dependent adult abuse information from other states.

6. Documentation of the person's prior residences.

(4) Any person or agency that might have pertinent information regarding criminal or abuse history and rehabilitation of the prospective employee may be contacted.

(5) In an evaluation, the department shall consider all of the following factors:

1. The nature and seriousness of the transgression in relation to the position sought or held.
2. The time elapsed since the commission of the transgression.
3. The circumstances under which the transgression was committed.
4. The degree of rehabilitation.
5. The likelihood that the person will commit the transgression again.
6. The number of transgressions committed by the person.

(6) When a person subject to a record check has a transgression that has been determined in a previous evaluation not to warrant prohibition of the person's involvement with child care and has no subsequent transgressions, an exemption from reevaluation of the latest record check is authorized. The person may commence employment with another child care facility in accordance with the department's previous evaluation. The exemption is subject to all of the following conditions:

1. The person's position with the subsequent employer is substantially the same or has the same job responsibilities as the position for which the previous evaluation was performed.

2. Any restrictions placed on the person's employment by the department in the previous evaluation shall remain applicable in the person's subsequent employment.

3. The person subject to the record check has maintained a copy of the previous evaluation and provides the evaluation to the subsequent employer, or the previous employer provides to the subsequent employer the previous evaluation from the person's personnel file pursuant to the person's authorization. If a physical copy of the previous evaluation is not provided to the subsequent employer, the record check shall be reevaluated.

4. The subsequent employer may request a reevaluation of the record check and may employ the person while the reevaluation is being performed.

h. Evaluation decision. Within 30 days of receipt of a completed record check evaluation, the department shall make a decision on the person's involvement with child care. The department has final authority in determining whether prohibition of the person's involvement with child care is warranted and in developing any conditional requirements and corrective action plan under this paragraph.

(1) The department shall mail to the requesting entity and the person on whom the evaluation was completed the record check decision that explains the decision reached regarding the evaluation of the transgression.

(2) If the department determines through an evaluation of a person's transgressions that the person's prohibition of involvement with child care is warranted, the person shall be prohibited from involvement with child care. The department may identify a period of time after which the person may request that another record check and evaluation be performed.

(3) The department may permit a person who is evaluated to maintain involvement with child care if the person complies with the department's conditions and corrective action plan relating to the person's involvement with child care.

(4) The department shall send a letter to the employer that informs the employer whether the person subject to an evaluation has been approved or denied involvement with child care. If the person has been approved, the letter shall inform the employer of any conditions and corrective action plan relating to the person's involvement with child care.

i. Notice to parents. The administrator of the department shall notify the parents, guardians, and legal custodians of each child for whom the person provides child care if there has been founded child abuse committed by an owner, director, or staff member of the child care center. The center shall cooperate with the department in providing the names and addresses of the parents, guardians, and legal custodians of each child for whom the facility provides child care.

109.6(7) Use of controlled substances and medications. All owners, personnel, and volunteers shall be free of the use of illegal drugs and shall not be under the influence of alcohol or of any prescription or nonprescription drug that could impair their ability to function.

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 9441B, IAB 4/6/11, effective 6/1/11; ARC 0418C, IAB 10/31/12, effective 1/1/13; ARC 1209C, IAB 12/11/13, effective 2/1/14; ARC 1809C, IAB 1/7/15, effective 3/1/15; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.7(237A) Professional growth and development. The center director, on-site supervisor, and staff counted as part of the staff ratio shall meet the following minimum staff training requirements:

109.7(1) Required training within the first three months of employment. During their first three months of employment, all staff shall receive the following training:

a. Two hours of Iowa's training for mandatory reporting of child abuse.

b. At least one hour of training regarding universal precautions and infectious disease control.

c. Certification in American Red Cross, American Heart Association, American Safety and Health Institute, or MEDIC First Aid infant, child, and adult cardiopulmonary resuscitation (CPR) or equivalent certification approved by the department. A valid certificate indicating the date of training and expiration date shall be maintained.

d. Certification in infant, child, and adult first aid that uses a nationally recognized curriculum or is received from a nationally recognized training organization, including the American Red Cross, American Heart Association, the National Safety Council, the American Safety and Health Institute, or MEDIC First Aid or an equivalent certification approved by the department. A valid certificate indicating the date of training and expiration date shall be maintained.

e. Minimum health and safety trainings, approved by the department, in the following areas and every five years thereafter:

- (1) Prevention and control of infectious disease, including immunizations.
- (2) Prevention of sudden infant death syndrome and use of safe sleep practices.
- (3) Administration of medication, consistent with standards for parental consent.
- (4) Prevention of and response to emergencies due to food and allergic reactions.
- (5) Building and physical-premises safety, including identification of and protection from hazards that can cause bodily injury, such as electrical hazards, bodies of water, and vehicular traffic.
- (6) Prevention of shaken baby syndrome and abusive head trauma.
- (7) Emergency preparedness and response planning for emergencies resulting from a natural disaster or a human-caused event.
- (8) Handling and storage of hazardous materials and the appropriate disposal of biocontaminants.
- (9) Precautions in transporting children.

Minimum health and safety training may be required prior to the five-year period if content has significant changes which warrant that the training be renewed.

109.7(2) Center directors and all staff.

a. During their first year of employment, all center directors and all staff shall receive the following training:

- (1) Ten contact hours of training from one or more of the following content areas:
 1. Planning a safe, healthy learning environment (includes nutrition).
 2. Steps to advance children's physical and intellectual development.
 3. Positive ways to support children's social and emotional development (includes guidance and discipline).
 4. Strategies to establish productive relationships with families (includes communication skills and cross-cultural competence).
 5. Strategies to manage an effective program operation (includes business practices).
 6. Maintaining a commitment to professionalism.
 7. Observing and recording children's behavior.
 8. Principles of child growth and development.
- (2) Training received for cardiopulmonary resuscitation (CPR), first aid, mandatory reporting of child abuse, and universal precautions shall not count toward the ten contact hours. A provider shall not use a specific training or class to meet minimum continuing education requirements more than one time every five years.
- (3) Staff who have completed a comprehensive training package of at least ten contact hours offered through a child care resource and referral agency or community college within six months prior to initial employment shall have the first year's ten contact hours of training waived.

b. Following their first year of employment, all center directors and all staff shall:

- (1) Maintain current certification for Iowa's training for the mandatory reporting of child abuse; infant, child and adult CPR; and infant, child and adult first aid.
- (2) Receive six contact hours of training annually from one or more of the content areas listed in subparagraph 109.7(2)"a"(1). A provider shall not use a specific training or class to meet minimum continuing education requirements more than one time every five years.
- (3) Center directors and on-site supervisors shall receive eight contact hours of training annually from one or more of the content areas listed in subparagraph 109.7(2)"a"(1).

c. Initial training obtained as identified in paragraph 109.7(1)"e" may be counted toward annual training hours during the year of employment in which the training is taken.

d. Training identified in paragraph 109.7(1)"e" shall not count towards annual professional development more than once.

109.7(3) Staff employed in centers that operate summer-only programs. During their first three months of employment, all staff shall receive the following training:

- a. Two hours of Iowa's training for mandatory reporting of child abuse.
- b. At least one hour of training regarding universal precautions and infectious disease control.
- c. Certification in American Red Cross, American Heart Association, American Safety and Health Institute, or MEDIC First Aid infant, child, and adult cardiopulmonary resuscitation (CPR) or equivalent certification approved by the department. A valid certificate indicating the date of training and expiration date shall be maintained.
- d. Certification in infant, child, and adult first aid that uses a nationally recognized curriculum or is received from a nationally recognized training organization, including the American Red Cross, American Heart Association, the National Safety Council, the American Safety and Health Institute, or MEDIC First Aid or an equivalent certification approved by the department. A valid certificate indicating the date of training and expiration date shall be maintained.
- e. Minimum health and safety trainings, approved by the department, in the following areas:
 - (1) Prevention and control of infectious disease, including immunizations.
 - (2) Prevention of sudden infant death syndrome and use of safe sleep practices.
 - (3) Administration of medication, consistent with standards for parental consent.
 - (4) Prevention of and response to emergencies due to food and allergic reactions.

(5) Building and physical-premises safety, including identification of and protection from hazards that can cause bodily injury, such as electrical hazards, bodies of water, and vehicular traffic.

(6) Prevention of shaken baby syndrome and abusive head trauma.

(7) Emergency preparedness and response planning for emergencies resulting from a natural disaster or a human-caused event.

(8) Handling and storage of hazardous materials and the appropriate disposal of biocontaminants.

(9) Precautions in transporting children.

109.7(4) Training plans. Training shall supplement the educational and experience requirements in rule 441—109.6(237A) and shall enhance the staff's skill in working with the developmental and cultural characteristics of the children served.

109.7(5) Substitution. A provider who submits documentation from a child care resource and referral agency that the provider has completed the Iowa Program for Infant/Toddler Care (IA PITC), ChildNet, or Beyond Business Basics training series may use those hours to fulfill a maximum of two years' training requirements, not including first-aid and mandatory reporter training.

109.7(6) Approved training.

a. The training must be conducted by a trainer who is employed by or under contract with one of the following entities or who uses curriculum or training materials developed or obtained with the written permission of one of the following entities:

(1) An accredited university or college.

(2) A community college.

(3) Iowa State University Extension.

(4) A child care resource and referral agency.

(5) An area education agency.

(6) The regents' center for early developmental education at the University of Northern Iowa.

(7) A hospital (for health and safety, first-aid, and CPR training).

(8) The American Red Cross, the American Heart Association, the National Safety Council, or Medic First Aid (for first-aid and CPR training).

(9) An Iowa professional association, including the Iowa Association for the Education of Young Children (Iowa AEYC), the Iowa Family Child Care Association (IFCCA), the Iowa After School Alliance, and the Iowa Head Start Association.

(10) A national professional association, including the National Association for the Education of Young Children (NAEYC), the National Child Care Association (NCCA), the National Association for Family Child Care (NAFCC), the National After School Association, and the American Academy of Pediatrics.

(11) The Child and Adult Care Food Program and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

(12) The Iowa department of public health, department of education, or department of human services.

(13) Head Start agencies or the Head Start technical assistance system.

(14) Organizations that are certified by the International Association for Continuing Education and Training (IACET).

b. Training received in a group setting must follow a presentation format that incorporates a variety of adult learning methods. The material or content of the training must be obtained from one of the entities listed in paragraph "a" or an entity approved under paragraph "g." Approved training shall be made available to Iowa child care providers through the child care provider training registry beginning July 1, 2009.

c. Training received in a group setting may include distance learning opportunities such as training conducted over the Iowa communications network, on-line courses, or Web conferencing (webinars) if:

(1) The training meets the requirements in subrule 109.7(7);

(2) The training is taught by an instructor and requires interaction between the instructor and the participants, such as required chats or message boards; and

(3) The training organization meets the requirements listed in this subrule or is approved by the department.

d. The department will not approve more than eight hours of training delivered in a single day.

e. The department may randomly monitor any state-approved training for quality control purposes.

f. Training conducted with staff either during the hours of operation of the facility, staff lunch hours, or while children are resting must not diminish the required staff ratio coverage. Staff shall not be actively engaged in care and supervision and simultaneously participate in training.

g. A training organization not approved by the department may submit for review to the department a request for child care training approval. All approvals, unless otherwise specified, shall be valid for five years. The department shall issue its decision within 30 business days of receipt of a complete request.

109.7(7) *Elements of training.* Training provided to Iowa child care providers shall offer:

a. Instruction that is consistent with:

(1) Iowa child care regulatory standards;

(2) The Iowa early learning standards; and

(3) The philosophy of developmentally appropriate practice as defined by the National Association for the Education of Young Children, the Program for Infant/Toddler Care, and the National Health and Safety Performance Standards.

b. Content equal to at least one contact hour of training.

c. An opportunity for ongoing interaction and timely feedback, including questions and answers within the contact hours.

d. A certificate of training for each participant that includes:

(1) The name of the participant.

(2) The title of the training.

(3) The dates of training.

(4) The content area addressed.

(5) The name of the training organization.

(6) The name of the instructor.

(7) The number of contact hours.

109.7(8) *Training for supervisors and designees.* The director, on-site supervisor, and any person designated a lead in the absence of supervisory staff shall have completed all preservice/orientation training outlined in subrule 109.7(1).

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.8(237A) Staff ratio requirements.

109.8(1) *Staff requirements.* Persons counted as part of the staff ratio shall meet the following requirements:

a. Be at least 16 years of age. If less than 18 years of age, the staff shall be under the direct supervision of an adult.

b. Be involved with children in programming activities.

c. At least one staff person on duty in the center and outdoor play area when children are present and present on field trips shall be over the age of 18 and hold current certification in first aid and cardiopulmonary resuscitation (CPR) as required in rule 441—109.7(237A).

109.8(2) *Staff ratio.* The staff-to-child ratio shall be as follows:

<u>Age of children</u>	<u>Minimum ratio of staff to children</u>
Two weeks to two years	One to every four children
Two years	One to every six children
Three years	One to every eight children
Four years	One to every twelve children
Five years to ten years	One to every fifteen children
Ten years and over	One to every twenty children

a. Combinations of age groupings for children four years of age and older may be allowed and may have staff ratio determined on the age of the majority of the children in the group. If children three years of age and under are included in the combined age group, the staff ratio for children aged three and under shall be maintained for these children. Preschools shall have staff ratios determined on the age of the majority of the children, including children who are three years of age.

b. If a child between the ages of 18 and 24 months is placed outside the infant area, as defined at subrule 109.11(2), the staff ratio of 1 to 4 shall be maintained as would otherwise be required for the group until the child reaches the age of two.

c. Every child-occupied program room shall have adult supervision present in the room.

d. During nap time, at least one staff shall be present in every room where children are resting. Staff ratio requirements may be reduced to one staff per room where children are resting for a period of time not to exceed one hour provided staff ratio coverage can be maintained in the center. The staff ratio shall always be maintained in the infant area.

e. The minimum staff ratio shall be maintained at mealtimes and for any outdoor activities at the center.

f. When seven or more children over the age of three are present on the licensed premises or are being transported in one vehicle, at least two adult staff shall be present. Only one adult is required when a center is transporting children in a center-owned vehicle with parent authorization for the sole purpose of transporting children to and from school. When a center contracts with another entity to provide transportation other than for the purpose of transporting school-age children to or from school, at least one adult staff in addition to the driver shall be present if at least seven children provided care by the center are transported.

g. Any child care center-sponsored program activity involving five or more children conducted away from the licensed facility shall provide a minimum of one additional staff over the required staff ratio for the protection of the children.

h. For a period of two hours or less at the beginning or end of the center's hours of operation, one staff may care for six or fewer children, provided no more than two of the children are under the age of two years and there are no more than six children in the center.

i. For centers or preschools serving school-age children, the ratio for school-age children may be exceeded for a period of no more than four hours during a day when school classes start late or are dismissed early due to inclement weather or structural damage provided the children are already enrolled at the center and the center does not exceed the licensed capacity.

[ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.9(237A) Records.

109.9(1) Personnel records. The center shall maintain personnel information sufficient to ensure that persons employed in the center meet minimum staff and training requirements and do not pose any threat to the health, safety, or well-being of the children. Each employee's file shall contain, at a minimum, the following:

a. A statement signed by each individual indicating whether or not the individual has any conviction of violating any law in any state or has any record of founded child abuse or dependent adult abuse in any state.

b. Copies of all records checks kept in accordance with state and federal law regarding confidentiality of records checks. These records shall include:

(1) A copy of a DHS criminal history record check form or any other permission form approved by the department of public safety for conducting an Iowa or national criminal history record check.

(2) A copy of a request for child abuse information form, when applicable.

(3) Copies of the results of Iowa records checks conducted through the SING for review by the department upon request.

(4) Copies of national criminal history check results.

(5) Any department-issued documents sent to the center related to a records check, regardless of findings.

c. Reserved.

d. A physical examination report. Personnel shall have good health as evidenced by a preemployment physical examination. Acceptable physical examinations shall be documented on Form 470-5152, Child Care Provider Physical Examination Report. The examination shall include any necessary testing for communicable diseases; shall include a discussion regarding current Advisory Committee on Immunization Practices (ACIP)-recommended vaccinations; shall be performed within six months prior to beginning employment by a licensed medical doctor, doctor of osteopathy, physician assistant or advanced registered nurse practitioner; and shall be repeated at least every three years.

e. Documentation showing the minimum staff training requirements as outlined at rule 441—109.7(237A) are met, including current certifications in first aid and cardiopulmonary resuscitation (CPR) and Iowa's training for the mandatory reporting of child abuse.

f. A photocopy of a valid driver's license if the staff will be involved in the transportation of children.

109.9(2) *Child's file.* Centers shall maintain sufficient information in a file for each child, which shall be updated at least annually or when the parent notifies the center of a change or the center becomes aware of a change, to ensure that:

a. A parent or an emergency contact authorized by the parent can be contacted at any time the child is in the care of the center.

b. Appropriate emergency medical and dental services can be secured for the child while in the center's care.

c. Information is available in the center regarding the specific health and medical needs of a child, including information regarding any professionally prescribed treatment. Information shall include a physical examination report as required at subrule 109.10(1). For a center serving school-age children that operates in the same school facility in which the child attends school, documentation shall include a statement signed by the parent that the immunization information is available in the school file.

d. A child is released only to authorized persons.

e. Documentation of injuries, accidents, or other incidents involving the child is maintained.

f. Parent authorization is obtained for a child to attend center-sponsored field trips and non-center activities. If parental authorization is obtained on an authorization form inclusive of all children participating in the activity, the authorization form shall be kept on file at the center.

109.9(3) *Immunization certificates.* Signed and dated Iowa immunization certificates, provided by the state department of public health, shall be on file for each child enrolled as prescribed by the department of public health at 641—Chapter 7.

109.9(4) *Daily activities.* For each child under two years of age, the center shall make a daily written record. At the end of the child's day at the center, the daily written record shall be provided verbally or in writing to the parent or the person who removes the child from the center. The record shall contain information on each of these areas:

a. The time periods in which the child has slept.

b. The amount of food consumed and the times at which the child has eaten.

c. The time of and any irregularities in the child's elimination patterns.

d. The general disposition of the child.

e. A general summary of the activities in which the child participated.
[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 0996C, IAB 9/4/13, effective 11/1/13; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.10(237A) Health and safety policies. The child care center shall establish definite health policies, including the criteria for excluding a sick child from the center. The policies shall be consistent with the recommendations of the National Health and Safety Performance Standards and shall include, but are not limited to:

109.10(1) Physical examination report.

a. Preschool-age children. For each child five years of age and younger not enrolled in kindergarten, the child care center shall require an admission physical examination report, submitted within 30 days from the date of admission, signed by a licensed medical doctor, doctor of osteopathy, physician's assistant or advanced registered nurse practitioner. The date of the physical examination shall be no more than 12 months prior to the first day of attendance at the center. The written report shall include past health history, status of present health including allergies, medications, and acute or chronic conditions, and recommendations for continued care when necessary. Annually thereafter, a statement of health condition, signed by a licensed medical doctor, doctor of osteopathy, physician's assistant or advanced registered nurse practitioner, shall be submitted that includes any change in functioning, allergies, medications, or acute or chronic conditions.

b. School-age children. For each child five years of age and older and enrolled in school, the child care center shall require, prior to admission, a statement of health status signed by the parent or legal guardian that certifies that the child is free of communicable disease and that specifies any allergies, medications, or acute or chronic conditions. The statement from the parent shall be submitted annually thereafter.

c. Religious exemption. Nothing in this rule shall be construed to require medical treatment or immunization for staff or the child of any person who is a member of a church or religious organization which has guidelines governing medical treatment for disease that are contrary to these rules. In these instances, an official statement from the organization shall be incorporated in the personnel or child's file.

109.10(2) Medical and dental emergencies. The center shall have sufficient information and authorization to meet the medical and dental emergencies of children. The center shall have written procedures for medical and dental emergencies and shall ensure, through orientation and training, that all staff are knowledgeable of and able to implement the procedures.

109.10(3) Medications. The center shall have written procedures for the dispensing, storage, authorization, and recording of all prescription and nonprescription medications, including the following:

a. All medications shall be stored in their original containers, with accompanying physician or pharmacist's directions and label intact and stored so they are inaccessible to children and the public. Nonprescription medications shall be labeled with the child's name.

b. For every day an authorization for medication is in effect and the child is in attendance, there shall be a notation of administration including the name of the medicine, date, time, dosage given or applied, and the initials of the person administering the medication or the reason the medication was not given.

c. In the case of medications that are administered on an ongoing, long-term basis, authorization shall be obtained for a period not to exceed the duration of the prescription.

109.10(4) Daily contact. Each child shall have direct contact with a staff person upon arrival for early detection of apparent illness, communicable disease, or unusual condition or behavior which may adversely affect the child or the group. The center shall post notice at the main entrance to the center where it is visible to parents and the public of exposure of a child receiving care by the center to a communicable disease, the symptoms, and the period of communicability. If the center is located in a building used for other purposes and shares the main entrance to the building, the notice shall be conspicuously posted in the center in an area that is frequented daily by parents or the public.

109.10(5) *Infectious disease control.* Centers shall establish policies and procedures related to infectious disease control and the use of universal precautions with the handling of any bodily excrement or discharge, including blood and breast milk. Soiled diapers shall be stored in containers separate from other waste.

109.10(6) *Quiet area for ill or injured.* The center shall provide a quiet area under supervision for a child who appears to be ill or injured. The parents or a designated person shall be notified of the child's status in the event of a serious illness or emergency.

109.10(7) *Staff hand washing.* The center shall ensure that staff demonstrate clean personal hygiene sufficient to prevent or minimize the transmission of illness or disease. All staff shall wash their hands at the following times:

- a. Upon arrival at the center.
- b. Immediately before eating or participating in any food service activity.
- c. After diapering a child.
- d. Before leaving the rest room either with a child or by themselves.
- e. Before and after administering nonemergency first aid to a child if gloves are not worn.
- f. After handling animals and cleaning cages.

109.10(8) *Children's hand washing.* The center shall ensure that staff assist children in personal hygiene sufficient to prevent or minimize the transmission of illness or disease. For each infant or child with a disability, a separate cloth for washing and one for rinsing may be used in place of running water. Children's hands shall be washed at the following times:

- a. Immediately before eating or participating in any food service activity.
- b. After using the rest room or being diapered.
- c. After handling animals.

109.10(9) *First-aid kit.* The center shall ensure that a clearly labeled first-aid kit is available and easily accessible to staff at all times whenever children are in the center, in the outdoor play area, and on field trips. The kit shall be sufficient to address first aid related to minor injury or trauma and shall be stored in an area inaccessible to children.

109.10(10) *Recording incidents.* Incidents involving a child, including minor injuries, minor changes in health status, or other minor behavioral concerns, shall be reported to the parents, guardians, and legal custodians on the day of the incident. Incidents resulting in an injury to a child shall be reported to the parent on the day of the incident. Incidents resulting in a serious injury to a child or incidents resulting in a significant change in the health status of a child shall be verbally reported to the parents, guardians, and legal custodians immediately. The parents, guardians, and legal custodians of any child included in incidents involving inappropriate, sexually acting-out behavior shall be notified immediately after the incident. A written report, fully documenting every incident, shall be provided to the parent or person authorized to remove the child from the center. The written report shall be prepared by the staff member who observed the incident and a copy shall be retained in the child's file.

109.10(11) *Smoking.* Smoking and the use of tobacco products shall be prohibited at all times in the center and in every vehicle used to transport children. Smoking and the use of tobacco products shall be prohibited in the outdoor play area during hours of operation of the center. Nonsmoking signs shall be posted at every entrance of the child care center and in every vehicle used to transport children. All signs shall include:

- a. The telephone number for reporting complaints, and
- b. The Internet address of the department of public health (www.iowasmokefreeair.gov).

109.10(12) *Transportation.* As outlined in Iowa Code section 321.446, all children transported in a motor vehicle subject to registration, except a bus, shall be individually secured by a safety belt, safety seat, or harness in accordance with federal motor vehicle safety standards and the manufacturer's instructions.

- a. Children under the age of 6 shall be secured during transit in a federally approved child restraint system. Children under 1 year of age and weighing less than 20 pounds shall be secured during transit in a rear-facing child restraint system.
- b. Children under the age of 12 shall not be located in the front seating section of the vehicle.

c. Drivers of vehicles shall possess a valid driver's license and shall not operate a vehicle while under the influence of alcohol, illegal drugs, prescription or nonprescription drugs that could impair the drivers' ability to operate a motor vehicle.

d. Vehicles that are owned or leased by the center shall receive regular maintenance and inspection according to manufacturer-recommended guidelines for vehicle and tire maintenance and inspection.

109.10(13) Field trip emergency numbers. Emergency telephone numbers for each child shall be taken by staff when transporting children to and from school and on field trips and non-center-sponsored activities away from the premises.

109.10(14) Pets. Animals kept on site shall be in good health with no evidence of disease, be of such disposition as to not pose a safety threat to children, and be maintained in a clean and sanitary manner. Documentation of current vaccinations shall be available for all cats and dogs. No ferrets, reptiles, including turtles, or birds of the parrot family shall be kept on site. Pets shall not be allowed in kitchen or food preparation areas.

109.10(15) Emergency plans.

a. The center shall have written emergency plans and diagrams for responding to fire, tornado, and flood (if area is susceptible to flood), and plans for responding to intruders within the center, intoxicated parents, and lost or abducted children. In addition, the center shall have guidelines for responding or evacuating in case of blizzards, power failures, bomb threats, chemical spills, earthquakes, or other disasters that could create structural damage to the center or pose health hazards. If the center is located within a ten-mile radius of a nuclear power plant or research facility, the center shall also have plans for nuclear evacuations. Emergency plans shall include written procedures including plans for the following:

- (1) Evacuation to safely leave the facility.
- (2) Relocation to a common, safe location after evacuation.
- (3) Shelter-in-place to take immediate shelter when the current location is unsafe to leave due to the emergency issue.
- (4) Lockdown to protect children and providers from an external situation.
- (5) Communication and reunification with parents or other adults responsible for the children which shall include emergency telephone numbers.
- (6) Continuity of operations.
- (7) To address the needs of individual children, including those with functional or access needs.

b. Emergency instructions, telephone numbers, and diagrams for fire, tornado, and flood (if area is susceptible to floods) shall be visibly posted by all program and outdoor exits. Emergency plan procedures shall be practiced and documented at least once a month for fire and for tornado. Records on the practice of fire and tornado drills shall be maintained for the current and previous year.

c. The center shall develop procedures for annual staff and volunteer training on these emergency plans and shall include information on responding to fire, tornadoes, intruders, intoxicated parents, and lost or abducted children in the orientation provided to new employees and volunteers.

d. The center shall conduct a daily check to ensure that all exits are unobstructed.

109.10(16) Supervision and access.

a. The center director and on-site supervisor shall ensure that each staff member, substitute, or volunteer knows the number and names of children assigned to that staff member, substitute, or volunteer for care. Assigned staff, substitutes, and volunteers shall provide careful supervision.

b. Any person in the center who is not an owner, staff member, substitute, or volunteer who has a record check and department approval to be involved with child care shall not have unrestricted access to children for whom that person is not the parent, guardian, or custodian.

c. Persons who are exempt from the record check process are granted access in accordance with 109.6(6) "a"(2) unless the provisions of paragraph 109.10(16) "d" apply.

d. A sex offender who has been convicted of a sex offense against a minor and who is required to register with the Iowa sex offender registry under the provisions contained in Iowa Code chapter 692A shall not operate, manage, be employed by, or act as a contractor or volunteer at a child care center. The sex offender also shall not be present upon the property of a child care center without the written

permission of the center director, except for the time reasonably necessary to transport the offender's own minor child or ward to and from the center.

(1) Written permission shall include the conditions under which the sex offender may be present, including:

1. The precise location in the center where the sex offender may be present;
2. The reason for the sex offender's presence at the facility;
3. The duration of the sex offender's presence;
4. Description of the supervision that the center staff will provide the sex offender to ensure that no child is alone with the sex offender.

(2) Before giving written permission, the center director shall consult with the center licensing consultant. The written permission shall be signed and dated by the center director and the sex offender and kept on file for review by the center licensing consultant.

[ARC 8650B, IAB 4/7/10, effective 6/1/10; ARC 1209C, IAB 12/11/13, effective 2/1/14; ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.11(237A) Physical facilities.

109.11(1) Room size. The program room size shall be a minimum of 80 square feet of useable floor space or sufficient floor space to provide 35 square feet of useable floor space per child. In rooms where floor space occupied by cribs is counted as useable floor space, there shall be 40 square feet of floor space per child. Kitchens, bathrooms, halls, lobby areas, storage areas and other areas of the center not designed as activity space for children shall not be used as regular program space or counted as useable floor space.

109.11(2) Infants' area. An area shall be provided properly and safely equipped for the use of infants and free from the intrusion of children two years of age and older. Children over 18 months of age may be grouped outside this area if appropriate to the developmental needs of the child. Upon the recommendation of a child's physician or the area education agency serving the child, a child who is two years of age or older with a disability that results in significant developmental delays in physical and cognitive functioning who does not pose a threat to the safety of the infants may, if appropriate and for a limited time approved by the department, remain in the infant area.

109.11(3) Facility requirements.

a. The center shall ensure that:

- (1) The facility and premises are sanitary, safe and hazard-free.
- (2) Adequate indoor and outdoor program space that is adjacent to the center is provided. Centers shall have a safe outdoor program area with at least sufficient square footage to accommodate 30 percent of the enrollment capacity at any one time at 75 square feet per child. The outdoor area shall include safe play equipment and an area of shade.
- (3) Sufficient program space is provided for dining to allow ease of movement and participation by children and to allow staff sufficient space to attend to the needs of the children during routine care and emergency procedures.
- (4) Sufficient lighting shall be provided to allow children to adequately perform developmental tasks without eye strain.
- (5) Sufficient ventilation is provided to maintain adequate indoor air quality.
- (6) Sufficient heating is provided to allow children to perform tasks comfortably without excessive clothing.
- (7) Sufficient cooling is provided to allow children to perform tasks without being excessively warm or subject to heat exposure.
- (8) Sufficient bathroom and diapering facilities are provided to attend immediately to children's toileting needs and maintained to reduce the transmission of disease.
- (9) Equipment, including kitchen appliances, placed in a program area is maintained so as not to result in burns, shock or injury to children.
- (10) Sanitation and safety procedures for the center are developed and implemented to reduce the risk of injury or harm to children and reduce the transmission of disease.

b. Approval may be given by the department to waive the outdoor space requirement for programs of three hours or less, provided there is suitable substitute space and equipment available.

c. Approval may be given by the department for centers operating in a densely developed area to use alternative outdoor play areas in lieu of adjacent outdoor play areas.

d. The director or designated person shall complete and keep a record of at least monthly inspections of the outdoor recreation area and equipment for the purpose of assessing and rectifying potential safety hazards. If the outdoor play area is not used for a period of time due to inclement weather conditions, the center shall document the reasons why the monthly inspection did not occur and shall complete and document an inspection prior to resuming use of the area.

e. Centers that operate in a public school building, including before and after school programs and summer programs serving school-age children, may receive limited exemption from a facility requirement at subrule 109.11(3), particularly relating to ventilation and bathroom facilities, if complying with the requirement would require a structural or mechanical change to the school building. Centers shall ensure that the space occupied by the center is sanitary, safe, and hazard-free and shall conduct monthly playground inspections or provide documentation that one has been completed by the public school personnel.

109.11(4) Bathroom facilities. At least one functioning toilet and one sink for each 15 children shall be provided in a room with natural or artificial ventilation. Training seats or chairs may be used for children under two years of age. New construction after November 1, 1995, shall provide for at least one sink in the same area as the toilet and, for centers serving children two weeks to two years of age, shall provide for at least one sink in the central diapering area. At least one sink shall be provided in program rooms for infants and toddlers or in an adjacent area other than the kitchen. New construction after April 1, 1998, shall have at least one sink provided in the program rooms for infants and toddlers.

109.11(5) Telephone. A working nonpay telephone shall be available in the center with emergency telephone numbers for police or 911, fire, ambulance, and poison information center posted adjacent to the telephone. The street address and telephone number of the center shall be included in the posting. A separate file or listing of emergency telephone numbers for each child shall be maintained near the telephone.

109.11(6) Kitchen appliances and microwaves. Gas or electric ranges or ovens shall not be placed in the program area. If kitchen appliances are maintained in the program area for food preparation activities, the area shall be sectioned off and shall not be counted as useable floor space for room size. Centers using microwave ovens for warming infant bottles or infant food shall ensure that the formula or food item is not served immediately to the child after being removed from the microwave. The infant bottle shall be shaken or food stirred and the formula or food item tested by the caregiver before being fed to the infant. Breast milk shall not be warmed in a microwave.

109.11(7) Environmental hazards.

a. Within one year of being issued an initial or renewal license, centers operating in facilities built prior to 1960 shall conduct a visual assessment for lead hazards that exist in the form of peeling or chipping paint. If the presence of peeling or chipping paint is found, the paint shall be presumed to be lead-based paint unless a certified inspector as defined in department of public health rules at 641—Chapter 70 determines that it is not lead-based paint. If the presence of peeling or chipping paint is found, interim controls using safe work methods as defined by the state department of public health shall be accomplished prior to a full license being issued.

b. Within one year of being issued an initial or renewal license, centers operating in facilities that are at ground level, use a basement area as program space, or have a basement beneath the program area shall have radon testing performed as prescribed by the state department of public health at 641—Chapter 43. Testing shall be required if test kits are available from the local health department or the Iowa Radon Coalition. Retesting shall be accomplished at least every two years from the date of the initial measurement if test kits are available from the local health department or the Iowa Radon Coalition. If testing determines confirmed radon gas levels in excess of 4.0 picocurie per liter, a plan using radon mitigation procedures established by the state department of public health shall be developed with and approved by the state department of public health prior to a full license being issued.

c. To reduce the risk of carbon monoxide poisoning, all centers shall, on an annual basis prior to the heating season, have a professional inspect all fuel-burning appliances, including oil and gas furnaces, gas water heaters, gas ranges and ovens, and gas dryers, to ensure the appliances are in good working order with proper ventilation. All centers shall install one carbon monoxide detector on each floor of the center that is listed with Underwriters Laboratory (UL) as conforming to UL Standard 2034.

d. Centers that operate before and after school programs and summer-only programs that serve only school-age children and that operate in a public school building are exempted from testing for lead, radon, and carbon monoxide.

441—109.12(237A) Activity program requirements.

109.12(1) Activities. The center shall have a written curriculum or program structure that uses developmentally appropriate practices and a written program of activities planned according to the developmental level of the children. The center shall post a schedule of the program in a visible place. The child care program shall complement but not duplicate the school curriculum. The program shall be designed to provide children with:

a. A curriculum or program of activities that promotes self-esteem and positive self-image; social interaction; self-expression and communication skills; creative expression; and problem-solving skills.

b. A balance of active and quiet activities; individual and group activities; indoor and outdoor activities; and staff-initiated and child-initiated activities.

c. Activities which promote both gross and fine motor development.

d. Experiences in harmony with the ethnic and cultural backgrounds of the children.

e. A supervised nap or quiet time for all children under the age of six not enrolled in school who are present at the center for five or more hours.

109.12(2) Discipline. The center shall have a written policy on the discipline of children which provides for positive guidance, with direction for resolving conflict and the setting of well-defined limits. The written policy shall be provided to staff at the start of employment and to parents at time of admission. The center shall not use as a form of discipline:

a. Corporal punishment including spanking, shaking, and slapping.

b. Punishment which is humiliating or frightening or which causes pain or discomfort to the child. Children shall never be locked in a room, closet, box or other device. Mechanical restraints shall never be used as a form of discipline. When restraints are part of a treatment plan for a child with a disability authorized by the parent and a psychologist or psychiatrist, staff shall receive training on the safe and appropriate use of the restraint.

c. Punishment or threat of punishment associated with a child's illness, lack of progress in toilet training, or in connection with food or rest.

d. No child shall be subjected to verbal abuse, threats, or derogatory remarks about the child or the child's family.

109.12(3) Policies for children requiring special accommodations. Reasonable accommodations, based on the special needs of the child, shall be made in providing care to a child with a disability. Accommodation can be a specific treatment prescribed by a professional or a parent, or a modification of equipment, or removal of physical barriers. The accommodation shall be recorded in the child's file.

109.12(4) Play equipment, materials and furniture. The center shall provide sufficient and safe indoor play equipment, materials, and furniture that conform with the standards or recommendations of the Consumer Product Safety Commission or the American Society for Testing and Materials for juvenile products. Play equipment, materials, and furniture shall meet the developmental, activity, and special needs of the children.

Rooms shall be arranged so as not to obstruct the direct observation of children by staff. Individual covered mats, beds, or cots and appropriate bedding shall be provided for all children who nap. The center shall develop procedures to ensure that all equipment and materials are maintained in a sanitary manner. Sufficient spacing shall be maintained between equipment to reduce the transmission of disease, to allow ease of movement and participation by children and to allow staff sufficient space to attend to the needs of the children during routine care and emergency procedures. The center shall provide sufficient

toilet articles for each child for hand washing. Parents may provide items for oral hygiene (if appropriate to the developmental age and needs of the child). The center shall ensure that sanitary procedures are followed for use and storage of the articles.

109.12(5) *Infant environment.* A child care center serving children two weeks to two years old must provide an environment which protects the children from physical harm, but is not so restrictive as to inhibit physical, intellectual, emotional, and social development.

a. Stimulation shall be provided to each child through being held, rocked, played with and talked with throughout the time care is provided. Insofar as possible, the same adult should provide complete care for the same child.

b. Each infant and toddler shall be diapered in a sanitary manner as frequently as needed at a central diapering area. Diapering, sanitation, and hand-washing procedures shall be posted and implemented in every diapering area. There shall be at least one changing table for every 15 infants.

c. Highchairs or hook-on seats shall be equipped with a safety strap which shall be engaged when the chair is in use and shall be constructed so the chair will not topple.

d. Safe, washable toys, large enough so they cannot be swallowed and with no removable parts, shall be provided. All hard-surface toys used by children shall be sanitized daily.

e. The provider shall follow safe sleep practices as recommended by the American Academy of Pediatrics for infants under the age of one. Requirements are as follows:

(1) Infants shall always be placed on their backs for sleep.

(2) Infants shall be placed on a firm mattress with a tight fitted sheet that meets U.S. Consumer Product Safety Commission federal standards.

(3) Infants shall not be allowed to sleep on a bed, sofa, air mattress or other soft surface. No child shall be allowed to sleep in any item not designed for sleeping including, but not limited to, an infant seat, car seat, swing, or bouncy seat.

(4) No toys, soft objects, stuffed animals, pillows, bumper pads, blankets, or loose bedding shall be allowed in the sleeping area with the infant.

(5) No co-sleeping shall be allowed.

(6) Sleeping infants shall be actively observed by sight and sound.

(7) If an alternate sleeping position is needed, a signed physician authorization with statement of medical reason is required.

f. A crib or criblike furniture which has a waterproof mattress covering and sufficient bedding to enable a child to rest comfortably and which meets the current standards or recommendations from the Consumer Product Safety Commission or ASTM International for juvenile products shall be provided for each child under two years of age if developmentally appropriate. Crib railings shall be fully raised and secured when the child is in the crib. A crib or criblike furniture shall be provided for the number of children present at any one time. The center shall develop procedures for maintaining all cribs or criblike furniture and bedding in a clean and sanitary manner. There shall be no restraining devices of any type used in cribs.

g. Infant walkers shall not be used.

h. For programs operating five hours or less on a daily basis, the center shall have a sufficient number of cribs or criblike furniture which has a waterproof mattress covering and sufficient bedding to enable a child to rest comfortably and which meets the current standards from the Consumer Product Safety Commission or the American Society for Testing and Materials for juvenile products for children who may nap during the time in attendance. Cribs or criblike furniture shall be used by only one child at a time and shall be maintained in a clean and sanitary manner.

[ARC 2646C, IAB 8/3/16, effective 10/1/16]

441—109.13(237A) *Extended evening care.* A center providing extended evening care shall comply with the licensing requirements for centers contained in Iowa Code chapter 237A and this chapter, with the additional requirements set forth below.

109.13(1) *Facility requirements.*

a. The center shall ensure that sufficient cribs, beds, cots and bedding are provided appropriate to the child's age and that sufficient furniture, lighting, and activity materials are available for the children. Equipment and materials shall be maintained in a safe and sanitary manner.

b. The center shall ensure that a separate space is maintained for school-age boys and girls to provide privacy during bathroom and bedtime activities. Bathroom doors used by children shall be nonlockable.

c. The center shall ensure that parents have provided the personal effects needed to meet their child's personal hygiene and prepare for sleep. The center shall supplement those items needed for personal hygiene which the parent does not provide. The center shall obtain written information from the parent regarding the child's snacking, toileting, personal hygiene and bedtime routines.

109.13(2) Activities.

a. Evening activities shall be primarily self-selected by the child.

b. Every child-occupied room except those rooms used only by school-age children for sleeping shall have adult supervision present in the room. Staff counted for purposes of meeting child-to-staff ratios shall be present and awake at all times. In rooms where only school-age children are sleeping, visual monitoring equipment may be used. If a visual monitor is used, the monitoring must allow for all children to be visible at all times. Staff shall be present in the room with the monitor and shall enter the room used for sleeping to conduct a check of the children every 15 minutes.

441—109.14(237A) Get-well center. A get-well center shall comply with the licensing requirements for centers contained in Iowa Code chapter 237A and this chapter with the additional requirements and exceptions set forth below.

109.14(1) Staff requirements.

a. The center shall have a medical advisor for the center's health policy. The medical advisor shall be a medical doctor or a doctor of osteopathy currently in pediatrics or family practice.

b. A center shall have a licensed LPN or RN on duty at all times that children are present. If the nurse on duty is an LPN, the medical advisor or an RN shall be available in the proximate area as defined in state board of nursing rules at 655—6.1(152).

109.14(2) Health policies.

a. The center shall have a written health policy, consistent with the National Health and Safety Performance Standards, approved and signed by the owner or the chair of the board and by the medical advisor before the center can begin operations. Changes in the health policy shall be approved by the medical advisor and submitted in writing to the department. A written summary of the health policy shall be given to the parent when a child is enrolled in the center. The center's health policy at a minimum shall address procedures in the following areas:

(1) Medical consultation, medical emergencies, triage policies, storage and administration of medications, dietary considerations, sanitation and infection control, categorization of illness, length of enrollment periods, exclusion policy, and employee health policy.

(2) Reportable disease policies as required by the state department of public health.

b. The child shall be given a brief evaluation by an LPN or RN upon each arrival at the center.

c. The parent shall receive a brief written summary when the child is picked up at the end of the day. The summary must include:

(1) Admitting symptoms.

(2) Medications administered and time they were administered.

(3) Nutritional intake.

(4) Rest periods.

(5) Output.

(6) Temperature.

109.14(3) Exceptions. The following exceptions to 441—Chapter 109 shall be applied to get-well centers:

a. A center shall maintain a minimum staff ratio of one-to-four for infants and one-to-five for children over the age of two.

b. All staff that have contact with children shall have a minimum of 17 clock hours of special training in caring for mildly ill children. Current certification of the training shall be contained in the personnel files. Special training shall be department-approved and include the following:

(1) Four hours' training in infant and child cardiopulmonary resuscitation (CPR), four hours' training in pediatric first aid, and one hour of training in infection control within the first month of employment.

(2) Six hours' training in care of ill children, and two hours' training in child abuse identification and reporting within the first six months of employment and every five years thereafter.

c. There shall be 40 square feet of program space per child.

d. There shall be a sink with hot and cold running water in every child-occupied room.

e. Outdoor space may be waived with the approval of the department if the program is in an area adjacent to the pediatrics unit of a hospital.

f. Grouping of children shall be allowed by categorization of illness or by transmission route without regard to age, and shall be in separate rooms with full walls and doors.

441—109.15(237A) Food services. Centers participating in the USDA Child and Adult Care Food Program (CACFP) may have requirements that differ from those outlined in this rule in obtaining CACFP reimbursement and shall consult with a state CACFP consultant.

109.15(1) Nutritionally balanced meals or snacks. The center shall serve each child a full, nutritionally balanced meal or snack as defined by the USDA Child and Adult Care Food Program (CACFP) guidelines and shall ensure that staff provide supervision at the table during snacks and meals. Children remaining at the center two hours or longer shall be offered food at intervals of not less than two hours or more than three hours apart unless the child is asleep.

109.15(2) Menu planning. The center shall follow the minimum CACFP menu patterns for meals and snacks and serving sizes for children aged infant to 13 years. Menus shall be planned at least one week in advance, made available to parents, and kept on file at the center. Substitutions in the menu, including substitutions made for infants, shall be noted and kept on file. Foods with a high incident rate of causing choking in young children shall be avoided or modified. Provisions of this subrule notwithstanding, exceptions shall be allowed for special diets because of medical reasons in accordance with the child's needs and written instructions of a licensed physician or health care provider.

109.15(3) Feeding of children under two years of age.

a. All children under 12 months of age shall be fed on demand, unless the parent provides other written instructions. Meals and snacks provided by the center shall follow the CACFP infant menu patterns. Foods shall be appropriate for the infant's nutritional requirements and eating abilities. Menu patterns may be modified according to written instructions from the parent, physician or health care provider. Special formulas prescribed by a physician or health care provider shall be given to a child who has a feeding problem.

b. All children under six months of age shall be held or placed in a sitting-up position sufficient to prevent aspiration during feeding. No bottles shall be propped for children of any age. A child shall not be placed in a crib with a bottle or left sleeping with a bottle. Spoon feeding shall be adapted to the developmental capabilities of the child.

c. Single-service, ready-to-feed formulas, concentrated or powdered formula following the manufacturer's instructions or breast milk shall be used for children 12 months of age and younger unless otherwise ordered by a parent or physician.

d. Whole milk for children under age two who are not on formula or breast milk unless otherwise directed by a physician.

e. Cleaned and sanitized bottles and nipples shall be used for bottles prepared on site. Prepared bottles shall be kept under refrigeration when not in use.

109.15(4) Food brought from home.

a. The center shall establish policies regarding food brought from home for children under five years of age who are not enrolled in school. A copy of the written policy shall be given to the parent at

admission. Food brought from home for children under five years of age who are not enrolled in school shall be monitored and supplemented if necessary to ensure CACFP guidelines are maintained.

b. The center may not restrict a parent from providing meals brought from home for school-age children or apply nutritional standards to the meals.

c. Perishable foods brought from home shall be maintained to avoid contamination or spoilage.

d. Snacks that may not meet CACFP nutrition guidelines may be provided by parents for special occasions such as birthdays or holidays.

109.15(5) *Food preparation, storage, and sanitation.* Centers shall ensure that food preparation and storage procedures are consistent with the recommendations of the National Health and Safety Performance Standards and provide:

a. Sufficient refrigeration appropriate to the perishable food to prevent spoilage or the growth of bacteria.

b. Sanitary and safe methods in food preparation, serving, and storage sufficient to prevent the transmission of disease, infestation of insects and rodents, and the spoilage of food. Staff preparing food who have injuries on their hands shall wear protective gloves. Staff serving food shall have clean hands or wear protective gloves and use clean serving utensils.

c. Sanitary methods for dish-washing techniques sufficient to prevent the transmission of disease.

d. Sanitary methods for garbage disposal sufficient to prevent the transmission of disease and infestation of insects and rodents.

109.15(6) *Water supply.* The center shall ensure that suitable water and sanitary drinking facilities are available and accessible to children. Centers that serve infants and toddlers shall provide individual cups for drinking in addition to drinking fountains that may be available in the center.

a. Private water supplies shall be of satisfactory bacteriological quality as shown by an annual laboratory analysis. Water for the analysis shall be drawn between May 1 and June 30 of each year. When the center provides care for children under two years of age, a nitrate analysis shall also be obtained.

b. When public or private water supplies are determined unsuitable for drinking, commercially bottled water certified as chemically and bacteriologically potable or water treated through a process approved by the health department or designee shall be provided.

These rules are intended to implement Iowa Code section 232.69 and chapter 237A.

[Filed 2/14/75; amended 3/21/75]

[Filed 8/3/76, Notice 4/5/76—published 8/23/76, effective 9/27/76]

[Filed 7/3/79, Notice 11/29/78—published 7/25/79, effective 9/1/79]

[Filed 1/23/80, Notice 11/28/79—published 2/20/80, effective 3/26/80]

[Filed 1/16/81, Notice 12/10/80—published 2/4/81, effective 3/11/81]

[Filed 11/5/82, Notice 8/18/82—published 11/24/82, effective 1/1/83]

[Filed 12/16/83, Notice 11/9/83—published 1/4/84, effective 3/1/84]

[Filed 1/21/85, Notice 12/5/84—published 2/13/85, effective 4/1/85]

[Filed emergency 8/23/85—published 9/11/85, effective 9/1/85]

[Filed 11/15/85, Notice 10/9/85—published 12/4/85, effective 2/1/86]

[Filed emergency 1/15/87—published 2/11/87, effective 1/15/87]

[Filed 3/26/87, Notice 1/28/87—published 4/22/87, effective 6/1/87]

[Filed emergency 6/19/87—published 7/15/87, effective 7/1/87]

[Filed 8/28/87, Notice 7/15/87—published 9/23/87, effective 11/1/87]

[Filed 1/22/88, Notice 11/18/87—published 2/10/88, effective 4/1/88]

[Filed 12/8/88, Notice 9/7/88—published 12/28/88, effective 2/1/89]

[Filed 3/16/90, Notice 1/24/90—published 4/4/90, effective 6/1/90]

[Filed emergency 5/11/90—published 5/30/90, effective 7/1/90]

[Filed emergency 10/10/91—published 10/30/91, effective 11/1/91]

[Filed 12/11/91, Notice 10/30/91—published 1/8/92, effective 3/1/92]

[Filed 10/14/93, Notice 9/1/93—published 11/10/93, effective 1/1/94]

[Filed emergency 6/16/94—published 7/6/94, effective 7/1/94]

[Filed 8/12/94, Notice 7/6/94—published 8/31/94, effective 11/1/94]

[Filed 8/10/95, Notice 6/21/95—published 8/30/95, effective 11/1/95]
[Filed 1/14/98, Notice 9/10/97—published 2/11/98, effective 4/1/98]
[Filed emergency 6/10/98—published 7/1/98, effective 6/10/98]
[Filed 8/12/98, Notice 7/1/98—published 9/9/98, effective 11/1/98]
[Filed 5/9/01, Notice 3/21/01—published 5/30/01, effective 8/1/01]
[Filed emergency 9/12/02 after Notice 6/26/02—published 10/2/02, effective 10/1/02]
[Filed emergency 6/12/03—published 7/9/03, effective 7/1/03]
[Filed 9/22/03, Notice 7/9/03—published 10/15/03, effective 12/1/03]
[Filed 11/16/05, Notice 9/14/05—published 12/7/05, effective 1/11/06]
[Filed 9/17/08, Notice 7/16/08—published 10/8/08, effective 12/1/08]
[Filed 10/14/08, Notice 8/13/08—published 11/5/08, effective 1/1/09]
[Filed ARC 8650B (Notice ARC 8118B, IAB 9/9/09), IAB 4/7/10, effective 6/1/10]
[Filed ARC 9441B (Notice ARC 9333B, IAB 1/12/11), IAB 4/6/11, effective 6/1/11]
[Filed ARC 0030C (Notice ARC 9898B, IAB 12/14/11), IAB 3/7/12, effective 5/1/12]
[Filed ARC 0418C (Notice ARC 0258C, IAB 8/8/12), IAB 10/31/12, effective 1/1/13]
[Filed ARC 0996C (Notice ARC 0787C, IAB 6/12/13), IAB 9/4/13, effective 11/1/13]
[Filed ARC 1209C (Notice ARC 1007C, IAB 9/4/13), IAB 12/11/13, effective 2/1/14]
[Filed ARC 1809C (Notice ARC 1705C, IAB 10/29/14), IAB 1/7/15, effective 3/1/15]
[Filed ARC 2169C (Notice ARC 2073C, IAB 8/5/15), IAB 9/30/15, effective 1/1/16]
[Filed ARC 2646C (Notice ARC 2554C, IAB 5/25/16), IAB 8/3/16, effective 10/1/16]

CHAPTER 110
CHILD DEVELOPMENT HOMES

PREAMBLE

This chapter establishes registration procedures for child development homes. Included are application and renewal procedures, standards for providers, and procedures for compliance checks and complaint investigations.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.1(237A) Definitions.

“*Adult*” means a person 18 years of age or older.

“*Assistant*” means a responsible person 14 years of age or older. The assistant may never be left alone with children. Ultimate responsibility for supervision is with the child care provider.

“*Child*” means either of the following:

1. A person 12 years of age or younger.
2. A person 13 years of age or older but younger than 19 years of age who has a developmental disability, as defined under the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, Public Law No. 106-402, codified in 42 U.S.C. 15002(8).

“*Child care*” means the care, supervision, or guidance of a child by a person other than the child’s parent, guardian, or custodian for periods of less than 24 hours per day per child on a regular basis. “*Child care*” shall not mean special activity programs that meet on a regular basis such as music or dance classes, organized athletics or sports programs, scouting programs, or hobby or craft classes or clubs.

“*Child care facility*” or “*facility*” means a child care center, a preschool, or a registered child development home.

“*Child care home*” means a person or program providing child care to five or fewer children at any one time that is not registered to provide child care under this chapter, as authorized under Iowa Code section 237A.3.

“*Child development home*” means a person or program registered under this chapter that may provide child care to six or more children at any one time.

“*Department*” means the department of human services.

“*Involvement with child care*” means licensed or registered as a child care facility, employed in a child care facility, residing in a child care facility, receiving public funding for providing child care, providing child care as a child care home provider, or residing in a child care home.

“*Parent*” means parent or legal guardian.

“*Part-time hours*” means the hours that child development homes in categories B and C are allowed to exceed their maximum preschool- or school-age capacity. A provider may use a total of up to 180 hours per month as part-time hours. No more than two children using part-time hours may be in the child development home at any one time.

“*Person subject to an evaluation*” means a person who has committed a transgression and who is described by any of the following:

1. The person is being considered for registration or is registered.
2. The person is being considered by a child care facility for employment involving direct responsibility for a child or with access to a child when the child is alone, or the person is employed with such responsibilities.
3. The person will reside or resides in a child care facility.
4. The person has applied for or receives public funding for providing child care.
5. The person will reside or resides in a child care home that is not registered but that receives public funding for providing child care.

“*Provider*” means the person or program that applies for registration to provide child care and is approved as a child development home.

“*Registration*” means the process by which child care providers certify that they comply with rules adopted by the department.

“*Registration certificate*” means the written document issued by the department to publicly state that the provider has certified in writing compliance with the minimum requirements for registration of a child development home.

“*School*” means kindergarten or a higher grade level.

“*Transgression*” means the existence of any of the following in a person’s record:

1. Conviction of a crime.
2. A record of having committed founded child or dependent adult abuse.
3. Listing in the sex offender registry established under Iowa Code chapter 692A.
4. A record of having committed a public or civil offense.
5. Department revocation or denial of a child care facility registration or license due to the person’s continued or repeated failure to operate the child care facility in compliance with licensing and registration laws and rules.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.2(237A) Application for registration. A provider shall apply for registration on Form 470-3384, Application for Child Development Home Registration, provided by the department’s local office or, if available, on the department’s Web site. The provider shall also use Form 470-3384 to inform the department of any changes in circumstances that would affect the registration.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.3(237A) Renewal of registration. Renewal of registration shall be completed every 24 months. To request renewal, a provider shall submit Form 470-3384, Application for Child Development Home Registration, and copies of certificates of training, which shall be retained in the registration file. The registration renewal process shall include completion of child abuse, sex offender, and criminal record checks.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.4(237A) Compliance checks. Prior to registration, a compliance visit to inspect for compliance with health, safety, and fire standards shall be completed.

An unannounced compliance visit shall be conducted not less than annually to check for compliance with health, safety, and fire standards as well as all child care regulatory standards. Completed evaluation checklists shall be placed in the registration files.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.5(237A) Parental access. Parents shall be afforded unlimited access to their children and to the people caring for their children during the normal hours of operation or whenever their children are in the care of the child development home, unless parental contact is prohibited by court order.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.6(237A) Number of children. The number of children in a child development home shall conform to the following standards:

110.6(1) Limit. Except as provided in subrule 110.6(3), no greater number of children shall be received for care at any one time than the number authorized on the registration certificate.

110.6(2) Children counted. To determine the number of children cared for at any one time in a child development home, each child present in the child development home shall be considered to be receiving care unless the child is described by one of the following exceptions:

a. The child’s parent, guardian, or custodian established or operates the child development home and either the child is attending school or the child receives child care full-time on a regular basis from another person.

b. The child has been present in the child development home for more than 72 consecutive hours and meets the requirements of the exception in paragraph 110.6(2)“*a*” as though the person who established or operates the child development home is the child’s parent, guardian, or custodian.

110.6(3) Exception for emergency school closing. On days when schools are closed due to emergencies such as inclement weather or physical plant failure, a child development home may have

additional children present in accordance with the authorization for the registration category of the home and subject to all of the following conditions:

- a. The child development home has prior written approval from the parent or guardian of each child present in the home concerning the presence of additional children in the home.
- b. The child development home has a department-approved assistant, aged 14 or older, on duty to assist the care provider, as required for the registration category of the home.
- c. One or more of the following conditions are applicable to each of the additional children present in the child development home:
 - (1) The home provides care to the child on a regular basis for periods of less than two hours.
 - (2) If the child were not present in the child development home, the child would be unattended.
 - (3) The home regularly provides care to a sibling of the child.
- d. The provider shall maintain a written record including the date of the emergency school closing, the reason for the closing, and the number of children in care on that date.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.7(237A) Provider requirements.

110.7(1) Provider. The provider shall:

- a. Give careful supervision at all times.
- b. Exchange information with the parent of each child frequently to enhance the quality of care.
- c. Give consistent, dependable care and be capable of handling emergencies.
- d. Be present at all times except when emergencies occur or an absence is planned, at which time care shall be provided by a department-approved substitute. When an absence is planned, the provider shall give parents at least 24 hours' prior notice.
- e. Be free of the use of illegal drugs and shall not be under the influence of alcohol or of any prescription or nonprescription drug that could impair the provider's ability to give careful supervision.

110.7(2) Substitutes. The provider shall assume responsibility for providing adequate and appropriate supervision at all times when children are in attendance. Any designated substitute shall have the same responsibility for providing adequate and appropriate supervision. Ultimate responsibility for supervision shall be with the provider.

- a. All standards in this chapter regarding supervision and care of children shall apply to substitutes.
- b. Except in emergency situations, the provider shall inform parents in advance of the planned use of a substitute.
- c. The substitute must be 18 years of age or older.
- d. Use of a substitute shall be limited to:
 - (1) No more than 25 hours per month.
 - (2) An additional period of up to two weeks in a 12-month period.
- e. The provider shall maintain a written record of the number of hours care is provided by a substitute, including the date of the care and the name of the substitute.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.8(237A) Standards. Conditions in the home shall be safe, sanitary, and free of hazards. The provider shall certify that the child development home meets the following standards and also the standards in either rule 441—110.13(237A), 441—110.14(237A), or 441—110.15(237A), specific to the category of home for which the provider requests registration.

110.8(1) Facility requirements.

a. The home shall have a nonpay, working landline or mobile telephone with emergency numbers posted for police, fire, ambulance, and the poison information center. The number for each child's parent, for a responsible person who can be reached when the parent cannot, and for the child's physician shall be written on paper and readily accessible by the telephone. The home must prominently display all emergency information, and all travel vehicles must have a paper copy of emergency parent contact information.

b. Electrical wiring shall be maintained, and all accessible electrical outlets shall be tamper-resistant outlets or shall be safely capped. Electrical cords shall be properly used. Improper use

includes the running of cords under rugs, over hooks, or through door openings or other use that has been known to be hazardous.

c. Combustible materials shall be kept a minimum of three feet away from furnaces, stoves, water heaters, and gas dryers.

d. Approved safety gates at stairways and doors shall be provided and used as needed.

e. Annual laboratory analysis of a private water supply shall be conducted to show satisfactory bacteriological quality. When children under the age of two are to be cared for, the analysis shall include a nitrate analysis. When private water supplies are determined unsuitable for drinking, commercially bottled water or water treated through a process approved by the health department or designee shall be provided.

f. A safety barrier shall surround any heating stove or heating element, in order to prevent burns.

g. The home shall have at least one 2A 10BC-rated fire extinguisher located in a visible and readily accessible place on each child-occupied floor.

h. The home shall have at least one single-station, battery-operated, UL-approved smoke detector in each child-occupied room and at the top of every stairway. Each smoke detector shall be installed according to the manufacturer's recommendations. The provider shall test each smoke detector monthly and keep a record of testing for inspection purposes.

i. Smoking and the use of tobacco products shall be prohibited at all times in the home and in every vehicle in which children receiving care in the home are transported. Smoking and the use of tobacco products shall be prohibited in the outdoor play area during the home's hours of operation. "No smoking" signs shall be posted at every entrance of the child care home and in every vehicle used to transport children. All signs shall include:

(1) The telephone number for reporting complaints, and

(2) The Internet address of the department of public health (www.iowasmokefreeair.gov).

j. Homes served by private sewer systems shall be in compliance with discharge restrictions identified at 567—Chapter 69. Discharge of untreated waste water from private sewage disposal systems is prohibited. Compliance shall be verified by the local board of health at the time of registration renewal and new registration.

k. A provider operating in a facility built before 1960 shall assess and control lead hazards before being issued an initial child development home registration or a renewal of the registration. To comply with this requirement, the provider shall:

(1) Conduct a visual assessment of the facility for lead hazards that exist in the form of chipping or peeling paint;

(2) Apply interim controls on any chipping or peeling paint found, using lead-safe work methods in accordance with and as defined by department of public health rules at 641—Chapters 69 and 70, unless a certified inspector as defined in 641—Chapter 70 determines that the paint is not lead-based paint; and

(3) Submit Form 470-4755, Lead Assessment and Control, as verification of the visual assessment and completion of interim controls, if necessary.

l. The child development home shall be located in a single-family residence that is owned, rented, or leased by the person, or, for dual registrations, at least one of the persons, who is named on the child development home's certificate of registration.

m. Any driver who transports children for any purpose shall have a valid driver's license and adequate motor vehicle insurance that authorizes the driver to operate the type of vehicle being driven. Child restraint devices shall be utilized in compliance with Iowa Code section 321.446.

n. Providers shall inform parents of the presence of any pet in the home.

(1) Each dog or cat in the household shall undergo an annual health examination by a licensed veterinarian. Acceptable veterinary examinations shall be documented on Form 470-5153, Veterinary Health Certificate. This examination shall verify that the animal's routine immunizations, particularly rabies, are current and that the animal shows no evidence of endoparasites (roundworms, hookworms, whipworms) and ectoparasites (fleas, mites, ticks, lice).

(2) Each pet bird in the household shall be purchased from a dealer licensed by the Iowa department of agriculture and land stewardship and shall be examined by a veterinarian to verify that the bird is free

of infectious diseases. Acceptable veterinary examinations shall be documented on Form 470-5153, Veterinary Health Certificate. Children shall not handle pet birds.

(3) Aquariums shall be well maintained and installed in a manner that prevents children from accessing the water or pulling over a tank.

(4) All animal waste shall be immediately removed from the children's areas and properly disposed of. Children shall not perform any feeding or care of pets or cleanup of pet waste.

(5) No animals shall be allowed in the food preparation, food storage, or serving areas during food preparation and serving times.

o. Using an injury report form, the provider shall document all injuries that require first aid or medical care. The form shall be completed on the date of occurrence, shared with the parent, and maintained in the child's file.

p. The provider shall have written policies regarding the care of mildly ill children and the exclusion of children due to illness and shall inform parents of these policies.

q. The provider shall have written policy and procedures for responding to health-related emergencies.

r. The certificate of registration shall be displayed in a conspicuous place.

110.8(2) Use of outdoor space.

a. A safe outdoor play area shall be maintained in good condition throughout the year. The play area shall be fenced off when located on a busy thoroughfare or near a hazard which may be injurious to a child and shall have both sunshine and shade areas. The play area shall be kept free from litter, rubbish, and flammable materials and shall be free from contamination by the drainage or ponding of sewage, household waste, or storm water.

b. When there is a swimming or wading pool on the premises:

(1) The wading pool shall be drained daily and shall be inaccessible to children when it is not in use.

(2) An aboveground or in-ground swimming pool that is not fenced shall be covered whenever the pool is not in use. The cover shall meet or exceed the ASTM International (formerly known as the American Society for Testing and Materials) specification intended to reduce the risk of drowning by inhibiting access to the water by children under five years of age.

(3) An uncovered aboveground swimming pool shall be enclosed with an approved fence that is nonclimbable and is at least four feet high.

(4) An uncovered in-ground swimming pool shall be enclosed with an approved fence that is nonclimbable and is at least four feet high and flush with the ground.

c. If children are allowed to use an aboveground or in-ground swimming pool:

(1) Written permission from parents shall be available for review.

(2) Equipment needed to rescue a child or adult shall be readily accessible.

(3) The child care provider shall accompany the children and provide constant supervision while the children use the pool.

(4) The child care provider shall complete training in cardiopulmonary resuscitation for infants, toddlers, and children, according to the criteria of the American Red Cross or the American Heart Association.

110.8(3) Medications and hazardous materials.

a. All medicines and poisonous, toxic, or otherwise unsafe materials shall be secured from access by a child.

b. A first-aid kit shall be available and easily accessible whenever children are in the child development home, in the outdoor play area, in vehicles used to transport children, and on field trips. The kit shall be sufficient to address first aid related to minor injury or trauma and shall be stored in an area inaccessible to children. The kit shall, at a minimum, include adhesive bandages, bottled water, disposable tweezers, and disposable plastic gloves.

c. Medications shall be given only with the parent's or doctor's written authorization. Each prescribed medication shall be accompanied by a physician's or pharmacist's direction. Both nonprescription and prescription medications shall be in the original container with directions intact

and labeled with the child's name. All medications shall be stored properly and, when refrigeration is required, shall be stored in a separate, covered container so as to prevent contamination of food or other medications. All medications shall be stored so they are inaccessible to children. Any medication administered to a child shall be recorded, and the record shall indicate the name of the medication, the date and time of administration, and the amount administered.

d. All new providers and providers renewing registrations after September 30, 2016, shall not provide medications to a child if the provider has not completed preservice/orientation training that includes medication administration.

110.8(4) *Emergency plans.* Emergency plans in case of man-made or natural disaster shall be written and posted by the primary and secondary exits. The plans shall clearly map building evacuation routes and tornado and flood shelter areas.

a. Fire and tornado drills shall be practiced monthly, and the provider shall keep documentation evidencing compliance with monthly practice on file for the current year and the previous year.

b. The provider must have procedures in place for the following:

(1) Evacuation to safely leave the facility.

(2) Relocation to a common, safe location after evacuation.

(3) Shelter-in-place to take immediate shelter where the child is when it is unsafe to leave that location due to the emergent issue.

(4) Lockdown to protect children and providers from an external situation.

(5) Communication and plans for reunification with families.

(6) Continuity of operations.

(7) To address the needs of individual children, including those with functional or access needs.

110.8(5) *Safe sleep.* The provider shall follow safe sleep practices as recommended by the American Academy of Pediatrics for infants under the age of one. Infant sleep shall conform to the following standards:

a. Infants shall always be placed on their backs for sleep.

b. Infants shall be placed on a firm mattress with a tight fitted sheet that meets U.S. Consumer Product Safety Commission federal standards.

c. Infants shall not be allowed to sleep on a bed, sofa, air mattress or other soft surface. No child shall be allowed to sleep in any item not designed for sleeping including, but not limited to, an infant seat, car seat, swing, or bouncy seat.

d. No toys, soft objects, stuffed animals, pillows, bumper pads, blankets, or loose bedding shall be allowed in the sleeping area with the infant.

e. No co-sleeping shall be allowed.

f. Sleeping infants shall be actively observed by sight and sound.

g. If an alternate sleeping position is needed, a signed physician authorization with statement of medical reason is required.

110.8(6) *Discipline.* Discipline shall conform to the following standards:

a. Corporal punishment, including spanking, shaking and slapping, shall not be used.

b. Punishment that is humiliating or frightening or that causes pain or discomfort to the child shall not be used.

c. Punishment shall not be administered because of a child's illness, or progress or lack of progress in toilet training, nor shall punishment or threat of punishment be associated with food or rest.

d. No child shall be subjected to verbal abuse, threats, or derogatory remarks about the child or the child's family.

e. Discipline shall be designed to help the child develop self-control, self-esteem, and respect for the rights of others.

110.8(7) *Meals and snacks.*

a. Regular meals and midmorning or midafternoon snacks shall be provided. The meals and snacks shall be well-balanced, nourishing, and in appropriate amounts as defined by the USDA Child and Adult Care Food Program.

b. Children may bring food to the child development home for their own consumption but shall not be required to provide their own food.

c. Clean, sanitary drinking water shall be readily available to children in indoor and outdoor areas, throughout the day.

110.8(8) Activity program. There shall be an activity program which promotes self-esteem and exploration and includes:

a. Active play.

b. Quiet play.

c. Activities for large-muscle development.

d. Activities for small-muscle development.

e. Play equipment and materials in a safe condition, for both indoor and outdoor activities which are developmentally appropriate for the ages and number of children present.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.9(237A) Files.

110.9(1) A provider file shall be maintained and shall contain the following:

a. A physical examination report. Providers and all members of a provider's household over the age of 12 shall have good health as evidenced by a preregistration physical examination. Acceptable physical examinations shall be documented on Form 470-5152, Child Care Provider Physical Examination Report. The physical examination shall include any necessary testing for communicable diseases; shall include a discussion regarding current Advisory Committee on Immunization Practices (ACIP)-recommended vaccinations; shall be performed by a licensed medical doctor, doctor of osteopathy, physician assistant or advanced registered nurse practitioner within six months prior to the provider's registration; and shall be repeated at least every three years. All children residing in the household who are 12 years of age or younger must have the medical documentation outlined in paragraphs 110.9(4) "d," "f," and "g."

b. Certificates or other documentation from the department verifying the following:

(1) Required training as set forth in subrule 110.10(1).

(2) Completion of all record checks as required in subrule 110.11(3), at initial application, at each application for change, and at each application for renewal.

110.9(2) An individual file for each staff assistant shall be maintained and shall contain the following:

a. Documentation from the department which confirms that the record checks required under subrule 110.11(3) have been completed and authorizes or conditionally limits the person's involvement with child care.

b. A completed Form 470-5152, Child Care Provider Physical Examination Report, that meets the requirements of paragraph 110.9(1) "a."

c. Certification of a minimum of two hours of approved training relating to the identification and reporting of child abuse, completed within three months of employment and every five years thereafter, as required by Iowa Code section 232.69.

110.9(3) An individual file for each substitute shall be maintained and shall contain the following:

a. Documentation from the department which confirms that the record checks required under subrule 110.11(3) have been completed and authorizes or conditionally limits the person's involvement with child care.

b. A completed Form 470-5152, Child Care Provider Physical Examination Report, that meets the requirements of paragraph 110.9(1) "a."

c. Certification of a minimum of two hours of approved training relating to the identification and reporting of child abuse, completed within three months of employment and every five years thereafter, as required by Iowa Code section 232.69.

d. Certification in first aid that meets the requirements of paragraph 110.10(1) "c."

e. Certification or other documentation that minimum health and safety training has been completed in compliance with paragraph 110.10(1) "a."

110.9(4) Children's files. An individual file for each child shall be maintained and updated annually or when the provider becomes aware of changes. The file shall contain:

a. Identifying information including, at a minimum, the child's name and birth date; the parent's name, address and telephone number; special needs of the child; and the parent's work address and telephone number.

b. Emergency contact information including, at a minimum, where the parent can be reached, the name, street address, city and telephone number of the child's regular source of health care, and the name, telephone number, and relationship to the child of another adult available in case of emergency.

c. A signed medical consent from the parent authorizing emergency medical and dental treatment.

d. An admission physical examination report signed by a licensed physician or a designee in a clinic supervised by a licensed physician.

(1) The date of the physical examination shall not be more than 12 months before the child's first day of attendance at the child development home.

(2) The written report shall include the child's past health history, status of the child's present health, allergies and restrictive conditions, and recommendations for continued care when necessary.

(3) For a child who is five years of age or older and enrolled in school, a statement of health status signed by the parent or legal guardian may be substituted for the physical examination report.

(4) The examination report or statement of health status shall be on file before the child's first day of care.

e. A statement of health condition signed by a physician or designee and submitted annually from the date of the admission physical examination. For a child who is five years of age or older and enrolled in school, a statement of health status signed by the parent or legal guardian may be substituted for the physician statement.

f. For each school-age child, on the first day of attendance, documentation of a physical examination that was completed at the time of school enrollment or since.

g. A signed and dated immunization certificate provided by the Iowa department of public health. For the school-age child, a copy of the most recent immunization record shall be acceptable.

h. A list that is signed by the parent and names persons authorized to pick up the child. The authorization shall include the name, telephone number, and relationship of the authorized person to the child.

i. Written permission from the parent for the child to attend activities away from the child development home. The permission shall include:

(1) Times of departure and arrival.

(2) Destination.

(3) Persons who will be responsible for the child.

j. Injury report forms documenting injuries requiring first aid or medical care.

k. If the child meets the definition of homelessness as defined by Section 725(2) of the McKinney-Vento Homeless Education Assistance Act, the family shall receive a 60-day grace period to obtain medical documentation.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.10(237A) Professional development.

110.10(1) Required training.

a. Prior to registration and every five years thereafter, the provider shall complete minimum health and safety trainings, approved by the department, in all of the following areas:

(1) Prevention and control of infectious disease, including immunizations.

(2) Prevention of sudden infant death syndrome and use of safe sleep practices.

(3) Administration of medication, consistent with standards for parental consent.

(4) Prevention of and response to emergencies due to food and allergic reactions.

(5) Building and physical-premises safety, including identification of and protection from hazards that can cause bodily injury, such as electrical hazards, bodies of water, and vehicular traffic.

(6) Prevention of shaken baby syndrome and abusive head trauma.

(7) Emergency preparedness and response planning for emergencies resulting from a natural disaster or a human-caused event.

(8) Handling and storage of hazardous materials and the appropriate disposal of biocontaminants.

(9) Precautions in transporting children.

b. Prior to registration and every five years thereafter, the provider shall complete two hours of Iowa's training for mandatory reporting of child abuse.

c. Prior to registration, the provider shall complete first-aid and cardiopulmonary resuscitation (CPR) training that meets the following requirements:

(1) Training shall be provided by a nationally recognized training organization, such as the American Red Cross, American Heart Association, National Safety Council, the American Safety and Health Institute, or MEDIC First Aid or by an equivalent trainer using curriculum approved by the department.

(2) First-aid training shall include certification in infant and child first aid.

(3) The provider shall maintain a valid certificate indicating the date of first-aid training and the expiration date.

(4) The provider shall maintain a valid certificate indicating the date of CPR training and the expiration date.

d. During each two-year registration period, the provider shall receive a minimum of 24 hours of training from one or more of the following content areas. A provider shall not use a specific training or class to meet minimum continuing education requirements more than one time every five years.

(1) Planning a safe, healthy learning environment (includes nutrition).

(2) Steps to advance children's physical and intellectual development.

(3) Positive ways to support children's social and emotional development (includes guidance and discipline).

(4) Strategies to establish productive relationships with families (includes communication skills and cross-cultural competence).

(5) Strategies to manage an effective program operation (includes business practices).

(6) Maintaining a commitment to professionalism.

(7) Observing and recording children's behavior.

(8) Principles of child growth and development.

e. A provider who submits documentation from a child care resource and referral agency that the provider has completed the Iowa Program for Infant/Toddler Care (IA PITC), ChildNet, or Beyond Business Basics training series may use those hours to fulfill a maximum of two years' training requirements, not including first-aid and mandatory reporter training.

f. Training identified in paragraph 110.10(1)"a" may be counted toward the total 24 hours of required training only at the initial time in which it is received.

g. Minimum health and safety training may be required prior to the five-year period if content has significant changes which warrant that the training be renewed.

110.10(2) *Approved training.*

a. The training must be conducted by a trainer who is employed by or under contract with one of the following entities or who uses curriculum or training materials developed by or obtained with the written permission of one of the following entities:

(1) An accredited university or college.

(2) A community college.

(3) Iowa State University Extension.

(4) A child care resource and referral agency.

(5) An area education agency.

(6) The regents' center for early developmental education at the University of Northern Iowa.

(7) A hospital (for health and safety, first-aid, and CPR training).

(8) The American Red Cross, American Heart Association, National Safety Council, American Safety and Health Institute or MEDIC First Aid (for first-aid and CPR training).

(9) An Iowa professional association, including the Iowa Association for the Education of Young Children (Iowa AEYC), the Iowa Family Child Care Association (IFCCA), the Iowa After School Alliance, and the Iowa Head Start Association.

(10) A national professional association, including the National Association for the Education of Young Children (NAEYC), the National Child Care Association (NCCA), the National Association for Family Child Care (NAFCC), the National After School Association, and the American Academy of Pediatrics.

(11) The Child and Adult Care Food Program (CACFP) and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

(12) The Iowa department of public health, department of education, or department of human services.

(13) Head Start agencies or the Head Start technical assistance system.

(14) Organizations that are certified by the International Association for Continuing Education and Training (IACET).

b. Training received in a group setting must follow a presentation format that incorporates a variety of adult learning methods. The material or content of the training must be obtained from one of the entities listed in paragraph 110.10(2) “*a*” or an entity approved under paragraph 110.10(2) “*h*.”

c. Approved training shall be made available to Iowa child care providers through the child care provider training registry.

d. Training received in a group setting may include distance learning opportunities, such as training conducted over the Iowa communications network, online courses, or Web conferencing (webinars) if:

(1) The training meets the requirements in subrule 110.10(3);

(2) The training is taught by an instructor and requires interaction between the instructor and the participants, such as required chats or message boards; and

(3) The training organization meets the requirements listed in this subrule or is approved by the department.

e. The department will not approve more than eight hours of training delivered in a single day.

f. The department may randomly monitor any state-approved training for quality control purposes.

g. Training conducted with the provider either during the hours of operation of the facility, provider lunch hours, or while children are resting must not diminish the required ratio coverage. The provider shall not be actively engaged in care and supervision and simultaneously participate in training.

h. A training organization not approved by the department may submit a request for review to the department on Form 470-4528, Request for Child Care Training Approval. All approvals, unless otherwise specified, shall be valid for five years. The department shall issue its decision within 30 business days of receipt of a complete request.

110.10(3) *Elements of training.* Training provided to Iowa child care providers shall offer:

a. Instruction that is consistent with:

(1) Iowa child care regulatory standards;

(2) The Iowa early learning standards; and

(3) The philosophy of developmentally appropriate practice as defined by the National Association for the Education of Young Children, the Program for Infant/Toddler Care, and the National Health and Safety Performance Standards.

b. Content equal to at least one contact hour of training.

c. An opportunity for teacher-student interaction and timely feedback, including questions and answers and with evaluation of learning.

d. For each participant, a certificate of training that includes:

(1) The name of the participant.

(2) The title of the training.

(3) The dates of training.

(4) The content area addressed.

(5) The name of the training organization.

(6) The name of the instructor.

(7) The number of contact hours.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.11(234) Registration decision. The department shall issue Form 470-3498, Certificate of Registration, when an applicant meets all requirements for registration. Each local office of the department shall maintain a current list of registered child development homes as a referral service to the community.

110.11(1) Registration shall be denied or revoked if the department finds a hazard to the safety and well-being of a child and the provider cannot correct or refuses to correct the hazard, even though the hazard may not have been specifically listed under the health and safety rules. Registration may also be denied or revoked if the department determines that the provider has failed to comply with standards imposed by law and these rules.

110.11(2) Record of all denials or revocations of registration and the documentation of reasons for denying or revoking the registration shall be kept in an open file.

110.11(3) Record checks.

a. Applicability. The department shall conduct Iowa criminal history record and child abuse record checks for each registrant, substitute or staff member, anyone living in the home who is 14 years of age or older, and anyone having access to a child when the child is alone. The department shall conduct national criminal history record checks, based on fingerprints, for each registrant, substitute or staff member, anyone living in the home who is 18 years of age or older, and anyone 18 years of age or older having access to a child when the child is alone. In accordance with Iowa Code section 726.23, minors under the age of 18 will not be subject to the fingerprint requirement.

(1) The purpose of these record checks is to determine whether the person has committed a transgression that prohibits or limits the person's involvement with child care.

(2) The department may also conduct criminal history record and child abuse record checks in other states and may conduct dependent adult abuse, sex offender registry, and other public or civil offense record checks in Iowa or other states.

(3) Effective July 1, 2013, registration or renewal certificates shall not be issued until the results of all state and national record checks have been received and, when necessary, evaluated.

b. Authorization. The person subject to record checks shall complete the Iowa department of human services record check authorization form; Form DCI-45, Waiver Agreement; Form FD-258, Federal Fingerprint Card; and any other forms required by the department of public safety to authorize the release of records.

c. Iowa records checks. Checks and evaluations of Iowa child abuse and criminal history records shall be completed before the person's involvement with child care. Iowa records checks shall be repeated at a minimum of every two years and when the department or the registrant becomes aware of any possible transgressions. The department is responsible for the cost of conducting the Iowa records checks.

d. National criminal history record checks. Fingerprint-based checks of national criminal history records shall also be completed before a person's involvement with child care. This requirement shall be effective on or after July 1, 2013, for an initial application for registration or a renewal application for registration. The national criminal history record check shall be repeated for each person subject to the check every four years and when the department or registrant becomes aware of any new transgressions committed by that person in another state. The department is responsible for the cost of conducting the national criminal history record check.

(1) The registrant is responsible for any costs associated with the taking (rolling) of fingerprints of all persons subject to record checks and for submitting the fingerprints to the department so that the national criminal history record check can be completed. Fingerprints may be taken (rolled) by law enforcement agencies or by agencies or companies that specialize in taking (rolling) fingerprints.

(2) The department shall provide fingerprints to the department of public safety no later than ten business days after receipt of the fingerprint cards. The department shall submit the fingerprints on forms or in a manner allowed by the department of public safety.

(3) The department may rely on the results of previously conducted national criminal history record checks when a person subject to a record check in one child development home or child care home submits a request for involvement with child care in another child development home or child care home, so long as the person's national criminal history record check is within the allowable four-year time frame. All initial or new applications shall require a new national criminal history record check.

e. Mandatory prohibition. A person with any of the following convictions or founded abuse reports is prohibited from involvement with child care:

- (1) Founded child or dependent adult abuse that was determined to be sexual abuse.
- (2) Placement on the sex offender registry.
- (3) Felony child endangerment or neglect or abandonment of a dependent person.
- (4) Felony domestic abuse.
- (5) Felony crime against a child including, but not limited to, sexual exploitation of a minor.
- (6) Forcible felony.

f. Mandatory time-limited prohibition.

(1) A person with the following conviction or founded abuse report is prohibited from involvement with child care for five years from the date of the conviction or founded abuse report:

1. Conviction of a controlled substance offense under Iowa Code chapter 124.
2. Founded abuse that was determined to be physical abuse.

(2) After the five-year prohibition period (from the date of the conviction or the founded abuse report) as defined in subparagraph 110.11(3) "f"(1), the person may request the department to perform an evaluation under paragraph 110.11(3) "g" to determine whether prohibition of the person's involvement with child care continues to be warranted.

g. Evaluation required. For all other transgressions, and as requested under subparagraph 110.11(3) "f"(2), the department shall evaluate the transgression and make a decision about the person's involvement with child care.

(1) The person with the transgression shall complete and return the record check evaluation form within ten calendar days of the date on the form. The department shall use the information the person with the transgression provides on this form to assist in the evaluation. Failure of the person with the transgression to complete and return this form within ten calendar days of the date on the form shall result in denial or revocation of the registration certificate.

(2) The department may use information from the department's case records in performing the evaluation.

- (3) In an evaluation, the department shall consider all of the following factors:
1. The nature and seriousness of the transgression in relation to the position sought or held.
 2. The time elapsed since the commission of the transgression.
 3. The circumstances under which the transgression was committed.
 4. The degree of rehabilitation.
 5. The likelihood that the person will commit the transgression again.
 6. The number of transgressions committed by the person.

(4) When a person subject to a record check has a transgression that has been determined in a previous evaluation not to warrant prohibition of the person's involvement with child care and the person has no subsequent transgressions, an exemption from reevaluation of the latest record check is authorized. The person may commence employment with another child care facility in accordance with the department's previous evaluation. The exemption is subject to all of the following conditions:

1. The position with the subsequent employer is substantially the same or has the same job responsibilities as the position for which the previous evaluation was performed.
2. Any restrictions placed on the person's employment by the department in the previous evaluation shall remain applicable in the person's subsequent employment.

3. The person subject to the record check has maintained a copy of the previous evaluation and provides the evaluation to the subsequent employer or the previous employer provides to the subsequent employer the previous evaluation from the person's personnel file pursuant to the person's authorization. If a physical copy of the previous evaluation is not provided to the subsequent employer, the record check shall be reevaluated.

4. The subsequent employer may request a reevaluation of the record check and may employ the person while the reevaluation is being performed.

h. Evaluation decision. The department has final authority in determining whether prohibition of the person's involvement with child care is warranted and in developing any conditional requirements or corrective action plan.

(1) Within 30 calendar days of receipt of a completed record check evaluation, the department shall make a decision on the person's involvement with child care.

(2) Within 30 calendar days of receipt of a completed record check evaluation, the department shall mail to the person subject to an evaluation a record check decision that explains the decision reached regarding the evaluation of the transgression and a notice of decision: child care.

(3) The department shall issue a notice of decision: child care prohibiting involvement with child care when the person subject to an evaluation fails to complete the record check evaluation within the ten-calendar-day time frame.

(4) If the department determines, through the record check evaluation process, that the person's prohibition of involvement with child care is warranted, the person shall be prohibited from involvement with child care. The department may identify a period of time after which the person may request that another record check and evaluation be performed.

(5) The department may permit a person who is evaluated to maintain involvement with child care if the person complies with the department's conditions relating to the person's involvement with child care, which may include completion of additional training or an individually designed corrective action plan, or both. For an employee of a registrant, these conditional requirements shall be developed with the registrant. All conditions placed on a person's involvement with child care shall be communicated, in writing, to both the person subject to the evaluation and the registrant.

i. Notice to parents of abuse in care. If there has been founded child abuse committed by an owner, director, or staff member of the child care facility or child care home, the department's administrator shall notify the parents, guardians, and legal custodians of each child for whom the facility or child care home provides care.

(1) The child care facility or child care home shall cooperate with the department in providing the names and addresses of the parent, guardian, or custodian of each child for whom the facility provides child care.

(2) This information shall be provided to the department within ten calendar days from the date of the initial request.

(3) Failure or refusal to provide the requested information may result in revocation of registration.

110.11(4) If the department has denied or revoked a registration because the provider has continually or repeatedly failed to operate in compliance with Iowa Code chapter 237A and this chapter, the person shall not own or operate a registered facility for a period of 12 months from the date of denial or revocation. The department shall not act on an application for registration submitted by the applicant or provider during the 12-month period. The applicant shall be prohibited from involvement with child care unless the department specifically permits the involvement.

110.11(5) Required notifications. If a certificate of registration is revoked, the administrator of the department shall notify the parent, guardian, or legal custodian of each child for whom the facility provides care. The provider shall cooperate with the department in providing the name and address of the parent, guardian, or legal custodian of each child for whom the facility provides child care.

110.11(6) Required notifications to the department.

a. The provider shall, within ten days, notify the department of any of the following:

- (1) Changes in assistants or substitutes;
- (2) Changes in household membership;

- (3) Address changes; and
- (4) Criminal convictions.

b. No assistant, substitute, or coprovider shall be utilized in the care of children and no person shall be permitted to reside in the household until approved by the department.

c. If the provider does not notify the department of changes within ten days, the provider may be subject to revocation of registration or to recoupment of child care assistance provided, or both.

110.11(7) Letter of revocation. A letter received by an owner or operator of a child development home initiating action to deny or revoke the home's registration shall be conspicuously posted where it can be read by parents or any member of the public. The letter shall remain posted until resolution of the action to deny or revoke an owner's or operator's certificate of registration.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.12(237A) Complaints. The department shall conduct an on-site visit when a complaint is received.

110.12(1) After each complaint visit, the department shall document whether the child development home was in compliance with registration requirements.

110.12(2) The written documentation of the department's conclusion as to whether the child development home was in compliance with requirements shall be available to the public. However, the identity of all complainants shall be confidential, unless expressly waived by the complainant.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.13(237A) Additional requirements for child development home category A. In addition to the requirements in rule 441—110.8(237A), a provider requesting registration in child development home category A shall meet the following standards:

110.13(1) Limits on number of children in care.

a. No more than six children not attending kindergarten or a higher grade level shall be present at any one time.

b. Of these six children, no more than four children who are 24 months of age or younger shall be present at any one time. Of these four children, no more than three may be 18 months of age or younger.

c. In addition to the six children not in school, no more than two children who attend school may be present for a period of less than two hours at a time.

d. No more than eight children shall be present at any one time when an emergency school closing is in effect.

110.13(2) Provider qualifications.

a. The provider shall be at least 18 years old.

b. The provider shall have three written references which attest to character and ability to provide child care.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.14(237A) Additional requirements for child development home category B. In addition to the requirements in rule 441—110.8(237A), a provider requesting registration in child development home category B shall meet the following standards:

110.14(1) Limits on number of children in care.

a. No more than six children not attending kindergarten or a higher grade level shall be present at any one time.

b. Of these six children, no more than four children who are 24 months of age or younger shall be present at any one time. Of these four children, no more than three may be 18 months of age or younger.

c. In addition to the six children not in school, no more than four children who attend school may be present.

d. In addition to these ten children, no more than two children who are receiving care on a part-time basis may be present.

e. No more than 12 children shall be present at any one time when an emergency school closing is in effect.

f. If more than eight children are present at any one time for a period of more than two hours, the provider shall be assisted by a department-approved assistant who is at least 14 years old.

110.14(2) Provider qualifications.

- a.* The provider shall be at least 20 years old.
- b.* The provider shall have a high school diploma, GED, or documentation of current or previous enrollment in credit-based coursework from a postsecondary educational institution that is an accredited college or university.
- c.* The provider shall either:
 - (1) Have two years of experience as a registered or nonregistered child care provider, or
 - (2) Have a child development associate credential or any two-year or four-year degree in a child care-related field and one year of experience as a registered or nonregistered child care home provider.

110.14(3) Facility requirements.

- a.* The home shall have a minimum of 35 square feet of child-use floor space for each child in care indoors, and a minimum of 50 square feet per child in care outdoors.
- b.* The home shall have a separate quiet area for sick children.
- c.* The home shall have a minimum of two direct exits to the outside from the main floor.
 - (1) If the second level or the basement of the home is used for the provision of child care, other than the use of a restroom, each additional child-occupied floor shall have at least one direct exit to the outside in addition to one inside stairway.
 - (2) All exits shall terminate at grade level with permanent steps.
 - (3) A basement window may be used as an exit if the window can be opened from the inside without the use of tools and it provides a clear opening of not less than 20 inches in width, 24 inches in height, and 5.7 square feet in area. The bottom of the opening shall be not more than 44 inches above the floor, with permanent steps inside leading up to the window.
 - (4) Occupancy above the second floor shall not be permitted for child care.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.15(237A) Additional requirements for child development home category C. In addition to the requirements in rule 441—110.8(237A), a provider requesting registration in child development home category C shall meet the following standards:

110.15(1) Limits on number of children in care.

- a.* No more than 12 children not attending kindergarten or a higher grade level shall be present at any one time.
- b.* Of these 12 children, no more than four children who are 24 months of age or younger shall be present at any one time. Whenever four children who are under the age of 18 months are in care, both providers shall be present.
- c.* In addition to the 12 children not in school, no more than two children who attend school may be present for a period of less than two hours at any one time.
- d.* In addition to these 14 children, no more than two children who are receiving care on a part-time basis may be present.
- e.* No more than 16 children shall be present at any one time when an emergency school closing is in effect. If more than eight children are present at any one time due to an emergency school closing exception, the provider shall be assisted by a department-approved assistant who is at least 18 years of age.
- f.* If more than eight children are present, both providers shall be present. Each provider shall meet the provider qualifications for child development home category C.

110.15(2) Provider qualifications.

- a.* One provider who meets the following qualifications must always be present:
 - (1) The provider shall be at least 21 years old.
 - (2) The provider shall have a high school diploma, GED, or documentation of current or previous enrollment in credit-based coursework from a postsecondary educational institution that is an accredited college or university.

- (3) The provider shall either:
 1. Have five years of experience as a registered or nonregistered child care provider, or
 2. Have a child development associate credential or any two-year or four-year degree in a child care-related field and four years of experience as a registered or nonregistered child care home provider.
- b. The coprovider shall meet the requirements of subrule 110.14(2).
- c. No more than two named providers shall be allowed on a registration certificate.

110.15(3) Facility requirements.

- a. The home shall have a minimum of 35 square feet of child-use floor space for each child in care indoors, and a minimum of 50 square feet per child in care outdoors.
- b. The home shall have a separate quiet area for sick children.
- c. The home shall have a minimum of two direct exits to the outside from the main floor.

(1) If the second level or the basement of the home is used for the provision of child care, other than the use of a restroom, each additional child-occupied floor shall have at least one direct exit to the outside in addition to one inside stairway.

(2) All exits shall terminate at grade level with permanent steps.

(3) A basement window may be used as an exit if the window can be opened from the inside without the use of tools and it provides a clear opening of not less than 20 inches in width, 24 inches in height, and 5.7 square feet in area. The bottom of the opening shall be not more than 44 inches above the floor, with permanent steps inside leading up to the window.

(4) Occupancy above the second floor shall not be permitted for child care.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.16(237A) Registration actions for nonpayment of child support. The department shall revoke or deny the issuance or renewal of a child development home registration upon the receipt of a certificate of noncompliance from the child support recovery unit of the department according to the procedures in Iowa Code chapter 252J. In addition to the procedures set forth in Iowa Code chapter 252J, the rules in this chapter shall apply.

110.16(1) Service of notice. The notice required by Iowa Code section 252J.8 shall be served upon the applicant or registrant by restricted certified mail, return receipt requested, or personal service in accordance with Iowa Rule of Civil Procedure 1.305. Alternatively, the applicant or registrant may accept service personally or through authorized counsel.

110.16(2) Effective date. The effective date of the revocation or denial of the registration as specified in the notice required by Iowa Code section 252J.8 shall be 60 days following service of the notice upon the applicant or licensee.

110.16(3) Preparation of notice. The department director or designee of the director is authorized to prepare and serve the notice as required by Iowa Code section 252J.8 upon the applicant or registrant.

110.16(4) Responsibilities of registrants and applicants. Registrants and registrant applicants shall keep the department informed of all court actions, and all child support recovery unit actions taken under or in connection with Iowa Code chapter 252J, and shall provide the department copies, within seven days of filing or issuance, of all applications filed with the district court pursuant to Iowa Code section 252J.9, all court orders entered in the actions, and withdrawals of certificates of noncompliance by the child support recovery unit.

110.16(5) District court. A registrant or applicant may file an application with the district court within 30 days of service of a department notice pursuant to Iowa Code sections 252J.8 and 252J.9.

a. The filing of the application shall stay the department action until the department receives a court order lifting the stay, dismissing the action, or otherwise directing the department to proceed.

b. For purposes of determining the effective date of the revocation, or denial of the issuance or renewal of a registration, the department shall count the number of days before the action was filed and the number of days after the action was disposed of by the court.

110.16(6) Procedure for notification. The department shall notify the applicant or registrant in writing through regular first-class mail, or such other means as the department deems appropriate in the circumstances, within ten days of the effective date of the revocation of a registration or the denial

of the issuance or renewal of a registration, and shall similarly notify the applicant or registrant when the registration is issued, renewed, or reinstated following the department's receipt of a withdrawal of the certificate of noncompliance.

110.16(7) Appeal rights. Notwithstanding Iowa Code section 17A.18, the registrant does not have the right to a hearing regarding this issue but may request a court hearing pursuant to Iowa Code section 252J.9.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

441—110.17(237A) Prohibition from involvement with child care. If the department has prohibited a person or program from involvement with child care, that person or program shall not provide child care as a nonregistered child care home provider.

[ARC 2647C, IAB 8/3/16, effective 10/1/16]

These rules are intended to implement Iowa Code section 234.6 and chapter 237A.

[Filed 7/14/76, Notice 1/12/76—published 8/9/76, effective 9/13/76]

[Filed 8/20/82, Notice 6/23/82—published 9/15/82, effective 11/1/82]

[Filed emergency 2/10/84—published 2/29/84, effective 2/10/84]

[Filed 9/28/84, Notice 8/1/84—published 10/24/84, effective 12/1/84]

[Filed 10/18/85, Notice 9/11/85—published 11/6/85, effective 1/1/86]

[Filed emergency 1/15/87—published 2/11/87, effective 1/15/87]

[Filed 3/26/87, Notice 1/28/87—published 4/22/87, effective 6/1/87]

[Filed emergency 6/19/87—published 7/15/87, effective 7/1/87]

[Filed 8/28/87, Notice 7/15/87—published 9/23/87, effective 11/1/87]

[Filed 1/22/88, Notice 11/18/87—published 2/10/88, effective 4/1/88]

[Filed 9/21/88, Notice 8/10/88—published 10/19/88, effective 12/1/88]

[Filed 12/8/88, Notice 9/7/88—published 12/28/88, effective 2/1/89]

[Filed emergency 5/11/90—published 5/30/90, effective 7/1/90]

[Filed emergency 10/10/91—published 10/30/91, effective 11/1/91]

[Filed 12/11/91, Notice 10/30/91—published 1/8/92, effective 3/1/92]

[Filed 10/14/93, Notice 9/1/93—published 11/10/93, effective 1/1/94]

[Filed emergency 6/16/94—published 7/6/94, effective 7/1/94]

[Filed 8/12/94, Notice 7/6/94—published 8/31/94, effective 11/1/94]

[Filed 12/12/95, Notice 10/25/95—published 1/3/96, effective 3/1/96]

[Filed emergency 6/12/97—published 7/2/97, effective 7/1/97]

[Filed 9/16/97, Notice 7/2/97—published 10/8/97, effective 12/1/97]

[Filed emergency 6/10/98—published 7/1/98, effective 6/10/98]

[Filed 7/15/98, Notice 6/3/98—published 8/12/98, effective 10/1/98]

[Filed 8/12/98, Notice 7/1/98—published 9/9/98, effective 11/1/98]

[Filed 11/10/99, Notice 9/22/99—published 12/1/99, effective 2/1/00]

[Filed 5/9/01, Notice 3/21/01—published 5/30/01, effective 8/1/01]

[Filed 9/11/01, Notice 7/11/01—published 10/3/01, effective 12/1/01]

[Filed emergency 10/10/02 after Notice 6/26/02—published 10/30/02, effective 12/1/02]

[Filed emergency 6/12/03—published 7/9/03, effective 7/1/03]

[Filed 9/22/03, Notice 7/9/03—published 10/15/03, effective 12/1/03]

[Filed emergency 6/14/04 after Notice 4/28/04—published 7/7/04, effective 7/1/04]

[Filed 9/17/08, Notice 7/30/08—published 10/8/08, effective 12/1/08]

[Filed 10/14/08, Notice 8/13/08—published 11/5/08, effective 1/1/09]

[Filed ARC 8098B (Notice ARC 7815B, IAB 6/3/09), IAB 9/9/09, effective 11/1/09]

[Filed ARC 0418C (Notice ARC 0258C, IAB 8/8/12), IAB 10/31/12, effective 1/1/13]

[Filed ARC 0666C (Notice ARC 0554C, IAB 1/9/13), IAB 4/3/13, effective 6/1/13]

[Filed ARC 0715C (Notice ARC 0566C, IAB 1/23/13), IAB 5/1/13, effective 7/1/13]

[Filed ARC 0996C (Notice ARC 0787C, IAB 6/12/13), IAB 9/4/13, effective 11/1/13]

[Filed ARC 1209C (Notice ARC 1007C, IAB 9/4/13), IAB 12/11/13, effective 2/1/14]

[Filed ARC 1636C (Notice ARC 1556C, IAB 7/23/14), IAB 10/1/14, effective 1/1/15]¹
[Filed ARC 1637C (Notice ARC 1555C, IAB 7/23/14), IAB 10/1/14, effective 1/1/15]
[Filed ARC 1809C (Notice ARC 1705C, IAB 10/29/14), IAB 1/7/15, effective 3/1/15]
[Filed ARC 1851C (Notice ARC 1739C, IAB 11/26/14), IAB 2/4/15, effective 4/1/15]
[Filed Emergency After Notice ARC 1852C (Notice ARC 1738C, IAB 11/26/14), IAB 2/4/15,
effective 1/15/15]
[Filed ARC 1893C (Notice ARC 1819C, IAB 1/7/15), IAB 3/4/15, effective 7/1/15]
[Filed ARC 1933C (Notice ARC 1863C, IAB 2/4/15), IAB 4/1/15, effective 6/1/15]
[Filed ARC 1935C (Notice ARC 1862C, IAB 2/4/15), IAB 4/1/15, effective 6/1/15]
[Filed ARC 2647C (Notice ARC 2553C, IAB 5/25/16), IAB 8/3/16, effective 10/1/16]

¹ January 1, 2015, effective date of ARC 1636C [110.5(1)“a”] delayed 70 days by the Administrative Rules Review Committee at its meeting held October 14, 2014.

CHAPTER 120
CHILD CARE HOMES

PREAMBLE

This chapter establishes procedures for child care homes that have a child care assistance provider agreement to receive child care assistance funds. Included are application and renewal procedures, standards for providers, and procedures for compliance checks and complaint investigations.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.1(237A) Definitions.

“Adult” means a person 18 years of age or older.

“Child” means either of the following:

1. A person 12 years of age or younger.
2. A person 13 years of age or older but younger than 19 years of age who has a developmental disability, as defined under the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, Public Law No. 106-402, codified in 42 U.S.C. 15002(8).

“Child care” means the care, supervision, or guidance of a child by a person other than the child’s parent, guardian, or custodian for periods of less than 24 hours per day per child on a regular basis. *“Child care”* shall not mean special activity programs that meet on a regular basis such as music or dance classes, organized athletics or sports programs, scouting programs, or hobby or craft classes or clubs.

“Child care facility” or *“facility”* means a child care center, a preschool, or a registered child development home.

“Child care home” means a person or program providing child care to five or fewer children at any one time that is not registered to provide child care under this chapter, as authorized under Iowa Code section 237A.3.

“Child development home” means a person or program registered under this chapter that may provide child care to six or more children at any one time.

“Department” means the department of human services.

“Involvement with child care” means licensed or registered as a child care facility, employed in a child care facility, residing in a child care facility, receiving public funding for providing child care, providing child care as a child care home provider, or residing in a child care home.

“Parent” means parent or legal guardian.

“Person subject to an evaluation” means a person who has committed a transgression and who is described by any of the following:

1. The person is being considered for registration or is registered.
2. The person is being considered by a child care facility for employment involving direct responsibility for a child or with access to a child when the child is alone, or the person is employed with such responsibilities.
3. The person will reside or resides in a child care facility.
4. The person has applied for or receives public funding for providing child care.
5. The person will reside or resides in a child care home that is not registered but that receives public funding for providing child care.

“Provider” means the person or program that applies to receive payment from the child care assistance program to provide child care and is approved as a child care home.

“School” means kindergarten or a higher grade level.

“Transgression” means the existence of any of the following in a person’s record:

1. Conviction of a crime.
2. A record of having committed founded child or dependent adult abuse.
3. Listing in the sex offender registry established under Iowa Code chapter 692A.
4. A record of having committed a public or civil offense.

5. Department revocation or denial of a child care facility registration or license due to the person's continued or repeated failure to operate the child care facility in compliance with licensing and registration laws and rules.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.2(237A) Application for payment. A provider shall apply for payment on Form 470-2890, Payment Application for Nonregistered Providers, provided by the department's local office or on the department's Web site. The provider shall also use Form 470-2890 to inform the department of any changes in circumstances that would affect the provider.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.3(237A) Renewal of agreement. Renewal of the child care assistance provider agreement shall be completed every 24 months. To request renewal, a provider shall submit Form 470-2890, Payment Application for Nonregistered Providers, and copies of certificates of training, which shall be retained in the file. The agreement renewal process shall include completion of child abuse, sex offender, and criminal record checks.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.4(237A) Compliance checks. An unannounced compliance visit shall be conducted not less than annually to check for compliance with health, safety, and fire standards. Completed evaluation checklists shall be placed in agency files.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.5(237A) Parental access. Parents shall be afforded unlimited access to their children and to the people caring for their children during the normal hours of operation or whenever their children are in the care of the child care home, unless parental contact is prohibited by court order.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.6(237A) Number of children. The number of children in a child care home shall conform to the following standards:

120.6(1) Limit. No more than five children shall receive care at any one time in the single-family residence.

120.6(2) Children counted. To determine the number of children cared for at any one time in a child care home, each child present in the child care home shall be considered to be receiving care unless the child is described by one of the following exceptions:

a. The child's parent, guardian, or custodian established or operates the child care home and either the child is attending school or the child receives child care full-time on a regular basis from another person.

b. The child has been present in the child care home for more than 72 consecutive hours and meets the requirements of the exception listed above as though the person who established or operates the child care home is the child's parent, guardian, or custodian.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.7(237A) Provider requirements.

120.7(1) Provider. The provider shall:

a. Give careful supervision at all times.

b. Exchange information with the parent of each child frequently to enhance the quality of care.

c. Give consistent, dependable care and be capable of handling emergencies.

d. Be present at all times except when emergencies occur or an absence is planned, at which time care shall be provided by a department-approved substitute. When an absence is planned, the provider shall give parents at least 24 hours' prior notice.

e. Be free of the use of illegal drugs and shall not be under the influence of alcohol or of any prescription or nonprescription drug that could impair the provider's ability to give careful supervision.

f. Be at least 18 years of age.

120.7(2) *Substitutes.* The provider shall assume responsibility for providing adequate and appropriate supervision at all times when children are in attendance. Any designated substitute shall have the same responsibility for providing adequate and appropriate supervision. Ultimate responsibility for supervision shall be with the provider.

- a. All standards in this chapter regarding supervision and care of children shall apply to substitutes.
- b. Except in emergency situations, the provider shall inform parents in advance of the planned use of a substitute.
- c. The substitute must be 18 years of age or older.
- d. Use of a substitute shall be limited to:
 - (1) No more than 25 hours per month.
 - (2) An additional period of up to two weeks in a 12-month period.
- e. The provider shall maintain a written record of the number of hours care is provided by a substitute, including the date of the care and the name of the substitute.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.8(237A) Standards. Conditions in the home shall be safe, sanitary, and free of hazards. The provider shall certify that the child care home meets the following minimum standards.

120.8(1) *Facility requirements.*

a. The home shall have a nonpay, working landline or mobile telephone with emergency numbers posted for police, fire, ambulance, and the poison information center. The number for each child's parent, for a responsible person who can be reached when the parent cannot, and for the child's physician shall be written on paper and readily accessible by the telephone. The home must prominently display all emergency information, and all travel vehicles must have a paper copy of emergency parent contact information.

b. Electrical wiring shall be maintained, and all accessible electrical outlets shall be tamper-resistant outlets or shall be safely capped. Electrical cords shall be properly used. Improper use includes the running of cords under rugs, over hooks, or through door openings or other use that has been known to be hazardous.

c. Combustible materials shall be kept a minimum of three feet away from furnaces, stoves, water heaters, and gas dryers.

d. Approved safety gates at stairways and doors shall be provided and used as needed.

e. Annual laboratory analysis of a private water supply shall be conducted to show satisfactory bacteriological quality. When children under the age of two are to be cared for, the analysis shall include a nitrate analysis. When private water supplies are determined unsuitable for drinking, commercially bottled water or water treated through a process approved by the health department or designee shall be provided.

f. A safety barrier shall surround any heating stove or heating element, in order to prevent burns.

g. The home shall have at least one 2A 10BC-rated fire extinguisher located in a visible and readily accessible place on each child-occupied floor.

h. The home shall have at least one single-station, battery-operated, UL-approved smoke detector in each child-occupied room and at the top of every stairway. Each smoke detector shall be installed according to manufacturer's recommendations. The provider shall test each smoke detector monthly and keep a record of testing for inspection purposes.

i. Smoking and the use of tobacco products shall be prohibited at all times in the home and in every vehicle in which children receiving care in the home are transported. Smoking and the use of tobacco products shall be prohibited in the outdoor play area during the home's hours of operation. "No smoking" signs shall be posted at every entrance of the child care home and in every vehicle used to transport children. All signs shall include:

(1) The telephone number for reporting of complaints, and

(2) The Internet address of the department of public health (www.iowasmokefreeair.gov).

j. Homes served by private sewer systems shall be in compliance with discharge restrictions identified at 567—Chapter 69. Discharge of untreated waste water from private sewage disposal systems

is prohibited. Compliance shall be verified by the local board of health at the time of renewal of the child care assistance provider agreement and new application.

k. A provider operating in a facility built before 1960 shall assess and control lead hazards before being issued an initial child care assistance provider agreement or a renewal of the provider agreement. To comply with this requirement, the provider shall:

(1) Conduct a visual assessment of the facility for lead hazards that exist in the form of chipping or peeling paint;

(2) Apply interim controls on any chipping or peeling paint found, using lead-safe work methods in accordance with and as defined by department of public health rules at 641—Chapters 69 and 70, unless a certified inspector as defined in 641—Chapter 70 determines that the paint is not lead-based paint; and

(3) Submit Form 470-4755, Lead Assessment and Control, as verification of the visual assessment and completion of interim controls, if necessary.

l. The child care home shall be located in a single-family residence that is owned, rented, or leased by the provider.

m. Any driver who transports children for any purpose shall have a valid driver's license and adequate motor vehicle insurance that authorizes the driver to operate the type of vehicle being driven. Child restraint devices shall be utilized in compliance with Iowa Code section 321.446.

n. Providers shall inform parents of the presence of any pet in the home.

(1) Each dog or cat in the household shall undergo an annual health examination by a licensed veterinarian. Acceptable veterinary examinations shall be documented on Form 470-5153, Veterinary Health Certificate. This examination shall verify that the animal's routine immunizations, particularly rabies, are current and that the animal shows no evidence of endoparasites (roundworms, hookworms, whipworms) and ectoparasites (fleas, mites, ticks, lice).

(2) Each pet bird in the household shall be purchased from a dealer licensed by the Iowa department of agriculture and land stewardship and shall be examined by a veterinarian to verify that the bird is free of infectious diseases. Acceptable veterinary examinations shall be documented on Form 470-5153, Veterinary Health Certificate. Children shall not handle pet birds.

(3) Aquariums shall be well maintained and installed in a manner that prevents children from accessing the water or pulling over a tank.

(4) All animal waste shall be immediately removed from the children's areas and properly disposed of. Children shall not perform any feeding or care of pets or cleanup of pet waste.

(5) No animals shall be allowed in the food preparation, food storage, or serving areas during food preparation and serving times.

o. Using an injury report form, the provider shall document all injuries that require first aid or medical care. The form shall be completed on the date of occurrence, shared with the parent, and maintained in the child's file.

120.8(2) Use of outdoor space.

a. A safe outdoor play area shall be maintained in good condition throughout the year. The play area shall be fenced off when located on a busy thoroughfare or near a hazard which may be injurious to a child and shall have both sunshine and shade areas. The play area shall be kept free from litter, rubbish, and flammable materials and shall be free from contamination by the drainage or ponding of sewage, household waste, or storm water.

b. When there is a swimming or wading pool on the premises:

(1) The wading pool shall be drained daily and shall be inaccessible to children when it is not in use.

(2) An aboveground or in-ground swimming pool that is not fenced shall be covered whenever the pool is not in use. The cover shall meet or exceed the ASTM International (formerly known as the American Society for Testing and Materials) specification intended to reduce the risk of drowning by inhibiting access to the water by children under five years of age.

(3) An uncovered aboveground swimming pool shall be enclosed with an approved fence that is nonclimbable and is at least four feet high.

(4) An uncovered in-ground swimming pool shall be enclosed with an approved fence that is nonclimbable and is at least four feet high and flush with the ground.

c. If children are allowed to use an aboveground or in-ground swimming pool:

(1) Written permission from parents shall be available for review.

(2) Equipment needed to rescue a child or adult shall be readily accessible.

(3) The child care provider shall accompany the children and provide constant supervision while the children use the pool.

(4) The child care provider shall complete training in cardiopulmonary resuscitation for infants, toddlers, and children, according to the criteria of the American Red Cross or the American Heart Association.

120.8(3) Medications and hazardous materials.

a. All medicines and poisonous, toxic, or otherwise unsafe materials shall be secured from access by a child.

b. A first-aid kit shall be available and easily accessible whenever children are in the child care home, in the outdoor play area, in vehicles used to transport children, and on field trips. The kit shall be sufficient to address first aid related to minor injury or trauma and shall be stored in an area inaccessible to children. The kit shall, at a minimum, include adhesive bandages, bottled water, disposable tweezers, and disposable plastic gloves.

c. Medications shall be given only with the parent's or doctor's written authorization. Each prescribed medication shall be accompanied by a physician's or pharmacist's direction. Both nonprescription and prescription medications shall be in the original container with directions intact and labeled with the child's name. All medications shall be stored properly and, when refrigeration is required, shall be stored in a separate, covered container so as to prevent contamination of food or other medications. All medications shall be stored so they are inaccessible to children. Any medication administered to a child shall be recorded, and the record shall indicate the name of the medication, the date and time of administration, and the amount administered.

d. Medications shall not be provided to a child if the provider has not completed preservice/orientation training that includes medication administration.

120.8(4) Emergency plans. Emergency plans in case of man-made or natural disaster shall be written and posted by the primary and secondary exits. The plans shall clearly map building evacuation routes and tornado and flood shelter areas.

a. Fire and tornado drills shall be practiced monthly, and the provider shall keep documentation evidencing compliance with monthly practice on file.

b. The provider must have procedures in place for the following:

(1) Evacuation to safely leave the facility.

(2) Relocation to a common, safe location after evacuation.

(3) Shelter-in-place to take immediate shelter where the child is when it is unsafe to leave that location due to the emergent issue.

(4) Lockdown to protect children and providers from an external situation.

(5) Communication and plans for reunification with families.

(6) Continuity of operations.

(7) To address the needs of individual children, including those with functional or access needs.

120.8(5) Safe sleep. The provider shall follow safe sleep practices as recommended by the American Academy of Pediatrics for infants under the age of one. Infant sleep shall conform to the following standards:

a. Infants shall always be placed on their backs for sleep.

b. Infants shall be placed on a firm mattress with a tight fitted sheet that meets U.S. Consumer Product Safety Commission federal standards.

c. Infants shall not be allowed to sleep on a bed, sofa, air mattress or other soft surface. No child shall be allowed to sleep in any item not designed for sleeping including, but not limited to, an infant seat, car seat, swing, or bouncy seat.

- d.* No toys, soft objects, stuffed animals, pillows, bumper pads, blankets, or loose bedding shall be allowed in the sleeping area with the infant.
- e.* No co-sleeping shall be allowed.
- f.* Sleeping infants shall be actively observed by sight and sound.
- g.* If an alternate sleeping position is needed, a signed physician authorization with statement of medical reason is required.

120.8(6) Discipline. Discipline shall conform to the following standards:

- a.* Corporal punishment, including spanking, shaking and slapping, shall not be used.
- b.* Punishment that is humiliating or frightening or that causes pain or discomfort to the child shall not be used.
- c.* Punishment shall not be administered because of a child's illness, or progress or lack of progress in toilet training, nor shall punishment or threat of punishment be associated with food or rest.
- d.* No child shall be subjected to verbal abuse, threats, or derogatory remarks about the child or the child's family.
- e.* Discipline shall be designed to help the child develop self-control, self-esteem, and respect for the rights of others.

120.8(7) Meals and snacks.

- a.* Regular meals and snacks that are well-balanced and nourishing shall be provided.
- b.* Children may bring food to the child care home for their own consumption but shall not be required to provide their own food.
- c.* Clean, sanitary drinking water shall be readily available to children in indoor and outdoor areas, throughout the day.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.9(237A) Children's files.

120.9(1) An individual file for each child shall be maintained and updated annually or when the provider becomes aware of changes.

120.9(2) The file shall contain:

- a.* Identifying information including, at a minimum, the child's name and birth date; the parent's name, address and telephone number; the special needs of the child; and the parent's work address and telephone number.
- b.* Emergency contact information including, at a minimum, where the parent can be reached, the name, street address, city and telephone number of the child's regular source of health care, and the name, telephone number, and relationship to the child of another adult available in case of emergency.
- c.* A signed medical consent from the parent authorizing emergency medical and dental treatment.
- d.* An admission physical examination report signed by a licensed physician or the designee in a clinic supervised by a licensed physician.
- e.* A statement of health condition signed by a physician or designee submitted annually from the date of the admission physical examination. For a child who is five years of age or older and enrolled in school, a statement of health status signed by the parent or legal guardian may be substituted for the physician statement.
- f.* A list that is signed by the parent and names persons authorized to pick up the child. The authorization shall include the name, telephone number, and relationship of the authorized person to the child.
- g.* A signed and dated immunization certificate provided by the Iowa department of public health. For the school-age child, a copy of the most recent immunization record shall be acceptable.
- h.* Written permission from the parent for the child to attend activities away from the child care home. The permission shall include:
 - (1) Times of departure and arrival.
 - (2) Destination.

i. If the child meets the definition of homelessness as defined by Section 725(2) of the McKinney Vento Homeless Education Assistance Act, the family shall receive a 60-day grace period to obtain medical documentation.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.10(237A) Professional development.

120.10(1) Prior to the issuance of a provider agreement and every five years thereafter, the provider shall complete minimum health and safety trainings, approved by the department, in all of the following content areas:

- a.* Prevention and control of infectious disease, including immunizations.
- b.* Prevention of sudden infant death syndrome and use of safe sleep practices.
- c.* Administration of medication, consistent with standards for parental consent.
- d.* Prevention of and response to emergencies due to food and allergic reactions.
- e.* Building and physical-premises safety, including identification of and protection from hazards that can cause bodily injury, such as electrical hazards, bodies of water, and vehicular traffic.
- f.* Prevention of shaken baby syndrome and abusive head trauma.
- g.* Emergency preparedness and response planning for emergencies resulting from a natural disaster or a human-caused event.
- h.* Handling and storage of hazardous materials and the appropriate disposal of biocontaminants.
- i.* Precautions in transporting children.

120.10(2) Prior to issuance of a provider agreement and every five years thereafter, the provider shall complete two hours of Iowa's training for mandatory reporting of child abuse.

120.10(3) Prior to issuance of a provider agreement, the provider shall complete first-aid and cardiopulmonary resuscitation (CPR) training that meets the following requirements:

- a.* Training shall be provided by a nationally recognized training organization, such as the American Red Cross, American Heart Association, National Safety Council, American Safety and Health Institute or MEDIC First Aid or by an equivalent trainer using curriculum approved by the department.
- b.* First-aid training shall include certification in infant and child first aid.
- c.* The provider shall maintain a valid certificate indicating the date of first-aid training and the expiration date.
- d.* The provider shall maintain a valid certificate indicating the date of CPR training and the expiration date.

120.10(4) Minimum health and safety training may be required prior to the five-year period if content has significant changes which warrant that the training be renewed.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.11(237A) Child care assistance provider agreement decision. The department shall issue Form 470-3871, Child Care Assistance Provider Agreement, when an applicant meets all requirements for a child care home. The department shall maintain a current list of child care homes as a referral service to the community.

120.11(1) A provider agreement shall be denied or canceled if the department finds a hazard to the safety and well-being of a child and the provider cannot correct or refuses to correct the hazard, even though the hazard may not have been specifically listed under these rules. The provider agreement may also be denied or canceled if the department determines that the provider has failed to comply with standards imposed by law and rules found in this chapter or at 441—Chapter 170.

120.11(2) Record of all denials or cancellations of provider agreements and the documentation of reasons for denying or canceling the agreement shall be kept in an open file.

120.11(3) Record checks.

a. Applicability. The department shall conduct Iowa criminal history record and child abuse record checks for each provider, substitute or staff member, anyone living in the home who is 14 years of age or older, and anyone having access to a child when the child is alone. The department shall conduct national criminal history record checks, based on fingerprints, for each provider, substitute or staff member,

anyone living in the home who is 18 years of age or older, and anyone 18 years of age or older having access to a child when the child is alone. In accordance with Iowa Code section 726.23, minors under the age of 18 will not be subject to the fingerprint requirement.

(1) The purpose of these record checks is to determine whether the person has committed a transgression that prohibits or limits the person's involvement with child care.

(2) The department may also conduct criminal history record and child abuse record checks in other states and may conduct dependent adult abuse, sex offender registry, and other public or civil offense record checks in Iowa or other states.

(3) Child care assistance provider agreements shall not be issued until the results of all state and national record checks have been received and, when necessary, evaluated.

b. Authorization. The person subject to record checks shall complete the Iowa department of human services record check authorization form; Form DCI-45, Waiver Agreement; Form FD-258, Federal Fingerprint Card; and any other forms required by the department of public safety to authorize the release of records.

c. Iowa records checks. Checks and evaluations of Iowa child abuse and criminal history records shall be completed before the person's involvement with child care. Iowa records checks shall be repeated at a minimum of every two years and when the department or the provider becomes aware of any possible transgressions. The department is responsible for the cost of conducting the Iowa records checks.

d. National criminal history record checks. Fingerprint-based checks of national criminal history records shall also be completed before a person's involvement with child care. This requirement shall be required for an initial application or a renewal application. The national criminal history record check shall be repeated for each person subject to the check every four years and when the department or provider becomes aware of any new transgressions committed by that person in another state. The department is responsible for the cost of conducting the national criminal history record check.

(1) The provider is responsible for any costs associated with the taking (rolling) of fingerprints of all persons subject to record checks and for submitting the fingerprints to the department so the national criminal history record check can be completed. Fingerprints may be taken (rolled) by law enforcement agencies or by agencies or companies that specialize in taking (rolling) fingerprints.

(2) The department shall provide fingerprints to the department of public safety no later than ten business days after receipt of the fingerprint cards. The department shall submit the fingerprints on forms or in a manner allowed by the department of public safety.

(3) The department may rely on the results of previously conducted national criminal history record checks when a person subject to a record check in one child development home or child care home submits a request for involvement with child care in another child development home or child care home, so long as the person's national criminal history record check is within the allowable four-year time frame. All initial or new applications shall require a new national criminal history record check.

e. Mandatory prohibition. A person with any of the following convictions or founded abuse reports is prohibited from involvement with child care:

- (1) Founded child or dependent adult abuse that was determined to be sexual abuse.
- (2) Placement on the sex offender registry.
- (3) Felony child endangerment or neglect or abandonment of a dependent person.
- (4) Felony domestic abuse.
- (5) Felony crime against a child including, but not limited to, sexual exploitation of a minor.
- (6) Forcible felony.

f. Mandatory time-limited prohibition.

(1) A person with the following conviction or founded abuse report is prohibited from involvement with child care for five years from the date of the conviction or the founded abuse report:

1. Conviction of a controlled substance offense under Iowa Code chapter 124.
2. Founded abuse that was determined to be physical abuse.

(2) After the five-year prohibition period (from the date of the conviction or the founded abuse report) as defined in subparagraph 120.11(3) "f"(1), the person may request the department to perform an

evaluation under paragraph 120.11(3) "g" to determine whether prohibition of the person's involvement with child care continues to be warranted.

g. Evaluation required. For all other transgressions, and as requested under subparagraph 120.11(3) "f"(2), the department shall evaluate the transgression and make a decision about the person's involvement with child care.

(1) The person with the transgression shall complete and return the record check evaluation form within ten calendar days of the date on the form. The department shall use the information the person with the transgression provides on this form to assist in the evaluation. Failure of the person with the transgression to complete and return this form within ten calendar days of the date on the form shall result in denial or revocation of the child care assistance provider agreement.

(2) The department may use information from the department's case records in performing the evaluation.

(3) In an evaluation, the department shall consider all of the following factors:

1. The nature and seriousness of the transgression in relation to the position sought or held.
2. The time elapsed since the commission of the transgression.
3. The circumstances under which the transgression was committed.
4. The degree of rehabilitation.
5. The likelihood that the person will commit the transgression again.
6. The number of transgressions committed by the person.

(4) When a person subject to a record check has a transgression that has been determined in a previous evaluation not to warrant prohibition of the person's involvement with child care and the person has no subsequent transgressions, an exemption from reevaluation of the latest record check is authorized. The person may commence employment with another child care facility in accordance with the department's previous evaluation. The exemption is subject to all of the following conditions:

1. The position with the subsequent employer is substantially the same or has the same job responsibilities as the position for which the previous evaluation was performed.

2. Any restrictions placed on the person's employment by the department in the previous evaluation shall remain applicable in the person's subsequent employment.

3. The person subject to the record check has maintained a copy of the previous evaluation and provides the evaluation to the subsequent employer or the previous employer provides to the subsequent employer the previous evaluation from the person's personnel file pursuant to the person's authorization. If a physical copy of the previous evaluation is not provided to the subsequent employer, the record check shall be reevaluated.

4. The subsequent employer may request a reevaluation of the record check and may employ the person while the reevaluation is being performed.

h. Evaluation decision. The department has final authority in determining whether prohibition of the person's involvement with child care is warranted and in developing any conditional requirements or corrective action plan.

(1) Within 30 calendar days of receipt of a completed record check evaluation, the department shall make a decision on the person's involvement with child care.

(2) Within 30 calendar days of receipt of a completed record check evaluation, the department shall mail to the person subject to an evaluation a record check decision that explains the decision reached regarding the evaluation of the transgression and a notice of decision: child care.

(3) The department shall issue a notice of decision: child care prohibiting involvement with child care when the person subject to an evaluation fails to complete the record check evaluation within the ten-calendar-day time frame.

(4) If the department determines, through the record check evaluation process, that the person's prohibition of involvement with child care is warranted, the person shall be prohibited from involvement with child care. The department may identify a period of time after which the person may request that another record check and evaluation be performed.

(5) The department may permit a person who is evaluated to maintain involvement with child care if the person complies with the department's conditions relating to the person's involvement with child

care, which may include completion of additional training or an individually designed corrective action plan, or both. For an employee of a provider, these conditional requirements shall be developed with the provider. All conditions placed on a person's involvement with child care shall be communicated, in writing, to both the person subject to the evaluation and the provider.

i. Notice to parents of abuse in care. If there has been founded child abuse committed by an owner, director, or staff member of the child care facility or child care home, the department's administrator shall notify the parents, guardians, and legal custodians of each child for whom the facility or child care home provides care.

(1) The child care facility or child care home shall cooperate with the department in providing the names and addresses of the parent, guardian, or custodian of each child for whom the facility provides child care.

(2) This information shall be provided to the department within ten calendar days from the date of the initial request.

(3) Failure or refusal to provide the requested information may result in cancellation of the provider agreement.

120.11(4) Required notifications to the department.

a. The provider shall, within ten days, notify the department of any of the following:

- (1) Changes in substitutes;
- (2) Changes in household membership;
- (3) Address changes; and
- (4) Criminal convictions.

b. No substitute shall be utilized in the care of children and no person shall be permitted to reside in the household until approved by the department.

c. If the provider does not notify the department of changes within ten days, the provider may be subject to revocation of the provider's child care assistance provider agreement or to recoupment of child care assistance provided, or both.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.12(237A) Complaints. The department shall conduct an on-site visit when a complaint is received.

120.12(1) After each complaint visit, the department shall document whether the child care home was in compliance with requirements.

120.12(2) The written documentation of the department's conclusion as to whether the child care home was in compliance with requirements shall be available to the public. However, the identity of all complainants shall be confidential, unless expressly waived by the complainant.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

441—120.13(237A) Prohibition from involvement with child care. If the department has prohibited a person or program from involvement with child care, that person or program shall not provide child care as a nonregistered child care home provider.

[ARC 2648C, IAB 8/3/16, effective 10/1/16]

These rules are intended to implement Iowa Code section 237A.12.

[Filed ARC 2648C (Notice ARC 2552C, IAB 5/25/16), IAB 8/3/16, effective 10/1/16]

CHAPTERS 121 to 129
Reserved

TITLE XV
INDIVIDUAL AND FAMILY SUPPORT
AND PROTECTIVE SERVICES
CHAPTER 170
CHILD CARE SERVICES
[Prior to 7/1/83, Social Services[770] Ch 132]
[Previously appeared as Ch 132—renumbered IAB 2/29/84]
[Prior to 2/11/87, Human Services[498]]

PREAMBLE

The intent of this chapter is to establish requirements for the payment of child care services. Child care services are for children of low-income parents who are in academic or vocational training; or employed or looking for employment; or for a limited period of time, unable to care for children due to physical or mental illness; or needing protective services to prevent or alleviate child abuse or neglect. Services may be provided in a licensed child care center, a registered child development home, the home of a relative, the child's own home, or a nonregistered family child care home.
[ARC 2169C, IAB 9/30/15, effective 1/1/16]

441—170.1(237A) Definitions.

“Agency error” means child care assistance incorrectly paid for the client because of action attributed to the department as the result of one or more of the following circumstances:

1. Loss or misfiling of forms or documents.
2. Errors in typing or copying.
3. Computer input errors.
4. Mathematical errors.
5. Failure to determine eligibility correctly or to certify assistance in the correct amount when all essential information was available to the department.
6. Failure to make timely changes in assistance following amendments of policies that require the changes by a specific date.

“Child care” means a service that provides child care in the absence of parents for a portion of the day, but less than 24 hours. Child care supplements parental care by providing care and protection for children who need care in or outside their homes for part of the day. Child care provides experiences for each child's social, emotional, intellectual, and physical development. Child care may involve comprehensive child development care or it may include special services for a child with special needs. Components of this service shall include supervision, food services, program and activities, and may include transportation.

“Child with protective needs” means a child who is not in foster care and has a case file that identifies child care as a safety or well-being need to prevent or alleviate the effects of child abuse or neglect. Child care is provided as part of a safety plan during a child abuse or child in need of assistance assessment or as part of the service plan established in the family's case plan. The child must have:

1. An open child abuse assessment;
2. An open child in need of assistance assessment;
3. An open child welfare case as a result of a child abuse assessment;
4. A petition on file for a child in need of assistance adjudication; or
5. Adjudication as a child in need of assistance.

“Child with special needs” means a child with one or more of the following conditions:

1. The child has been diagnosed by a physician or by a person endorsed for service as a school psychologist by the Iowa department of education to have a developmental disability which substantially limits one or more major life activities, and the child requires professional treatment, assistance in self-care, or the purchase of special adaptive equipment.
2. The child has been determined by a qualified intellectual disability professional to have a condition which impairs the child's intellectual and social functioning.

3. The child has been diagnosed by a mental health professional to have a behavioral or emotional disorder characterized by situationally inappropriate behavior which deviates substantially from behavior appropriate to the child's age, or which significantly interferes with the child's intellectual, social, or personal adjustment.

"Client" means a current or former recipient of the child care assistance program.

"Client error" means and may result from:

1. False or misleading statements, oral or written, regarding the client's income, resources, or other circumstances which affect eligibility or the amount of assistance received;
2. Failure to timely report changes in income, resources, or other circumstances which affect eligibility or the amount of assistance received;
3. Failure to timely report the receipt of child care units in excess of the number approved by the department;
4. Failure to comply with the need for service requirements.

"Department" means the Iowa department of human services.

"Food services" means the preparation and serving of nutritionally balanced meals and snacks.

"Fraudulent means" means knowingly making or causing to be made a false statement or a misrepresentation of a material fact, knowingly failing to disclose a material fact, or committing a fraudulent practice.

"In-home" means care which is provided within the child's own home.

"Migrant seasonal farm worker" means a person to whom all of the following conditions apply:

1. The person performs seasonal agricultural work which requires travel so that the person is unable to return to the person's permanent residence within the same day.
2. Most of the person's income is derived from seasonal agricultural work performed during the months of July through October. Most shall mean the simple majority of the income.
3. The person generally performs seasonal agricultural work in Iowa during the months of July through October.

"On-line or distance learning" means training such as, but not limited to, training conducted over the Iowa communications network, on-line courses, or Web conferencing. The training includes:

1. Interaction between the instructor and the student, such as required chats or message boards;
2. Mechanisms for evaluation and measurement of student achievement.

"Overpayment" means any benefit or payment received in an amount greater than the amount the client or provider is entitled to receive.

"Parent" means the parent or the person who serves in the capacity of the parent of the child receiving child care assistance services.

"Program and activities" means the daily schedule of experiences in a child care setting.

"PROMISE JOBS" means the department's training program, promoting independence and self-sufficiency through employment job opportunities and basic skills, as described in 441—Chapter 93.

"Provider" means a licensed child care center, a registered child development home, a relative who provides care in the relative's own home solely for a related child, a caretaker who provides care for a child in the child's home, or a nonregistered child care home.

"Provider error" means and may result from:

1. Presentation for payment of any false or fraudulent claim for services or merchandise;
2. Submittal of false information for the purpose of obtaining greater compensation than that to which the provider is legally entitled;
3. Failure to report the receipt of a child care assistance payment in excess of that approved by the department;
4. Charging the department an amount for services rendered over and above what is charged private pay clients for the same services;
5. Failure to maintain a copy of Form 470-4535, Child Care Assistance Billing/Attendance Provider Record, signed by the parent and the provider.

“*Recoupment*” means the repayment of an overpayment by a payment from the client or provider or both.

“*Relative*” means an adult aged 18 or older who is a grandparent, aunt or uncle to the child being provided child care.

“*Supervision*” means the care, protection, and guidance of a child.

“*Transportation*” means the movement of children in a four or more wheeled vehicle designed to carry passengers, such as a car, van, or bus, between home and facility.

“*Unit of service*” means a half day which shall be up to 5 hours of service per 24-hour period.

“*Vocational training or education*” means a training plan which includes a specific goal, that is, high school completion, improved English skills, or development of specific academic or vocational skills.

Training may be approved for high school completion activities, high school equivalency, adult basic education, English as a second language, or postsecondary education, up to and including an associate or a baccalaureate degree program.

[ARC 8506B, IAB 2/10/10, effective 3/1/10; ARC 9651B, IAB 8/10/11, effective 10/1/11; ARC 1525C, IAB 7/9/14, effective 7/1/14; ARC 1606C, IAB 9/3/14, effective 10/8/14; ARC 2169C, IAB 9/30/15, effective 1/1/16; ARC 2555C, IAB 6/8/16, effective 7/1/16]

441—170.2(237A,239B) Eligibility requirements. A person deemed eligible for benefits under this chapter is subject to all other state child care assistance requirements including, but not limited to, provider requirements under Iowa Code chapter 237A and provider reimbursement methodology. The department shall determine the number of units of service to be approved.

170.2(1) Financial eligibility. Financial eligibility for child care assistance shall be based on federal poverty levels as determined by the Office of Management and Budget and on Iowa’s median family income as determined by the U.S. Census Bureau. Poverty guidelines and median family income amounts are updated annually. Changes shall go into effect for the child care assistance program on July 1 of each year.

a. Income limits. For initial and ongoing eligibility, an applicant family’s nonexempt gross monthly income as established in paragraph 170.2(1)“*c*” cannot exceed the amounts in subparagraphs 170.2(1)“*a*”(1) to (3). If, at the time of eligibility redetermination as described in subrule 170.3(5), a family’s nonexempt gross monthly income exceeds the limits established in 170.2(1)“*a*”(1) or (2) but not (3), the family shall remain eligible for an additional 12-month period or until their income exceeds that stated in (3), whichever comes first.

(1) 145 percent of the federal poverty level applicable to the family size for children needing basic care, or

(2) 200 percent of the federal poverty level applicable to the family size for children needing special-needs care, or

(3) 85 percent of Iowa’s median family income, if that figure is lower than the standard in subparagraph (1) or (2).

b. Exceptions to income limits.

(1) A person who is participating in activities approved under the PROMISE JOBS program is eligible for child care assistance without regard to income if there is a need for child care services.

(2) A person who is part of the family investment program or whose earned income was taken into account in determining the needs of a family investment program recipient is eligible for child care assistance without regard to income if there is a need for child care services.

(3) Protective child care services are provided without regard to income.

(4) In certain cases, the department will provide child care services directed in a court order.

c. Determining gross income. Eligibility shall be determined using a projection of income based on the best estimate of future income. In determining a family’s gross monthly income, the department shall consider all income received by a family member from sources identified by the U.S. Census Bureau in computing median income, unless excluded under paragraph 170.2(1)“*d*.”

(1) Income considered shall include wages or salary, net profit from farm or nonfarm self-employment, social security, dividends, interest, income from estates or trusts, net rental income and royalties, public assistance or welfare payments, pensions and annuities, unemployment compensation,

workers' compensation, alimony, child support, veterans pensions, cash payments, casino profits, railroad retirement, permanent disability insurance, strike pay and living allowance payments made to participants of the AmeriCorps program. "Net profit from self-employment" means gross income less the costs of producing the income other than depreciation. A net loss in self-employment income cannot be offset from other earned or unearned income.

(2) For migrant seasonal farm workers, the monthly gross income shall be determined by calculating the total amount of income earned in a 12-month period preceding the date of application and dividing the total amount by 12.

(3) When income received weekly or once every two weeks is projected for future months, income shall be projected by adding all income received in the period being used for the projection and dividing the result by the number of instances of income received in that period. The result shall be multiplied by four if the income is received weekly, or by two if the income is received biweekly, regardless of the number of weekly or biweekly payments to be made in future months.

d. Income exclusions. The following sources are excluded from the computation of monthly gross income:

(1) Per capita payments from or funds held in trust in satisfaction of a judgment of the Indian Claims Commission or the court of claims.

(2) Payments made pursuant to the Alaska Claims Settlement Act, to the extent the payments are exempt from taxation under Section 21(a) of the Act.

(3) Money received from the sale of property, unless the person was engaged in the business of selling property.

(4) Withdrawals of bank deposits.

(5) Money borrowed.

(6) Tax refunds.

(7) Gifts.

(8) Lump-sum inheritances or insurance payments or settlements.

(9) Capital gains.

(10) The value of the food assistance allotment under the Food and Nutrition Act of 2008.

(11) The value of USDA donated foods.

(12) The value of supplemental food assistance under the Child Nutrition Act of 1966 and the special food program for children under the National School Lunch Act.

(13) Earnings of a child 14 years of age or younger.

(14) Loans and grants obtained and used under conditions that preclude their use for current living expenses.

(15) Any grant or loan to any undergraduate student for educational purposes made or insured under the Higher Education Act.

(16) Home produce used for household consumption.

(17) Earnings received by any youth under the Workforce Investment Act (WIA).

(18) Stipends received for participating in the foster grandparent program.

(19) The first \$65 plus 50 percent of the remainder of income earned in a sheltered workshop or work activity setting.

(20) Payments from the Low-Income Home Energy Assistance Program.

(21) Agent Orange settlement payments.

(22) The income of the parents with whom a teen parent resides.

(23) For children with special needs, income spent on any regular ongoing cost that is specific to that child's disability.

(24) Moneys received under the federal Social Security Persons Achieving Self-Sufficiency (PASS) program or the Income-Related Work Expense (IRWE) program.

(25) Income received by a Supplemental Security Income recipient if the recipient's earned income was considered in determining the needs of a family investment program recipient.

(26) The income of a child who would be in the family investment program eligible group except for the receipt of Supplemental Security Income.

- (27) Any adoption subsidy payments received from the department.
- (28) Federal or state earned income tax credit.
- (29) Payments from the Iowa individual assistance grant program (IIAGP).
- (30) Payments from the transition to independence program (TIP).
- (31) Payments to volunteers participating in the Volunteers in Service to America (VISTA) program.

EXCEPTION: This exemption will not be applied when the director of ACTION determines that the value of all VISTA payments, adjusted to reflect the number of hours the volunteer is serving, is equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938 or the minimum wage under the laws of the state where the volunteer is serving, whichever is greater.

- (32) Reimbursement from the employer for job-related expenses.
- (33) Stipends from the preparation for adult living (PAL) program.
- (34) Payments from the subsidized guardianship waiver program.
- (35) The earnings of a child aged 18 or under who is a full-time student.
- (36) Census earnings received by temporary workers from the Bureau of the Census.
- (37) Payments for major disaster and emergency assistance provided under the Disaster Relief Act of 1974 as amended by Public Law 100-707, the Disaster Relief and Emergency Assistance Amendments of 1988.

e. Family size. The following people shall be included in the family size for the determination of eligibility:

- (1) Legal spouses (including common law) who reside in the same household.
- (2) Natural mother or father, adoptive mother or father, or stepmother or stepfather, and children who reside in the same household.
- (3) A child or children who live with a person or persons not legally responsible for the child's support.

f. Effect of temporary absence. The composition of the family does not change when a family member is temporarily absent from the household. "Temporary absence" means:

- (1) An absence for the purpose of education or employment.
- (2) An absence due to medical reasons that is anticipated to last less than three months.
- (3) Any absence when the person intends to return home within three months.

g. Resource limits. For initial and ongoing eligibility, family resources may not exceed \$1 million.

170.2(2) General eligibility requirements. In addition to meeting financial requirements, the child needing services must meet age, citizenship, and residency requirements. Each parent in the household must have at least one need for service and shall cooperate with the department's quality control review and with investigations conducted by the department of inspections and appeals.

a. Age. Child care shall be provided only to children up to age 13, unless they are children with special needs, in which case child care shall be provided up to age 19. When a child reaches the age of 13, or, as applicable, the age of 19, during the certification period, eligibility shall continue until the end of the approved certification period.

b. Need for service. Except for assistance provided under subparagraph 170.2(2)"b"(3), assistance shall be provided to a two-parent family only during the parents' coinciding hours of participation in training, employment, or job search. Each parent in the household shall meet one or more of the following requirements:

(1) The parent is in academic or vocational training. Training shall be on a full-time basis. The training facility shall define what is considered as full-time. Part-time training may be approved only if the number of credit hours to complete training is less than that required for full-time status, the required prerequisite credits or remedial course work is less than that required for full-time status, or training is not offered on a full-time basis. Child care services may be provided for the parent's hours of participation in the academic or vocational training and for actual travel time between the child care location and the training facility.

1. Child care provided while the parent participates in postsecondary education leading up to and including a baccalaureate degree program or vocational training shall be limited to a 24-month lifetime limit. A month is defined as a fiscal month or part thereof and shall generally have starting and ending

dates that fall within two adjacent calendar months but shall only count as one month. Time spent in high school completion, adult basic education, high school equivalency, or English as a second language does not count toward the 24-month limit. PROMISE JOBS child care allowances provided while the parent is a recipient of the family investment program and participating in PROMISE JOBS components in postsecondary education or training shall count toward the 24-month lifetime limit.

2. Payment shall not be approved for child-care during training in the following circumstances:

- Labor market statistics for a local area indicate low employment potential for workers with that training. Exceptions may be made when the parent has a job offer before entering the training or if a parent is willing to relocate after training to an area where there is employment potential. Parents willing to relocate must provide documentation from the department of workforce development, private employment agencies, or employers that jobs paying at least minimum wage for which training is being requested are available in the locale specified by the parent.

- The training is for jobs paying less than minimum wage.

- A parent who possesses a baccalaureate degree wants to take additional college coursework unless the coursework is to obtain a teaching certificate or complete continuing education units.

- The course or training is one that the parent has previously completed.

- The parent was previously unable to maintain the cumulative grade point average required by the training or academic facility in the same training for which application is now being made. This does not apply to parents under the age of 18 who are enrolled in high school completion activities.

- The education is in a field in which the parent will not be able to be employed due to known criminal convictions or founded child or dependent adult abuse.

- The parent wants to participate in on-line or distance learning from the parent's own home, and the training facility does not require specified hours of attendance.

(2) The parent is employed 28 or more hours per week or an average of 28 or more hours per week during the month. Child care services may be provided for the hours of employment and for actual travel time between the child care location and the place of employment. If the parent works a shift consisting of at least six hours of employment between the hours of 8 p.m. and 6 a.m. and needs to sleep during daytime hours, child care services may also be provided to allow the parent to sleep during daytime hours.

(3) The parent has a child with protective needs for child care.

(4) The parent is absent from the home due to inpatient hospitalization or outpatient treatment because of physical or mental illness, or is present but due to medical incapacity is unable to care for the child or participate in work or training, as verified by a physician.

1. Eligibility under this paragraph is limited to parents who become medically incapacitated while eligible for child care assistance based on the need criteria in subparagraph 170.2(2) "b"(1) or 170.2(2) "b"(2).

2. Child care assistance shall continue to be available for up to 90 consecutive days after the parent becomes medically incapacitated. Assistance beyond 90 days may be approved by the service area manager or designee if extenuating circumstances are verified by a physician.

3. The number of units of service authorized shall be determined as follows:

- For a single-parent family or for a two-parent family where both parents are incapacitated, the number of units authorized for the period of incapacity shall not exceed the number of units authorized for the family before the onset of incapacity.

- For a two-parent family where only one parent is incapacitated, the units of service authorized shall be based on the need of the parent who is not incapacitated.

(5) The parent is looking for employment. Child care for job search hours shall be limited to only those hours the parent is actually looking for employment including travel time.

1. For applicants, a job search plan shall be approved by the department and be limited to a maximum of 30 consecutive calendar days in a 12-month period. EXCEPTION: Additional job search hours may be paid for PROMISE JOBS participants if approved by the PROMISE JOBS worker.

2. For ongoing participants, job search shall be limited to a maximum of 90 consecutive calendar days.

(6) The parent needs child care services due to participation in activities approved under the PROMISE JOBS program.

(7) The family is part of the family investment program and there is a need for child care services due to employment or participation in vocational training or education. A family who meets this requirement due to employment is not required to work a minimum number of hours. If a parent in a family investment program household remains in the home, child care assistance can be paid if that parent receives Supplemental Security Income.

(8) The parent is employed and participating in academic or vocational training for 28 or more hours per week or an average of 28 or more hours per week in the aggregate, during the month. Child care services may be provided for the hours of employment, the hours of participation in academic or vocational training and for actual travel time between the child care location and the place of employment or training. All of the requirements relating to academic or vocational training found at subparagraph 170.2(2)“b”(1), except for the requirement to be enrolled full-time, apply to the part-time training in this subparagraph.

(9) Family eligibility shall continue during an approved certification period when a temporary lapse in need for service for a parent established under this subparagraph occurs. A temporary lapse is defined as a period of not more than 3 consecutive months, and the lapse is due to one or more of the following reasons:

1. Maternity leave.
2. Family Medical Leave Act (FMLA) situations for household members.
3. Participation in a treatment/rehabilitation program.
4. Employment or education/training hours fall below the minimum number required at 170.2(2)“b”(1), (2) or (8).
5. Normal breaks between school terms.

(10) Family eligibility shall be canceled if the lapse in need is not temporary because the family eligibility will continue for more than 3 consecutive months.

c. Residency. To be eligible for child care services, the person must be living in the state of Iowa. “Living in the state” shall include those persons living in Iowa for a temporary period, other than for the purpose of vacation.

d. Citizenship. As a condition of eligibility, the applicant shall attest to the child’s citizenship or alien status by signing Form 470-3624 or 470-3624(S), Child Care Assistance Application, or Form 470-0462 or 470-0462(S), Health and Financial Support Application. Child care assistance payments may be made only for a child who:

- (1) Is a citizen or national of the United States; or
- (2) Is a qualified alien as defined at 8 U.S.C. Section 1641. The applicant shall furnish documentation of the alien status of any child declared to be a qualified alien. A child who is a qualified alien is not eligible for child care assistance for a period of five years beginning on the date of the child’s entry into the United States with qualified alien status.

EXCEPTION: The five-year prohibition from receiving assistance does not apply to:

1. Qualified aliens described at 8 U.S.C. Section 1613; or
2. Qualified aliens as defined at 8 U.S.C. Section 1641 who entered the United States before August 22, 1996.

e. Cooperation. Parents shall cooperate with the department when the department selects the family’s case for quality control review to verify eligibility. Parents shall also cooperate with investigations conducted by the department of inspections and appeals to determine whether information supplied by the parent regarding eligibility for child care assistance is complete and correct. (See 481—Chapter 72.)

(1) Failure to cooperate shall serve as a basis for cancellation or denial of the family’s child care assistance.

(2) Once denied or canceled for failure to cooperate, the family may reapply but shall not be considered for approval until cooperation occurs.

170.2(3) Priority for assistance. Child care services shall be provided only when funds are available. Funds available for child care assistance shall first be used to continue assistance to families currently receiving child care assistance and to families with protective child care needs. When funds are insufficient, families applying for services must meet the specific requirements in this subrule.

a. Priority groups. As funds are determined available, families shall be served on a statewide basis from a service-area-wide waiting list as specified in subrule 170.3(4) based on the following schedule in descending order of prioritization.

(1) Families with an income at or below 100 percent of the federal poverty level whose members, for at least 28 hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program, and parents with a family income at or below 100 percent of the federal poverty level who are under the age of 21 and are participating in an educational program leading to a high school diploma or equivalent.

(2) Parents under the age of 21 with a family income at or below 100 percent of the federal poverty guidelines who are participating, at a satisfactory level, in an approved training program or in an education program.

(3) Families with an income of more than 100 percent but not more than 145 percent of the federal poverty guidelines whose members, for at least 28 hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.

(4) Families with an income at or below 200 percent of the federal poverty guidelines whose members are employed at least 28 hours per week with a special-needs child as a member of the family.

b. Exceptions to priority groups. The following are eligible for child care assistance notwithstanding waiting lists for child care services:

(1) Families with protective child care needs.

(2) Recipients of the family investment program or those whose earned income was taken into account in determining the needs of family investment program recipients.

(3) Families that receive a state adoption subsidy for a child.

c. Effect on need for service. Families approved under a priority group are not required to meet the requirements in paragraph 170.2(2)“b” except at review or redetermination.

170.2(4) Reporting changes. The parent must report any changes in circumstances affecting these eligibility requirements and changes in the choice of provider to the department worker or the PROMISE JOBS worker within ten calendar days of the change.

a. If the change is timely reported within ten calendar days, the effective date of the change shall be the date when the change occurred.

b. If the change is not timely reported, the effective date of the change shall be the date when the change is reported to the department office or PROMISE JOBS office.

c. Exception: Changes in income do not need to be reported during the approved certification period unless the family's gross monthly income exceeds 85 percent of Iowa's median family income. [ARC 8506B, IAB 2/10/10, effective 3/1/10; ARC 9651B, IAB 8/10/11, effective 10/1/11; ARC 1525C, IAB 7/9/14, effective 7/1/14; ARC 1606C, IAB 9/3/14, effective 10/8/14; ARC 2555C, IAB 6/8/16, effective 7/1/16]

441—170.3(237A,239B) Application and determination of eligibility.

170.3(1) Application process.

a. Application for child care assistance may be made at any local office of the department on:

(1) Form 470-3624 or 470-3624(S), Child Care Assistance Application,

(2) Form 470-0462 or 470-0462(S), Health and Financial Support Application, or

(3) Form 470-4377 or 470-4377(S), Child Care Assistance Review, when returned after the end of the certification period.

b. The application may be filed by the applicant, by the applicant's authorized representative or, when the applicant is incompetent or incapacitated, by a responsible person acting on behalf of the applicant.

c. The date of application is the date a signed application form containing a legible name and address is received in the department office. An electronic or paper application delivered to a closed

office is considered to be received on the first day following the day the office was last open that is not a weekend or state holiday.

d. Families who are determined eligible for child care assistance shall be approved for a certification period of at least 12 months. Families who fail to complete the review and redetermination process as described at subrule 170.3(5) will lose eligibility at the end of the certification period.

170.3(2) Exceptions to application requirement. An application is not required for:

a. A person who is participating in activities approved under the PROMISE JOBS program.
b. Recipients of the family investment program or those whose earned income was taken into account in determining the needs of family investment program recipients. The date of application is the date the family requests child care assistance from the department.

c. Children with protective needs.

d. Child care services provided under a court order.

e. Families whose application has been denied for failure to provide requested information who have provided all necessary information to determine eligibility within 14 days of the denial of the application, or by the next working day if the fourteenth day falls on a weekend or state holiday.

170.3(3) Application processing. The department shall approve or deny an application as soon as possible, but no later than 30 days following the date the application was received. This time limit shall apply except in unusual circumstances, such as when the department and the applicant have made every reasonable effort to secure necessary information that has not been supplied by the date the time limit expires, or because of emergency situations, such as fire, flood or other conditions beyond the administrative control of the department.

a. The department worker or PROMISE JOBS worker shall determine the number of units of service authorized for each eligible family and shall:

(1) Inform the family through the notice of decision; and

(2) Inform the family's provider through the notice of decision or through Form 470-4444, Certificate of Enrollment.

b. The department shall issue a written notice of decision to the applicant by the next working day following a determination of eligibility.

c. The effective date of assistance shall be the date of application or the date the need for service began, whichever is later. When an application is not required as described under subrule 170.3(2), the effective date shall be as follows:

(1) For a person participating in activities under the PROMISE JOBS program, the effective date of child care assistance shall be the date the person becomes a PROMISE JOBS participant as defined in rule 441—93.1(239B) or the date the person has a need for child care assistance to participate in an approved PROMISE JOBS activity as described in 441—Chapter 93, whichever is later.

(2) For a family receiving family investment program benefits, the effective date of child care assistance shall be no earlier than the effective date of family investment program benefits, or 30 days before the date of application for child care assistance, or the date the need for service began, whichever is the latest.

(3) For a family with protective service needs, the effective date of assistance shall be the date the family signs Form 470-0615 or 470-0615(S), Application for All Social Services.

(4) When child care services are provided under a court order, the effective date of assistance shall be the date specified in the court order or the date of the court order if no date is specified.

(5) For a family whose application was denied for failure to provide requested information but who provides all information necessary to determine eligibility, including verification of all changes in circumstances, within 14 days of the denial, the effective date of assistance shall be the date that all information required to establish eligibility is provided. If the fourteenth calendar day falls on a weekend or state holiday, the family shall have until the next business day to provide the information.

170.3(4) Waiting lists for child care services. When the department has determined that there may be insufficient funding, applications for child care assistance shall be taken only for the priority groups for which funds have been determined available according to subrule 170.2(3).

a. The department shall maintain a log of families applying for child care services that meet the requirements within the priority groups for which funds may be available.

(1) Each family shall be entered on the logs according to their eligibility priority group and in sequence of their date of application.

(2) If more than one application is received on the same day for the same priority group, families shall be entered on the log based on the day of the month of the birthday of the oldest eligible child. The lowest numbered day shall be first on the log. Any subsequent tie shall be decided by the month of birth, January being month one and the lowest number.

b. When the department determines that there is adequate funding, the department shall notify the public regarding the availability of funds.

170.3(5) Review and redetermination. The department shall redetermine a family's financial and general eligibility for child care assistance at least every 12 months. EXCEPTION: The department shall redetermine only general eligibility for recipients of the family investment program (FIP), persons whose earned income was taken into account in determining the needs of FIP recipients, and parents who have children with protective needs, because these families are deemed financially eligible so long as the FIP eligibility or need for protective services continues.

a. If FIP or protective services eligibility ends, the department shall redetermine financial and general eligibility for child care assistance according to the requirements in rule 441—170.2(237A,239B). The redetermination of eligibility shall be completed within 30 days.

b. The department shall use information gathered on Form 470-4377 or 470-4377(S), Child Care Assistance Review, to redetermine eligibility, except when the family is not required to complete a review form as provided in paragraph 170.3(5)“c.”

(1) The department shall issue a notice of expiration for the child care assistance certification period on Form 470-4377 or 470-4377(S).

(2) If the family does not return a complete review form to the department by the end of the certification period, the family must reapply for benefits, except as provided in paragraph 170.3(6)“b.” A complete review form is Form 470-4377 or 470-4377(S) with all items answered that is signed and dated by the applicant and is accompanied by all verification needed to determine continued eligibility.

c. Families who have children with protective needs and families who are receiving child care assistance because the parent is participating in activities under the PROMISE JOBS program are not required to complete Form 470-4377 or 470-4377(S).

(1) The department shall issue a notice of expiration for the child care assistance certification period on the notice of decision when the department approves the family's certification period.

(2) The department shall gather information needed to redetermine general eligibility. If the department needs information from the family, the department will send a written request to the family. If the family does not return the requested information by the due date, the family must reapply for child care assistance, except as provided in paragraph 170.3(6)“b.”

d. Families who apply for child care assistance because the parent is seeking employment are not subject to review requirements because eligibility is limited to 30 consecutive calendar days. This waiver of the review requirement applies only when the parent who is seeking employment does not have another need for service.

170.3(6) Reinstatement.

a. Assistance shall be reinstated without a new application when all necessary information is provided before the effective date of cancellation and eligibility can be reestablished. If there is a change in circumstances, the change must be verified before the case will be reinstated.

b. Assistance shall be reinstated without a new application when the case was canceled for failure to provide requested information but all information necessary to determine eligibility, including verification of all changes in circumstances, is provided within 14 days of the effective date of cancellation and eligibility can be reestablished. If the fourteenth calendar day falls on a weekend or state holiday, the family shall have until the next business day to provide the information. The effective

date of child care assistance shall be the date that all information required to establish eligibility is provided.

[ARC 8506B, IAB 2/10/10, effective 3/1/10; ARC 9651B, IAB 8/10/11, effective 10/1/11; ARC 2555C, IAB 6/8/16, effective 7/1/16]

441—170.4(237A) Elements of service provision.

170.4(1) Case file. The child welfare case file shall document the eligibility for service under 170.2(2)“b”(3).

170.4(2) Fees. Fees for services received shall be charged to clients according to the schedules in this subrule, except that fees shall not be charged to clients receiving services without regard to income. The fee is a per-unit charge that is applied to the child in the family who receives the largest number of units of service. The fee shall be charged for only one child in the family, regardless of how many children receive assistance.

a. Sliding fee schedule.

(1) The fee schedule shown in the following table is effective for eligibility determinations made on or after July 1, 2016:

Level	Monthly Income According to Family Size													Unit Fee Based on Number of Children in Care		
	1	2	3	4	5	6	7	8	9	10	11	12	13+	1	2	3 or more
A	\$941	\$1,268	\$1,596	\$1,924	\$2,252	\$2,579	\$2,908	\$3,238	\$3,567	\$3,896	\$4,226	\$4,555	\$4,884	\$0.00	\$0.00	\$0.00
B	\$990	\$1,335	\$1,680	\$2,025	\$2,370	\$2,715	\$3,061	\$3,408	\$3,755	\$4,101	\$4,448	\$4,795	\$5,141	\$0.20	\$0.45	\$0.70
C	\$1,018	\$1,372	\$1,727	\$2,082	\$2,436	\$2,791	\$3,147	\$3,503	\$3,860	\$4,216	\$4,573	\$4,929	\$5,285	\$0.45	\$0.70	\$0.95
D	\$1,045	\$1,410	\$1,774	\$2,138	\$2,503	\$2,867	\$3,232	\$3,599	\$3,965	\$4,331	\$4,697	\$5,064	\$5,429	\$0.70	\$0.95	\$1.20
E	\$1,075	\$1,449	\$1,824	\$2,198	\$2,573	\$2,947	\$3,323	\$3,700	\$4,076	\$4,452	\$4,829	\$5,205	\$5,581	\$0.95	\$1.20	\$1.45
F	\$1,104	\$1,489	\$1,873	\$2,258	\$2,643	\$3,028	\$3,413	\$3,800	\$4,187	\$4,573	\$4,960	\$5,347	\$5,733	\$1.20	\$1.45	\$1.70
G	\$1,135	\$1,530	\$1,926	\$2,321	\$2,717	\$3,112	\$3,509	\$3,907	\$4,305	\$4,701	\$5,099	\$5,497	\$5,893	\$1.45	\$1.70	\$1.95
H	\$1,166	\$1,572	\$1,978	\$2,385	\$2,791	\$3,197	\$3,605	\$4,013	\$4,422	\$4,829	\$5,238	\$5,647	\$6,054	\$1.70	\$1.95	\$2.20
I	\$1,198	\$1,616	\$2,034	\$2,451	\$2,869	\$3,287	\$3,706	\$4,126	\$4,546	\$4,964	\$5,385	\$5,805	\$6,223	\$1.95	\$2.20	\$2.45
J	\$1,231	\$1,660	\$2,089	\$2,518	\$2,947	\$3,376	\$3,806	\$4,238	\$4,669	\$5,100	\$5,531	\$5,963	\$6,393	\$2.20	\$2.45	\$2.70
K	\$1,266	\$1,707	\$2,148	\$2,589	\$3,030	\$3,471	\$3,913	\$4,357	\$4,800	\$5,243	\$5,686	\$6,130	\$6,572	\$2.45	\$2.70	\$2.95
L	\$1,300	\$1,753	\$2,206	\$2,659	\$3,112	\$3,565	\$4,020	\$4,475	\$4,931	\$5,385	\$5,841	\$6,297	\$6,751	\$2.70	\$2.95	\$3.20
M	\$1,336	\$1,802	\$2,268	\$2,734	\$3,199	\$3,665	\$4,132	\$4,601	\$5,069	\$5,536	\$6,005	\$6,473	\$6,940	\$2.95	\$3.20	\$3.45
N	\$1,373	\$1,851	\$2,330	\$2,808	\$3,286	\$3,765	\$4,245	\$4,726	\$5,207	\$5,687	\$6,168	\$6,649	\$7,129	\$3.20	\$3.45	\$3.70
O	\$1,411	\$1,903	\$2,395	\$2,887	\$3,379	\$3,870	\$4,364	\$4,858	\$5,353	\$5,846	\$6,341	\$6,835	\$7,329	\$3.45	\$3.70	\$3.95
P	\$1,450	\$1,955	\$2,460	\$2,965	\$3,471	\$3,976	\$4,482	\$4,991	\$5,499	\$6,005	\$6,513	\$7,022	\$7,528	\$3.70	\$3.95	\$4.20
Q	\$1,490	\$2,010	\$2,529	\$3,048	\$3,568	\$4,087	\$4,608	\$5,130	\$5,653	\$6,173	\$6,696	\$7,218	\$7,739	\$3.95	\$4.20	\$4.45
R	\$1,531	\$2,064	\$2,598	\$3,131	\$3,665	\$4,198	\$4,733	\$5,270	\$5,807	\$6,342	\$6,878	\$7,415	\$7,950	\$4.20	\$4.45	\$4.70
S	\$1,574	\$2,122	\$2,671	\$3,219	\$3,767	\$4,316	\$4,866	\$5,418	\$5,969	\$6,519	\$7,071	\$7,622	\$8,172	\$4.45	\$4.70	\$4.95
T	\$1,617	\$2,180	\$2,743	\$3,307	\$3,870	\$4,433	\$4,998	\$5,565	\$6,132	\$6,697	\$7,263	\$7,830	\$8,395	\$4.70	\$4.95	\$5.20
U	\$1,662	\$2,241	\$2,820	\$3,399	\$3,978	\$4,558	\$5,138	\$5,721	\$6,303	\$6,884	\$7,467	\$8,049	\$8,630	\$4.95	\$5.20	\$5.45
V	\$1,707	\$2,302	\$2,897	\$3,492	\$4,087	\$4,682	\$5,278	\$5,877	\$6,475	\$7,072	\$7,670	\$8,269	\$8,865	\$5.20	\$5.45	\$5.70

Level	Monthly Income According to Family Size													Unit Fee Based on Number of Children in Care		
	1	2	3	4	5	6	7	8	9	10	11	12	13+	1	2	3 or more
W	\$1,755	\$2,367	\$2,978	\$3,590	\$4,201	\$4,813	\$5,426	\$6,041	\$6,656	\$7,270	\$7,885	\$8,500	\$9,113	\$5.45	\$5.70	\$5.95
X	\$1,803	\$2,431	\$3,059	\$3,687	\$4,316	\$4,944	\$5,574	\$6,206	\$6,838	\$7,468	\$8,100	\$8,732	\$9,362	\$5.70	\$5.95	\$6.20
Y	\$1,853	\$2,499	\$3,145	\$3,791	\$4,437	\$5,082	\$5,730	\$6,380	\$7,029	\$7,677	\$8,326	\$8,976	\$9,624	\$5.95	\$6.20	\$6.45
Z	\$1,904	\$2,567	\$3,231	\$3,894	\$4,557	\$5,221	\$5,886	\$6,553	\$7,221	\$7,886	\$8,553	\$9,221	\$9,886	\$6.20	\$6.45	\$6.70
AA	\$1,957	\$2,639	\$3,321	\$4,003	\$4,685	\$5,367	\$6,051	\$6,737	\$7,423	\$8,107	\$8,793	\$9,479	\$10,163	\$6.45	\$6.70	\$6.95
BB	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,500	\$9,000	\$10,000	\$11,000	\$6.70	\$6.95	\$7.20

- (2) To use the chart:
1. Find the family size used in determining income eligibility for service.
 2. Move across the monthly income table to the column headed by that number.
 3. Move down the column for the applicable family size to the highest figure that is equal to or less than the family's gross monthly income. Income at or above that amount (but less than the amount in the next row) corresponds to the fees in the last three columns of that row.
 4. Choose the fee that corresponds to the number of children in the family who receive child care assistance.

b. Collection. The provider shall collect fees from clients.

(1) The provider shall maintain records of fees collected. These records shall be available for audit by the department or its representative.

(2) When a client does not pay the fee, the provider shall demonstrate that a reasonable effort has been made to collect the fee. "Reasonable effort to collect" means an original billing and two follow-up notices of nonpayment.

c. Inability of client to pay fees. Child care assistance may be continued without a fee, or with a reduced fee, when a client reports in writing the inability to pay the assessed fee due to the existence of one or more of the conditions set forth below. Before reducing the fee, the worker shall assess the case to verify that the condition exists and to determine whether a reduced fee can be charged. The reduced fee shall then be charged until the condition justifying the reduced fee no longer exists. Reduced fees may be justified by:

(1) Extensive medical bills for which there is no payment through insurance coverage or other assistance.

(2) Shelter costs that exceed 30 percent of the household income.

(3) Utility costs not including the cost of a telephone that exceed 15 percent of the household income.

(4) Additional expenses for food resulting from diets prescribed by a physician.

170.4(3) Method of provision. Parents shall be allowed to exercise their choice for in-home care, except when the parent meets the need for service under subparagraph 170.2(2)"b"(3), as long as the conditions in paragraph 170.4(7)"d" are met. When the child meets the need for service under 170.2(2)"b"(3), parents shall be allowed to exercise their choice of licensed, registered, or nonregistered child care provider except when the department service worker determines it is not in the best interest of the child. The provider must meet one of the applicable requirements set forth below.

a. Licensed child care center. A child care center shall be licensed by the department to meet the requirements set forth in 441—Chapter 109 and shall have a current Certificate of License, Form 470-0618.

b. Registered child development home. A child development home shall meet the requirements for registration set forth in 441—Chapter 110 and shall have a current Certificate of Registration, Form 470-3498.

c. Out-of-state provider. A child care provider who is not located in Iowa may be selected by the parent so long as the out-of-state child care provider verifies that the provider meets all of the requirements to be a provider in the state in which the provider operates.

d. Relative care. Rescinded IAB 2/6/02, effective 4/1/02.

e. In-home care. The adult caretaker selected by the parent to provide care in the child's own home shall be sent Form 470-2890 or 470-2890(S), Payment Application for Nonregistered Providers. The provider shall complete and sign Form 470-2890 or 470-2890(S) and return the form to the department before payment may be made. An identifiable application is an application that contains a legible name and address and that has been signed. Signature on the form certifies the provider's understanding of and compliance with the conditions and requirements for nonregistered in-home care providers that include:

(1) Professional development. The provider shall complete:

1. Prior to provider agreement and every five years thereafter, minimum health and safety trainings, approved by the department, in the following content areas:

- Prevention and control of infectious disease, including immunizations.

- Prevention of sudden infant death syndrome and use of safe sleep practices.
- Administration of medication, consistent with standards for parental consent.
- Prevention of and response to emergencies due to food and allergic reactions.
- Building and physical-premises safety, including identification of and protection from hazards that can cause bodily injury, such as electrical hazards, bodies of water, and vehicular traffic.
- Prevention of shaken baby syndrome and abusive head trauma.
- Emergency preparedness and response planning for emergencies resulting from a natural disaster or a human-caused event.
- Handling and storage of hazardous materials and appropriate disposal of biocontaminants.
- Precautions in transporting children.

Minimum health and safety training may be required prior to the five-year period if content has significant changes which warrant that the training be renewed.

2. Prior to provider agreement, two hours of Iowa's training for mandatory reporting of child abuse.

3. Prior to provider agreement, first-aid and cardiopulmonary resuscitation (CPR) training meeting the following requirements:

- Training shall be provided by a nationally recognized training organization, such as the American Red Cross, American Heart Association, National Safety Council, American Safety and Health Institute or MEDIC First Aid or by an equivalent trainer using curriculum approved by the department.

- First-aid training shall include certification in infant and child first aid.

- The provider shall maintain a valid certificate indicating the date of first-aid training and the expiration date.

- The provider shall maintain a valid certificate indicating the date of CPR training and the expiration date.

(2) Limits on the number of children for whom care may be provided.

(3) Unlimited parental access to the child or children during hours when care is provided, unless prohibited by court order.

(4) Conditions that warrant nonpayment.

f. Nonregistered family child care home. A nonregistered child care home shall meet the requirements set forth in 441—Chapter 120.

g. Iowa records checks for in-home care. If a person who provides in-home care applies to receive public funds as reimbursement for providing child care for eligible clients, the provider shall complete and submit to the department Form 470-5143, Iowa Department of Human Services Record Check Authorization Form. The department shall use this form to conduct Iowa criminal history record and child abuse record checks.

(1) The purpose of these checks is to determine whether the person has committed a transgression that prohibits or limits the person's involvement with child care.

(2) The department may also conduct criminal and child abuse record checks in other states and may conduct dependent adult abuse, sex offender registry, and other public or civil offense record checks in Iowa or in other states.

(3) Records checks shall be repeated every two years and when the department or provider becomes aware of any new transgressions.

h. National criminal history record checks for in-home care. If a person who provides in-home care applies to receive public funds as reimbursement for providing child care for eligible clients, the provider shall complete Form DCI-45, Waiver Agreement, and Form FD-258, Federal Fingerprint Card.

(1) The provider subject to this check shall submit any other forms required by the department of public safety to authorize the release of records.

(2) The provider subject to this check is responsible for any costs associated with obtaining the fingerprints and for submitting the prints to the department.

(3) Fingerprints may be taken (rolled) by law enforcement agencies or by agencies or companies that specialize in taking fingerprints.

(4) The national criminal history record check shall be repeated for each person subject to the check every four years and when the department or provider becomes aware of any new transgressions committed by that person in another state.

(5) The department may rely on the results of previously conducted national criminal history record checks when a person subject to a record check in one child development home or child care home submits a request for involvement with child care in another child care home, so long as the person's national criminal history record check is within the allowable four-year time frame. All initial or new applications shall require a new national criminal history record check.

i. Transgressions. If any person subject to the record checks in paragraph 170.4(3)“g” or 170.4(3)“h” has a record of founded child abuse, dependent adult abuse, a criminal conviction, or placement on the sex offender registry, the department shall follow the process for prohibition or evaluation defined at 441—subrule 110.7(3).

(1) If any person would be prohibited from registration, employment, or residence, the person shall not provide child care and is not eligible to receive public funds to do so. The department's designee shall notify the applicant.

(2) A person who continues to provide child care in violation of this rule is subject to penalty and injunction under Iowa Code chapter 237A.

170.4(4) Components of service program. Every child eligible for child care services shall receive supervision, food services, and program and activities, and may receive transportation.

170.4(5) Levels of service according to age. Rescinded IAB 9/30/92, effective 10/1/92.

170.4(6) Provider's individual program plan. Rescinded IAB 2/10/10, effective 3/1/10.

170.4(7) Payment. The department shall make payment for child care provided to an eligible family when the family reports their choice of provider to the department and the provider has a completed Form 470-3871 or 470-3871(S), Child Care Assistance Provider Agreement, on file with the department. Both the child care provider and the department worker shall sign this form.

a. Rate of payment. The rate of payment for child care services, except for in-home care which shall be paid in accordance with 170.4(7)“d,” shall be the actual rate charged by the provider for a private individual, not to exceed the maximum rates shown below. When a provider does not have a half-day rate in effect, a rate is established by dividing the provider's declared full-day rate by 2. When a provider has neither a half-day nor a full-day rate, a rate is established by multiplying the provider's declared hourly rate by 4.5. Payment shall not exceed the rate applicable to the provider and age group in Table I, except for special needs care which shall not exceed the rate applicable to the provider and age group in Table II. To be eligible for the special needs rate, the provider must submit documentation to the child's service worker that the child needing services has been assessed by a qualified professional and meets the definition for “child with special needs,” and a description of the child's special needs, including, but not limited to, adaptive equipment, more careful supervision, or special staff training.

Age Group	Child Care Center		Child Development Home Category A or B		Child Development Home Category C		Nonregistered Family Home
	Basic	QRS 5	Basic	QRS 5	Basic	QRS 5	
Infant and Toddler	\$16.78	\$20.50	\$12.98	\$13.75	\$12.44	\$15.00	\$8.19
Preschool	\$13.53	\$17.50	\$12.18	\$13.50	\$12.18	\$13.75	\$7.19
School Age	\$12.18	\$14.75	\$10.82	\$12.50	\$10.82	\$13.00	\$7.36

Age Group	Child Care Center	Child Development Home Category A or B	Child Development Home Category C	Nonregistered Family Home
Infant and Toddler	\$51.94	\$17.05	\$13.40	\$10.24
Preschool	\$30.43	\$15.83	\$13.40	\$ 8.99
School Age	\$30.34	\$14.61	\$12.18	\$ 9.20

The following definitions apply in the use of the rate tables:

(1) “Child care center” shall mean those providers as defined in 170.4(3)“a.” “Registered child development home” shall mean those providers as defined in 170.4(3)“b.” “Nonregistered family child care home” shall mean those providers as defined in 441—Chapter 120.

(2) Under age group, “infant and toddler” shall mean age two weeks to two years; “preschool” shall mean two years to school age; “school age” shall mean a child in attendance in full-day or half-day classes.

(3) “QRS 5” shall mean a provider who has achieved a rating of Level 5 under the quality rating system.

b. Payment for days of absence. Payment may be made to a child care provider defined in subrule 170.4(3) for an individual child not in attendance at a child care facility not to exceed four days per calendar month providing that the child is regularly scheduled on those days and the provider also charges a private individual for days of absence.

c. Payment for multiple children in a family. When a provider reduces the charges for the second and any subsequent children in a family with multiple children whose care is unsubsidized, the rate of payment made by the department for a family with multiple children shall be similarly reduced.

d. Payment for in-home care. Payment may be made for in-home care when there are three or more children in a family who require child care services. The rate of payment for in-home care shall be the minimum wage amount.

e. Limitations on payment. Payment shall not be made for therapeutic services that are provided in the care setting and include, but are not limited to, services such as speech, hearing, physical and other therapies, individual or group counseling, therapeutic recreation, and crisis intervention.

f. Review of the calculation of the rate of payment. Maximum rate ceilings are not appealable. A provider who is in disagreement with the calculation of the half-day rate as set forth in 170.4(7)“a” may request a review. The procedure for review is as follows:

(1) Within 15 calendar days of notification of the rate in question, the provider shall send a written request for review to the service area manager. The request shall identify the specific rate in question and the methodology used to calculate the rate. The service manager shall provide a written response within 15 calendar days of receipt of the request for review.

(2) When dissatisfied with the response, the provider may, within 15 calendar days of the response, request a review by the chief of the bureau of financial support. The provider shall submit to the bureau chief the original request, the response received, and any additional information desired. The bureau chief shall render a decision in writing within 15 calendar days of receipt of the request.

(3) The provider may appeal the decision to the director of the department or the director’s designee within 15 calendar days of the decision. The director or director’s designee shall issue the final department decision within 15 calendar days of receipt of the request.

g. Submission of claims. The department shall issue payment when the provider submits correctly completed documentation of attendance and charges. The department shall pay for no more than the number of units of service authorized in the notice of decision issued pursuant to subrule 170.3(3). Providers shall submit a claim in one of the following ways:

(1) Using Form 470-4534, Child Care Assistance Billing/Attendance; or

(2) Using an electronic request for payment submitted through the KinderTrack system. Providers using this method shall print Form 470-4535, Child Care Assistance Billing/Attendance Provider Record,

to be signed by the provider and the parent. The provider shall keep the signed Form 470-4535 for a period of five years after the billing date.

[**ARC 7837B**, IAB 6/3/09, effective 7/1/09; **ARC 8506B**, IAB 2/10/10, effective 3/1/10; **ARC 9490B**, IAB 5/4/11, effective 7/1/11; **ARC 9651B**, IAB 8/10/11, effective 10/1/11; **ARC 0152C**, IAB 6/13/12, effective 7/18/12; **ARC 0546C**, IAB 1/9/13, effective 1/1/13; **ARC 0715C**, IAB 5/1/13, effective 7/1/13; **ARC 0825C**, IAB 7/10/13, effective 7/1/13; **ARC 0854C**, IAB 7/24/13, effective 7/1/13; **ARC 1063C**, IAB 10/2/13, effective 11/6/13; **ARC 1446C**, IAB 4/30/14, effective 7/1/14; **ARC 1978C**, IAB 4/29/15, effective 7/1/15; **ARC 2169C**, IAB 9/30/15, effective 1/1/16; **ARC 2555C**, IAB 6/8/16, effective 7/1/16; **ARC 2556C**, IAB 6/8/16, effective 7/1/16; **ARC 2649C**, IAB 8/3/16, effective 10/1/16]

441—170.5(237A) Adverse actions.

170.5(1) Provider agreement. The department may refuse to enter into or may revoke the Child Care Assistance Provider Agreement, Form 470-3871 or 470-3871(S), if any of the following occur:

- a. The department finds a hazard to the safety and well-being of a child, and the provider cannot or refuses to correct the hazard.
- b. The provider has submitted claims for payment for which the provider is not entitled.
- c. The provider fails to cooperate with an investigation conducted by the department of inspections and appeals to determine whether information the provider supplied to the department regarding payment for child care services is complete and correct. Once the agreement is revoked for failure to cooperate, the department shall not enter into a new agreement with the provider until cooperation occurs.
- d. The provider does not meet one of the applicable requirements set forth in subrule 170.4(3).
- e. The provider fails to comply with any of the terms and conditions of the Child Care Assistance Provider Agreement, Form 470-3871 or 470-3871(S).
- f. The provider submits attendance documentation for payment and the provider knows or should have known that the documentation is false or inaccurate.
- g. An overpayment of CCA funds with a balance of \$3,000 or more exists for a provider and that provider fails to enter into a repayment agreement with the department of inspections and appeals (DIA) or does not make payments according to the repayment agreement on file with DIA.

h. The provider is found to have more children in care at one time than allowed for the provider type as found at rule 441—110.4(237A) and 441—subrules 110.8(1), 110.9(1), 110.10(1) and 170.4(3).

170.5(2) Denial. Child care assistance shall be denied when the department determines that:

- a. The client is not in need of service; or
- b. The client is not financially eligible; or
- c. There is another resource available to provide the service or a similar service free of charge that allows parents to select from the full range of eligible providers; or
- d. An application is required and the client or representative refuses or fails to sign the application form; or
- e. Funding is not available; or
- f. The client refuses or fails to supply information or verification requested or to request assistance and authorize the department to secure the required information or verification from other sources (signing a general authorization for release of information to the department does not meet this responsibility); or
- g. The client fails to cooperate with a quality control review or with an investigation conducted by the department of inspections and appeals.

170.5(3) Termination. Child care assistance may be terminated when the department determines that:

- a. The client no longer meets the eligibility criteria in subrule 170.2(2); or
- b. The client's income exceeds the financial guidelines; or
- c. The client refuses or fails to supply information or verification requested or to request assistance and authorize the department to secure the required information or verification from other sources (signing a general authorization for release of information to the department does not meet this responsibility); or
- d. No payment or only partial payment of client fees has been received within 30 days following the issuance of the last billing; or

- e. Another resource is available to provide the service or a similar service free of charge that allows parents to select from the full range of eligible providers; or
- f. Funding is not available; or
- g. The client fails to cooperate with a quality control review or with an investigation conducted by the department of inspections and appeals.

170.5(4) Reduction. Authorized units of service may be reduced when the department determines that:

- a. Continued provision of service at the current level is not necessary to meet the client's service needs; or
- b. Another resource is available to provide the same or similar service free of charge that will meet the client's needs and allow parents to select from the full range of eligible providers; or
- c. Funding is not available to continue the service at the current level. When funding is not available, the department may limit on a statewide basis the number of units of child care services for which payment will be made.

170.5(5) Provider agreement sanction. If a Child Care Assistance Provider Agreement, Form 470-3871 or 470-3871(S), is terminated for any of the reasons in subrule 170.5(1), the agreement shall remain terminated for the time periods set forth below:

- a. The first time the agreement is terminated, the provider may reapply for another agreement at any time.
- b. The second time the agreement is terminated, the provider may not reapply for another agreement for 12 months from the effective date of termination.
- c. The third or subsequent time the agreement is terminated, the provider may not reapply for another agreement for 36 months from the effective date of termination.
- d. The department shall not act on an application for a child care assistance provider agreement submitted by a provider during the sanction period.

[ARC 7740B, IAB 5/6/09, effective 6/10/09; ARC 8506B, IAB 2/10/10, effective 3/1/10; ARC 9651B, IAB 8/10/11, effective 10/1/11; ARC 1893C, IAB 3/4/15, effective 7/1/15]

441—170.6(237A) Appeals. Notice of adverse actions and the right of appeal shall be given in accordance with 441—Chapter 7.

441—170.7(237A) Provider fraud.

170.7(1) Fraud. The department shall consider a child care provider to have committed fraud when:

- a. The department of inspections and appeals, in an administrative or judicial proceeding, has found the provider to have obtained by fraudulent means child care assistance payment in an amount in excess of \$1,000; or
- b. The provider has agreed to entry of a civil judgment or judgment by confession that includes a conclusion of law that the provider has obtained by fraudulent means child care assistance payment in an amount in excess of \$1,000.

170.7(2) Potential sanctions. Providers found to have committed fraud shall be subject to one or more of the following sanctions, as determined by the department:

- a. Special review of the provider's claims for child care assistance.
- b. Suspension from receipt of child care assistance payment for six months.
- c. Ineligibility to receive payment under child care assistance.

170.7(3) Factors considered in determining level of sanction. The department shall evaluate the following factors in determining the sanction to be imposed:

- a. *History of prior violations.*
 - (1) If the provider has no prior violations, the sanction imposed shall be a special review of provider claims.
 - (2) If the provider has one prior violation, the sanction imposed shall be a suspension from receipt of child care assistance payment for six months as well as a special review of provider claims.
 - (3) If the provider has more than one prior violation, the sanction imposed shall be ineligibility to receive payment under child care assistance.

b. Prior imposition of sanctions.

(1) If the provider has not been sanctioned before, the sanction imposed shall be a special review of the provider's claims for child care assistance.

(2) If the provider has been sanctioned once before, the sanction imposed shall be a suspension from receipt of child care assistance payment for six months as well as a special review of provider claims.

(3) If the provider has been sanctioned more than once before, the sanction imposed shall be ineligibility to receive payment under child care assistance.

c. Seriousness of the violation.

(1) If the amount fraudulently received is less than \$5,000, the sanction level shall be determined according to paragraphs "a" and "b."

(2) If the amount fraudulently received is \$5,000 or more, and the sanction determined according to paragraphs "a" and "b" is review of provider claims, the sanction imposed shall be suspension from receipt of child care assistance payment.

(3) If the amount fraudulently received is \$5,000 or more, and the sanction determined according to paragraphs "a" and "b" is suspension from receipt of child care assistance payment, the sanction imposed shall be ineligibility to receive payment under child care assistance.

d. Extent of the violation.

(1) If the fraudulent claims involve five invoices or less or five months or less, the sanction level shall be determined according to paragraphs "a" and "b."

(2) If the fraudulent claims involve at least six invoices or six months, and the sanction determined according to paragraphs "a" and "b" is review of provider claims, the sanction imposed shall be suspension from receipt of child care assistance payment.

(3) If the fraudulent claims involve at least six invoices or six months, and the sanction determined according to paragraphs "a" and "b" is suspension from receipt of child care assistance payment, the sanction imposed shall be ineligibility to receive payment under child care assistance.

170.7(4) Mitigating factors.

a. If the sanction determined according to subrule 170.7(3) is suspension from or ineligibility for receipt of child care assistance payment, the department shall determine whether it is appropriate to reduce the level of a sanction for the particular case, considering:

(1) Prior provision of provider education.

(2) Provider willingness to obey program rules.

b. If the sanction determined according to subrule 170.7(3) is ineligibility for receipt of child care assistance payment, but consideration of the two factors in paragraph "a" indicates that a lesser sanction will resolve the violation, the sanction imposed shall be:

(1) Suspension from receipt of child care assistance payment for six months; and

(2) A special review of provider claims.

c. If the sanction determined according to subrule 170.7(3) is suspension from receipt of child care assistance payment, but consideration of the two factors in paragraph "a" indicates that a lesser sanction will resolve the violation, the sanction imposed shall be a special review of provider claims.

441—170.8(234) Allocation of funds. Rescinded IAB 2/6/02, effective 4/1/02.

441—170.9(237A) Child care assistance overpayments. All child care assistance overpayments shall be subject to recoupment.

170.9(1) Notification and appeals. All clients or providers shall be notified as described at subrule 170.9(6), when it is determined that an overpayment exists. Notification shall include the amount, date and reason for the overpayment. The department shall provide additional information regarding the computation of the overpayment upon the client's or provider's request. The client or provider may appeal the computation of the overpayment and any action to recover the overpayment in accordance with 441—subrule 7.5(9).

170.9(2) Determination of overpayments. All overpayments due to client, provider, or agency error or due to benefits or payments issued pending an appeal decision shall be recouped. Overpayments shall be computed as if the information had been acted upon timely.

170.9(3) Benefits or payments issued pending appeal decision. Recoupment of overpayments resulting from benefits or payments issued pending a decision on an appeal hearing shall not occur until after a final appeal decision is issued affirming the department.

170.9(4) Failure to cooperate. Failure by the client to cooperate in the investigation of alleged overpayments shall result in ineligibility for the months in question and the overpayment shall be the total amount of assistance received during those months. Failure by the provider to cooperate in the investigation of alleged overpayments shall result in payments being recouped for the months in question.

170.9(5) Payment agreement. The client or provider may choose to make a lump-sum payment or make periodic installment payments as agreed to on the notification form issued pursuant to subrule 170.9(6). Failure to negotiate an approved payment agreement may result in further collection action as outlined in 441—Chapter 11.

170.9(6) Procedures for recoupment.

a. When the department determines that an overpayment exists, the department shall refer the case to the department of inspections and appeals for investigation, recoupment, or referral for possible prosecution.

b. The department of inspections and appeals shall initiate recoupment by notifying the debtor of the overpayment on Form 470-4530, Notice of Child Care Assistance Overpayment.

c. When financial circumstances change, the department of inspections and appeals has the authority to revise the recoupment plan.

d. Recoupment for overpayments due to client error or due to an agency error that affected eligibility shall be made from the parent who received child care assistance at the time the overpayment occurred. When two parents were in the home at the time the overpayment occurred, both parents are equally responsible for repayment of the overpayment.

e. Recoupment for overpayments due to provider error or due to an agency error that affected benefits shall be made from the provider.

f. Recoupment for overpayments caused by both the provider and client shall be collected from both the provider and client equally, 50 percent from the client and 50 percent from the provider.

170.9(7) Suspension and waiver. Recoupment will be suspended on nonfraud overpayments when the amount of the overpayment is less than \$35. Recoupment will be waived on nonfraud overpayments of less than \$35 which have been held in suspense for three years.

[ARC 9651B, IAB 8/10/11, effective 10/1/11; ARC 1893C, IAB 3/4/15, effective 7/1/15]

These rules are intended to implement Iowa Code sections 237A.13 and 237A.29.

[Filed 7/3/79, Notice 12/27/78—published 7/25/79, effective 9/1/79]

[Filed 7/18/80, Notice 3/5/80—published 8/6/80, effective 9/10/80]

[Filed 12/19/80, Notice 10/29/80—published 1/7/81, effective 2/11/81]

[Filed 1/16/81, Notice 12/10/80—published 2/4/81, effective 4/1/81]

[Filed 4/29/82, Notice 3/3/82—published 5/26/82, effective 7/1/82]

[Filed 5/21/82, Notice 3/31/82—published 6/9/82, effective 8/1/82]

[Filed emergency 9/23/82—published 10/13/82, effective 9/23/82]

[Filed emergency 6/17/83—published 7/6/83, effective 7/1/83]

[Filed emergency 2/10/84—published 2/29/84, effective 2/10/84]

[Filed 1/15/87, Notice 12/3/86—published 2/11/87, effective 4/1/87]

[Filed 9/21/88, Notice 8/10/88—published 10/19/88, effective 12/1/88]

[Filed emergency 6/8/89 after Notice of 5/3/89—published 6/28/89, effective 7/1/89]

[Filed emergency 6/8/89—published 6/28/89, effective 7/1/89]

[Filed 8/17/89, Notice 6/28/89—published 9/6/89, effective 11/1/89]

[Filed 9/15/89, Notice 8/9/89—published 10/4/89, effective 12/1/89]

[Filed emergency 10/10/91—published 10/30/91, effective 11/1/91]

[Filed 12/11/91, Notice 10/30/91—published 1/8/92, effective 3/1/92]
[Filed emergency 9/11/92—published 9/30/92, effective 10/1/92]
[Filed 11/10/92, Notice 9/30/92—published 12/9/92, effective 2/1/93]
[Filed emergency 6/11/93—published 7/7/93, effective 7/1/93]
[Filed 8/12/93, Notice 7/7/93—published 9/1/93, effective 11/1/93]
[Filed emergency 10/14/93—published 11/10/93, effective 12/1/93]
[Filed 12/16/93, Notice 11/10/93—published 1/5/94, effective 3/1/94]
[Filed emergency 6/16/94—published 7/6/94, effective 7/1/94]
[Filed 8/12/94, Notice 7/6/94—published 8/31/94, effective 11/1/94]
[Filed emergency 6/7/95—published 7/5/95, effective 7/1/95]
[Filed 8/10/95, Notice 7/5/95—published 8/30/95, effective 11/1/95]
[Filed emergency 6/13/96—published 7/3/96, effective 7/1/96]
[Filed emergency 7/10/96—published 7/31/96, effective 8/1/96]
[Filed 9/17/96, Notices 7/3/96, 7/31/96—published 10/9/96, effective 12/1/96]
[Filed 4/11/97, Notice 2/26/97—published 5/7/97, effective 7/1/97]
[Filed emergency 6/12/97—published 7/2/97, effective 7/1/97]
[Filed 8/13/97, Notice 7/2/97—published 9/10/97, effective 11/1/97]
[Filed 9/16/97, Notice 7/16/97—published 10/8/97, effective 12/1/97]
[Filed 5/13/98, Notice 3/25/98—published 6/3/98, effective 8/1/98]
[Filed 8/12/98, Notice 6/17/98—published 9/9/98, effective 11/1/98]
[Filed 2/10/99, Notice 12/16/98—published 3/10/99, effective 5/1/99]
[Filed emergency 6/10/99—published 6/30/99, effective 7/1/99]
[Filed 8/12/99, Notice 6/30/99—published 9/8/99, effective 11/1/99]
[Filed 2/9/00, Notice 12/29/99—published 3/8/00, effective 5/1/00]
[Filed emergency 6/8/00—published 6/28/00, effective 7/1/00]
[Filed 8/9/00, Notice 6/14/00—published 9/6/00, effective 11/1/00]
[Filed 2/14/01, Notice 11/29/00—published 3/7/01, effective 5/1/01]
[Filed 5/9/01, Notice 3/21/01—published 5/30/01, effective 8/1/01]
[Filed 1/9/02, Notice 11/28/01—published 2/6/02, effective 4/1/02]
[Filed emergency 6/12/03—published 7/9/03, effective 7/1/03]
[Filed 9/22/03, Notice 7/9/03—published 10/15/03, effective 12/1/03]
[Filed 12/16/03, Notice 10/29/03—published 1/7/04, effective 3/1/04]
[Filed emergency 5/14/04—published 6/9/04, effective 7/1/04]
[Filed 8/12/04, Notice 6/9/04—published 9/1/04, effective 10/6/04]
[Filed emergency 7/15/05—published 8/3/05, effective 9/1/05]
[Filed 10/21/05, Notice 8/3/05—published 11/9/05, effective 12/14/05]
[Filed emergency 11/16/05—published 12/7/05, effective 12/1/05]
[Filed emergency 5/12/06—published 6/7/06, effective 7/1/06]
[Filed 10/20/06, Notice 8/30/06—published 11/8/06, effective 1/1/07]
[Filed 4/11/07, Notice 2/14/07—published 5/9/07, effective 7/1/07]
[Filed emergency 6/14/07—published 7/4/07, effective 7/1/07]
[Filed 6/13/07, Notice 4/11/07—published 7/4/07, effective 9/1/07]
[Filed emergency 9/12/07—published 10/10/07, effective 9/12/07]
[Filed 9/12/07, Notice 7/4/07—published 10/10/07, effective 11/14/07]
[Filed emergency 3/12/08—published 4/9/08, effective 3/12/08]
[Filed emergency 5/14/08—published 6/4/08, effective 7/1/08]
[Filed 5/16/08, Notice 3/26/08—published 6/18/08, effective 8/1/08]
[Filed 6/11/08, Notice 4/9/08—published 7/2/08, effective 8/6/08]
[Filed 8/19/08, Notice 7/2/08—published 9/10/08, effective 11/1/08]
[Filed emergency 9/17/08 after Notice 7/16/08—published 10/8/08, effective 10/1/08]
[Filed ARC 7740B (Notice ARC 7590B, IAB 2/25/09), IAB 5/6/09, effective 6/10/09]
[Filed Emergency ARC 7837B, IAB 6/3/09, effective 7/1/09]

- [Filed Emergency After Notice ARC 8506B (Notice ARC 8274B, IAB 11/4/09), IAB 2/10/10, effective 3/1/10]
- [Filed Without Notice ARC 9490B, IAB 5/4/11, effective 7/1/11]
- [Filed ARC 9651B (Notice ARC 9518B, IAB 5/18/11), IAB 8/10/11, effective 10/1/11]
- [Filed Without Notice ARC 0152C, IAB 6/13/12, effective 7/18/12]
- [Filed Emergency After Notice ARC 0546C (Notice ARC 0368C, IAB 10/3/12), IAB 1/9/13, effective 1/1/13]
- [Filed ARC 0715C (Notice ARC 0566C, IAB 1/23/13), IAB 5/1/13, effective 7/1/13]
- [Filed Emergency After Notice ARC 0825C (Notice ARC 0670C, IAB 4/3/13), IAB 7/10/13, effective 7/1/13]
- [Filed Emergency ARC 0854C, IAB 7/24/13, effective 7/1/13]
- [Filed ARC 1063C (Notice ARC 0852C, IAB 7/24/13), IAB 10/2/13, effective 11/6/13]
- [Filed ARC 1446C (Notice ARC 1365C, IAB 3/5/14), IAB 4/30/14, effective 7/1/14]
- [Filed Emergency ARC 1525C, IAB 7/9/14, effective 7/1/14]
- [Filed ARC 1606C (Notice ARC 1524C, IAB 7/9/14), IAB 9/3/14, effective 10/8/14]
- [Filed ARC 1893C (Notice ARC 1819C, IAB 1/7/15), IAB 3/4/15, effective 7/1/15]
- [Filed ARC 1978C (Notice ARC 1900C, IAB 3/4/15), IAB 4/29/15, effective 7/1/15]
- [Filed ARC 2169C (Notice ARC 2073C, IAB 8/5/15), IAB 9/30/15, effective 1/1/16]
- [Filed Emergency After Notice ARC 2555C (Notice ARC 2462C, IAB 3/16/16), IAB 6/8/16, effective 7/1/16]
- [Filed Emergency After Notice ARC 2556C (Notice ARC 2449C, IAB 3/16/16), IAB 6/8/16, effective 7/1/16]
- [Filed ARC 2649C (Notice ARC 2551C, IAB 5/25/16), IAB 8/3/16, effective 10/1/16]

CHAPTER 57
RESIDENTIAL CARE FACILITIES
[Prior to 7/15/87, Health Department[470] Ch 57]

481—57.1(135C) Definitions. For the purposes of these rules, the following terms shall have the meanings indicated in this rule. The definitions set out in Iowa Code section 135C.1 shall be considered to be incorporated verbatim in these rules.

“*Accommodation*” means the provision of lodging, including sleeping, dining, and living areas.

“*Activities of daily living*” means the following self-care tasks: bathing, dressing, grooming, eating, transferring, toileting and ambulation.

“*Administrator*” means a person approved by the department who administers, manages, supervises, and is in general administrative charge of a residential care facility, whether or not such person has an ownership interest in the facility, and whether or not the functions and duties are shared with one or more other persons.

“*Ambulatory*” means the condition of a person who immediately and without the aid of another person is physically and mentally capable of traveling a normal path to safety, including the ascent and descent of stairs.

“*Basement*” means that part of a building where the finish floor is more than 30 inches below the finish grade of the building.

“*Board*” means the regular provision of meals.

“*Change of ownership*” means the purchase, transfer, assignment, or lease of a licensed residential care facility.

“*Communicable disease*” means a disease caused by the presence within a person’s body of a virus or microbial agent which may be transmitted either directly or indirectly to other persons.

“*Department*” means the department of inspections and appeals.

“*Distinct part*” means a clearly identifiable area or section containing contiguous rooms within a health care facility.

“*Interdisciplinary team*” means the group of persons who develop a single, integrated, individual program plan to meet a resident’s needs for services. The interdisciplinary team consists of, at a minimum, the resident, the resident’s legal guardian if applicable, the resident’s advocate if desired by the resident, a referral agency representative, other appropriate staff members, other providers of services, and other persons relevant to the resident’s needs.

“*Legal representative*” means the resident’s guardian or conservator if one has been appointed or the resident’s power of attorney.

“*Medication*” means any drug, including over-the-counter substances, ordered and administered under the direction of the primary care provider.

“*Nonambulatory*” means the condition of a person who immediately and without the aid of another person is not physically or mentally capable of traveling a normal path to safety, including the ascent and descent of stairs.

“*Personal care*” means assistance with the activities of daily living which the recipient can perform only with difficulty. Examples are help in getting in and out of bed, assistance with personal hygiene and bathing, help with dressing and eating, and supervision over medications which can be self-administered.

“*Primary care provider*” means any of the following who provide primary care and meet licensure standards:

1. A physician who is a family or general practitioner or an internist.
2. An advanced registered nurse practitioner.
3. A physician assistant.

“*Program of care*” means all services being provided for a resident in a health care facility.

“*Rate*” means the daily fee that is charged for all residents equally and that includes the cost of all minimum services required in these rules and regulations.

“*Records*” includes electronic records.

“*Responsible party*” means the person who signs or cosigns the residency agreement required in rule 481—57.15(135C) or the resident’s legal representative. In the event that a resident has neither a legal representative nor a person who signed or cosigned the resident’s residency agreement, the term “responsible party” shall include the resident’s sponsoring agency, e.g., the department of human services, the U.S. Department of Veterans Affairs, a religious group, fraternal organization, or foundation that assumes responsibility and advocates for its client patients and pays for their health care.

“*Restraints*” means the measures taken to control a resident’s physical activity for the resident’s own protection or for the protection of others.
[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.2(135C,17A) Waiver or variance. A waiver or variance from these rules may be granted by the director of the department in accordance with 481—Chapter 6. A request for waiver or variance will be granted or denied by the director within 120 calendar days of receipt.

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.3(135C) Application for licensure.

57.3(1) Application and licensing—new facility or change of ownership. In order to obtain an initial residential care facility license for a facility not currently licensed as a residential care facility or for a residential care facility when a change of ownership is contemplated, the applicant must:

a. Make application at least 30 days prior to the proposed opening date of the facility. Application shall be made on forms provided by the department.

b. Meet all of the rules, regulations, and standards contained in 481—Chapters 50, 57 and 60. Exceptions noted in 481—subrule 60.3(2) shall not apply.

c. Submit a letter of intent and a written résumé of care. The résumé of care shall meet the requirements of subrule 57.3(2).

d. Submit a floor plan of each floor of the residential care facility. The floor plan of each floor shall be drawn on 8½" × 11" paper, show room areas in proportion, room dimensions, window and door locations, designation of the use of each room, and the room numbers for all rooms, including bathrooms.

e. Submit a photograph of the front and side of the residential care facility.

f. Submit the statutory fee for a residential care facility license.

g. Comply with all other local statutes and ordinances in existence at the time of licensure.

h. Submit a certificate signed by the state or local fire inspection authority as to compliance with fire safety rules and regulations.

57.3(2) Résumé of care. The résumé of care shall describe the following:

a. Purpose of the facility;

b. Criteria for admission to the facility;

c. Ownership of the facility;

d. Composition and responsibilities of the governing board;

e. Qualifications and responsibilities of the administrator;

f. Medical services provided to residents, to include the availability of emergency medical services in the area and the designation of a primary care provider to be responsible for residents in an emergency;

g. Dental services provided to residents and available in the area;

h. Nursing services provided to residents, if applicable;

i. Personal services provided to residents, including supervision of or assistance with activities of daily living;

j. Activity program;

k. Dietary services, including qualifications of the person in charge, consultation service (if applicable) and meal service;

l. Other services available as applicable, including social services, physical therapy, occupational therapy, and recreational therapy;

m. Housekeeping;

n. Laundry;

- o.* Physical plant; and
- p.* Staffing provided to meet residents' needs.

57.3(3) *Renewal application.* In order to obtain a renewal of the residential care facility license, the applicant must submit the following:

- a.* The completed application form 30 days prior to the annual license renewal date of the residential care facility license;
- b.* The statutory license fee for a residential care facility;
- c.* An approved current certificate signed by the state or local fire inspection authority as to compliance with fire safety rules and regulations;
- d.* Changes to the résumé of care, if any; and
- e.* Changes to the current residency agreement, if any.

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.4(135C) *Issuance of license.* Licenses are issued to the person, entity or governmental unit with responsibility for the operation of the facility and for compliance with all applicable statutes, rules and regulations.

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.5(135C) *Licenses for distinct parts.*

57.5(1) Separate licenses may be issued for distinct parts of a health care facility which are clearly identifiable, contain contiguous rooms, and provide separate categories of care and services.

57.5(2) The following requirements shall be met for separate licensing of a distinct part:

- a.* The distinct part shall serve only residents who require the category of care and services immediately available to them within that part. (III)
- b.* The distinct part shall meet all the standards, rules, and regulations pertaining to the category for which a license is being sought.
- c.* The distinct part must be operationally and financially feasible.
- d.* Personal care staff with qualifications appropriate to the care and services being rendered must be regularly assigned and working in the distinct part under responsible management. (III)
- e.* Separately licensed distinct parts may have certain services such as management, building maintenance, laundry and dietary in common with each other.

This rule is intended to implement Iowa Code sections 135C.6(2) and 135C.14.

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.6(135C) *Special classification—memory care.*

57.6(1) *Designation and application.* A residential care facility may choose to care for residents who require memory care in a distinct part of the facility or designate the entire residential care facility as one that provides memory care. Residents in the memory care unit or facility shall meet the level of care requirements for a residential care facility. “Memory care” in a residential care facility means the care of persons with early Alzheimer’s-type dementia or other disorders causing dementia. (I, II, III)

- a.* Application for approval to provide this category of care shall be submitted by the licensee on a form provided by the department. (III)
- b.* Plans to modify the physical environment shall be submitted to the department for review based on the requirements of 481—Chapter 60. (III)
- c.* If the unit or facility is to be a locked unit or facility, all locking devices shall meet the Life Safety Code and any requirements of the state fire marshal. If the unit or facility is to be unlocked, a system of security monitoring is required. (I, II, III)

57.6(2) *Résumé of care.* A résumé of care shall be submitted to the department for approval at least 30 days before a separate memory care unit or facility is opened. For facilities with a memory care unit, this résumé of care is in addition to the résumé of care required by subrule 57.3(2). A new résumé of care shall be submitted when services are substantially changed. The résumé of care shall:

- a.* Describe the population to be served;
- b.* State the philosophy and objectives;

- c. List criteria for transfer to and from the memory care unit or facility;
- d. Include a copy of the floor plan;
- e. List the titles of policies and procedures developed for the unit or facility;
- f. Propose a staffing pattern;
- g. Set out a plan for specialized staff training;
- h. State visitor, volunteer, and safety policies;
- i. Describe programs for activities, social services and families; and
- j. Describe the interdisciplinary team and the role of each team member.

57.6(3) Policies and procedures. Separate written policies and procedures shall be implemented in the memory care unit or facility and shall address the following:

- a. Criteria for admission and the preadmission evaluation process. The policy shall require a statement from the primary care provider approving the placement before a resident may be moved into a memory care unit or facility. (II, III)
- b. Safety, including a description of the actions required of staff in the event of a fire, natural disaster, or emergency medical event or catastrophic event. Safety procedures shall also explain steps to be taken when a resident is discovered to be missing from the unit or facility, when hazardous cleaning materials or potentially dangerous mechanical equipment is being used in the unit or facility, and the manner in which the effectiveness of the security system will be monitored. (II, III)
- c. Staffing requirements, including the minimum number, types and qualifications of staff in the unit or facility in accordance with resident needs. (II, III)
- d. Visitation policies, including suggested times for visitation and ensuring the residents' rights to free access to visitors unless visits are contraindicated by the interdisciplinary team. (II, III)
- e. The process and criteria which will be used to monitor and to respond to risks specific to the residents, including but not limited to drug use, restraint use, infections, incidents and acute behavioral events. (II, III)

57.6(4) Assessment prior to transfer or admission. Prior to the transfer or admission of a resident applicant to the memory care unit or facility, a complete assessment of the resident applicant's physical, mental, social and behavioral status shall be completed to determine whether the applicant meets admission criteria. This assessment shall be completed by facility staff and shall become part of the resident's permanent record upon admission. (II, III)

57.6(5) Staff training. All staff working in a memory care unit or facility shall have training appropriate to the needs of the residents. (I, II, III)

- a. Upon assignment to the unit or facility, all staff working in the unit or facility shall be oriented to the needs of residents requiring memory care. Staff members shall have at least six hours of special training appropriate to their job descriptions within 30 days of assignment to the unit or facility. (I, II, III)
- b. Training shall include the following topics: (II, III)
 - (1) An explanation of Alzheimer's disease and related disorders, including symptoms, behavior and disease progression;
 - (2) Skills for communicating with persons with dementia;
 - (3) Skills for communicating with family and friends of persons with dementia;
 - (4) An explanation of family issues such as role reversal, grief and loss, guilt, relinquishing the caregiving role, and family dynamics;
 - (5) The importance of planned and spontaneous activities;
 - (6) Skills in providing assistance with activities of daily living;
 - (7) Skills in working with challenging residents;
 - (8) Techniques for cueing, simplifying, and redirecting;
 - (9) Staff support and stress reduction;
 - (10) Medication management and nonpharmacological interventions.
- c. Nursing staff, certified medication aides, medication managers, social services personnel, housekeeping and activity personnel shall have a minimum of six hours of in-service training annually.

This training shall be related to the needs of memory care residents. The six-hour initial training required in paragraph 57.6(5)“a” shall count toward the required annual in-service training. (II, III)

57.6(6) Staffing. There shall be at least one staff person on a memory care unit at all times. (I, II, III)

57.6(7) Others living in the memory care unit. A resident not requiring memory care services may live in the memory care unit if the resident’s spouse requiring memory care services lives in the unit or if no other beds are available in the facility and the resident or the resident’s legal representative consents in writing to the placement. (II, III)

57.6(8) Revocation, suspension or denial. The memory care unit license or facility license may be revoked, suspended or denied pursuant to Iowa Code chapter 135C and 481—Chapter 50.

This rule is intended to implement Iowa Code sections 135C.2(3)“b” and 135C.14.
[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.7(135C) General requirements.

57.7(1) The license shall be displayed in the facility in a conspicuous place which is accessible to the public. (III)

57.7(2) The license shall be valid only in the possession of the licensee to whom it is issued.

57.7(3) The posted license shall accurately reflect the current status of the residential care facility. (III)

57.7(4) The license shall expire one year after the date of issuance or as indicated on the license.

57.7(5) The licensee shall:

- a. Assume the responsibility for the overall operation of the residential care facility. (I, II, III)
- b. Be responsible for compliance with all applicable laws and with the rules of the department. (I, II, III)
- c. Provide an organized continuous 24-hour program of care commensurate with the needs of the residents. (I, II, III)

57.7(6) Each citation or a copy of each citation issued by the department for a class I or class II violation shall be prominently posted by the facility in plain view of the residents, visitors, and persons inquiring about placement in the facility. The citation or copy of the citation shall remain posted until the violation is corrected to the satisfaction of the department. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.8(135C) Certified volunteer long-term care ombudsman program. A certified volunteer long-term care ombudsman appointed in accordance with Iowa Code section 231.45 shall operate within the scope of the rules for volunteer ombudsmen promulgated by the office of the long-term care ombudsman and the Iowa department on aging.

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.9(135C) Required notifications to the department. The department shall be notified:

57.9(1) Thirty days before any proposed change in the residential care facility’s functional operation or addition or deletion of required services; (III)

57.9(2) Thirty days before the beginning of the renovation, addition, functional alteration, change of space utilization, or conversion in the residential care facility or on the premises; (III)

57.9(3) Thirty days before closure of the residential care facility; (III)

57.9(4) Within two weeks of any change in administrator; (III)

57.9(5) Ninety days before a change in the category of license; (III)

57.9(6) Thirty days before a change of ownership, the licensee shall:

- a. Inform the department of the pending change of ownership; (III)
- b. Inform the department of the name and address of the prospective purchaser, transferee, assignee, or lessee; (III)
- c. Submit a written authorization to the department permitting the department to release all information of whatever kind from the department’s files concerning the licensee’s residential care facility to the named prospective purchaser, transferee, assignee, or lessee. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.10(135C) Administrator. Each residential care facility shall have one person in charge, duly approved by the department or acting in a provisional capacity in accordance with these rules. (III)

57.10(1) Qualifications of an administrator.

a. The administrator shall be at least 21 years of age and shall have a high school diploma or equivalent. (III) In addition, this person shall meet at least one of the following conditions:

(1) Have a two-year degree in human services, psychology, sociology, nursing, health care administration, public administration, or a related field and have a minimum of two years' experience in the field; or (III)

(2) Have a four-year degree in human services, psychology, sociology, nursing, health care administration, public administration, or a related field and have a minimum of one year experience in the field; or (III)

(3) Have a master's degree in human services, psychology, sociology, nursing, health care administration, public administration, or a related field and have a minimum of one year experience in the field; or (III)

(4) Be a licensed nursing home administrator; or (III)

(5) Have completed a one-year educational training program approved by the department for residential care facility administrators; or (III)

(6) Have passed the National Association of Long Term Care Administrator Boards (NAB) RC/AL administrator licensure examination; or

(7) Have two years of direct care experience and at least six months of administrative experience in a residential care facility. (III)

b. An individual employed as an administrator on January 14, 2015, will be deemed to meet the requirements of this subrule.

57.10(2) Duties of an administrator. The administrator shall:

a. Select and direct competent personnel who provide services for the residential care program. (III)

b. Arrange for the heads of nursing, social services, dietary and activities to attend a minimum of ten contact hours of educational programs per year to increase skills and knowledge needed for their positions. The ten hours is in addition to the in-service requirements in paragraph 57.10(2) "c." (III)

c. Provide in-service educational programming for all employees with direct resident contact and maintain records of programs and participants. (III) In-service educational programming offered during each calendar year shall include, at minimum, the following topics: (I, II, III)

(1) Infection control.

(2) Emergency preparedness (fire, tornado, flood, 911, etc.).

(3) Meal time procedures/dietary.

(4) Resident activities.

(5) Mental illness/behavior modification/crisis intervention.

(6) Resident safety/supervision.

(7) Resident rights.

(8) Medication education, to include administration, storage and drug interactions.

(9) Resident service plans/programming/goals.

57.10(3) Administrator serving at more than one residential care facility. The administrator may be responsible for no more than 150 beds in total if the administrator is an administrator of more than one facility. (II)

a. An administrator of more than one facility shall designate in writing an administrative staff person in each facility who shall be responsible for directing programs in the facility.

b. The administrative staff person designated by the administrator shall:

(1) Have at least one year of experience in a supervisory or direct care position in a residential care facility or in a facility for the intellectually disabled, mentally ill or developmentally disabled; (II, III)

(2) Be knowledgeable of the operation of the facility; (II, III)

(3) Have access to records concerned with the operation of the facility; (II, III)

(4) Be capable of carrying out administrative duties and of assuming administrative responsibilities; (II, III)

(5) Be at least 21 years of age; (III)

(6) Be empowered to act on behalf of the licensee concerning the health, safety and welfare of the residents; and (II, III)

(7) Have training in emergency response, including how to respond to residents' sudden illnesses. (II, III)

c. If an administrator serves more than one facility, the administrator must designate in writing regular and specific times during which the administrator will be available to consult with staff and residents to provide direction and supervision of resident care and services. (II, III)

57.10(4) Provisional administrator. A provisional administrator may be appointed on a temporary basis by the residential care facility licensee to assume the administrative responsibilities for a residential care facility for a period not to exceed one year when the facility has lost its administrator and has not been able to replace the administrator, provided that the department has been notified and approved the provisional administrator prior to the date of the provisional administrator's appointment. (III) The provisional administrator must meet the requirements of paragraph 57.10(3) "b."

57.10(5) Temporary absence of administrator.

a. In the temporary absence of the administrator, a responsible person shall be designated in writing to the department to be in charge of the facility. (III) The person designated shall:

(1) Be knowledgeable of the operation of the facility; (III)

(2) Have access to records concerned with the operation of the facility; (III)

(3) Be capable of carrying out administrative duties and of assuming administrative responsibilities; (III)

(4) Be at least 21 years of age; (III)

(5) Be empowered to act on behalf of the licensee during the administrator's absence concerning the health, safety, and welfare of the residents; (III)

(6) Have training in emergency response, including how to respond to residents' sudden illnesses. (II, III)

b. If the administrator is absent for more than six weeks, a provisional administrator must be appointed pursuant to subrule 57.10(4).

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.11(135C) Personnel.

57.11(1) Alcohol and drug use prohibited. No person under the influence of intoxicating drugs or alcoholic beverages shall be permitted to provide services in a residential care facility. (I, II)

57.11(2) Job description. There shall be a written job description developed for each category of worker. The job description shall include the job title, responsibilities and qualifications. (III)

57.11(3) Employee criminal record checks, child abuse checks and dependent adult abuse checks and employment of individuals who have committed a crime or have a founded abuse. The facility shall comply with the requirements found in Iowa Code section 135C.33 as amended by 2014 Iowa Acts, chapter 1040, and rule 481—50.9(135C) related to completion of criminal record checks, child abuse checks, and dependent adult abuse checks and to employment of individuals who have committed a crime or have a founded abuse. (I, II, III)

57.11(4) Personnel record. A personnel record shall be kept for each employee and shall include but not be limited to the following information about the employee: name and address, social security number, date of birth, date of employment, position, experience and education, references, results of criminal record checks, child abuse checks and dependent adult abuse checks, and date of discharge or resignation. (III)

57.11(5) Supervision and staffing.

a. The facility shall provide sufficient staff to meet the needs of the residents served. (I, II, III)

b. Personnel in a residential care facility shall provide 24-hour coverage for residential care services. Personnel shall be awake at all times while on duty. (I, II, III)

c. Direct care staff shall be present in the facility unless all residents are involved in activities away from the facility. (I, II, III)

d. Staff shall be aware of and provide supervision levels based on the present needs of the residents in the staff's care. The facility shall document the supervision of residents who require more than general supervision, as defined by facility policy. (I, II, III)

e. The facility shall maintain an accurate record of actual hours worked by employees. (III)

57.11(6) *Physical examination and screening.* Employees shall have a physical examination no longer than 12 months prior to beginning employment and every four years thereafter. Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (I, II, III)

57.11(7) *Orders for medications and treatments.* Orders for medications and treatments shall be correctly implemented by qualified personnel. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15; ARC 2273C, IAB 12/9/15, effective 1/13/16]

481—57.12(135C) General policies. The licensee shall establish and implement written policies and procedures as set forth in this rule. The policies and procedures shall be available for review by the department, other agencies designated by Iowa Code section 135C.16(3), staff, residents, residents' families or legal representatives, and the public and shall be reviewed by the licensee annually. (II)

57.12(1) *Facility operation.* The licensee shall establish written policies for the operation of the facility, including, but not limited to the following: (III)

- a.* Personnel; (III)
- b.* Admission; (III)
- c.* Evaluation services; (II, III)
- d.* Programming and individual program plans; (II, III)
- e.* Registered sex offender management; (II, III)
- f.* Crisis intervention; (II, III)
- g.* Discharge or transfer; (III)
- h.* Medication management, including self-administration of medications and chemical restraints; (III)
- i.* Resident property; (II, III)
- j.* Resident finances; (II, III)
- k.* Records; (III)
- l.* Health and safety; (II, III)
- m.* Nutrition; (III)
- n.* Physical facilities and maintenance; (III)
- o.* Resident rights; (II, III)
- p.* Investigation and reporting of alleged dependent adult abuse; (II, III)
- q.* Investigation and reporting of accidents or incidents; (II, III)
- r.* Transportation of residents; (II, III)
- s.* Resident supervision; (II, III)
- t.* Smoking; (III)
- u.* Visitors; (III)
- v.* Disaster/emergency planning; (III) and
- w.* Infection control. (III)

57.12(2) *Personnel policies.* Written personnel policies shall include the hours of work and attendance at educational programs. (III)

57.12(3) *Infection control.* The facility shall have a written and implemented infection control program, which shall include policies and procedures based on guidelines issued by the Centers for Disease Control and Prevention, U.S. Department of Health and Human Services. The infection control program shall address the following:

- a.* Techniques for hand washing; (I, II, III)
- b.* Techniques for handling of blood, body fluids, and body wastes; (I, II, III)
- c.* Dressings, soaks or packs; (I, II, III)

- d. Infection identification; (I, II, III)
- e. Resident care procedures to be used when there is an infection present; (I, II, III)
- f. Sanitation techniques for resident care equipment; (I, II, III)
- g. Techniques for sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags; (I, II, III) and
- h. Techniques for use and disposal of needles, syringes, and other sharp instruments. (I, II, III)

57.12(4) Resident care techniques. The facility shall have written and implemented procedures to be followed if a resident needs any of the following treatment or devices:

- a. Intravenous or central line catheter; (I, II, III)
- b. Urinary catheter; (I, II, III)
- c. Respiratory suction, oxygen or humidification; (I, II, III)
- d. Decubitus care; (I, II, III)
- e. Tracheostomy; (I, II, III)
- f. Nasogastric or gastrostomy tubes; (I, II, III)
- g. Sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags. (I, II, III)

57.12(5) Emergency care. The facility shall establish written policies for the provision of emergency medical care to residents and employees in case of sudden illness or accident. The policies shall include a list of those individuals to be contacted in case of an emergency. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.13(135C) Admission, transfer and discharge.

57.13(1) General admission policies.

- a. Residents shall be admitted to a residential care facility only on a written order signed by a primary care provider, specifying the level of care, and certifying that the individual being admitted requires no more than personal care and supervision and does not require routine nursing care. (II, III)
- b. No residential care facility shall admit or retain a resident who is in need of greater services than the facility can provide. (I, II, III)
- c. No residential care facility shall admit more residents than the number of beds for which the facility is licensed. (II, III)
- d. A residential care facility is not required to admit an individual through court order, referral or other means without the express prior approval of the administrator. (III)
- e. The admission of a resident shall not grant the residential care facility the authority or responsibility to manage the personal affairs of the resident except as may be necessary for the safety of the resident and the safe and orderly management of the residential care facility as required by these rules. (III)
- f. Individuals under the age of 18 shall not be admitted to a residential care facility without prior written approval by the department. A distinct part of a residential care facility, segregated from the adult section, may be established based on a résumé of care that is submitted by the licensee or applicant and is commensurate with the needs of the residents of the residential care facility and that has received the department's review and approval. (III)
- g. No health care facility and no owner, administrator, employee or representative thereof shall act as guardian, trustee, or conservator for any resident's property unless such resident is related within the third degree of consanguinity to the person acting as guardian. (III)

57.13(2) Discharge or transfer.

- a. Notification shall be made to the legal representative, primary care provider, and sponsoring agency, if any, prior to the transfer or discharge of any resident. (III)
- b. The licensee shall not refuse to discharge or transfer a resident when the primary care provider, family, resident, or legal representative requests such transfer or discharge. (II, III)
- c. Advance notification will be made to the receiving facility prior to the transfer of any resident. (III)

d. When a resident is transferred or discharged, the appropriate record will accompany the resident to ensure continuity of care. “Appropriate record” includes the resident’s face sheet, service plan, most recent orders of the primary care provider and any notifications of upcoming scheduled appointments. (II, III)

e. When a resident is transferred or discharged, the resident’s unused prescriptions shall be sent with the resident or with a legal representative only upon the written order of a primary care provider. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.14(135C) Involuntary discharge or transfer.

57.14(1) *Involuntary discharge or transfer permitted.* A facility may involuntarily discharge or transfer a resident for only one of the following reasons:

- a.* Medical reasons;
- b.* The resident’s welfare or that of other residents;
- c.* Repeated refusal by the resident to participate in the resident’s service plan;
- d.* Due to action pursuant to Iowa Code chapter 229; or
- e.* Nonpayment for the resident’s stay, as described in the residency agreement for the resident’s stay.

57.14(2) *Medical reasons.* Medical reasons for transfer or discharge shall be based on the resident’s needs and shall be determined and documented in the resident’s record by the primary care provider. Transfer or discharge may be required in order to provide a different level of care to the resident. (II)

57.14(3) *Welfare of a resident.* Welfare of a resident or that of other residents refers to a resident’s social, emotional, or physical well-being. A resident may be transferred or discharged because the resident’s behavior poses a continuing threat to the resident (e.g., suicidal) or to the well-being of other residents or staff (e.g., the resident’s behavior is incompatible with other residents’ needs and rights). Written documentation that the resident’s continued presence in the facility would adversely affect the resident’s own welfare or that of other residents shall be made by the administrator or designee and shall include specific information to support this determination. (II)

57.14(4) *Notice.* Involuntary transfer or discharge of a resident from a facility shall be preceded by a written notice to the resident and the responsible party. (II, III)

- a.* The notice shall contain all of the following information:
 - (1) The stated reason for the proposed transfer or discharge. (II)
 - (2) The effective date of the proposed transfer or discharge. (II)
 - (3) A statement, in not less than 12-point type, that reads as follows:

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 Iowa department of inspections and appeals (hereinafter referred to as “department”) within seven 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. If you request a hearing, it will be held no later than 14 days after receipt of your request by the department and you will not be transferred prior to a final decision. In emergency circumstances, extension of the 14-day requirement may be permitted upon request to the department’s designee. If you lose the hearing, you will not be transferred before the expiration of (1) 30 days following receipt of the original notice of the discharge or transfer, or (2) 5 days following final decision of such hearing, including exhaustion of all appeals, whichever occurs later. To request a hearing or receive further information, call the department at (515)281-4115, or write to the department to the attention of: Administrator, Division of Health Facilities, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. (II)

b. The notice shall be personally delivered to the resident and a copy placed in the resident’s record. A copy shall also be transmitted to the department; the resident’s responsible party; the resident’s primary care provider; the person or agency responsible for the resident’s placement, maintenance, and care in

the facility; and the department on aging's long-term care ombudsman. The notice shall indicate that a copy has been transmitted to the required parties by using the abbreviation "cc:" and listing the names of all parties to whom copies were sent. (II)

c. The notice required by paragraph 57.14(4) "a" shall be provided at least 30 days in advance of the proposed transfer or discharge unless one of the following occurs: (II)

(1) An emergency transfer or discharge is mandated by the resident's health care needs and is in accordance with the written orders and medical justification of the primary care provider. Emergency transfers or discharges may also be mandated in order to protect the health, safety, or well-being of other residents and staff from the resident being transferred. (II)

(2) The transfer or discharge is subsequently agreed to by the resident or the resident's responsible party, and notification is given to the responsible party, the resident's primary care provider, and the person or agency responsible for the resident's placement, maintenance, and care in the facility.

d. A hearing requested pursuant to this subrule shall be held in accordance with subrule 57.14(6). **57.14(5) Emergency transfer or discharge.** In the case of an emergency transfer or discharge, the resident must be given a written notice prior to or within 48 hours following transfer or discharge. (II, III)

a. A copy of this notice must be placed in the resident's file. The notice must contain all of the following information:

- (1) The stated reason for the transfer or discharge. (II)
- (2) The effective date of the transfer or discharge. (II)
- (3) A statement, in not less than 12-point type, that reads:

You have a right to appeal the facility's decision to transfer or discharge you on an emergency basis. If you think you should not have to leave this facility, you may request a hearing, in writing or verbally, with the Iowa department of inspections and appeals within 7 days after receiving this notice. You have the right to be represented at the hearing by an attorney or any other individual of your choice. If you request a hearing, it will be held no later than 14 days after receipt of your request by the department. You may be transferred or discharged before the hearing is held or before a final decision is rendered. If you win the hearing, you have the right to be transferred back into the facility. To request a hearing or receive further information, call the department at (515)281-4115, or write to the department to the attention of: Administrator, Division of Health Facilities, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. (II)

b. The notice shall be personally delivered to the resident and a copy placed in the resident's record. A copy shall also be transmitted to the department; the resident's responsible party; the resident's primary care provider; the person or agency responsible for the resident's placement, maintenance, and care in the facility; and the department on aging's long-term care ombudsman. The notice shall indicate that a copy has been transmitted to the required parties by using the abbreviation "cc:" and listing the names of all parties to whom copies were sent. (II)

c. A hearing requested pursuant to this subrule shall be held in accordance with subrule 57.14(6). **57.14(6) Hearing.**

a. Request for hearing.

- (1) The resident must request a hearing within 7 days of receiving the written notice.
- (2) The request must be made to the department, either in writing or verbally.

b. The hearing shall be held no later than 14 days after receipt of the request by the department unless the resident requests an extension due to emergency circumstances.

c. Except in the case of an emergency discharge or transfer, a request for a hearing shall stay a transfer or discharge pending a final decision, including the exhaustion of all appeals. (II)

d. The hearing shall be heard by a department of inspections and appeals administrative law judge pursuant to Iowa Code chapter 17A and 481—Chapter 10. The hearing shall be public unless the resident or the resident's legal representative requests in writing that the hearing be closed. In a determination

as to whether a transfer or discharge is authorized, the burden of proof by a preponderance of evidence rests on the party requesting the transfer or discharge.

e. Notice of the date, time, and place of the hearing shall be sent by certified mail or delivered in person to the facility, the resident, the responsible party, and the office of the long-term care ombudsman not later than 5 full business days after receipt of the request. The notice shall also inform the facility and the resident or the responsible party that they have a right to appear at the hearing in person or be represented by an attorney or other individual. The appeal shall be dismissed if neither party is present or represented at the hearing. If only one party appears or is represented, the hearing shall proceed with one party present. A representative of the office of the long-term care ombudsman shall have the right to appear at the hearing.

f. The administrative law judge's written decision shall be mailed by certified mail to the licensee, resident, responsible party, and the office of the long-term care ombudsman within 10 working days after the hearing has been concluded.

57.14(7) *Nonpayment.* If nonpayment is the basis for involuntary transfer or discharge, the resident shall have the right to make full payment up to the date that the discharge or transfer is to be made and then shall have the right to remain in the facility. (II)

57.14(8) *Discussion of involuntary transfer or discharge.* Within 48 hours after notice of involuntary transfer or discharge has been received by the resident, the facility shall discuss the involuntary transfer or discharge with the resident, the resident's responsible party, and the person or agency responsible for the resident's placement, maintenance, and care in the facility. (II)

a. The facility administrator or other appropriate facility representative serving as the administrator's designee shall provide an explanation and discussion of the reasons for the resident's involuntary transfer or discharge. (II)

b. The content of the explanation and discussion shall be summarized in writing, shall include the names of the individuals involved in the discussion, and shall be made part of the resident's record. (II)

c. The provisions of this subrule do not apply if the involuntary transfer or discharge has already occurred pursuant to subrule 57.14(5) and emergency notice is provided within 48 hours.

57.14(9) *Transfer or discharge planning.*

a. The facility shall develop a plan to provide for the orderly and safe transfer or discharge of each resident to be transferred or discharged. (II)

b. To minimize the possible adverse effects of the involuntary transfer, the resident shall receive counseling services by the sending facility before the involuntary transfer and by the receiving facility after the involuntary transfer. Counseling shall be documented in the resident's record. (II)

c. The counseling requirement in paragraph 57.14(9) "b" does not apply if the discharge has already occurred pursuant to subrule 57.14(5) and emergency notice is provided within 48 hours.

d. Counseling, if required, shall be provided by a licensed mental health professional as defined in Iowa Code section 228.1(6).

e. The receiving health care facility of a resident involuntarily transferred shall immediately formulate and implement a plan of care which takes into account possible adverse effects the transfer may cause. (II)

57.14(10) *Transfer upon revocation of license or voluntary closure.* Residents shall not have the right to a hearing to contest an involuntary discharge or transfer resulting from the revocation of the facility's license by the department of inspections and appeals. In the case of the voluntary closure of a facility, a period of 30 days must be allowed for an orderly transfer of residents to other facilities.

57.14(11) *Intrafacility transfer.*

a. Residents shall not be arbitrarily relocated from room to room within a licensed health care facility. (I, II) Involuntary relocation may occur only in the following situations, which shall be documented in the resident's record: (II)

(1) Incompatibility with or disturbing to other roommates.

(2) For the welfare of the resident or other residents of the facility.

(3) To allow a new admission to the facility that would otherwise not be possible due to separation of roommates by sex.

(4) In the case of a resident whose source of payment was previously private, but who now is eligible for Title XIX (Medicaid) assistance, the resident may be transferred from a private room to a semiprivate room or from one semiprivate room to another.

(5) Reasonable and necessary administrative decisions regarding the use and functioning of the building.

b. Unreasonable and unjustified reasons for changing a resident's room without the concurrence of the resident or responsible party include:

(1) Change from private pay status to Title XIX, except as outlined in subparagraph 57.14(11)“a”(4). (II)

(2) As punishment or behavior modification, except as specified in subparagraph 57.14(11)“a”(1). (II)

(3) Discrimination on the basis of race or religion. (II)

c. If intrafacility relocation is necessary for reasons outlined in paragraph 57.14(11)“a,” the resident shall be notified at least 48 hours prior to the transfer and the reason therefor shall be explained. The responsible party shall be notified as soon as possible. The notification shall be documented in the resident's record and signed by the resident or responsible party. (II, III)

d. If emergency relocation is required in order to protect the safety or health of the resident or other residents, the notification requirements may be waived. The conditions of the emergency shall be documented. The family or responsible party shall be notified immediately or as soon as possible of the condition that necessitates emergency relocation, and such notification shall be documented. (II, III)

e. A transfer to a part of a facility that has a different license must be handled the same way as a transfer to another facility, and not as an intrafacility transfer. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.15(135C) Residency agreement.

57.15(1) Each residency agreement shall:

a. State the base rate or scale per day or per month, the services included, and the method of payment. (III)

b. Contain a complete schedule of all offered services for which a fee may be charged in addition to the base rate. (III) Furthermore, the agreement shall:

(1) Stipulate that no further additional fees shall be charged for items not contained in the complete schedule of services; (III)

(2) State the method of payment for additional charges; (III)

(3) Contain an explanation of the method of assessment of such additional charges and an explanation of the method of periodic reassessment, if any, resulting in changing such additional charges; (III)

(4) State that additional fees may be charged to the resident for nonprescription drugs, other personal supplies, and services provided by a barber, beautician, and such. (III)

c. Contain an itemized list of services to be provided to the resident based on an assessment at the time of the resident's admission and in consultation with the administrator and including the specific fee the resident will be charged for each service and the method of payment. (III)

d. Include the total fee to be charged initially to the resident. (III)

e. State the conditions whereby the facility may make adjustments to its overall fees for resident care as a result of changing costs. (II, III) Furthermore, the agreement shall provide that the facility shall give:

(1) Written notification to the resident, or the responsible party when appropriate, of changes in the overall rates of both base and additional charges at least 30 days prior to the effective date of such changes; (II, III)

(2) Notification to the resident, or the responsible party when appropriate, of changes in additional charges, based on a change in the resident's condition. Notification must occur prior to the date such revised additional charges begin. If notification is given orally, subsequent written notification must also

be given within a reasonable time, not to exceed one week, listing specifically the adjustments made. (II, III)

f. State the terms of agreement in regard to a refund of all advance payments in the event of the transfer, death, or voluntary or involuntary discharge of the resident. (II, III)

g. State the terms of agreement concerning the holding of and charging for a bed when a resident is hospitalized or leaves the facility temporarily for recreational or therapeutic reasons. The terms shall contain a provision that the bed will be held at the request of the resident or the resident's responsible party. (II, III)

(1) The facility shall ask the resident or responsible party whether the resident's bed should be held. This request shall be made before the resident leaves or within 48 hours after the resident leaves. The inquiry and the response shall be documented. (II, III)

(2) The facility shall inform the resident or responsible party that, when requested, the bed may be held beyond the number of days designated by the funding source, as long as payments are made in accordance with the agreement. (II, III)

h. State the conditions under which the involuntary discharge or transfer of a resident would be effected. (II, III)

i. Set forth any other matters deemed appropriate by the parties to the agreement. No agreement or any provision thereof shall be drawn or construed so as to relieve any health care facility of any requirement or obligation imposed upon it by this chapter or any standards or rules in force pursuant to this chapter. (II, III)

57.15(2) Each party to the residency agreement shall receive a copy of the signed agreement. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.16(135C) Medical examinations.

57.16(1) Each resident in a residential care facility shall have a designated primary care provider who may be contacted when needed. (II, III)

57.16(2) Each resident admitted to a residential care facility shall have a physical examination prior to admission. (II, III)

a. If the resident is admitted directly from a hospital, a copy of the hospital admission physical and discharge summary may be a part of the record in lieu of an additional physical examination. A record of the examination, signed by the primary care provider, shall be a part of the resident's record. (II, III)

b. The record of the admission physical examination and medical history shall portray the current medical status of the resident and shall include the resident's name, sex, age, medical history, physical examination, diagnosis, statement of medical concerns, diet, and results of any diagnostic procedures. (II, III)

c. Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (I, II, III)

57.16(3) The person in charge shall immediately notify the primary care provider of any accident, injury or adverse change in the resident's condition that has the potential for requiring physician intervention. (I, II, III)

57.16(4) Each resident shall be visited by or shall visit the resident's primary care provider at least once each year. The one-year period shall be measured from the date of admission and does not include the resident's preadmission physical. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.17(135C) Records.

57.17(1) *Resident record.* The licensee shall keep a permanent record on every resident admitted to the residential care facility, and all entries in the permanent record shall be current, dated, and signed. (III) The record shall include:

- a.* Name and previous address of resident; (III)
- b.* Birth date, sex, and marital status of resident; (III)
- c.* Church affiliation, if designated; (III)

- d. Primary care provider's name, telephone number, and address; (III)
- e. Dentist's name, telephone number, and address; (III)
- f. Name, address, and telephone number of next of kin or legal representative; (III)
- g. Name, address, and telephone number of person to be notified in case of emergency; (III)
- h. Pharmacy name, telephone number, and address; (III)
- i. Mortuary name, telephone number, and address, if designated; (III)
- j. Physical examination and medical history; (III)
- k. Primary care provider's orders for the resident's level of care, medication, treatments, and diet. The orders shall be in writing and signed by the primary care provider quarterly; (III)
- l. A notation of visits to primary care provider and other professional services; (III)
- m. Documentation regarding services provided by other providers, including but not limited to home health agencies, hospice, day treatment and those providing medical, mental health and Medicaid waiver services; (III)
- n. Documentation of any adverse change in the resident's condition; (II, III)
- o. A notation describing the resident's condition on admission, transfer and discharge; (III)
- p. A copy of instructions given to the resident, legal representative or facility in the event of discharge or transfer; (III)
- q. In the event of a resident's death, notations of the date and time of the resident's death, the circumstances of the resident's death, the disposition of the resident's body, and the date and time the resident's family and primary care provider were notified of the resident's death; and (III)
- r. A notation of disposition of personal property and medications upon the resident's transfer, discharge or death. (III)

57.17(2) Confidentiality of resident records. Each resident shall be ensured confidential treatment of all information contained in the resident's records. The resident's written consent shall be required for the release of information to persons not otherwise authorized under law to receive the information. (II)

- a. The facility shall limit access to any medical records to staff and professionals providing services to the resident. (II)
- b. The facility shall limit access to the resident's personal records, e.g., financial records and social services records, to staff and professionals providing the service to the resident. Only those personnel concerned with the financial affairs of the resident may have access to the financial records. (II)
- c. The resident, or the resident's responsible party, shall be entitled to examine all information contained in the resident's record and shall have the right to secure full copies of the record at reasonable cost upon request, unless the primary care provider determines that the disclosure of the record or section thereof is contraindicated, in which case this information will be deleted prior to making the record available to the resident or responsible party. This determination and the reasons for it must be documented in the resident's record. (II)
- d. This subrule is not meant to preclude access to resident records by representatives of state and federal regulatory agencies.

57.17(3) Incident record.

- a. Each residential care facility shall maintain an incident record report and shall have available incident report forms. (II, III)
- b. Report of incidents shall be in detail on an incident report form. (III)
- c. The person in charge at the time of the incident shall oversee the preparation of and sign the incident report. The administrator or designee shall review, sign and date the incident report within 72 hours of the accident, incident or unusual occurrence. (II, III)
- d. An incident report shall be completed for every accident or incident where there is apparent injury or where an injury of unknown origin may have occurred. (II)
- e. An incident report shall be completed for every accident, incident or unusual occurrence within the facility or on the premises that affects a resident, visitor, or employee. (II, III)
- f. A copy of the incident report shall be kept on file in the facility. (II, III)

57.17(4) Retention of records.

- a. Records shall be retained in the facility for five years following the termination of services to a resident. (III)
- b. Records shall be retained within the facility upon change of ownership. (III)
- c. When the facility ceases to operate, a copy of the resident's record shall be released to the facility to which the resident is transferred. (III)
- d. When the facility ceases to operate, records shall be maintained for five years in a clean, dry secured storage area. (III)

57.17(5) *Electronic records.* In addition to the access provided in 481—subrule 50.10(2), an authorized representative of the department shall be provided unrestricted access to electronic records pertaining to the care provided to the residents of the facility. (II, III)

a. If access to an electronic record is requested by the authorized representative of the department, the facility may provide a tutorial on how to use its particular electronic system or may designate an individual who will, when requested, access the system, respond to any questions or assist the authorized representative as needed in accessing electronic information in a timely fashion. (II, III)

b. The facility shall provide a terminal where the authorized representative may access records. (II, III)

c. If the facility is unable to provide direct print capability to the authorized representative, the facility shall make available a printout of any record or part of a record on request in a time frame that does not intentionally prevent or interfere with the department's survey or investigation. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.18(135C) Resident care and personal services.

57.18(1) A complete change of bed linen shall be provided at least once a week and more often if necessary. (III)

57.18(2) Residents shall receive sufficient supervision to promote personal cleanliness. (II, III)

57.18(3) Residents shall have clean clothing as needed. Clothing shall be appropriate to residents' activities and to the weather. (III)

57.18(4) Residents shall be encouraged to bathe at least twice a week. (II, III)

57.18(5) All nonambulatory residents shall be housed on the grade level floor unless the facility has a suitably sized elevator. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.19(135C) Drugs.

57.19(1) *Drug storage.*

a. Residents who have been certified in writing by their primary care provider as capable of taking their own medications may retain these medications in their bedroom, but locked storage must be provided, with staff and the resident having access. Monitoring of the storage, administration and documentation by the resident shall be carried out by a person who meets the requirements of subrule 57.19(3) and is responsible for administering medications. (II, III)

b. Drug storage for residents who are unable to take their own medications and require supervision shall meet the following requirements:

- (1) Locked storage for drugs, solutions, and prescriptions shall be provided. (III)
- (2) A bathroom shall not be used for drug storage. (III)
- (3) The drug storage shall be kept locked when not in use. (III)
- (4) The drug storage key shall be secured and available only to those employees charged with the responsibility of administering medications. (II, III)
- (5) Schedule II drugs, as defined by Iowa Code chapter 124, shall be kept in a locked box within the locked drug storage. (II, III)
- (6) Medications requiring refrigeration shall be kept locked in a refrigerator and separated from food and other items. (II, III)
- (7) Drugs for external use shall be stored separately from drugs for internal use. (II, III)

(8) All potent, poisonous, or caustic materials shall be stored separately from drugs, shall be plainly labeled and stored in a specific, well-illuminated cabinet, closet, or storeroom, and shall be made accessible only to authorized persons. (I, II)

(9) Inspection of drug storage shall be made by the administrator or designee and a registered pharmacist not less than once every three months. The inspection shall be verified by a report signed by the administrator and the pharmacist and filed with the administrator. The report shall include, but not be limited to, certification of the absence of the following: expired drugs, deteriorated drugs, improper labeling, drugs for which there is no current primary care provider's order, and drugs improperly stored. (III)

(10) Bulk supplies of prescription drugs for multiresident use shall not be kept in a residential care facility. (III)

57.19(2) Drug safeguards.

a. All prescribed medications shall be clearly labeled indicating the resident's full name, primary care provider's name, prescription number, name and strength of drug, dosage, directions for use, date of issue, and name and address and telephone number of pharmacy or primary care provider issuing the drug. Where unit dose is used, prescribed medications shall, at a minimum, indicate the resident's full name, primary care provider's name, name and strength of drug, and directions for use. Standard containers shall be utilized for dispensing drugs. (III)

b. Sample medications provided by the resident's primary care provider shall clearly identify to whom the medications belong. (III)

c. Medication containers having soiled, damaged, illegible, or makeshift labels shall be returned to the issuing pharmacist, pharmacy, or primary care provider for relabeling or disposal. (III)

d. The medication for each resident shall be kept or stored in the original containers unless the resident is participating in an individualized medication program. (II, III)

e. Unused prescription drugs shall be destroyed by the person in charge, in the presence of a witness, and with a notation made on the resident's record or shall be returned to the supplying pharmacist. (III)

f. Prescriptions shall be refilled only with the permission of the resident's primary care provider. (II, III)

g. No medications prescribed for one resident may be administered to or allowed in the possession of another resident. (I, II)

h. Instructions shall be requested from the Iowa board of pharmacy concerning disposal of unused Schedule II drugs prescribed for a resident who has died or for whom the Schedule II drug was discontinued. (III)

i. Discontinued medications shall be destroyed within a specified time by a responsible person, in the presence of a witness, and with a notation made to that effect or shall be returned to the pharmacist for destruction. Drugs listed under the Schedule II drugs shall be destroyed in accordance with the requirements established by the Iowa board of pharmacy. (II, III)

j. All medication orders which do not specifically indicate the number of doses to be administered or the length of time the drug is to be administered shall be stopped automatically after a given time period. The automatic-stop order may vary for different types of drugs. The resident's primary care provider, in conjunction with the pharmacist, shall institute these policies and provide procedures for review and endorsement. (II, III)

k. No resident shall be allowed to possess any medications unless the primary care provider has certified in writing on the resident's medical record that the resident is mentally and physically capable of doing so. (II)

l. No medications or prescription drugs shall be administered to a resident without a written order signed by the primary care provider. (II)

m. The facility shall establish a policy to govern the distribution of prescribed medications to residents who are on leave from the facility. (II, III)

(1) Medications may be issued to residents who will be on leave from a facility for less than 24 hours. Only those medications needed for the time period the resident will be on leave from the facility

may be issued. Non-child-resistant containers may be used. Instructions shall be provided and include the date, the resident's name, the name of the facility, and the name of the medication, its strength, dose and time of administration. (II, III)

(2) Medication for residents on leave from a facility for longer than 24 hours shall be obtained in accordance with requirements established by the Iowa board of pharmacy. (II, III)

(3) Medication for residents on leave from a facility may be issued only by facility personnel responsible for administering medication. (II, III)

57.19(3) Drug administration—authorized personnel.

a. A properly trained person shall be charged with the responsibility of administering medications as ordered by a primary care provider. (II, III)

b. The person shall have knowledge of the purpose of the drugs and their dangers and contraindications. (II, III)

c. The person shall be a licensed nurse or primary care provider or shall have successfully completed a department-approved medication aide course and passed a department-approved medication aide challenge examination administered by an area community college. (II, III)

d. Prior to taking a department-approved medication aide course, the person shall have a letter of recommendation for admission to the medication aide course from the employing facility. (III)

e. A person who is a nursing student or a graduate nurse may take the challenge examination in place of taking a medication aide course. The person shall do all of the following before taking the medication aide challenge examination:

(1) Complete a clinical or nursing theory course within six months before taking the challenge examination; (III)

(2) Successfully complete a nursing program pharmacology course within one year before taking the challenge examination; (III)

(3) Provide to the community college a written statement from the nursing program's pharmacology or clinical instructor indicating that the person is competent in medication administration. (III)

f. A person who has written documentation of certification as a medication aide in another state may become a medication aide in Iowa by successfully completing a department-approved nurse aide competency examination and a medication aide challenge examination. The requirements of paragraph 57.19(3) "d" do not apply to this person. (III)

g. In a freestanding residential care facility licensed for 15 or fewer beds, a person who has successfully completed a state-approved medication manager course may administer medications.

57.19(4) Drug administration.

a. Unless the unit dose system is used, the person assigned the responsibility of medication administration must complete the procedure by personally preparing the dose, observing the actual act of swallowing the oral medication, and charting the medication. In facilities where the unit dose system is used, the person assigned the responsibility of medication administration must complete the procedure by observing the actual act of swallowing the oral medication and by charting the medication. Medications shall be prepared on the same shift of the same day that they are administered unless the unit dose system is used. (II)

b. Injectable medications shall be administered as permitted by Iowa law by a registered nurse, licensed practical nurse, primary care provider or pharmacist. For purposes of this subrule, "injectable medications" does not include an epinephrine autoinjector, e.g., an EpiPen. (II, III)

c. A resident certified by the resident's primary care provider as capable of injecting the resident's own insulin may do so. Insulin may be administered pursuant to paragraph 57.19(4) "b" or as otherwise authorized by the resident's primary care provider. (II, III) Authorization shall:

(1) Be in writing,

(2) Be maintained in the resident's record,

(3) Be renewed quarterly,

(4) Include the name of the person authorized to administer the insulin,

(5) Include documentation by the primary care provider that the authorized person is qualified to administer insulin to that resident. (II, III)

d. A resident may participate in the administration of the resident's own medication if the primary care provider has certified in writing in the resident's medical record that the resident is mentally and physically capable of participating and has explained in writing in the resident's medical record what the resident's participation may include.

e. An individual inventory record shall be maintained for each Schedule II drug prescribed for each resident, with an accurate count and authorized signatures at every shift. (II)

f. The facility may use a unit dose system.

g. Medication aides and medication managers may administer PRN medications without contacting a licensed nurse or primary care provider if all of the following apply: (I, II, III)

(1) A written order from the resident's primary care provider specifies the purpose of the PRN medication and the frequency, dosage and strength of the PRN medication.

(2) The resident's primary care provider provides in writing specific criteria for administering PRN medications.

(3) The pharmacist assesses the resident's use of PRN medications when conducting the inspection of drug storage as required by subparagraph 57.19(1)"b"(9).

h. The pharmacist shall assess the use of PRN medications when conducting the inspection of drug storage as required by subparagraph 57.19(1)"b"(9). (II, III)

i. Medications administered by an employee of the facility shall be recorded on a medication record by the individual who administers the medication. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15; ARC 2643C, IAB 8/3/16, effective 9/7/16]

481—57.20(135C) Dental services.

57.20(1) The residential care facility personnel shall assist residents in obtaining annual and emergency dental services and shall arrange transportation for such services. (III)

57.20(2) Dental services shall be performed only on the request of the resident, responsible party, legal representative, or primary care provider. The resident's primary care provider shall be advised of the resident's dental problems. (III)

57.20(3) All dental reports or progress notes shall be included in the resident record as available. The facility shall make reasonable efforts to obtain the records following the provision of services. (III)

57.20(4) Personal care staff shall assist the resident in carrying out the dentist's recommendations. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.21(135C) Dietary.

57.21(1) Dietary staffing.

a. A minimum of one person directly responsible for food preparation shall successfully complete a course meeting the requirements for a food protection program included in the Food Code adopted pursuant to Iowa Code chapter 137F. Another course may be substituted if the course's curriculum includes substantially similar competencies to a course that meets the requirements of the Food Code and the provider of the course files with the department a statement indicating that the course provides substantially similar instruction as it relates to sanitation and safe food handling. (III)

b. If the person is in the process of completing the food protection program in paragraph 57.21(1)"a," the requirement relating to the completion of a state-approved food protection program shall be considered to have been met.

c. In addition to the requirement of paragraph 57.21(1)"a," personnel who are responsible for food preparation or service, or both food preparation and service, shall have an orientation on sanitation and safe food handling prior to handling food and shall have annual in-service training on food protection. (III)

57.21(2) Nutrition and menu planning.

a. Menus shall be planned and followed to meet the nutritional needs of residents in accordance with the primary care provider's orders. Diet orders should be reviewed as necessary, but at least quarterly, by the primary care provider. (II, III)

b. Menus shall be planned and served to include foods and amounts necessary to meet federal dietary guidelines. (II, III)

c. At least three meals or their equivalent shall be served daily, at regular hours. (II, III)

(1) There shall be no more than a 14-hour span between offering a substantial evening meal and breakfast. (II, III)

(2) Unless contraindicated, evening snacks shall be offered routinely to all residents. Special nourishments shall be available when ordered by the primary care provider. (II, III)

d. Menus shall include a variety of foods prepared in various ways. (III)

e. Menus shall be written at least one week in advance. The current menu shall be located in an accessible place for easy use by persons purchasing, preparing, and serving food. (III)

f. Records of menus as served shall be filed and maintained for 30 days and shall be available for review by departmental personnel. When substitutions are necessary or requested, they shall be of similar nutritive value and recorded on the menu or in a notebook. (III)

g. The facility shall provide an alternative choice at scheduled meal times. (III)

57.21(3) *Dietary storage, food preparation, and service.*

a. All food shall be handled, prepared, served and stored in compliance with the Food Code adopted pursuant to Iowa Code section 137F.2. (I, II, III)

b. Supplies of staple foods for a minimum of a one-week period and of perishable foods for a minimum of a two-day period shall be maintained on the premises. Minimum food portion requirements for a low-cost plan shall conform to information supplied by the bureau of nutrition and health promotion of the department of public health. (II, III)

c. Dishes shall be free of cracks, chips, and stains. (III)

d. If family-style service is used, all leftover prepared food that has been on the table shall be properly handled. (III)

57.21(4) *Sanitation in food preparation area.*

a. In facilities licensed for more than 15 beds, the kitchen shall not be used for serving meals to residents, food service personnel, or other staff. (III)

b. There shall be written procedures established for cleaning all work and serving areas in facilities with more than 15 beds. (III)

c. A schedule for duties to be performed daily shall be posted in each food area. (III)

d. All cooking equipment in facilities of 15 or more beds shall be provided with a properly sized exhaust system and hood to eliminate excess heat, moisture, and odors from the kitchen. (II, III)

e. The food service area shall be located so it will not be used as a passageway by residents, guests, or non-food service staff. (III)

f. There shall be no washing, ironing, sorting or folding of laundry in the food service area. Dirty linen shall not be carried through the food service area unless the linen is in sealed, leakproof containers. (III)

g. In facilities with more than 15 beds, a mechanical dishwasher is required. (III)

h. A three-compartment pot and pan sink with 110°F (43°C) to 115°F (46°C) water for washing, a compartment for rinsing with water at 170°F (76°C) to 180°F (82°C) for sanitizing with space for air drying, or a two-compartment sink with access to a mechanical dishwasher for sanitizing all utensils shall be provided. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.22(135C) Orientation and service plan.

57.22(1) *Orientation.* Within 24 hours of admission, each resident shall receive orientation to the facility. The orientation program shall be documented in the resident's file and shall include, but shall not be limited to, a review of the resident's rights, the daily schedule, house rules and the facility's evacuation plan. (II, III)

57.22(2) *Initial service plan.* Within 48 hours of admission, the administrator or the administrator's designee shall develop an initial service plan to address any immediate health and safety needs. The plan shall be based on information gathered from the resident, family, referring party, primary care

provider, and other significant persons. The plan shall be followed until the service plan required in subrule 57.22(3) is complete. (I, II, III)

57.22(3) Service plan. Within 30 days of admission, the administrator or the administrator's designee, in conjunction with the resident, the resident's responsible party, the interdisciplinary team, and any organization that works with or serves the resident, shall develop a written, individualized, and integrated service plan for the resident. The service plan shall be developed and implemented to address the resident's priorities and assessed needs, such as activities of daily living, rehabilitation, activity, and social, behavioral, emotional, physical and mental health. (I, II, III)

a. The service plan shall include measurable goals and objectives and the specific service(s) to be provided to achieve the goals. Each goal shall include the date of initiation and anticipated duration of service(s). Any restriction of rights shall be included in the service plan. (I, II, III)

b. The service plan shall include the documentation procedure for each goal and objective. (II, III)

c. The service plan should be modified to add or delete goals and objectives as the resident's needs change. Communications related to service plan changes or changes in the resident's condition shall occur within five working days of the change and shall be conveyed to all individuals inside and outside the residential care facility who work with the resident, as well as to the resident's responsible party. (I, II, III)

d. The service plan shall be reviewed at least quarterly by relevant staff, the resident and appropriate others, such as the resident's family, case manager and responsible party. The review shall include a written report which addresses a summary of the resident's progress toward goals and objectives and the need for continued services. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.23(135C) Resident activities program.

57.23(1) Activities program. Each residential care facility shall provide an organized resident activities program for the group and for the individual resident which shall include suitable activities. The facility shall offer at least two organized evening group activities per week and two organized weekend group activities per month. (III)

a. The activities program shall be designed to meet the needs and interests of each resident and to assist residents in continuing normal activities within limitations set by the resident's primary care provider. This shall include helping residents continue in their individual interests or hobbies. (III)

b. The activities program shall include measureable goals for each resident. (III)

c. The activities program shall include both group and individual activities. (III)

d. Residents shall be encouraged, but not required, to participate in activities. (III)

57.23(2) Coordination of activities program.

a. Each residential care facility with 15 or fewer beds shall designate a person to oversee the activities program, develop goals and monitor progress. (III)

b. Each residential care facility with more than 15 beds shall employ a person to direct the activities program. (III)

c. Staffing for the activities program shall be provided on the minimum basis of 45 minutes per resident per week. (II, III)

d. The activities coordinator shall have completed the activities coordinator orientation course approved by the department within six months of employment or have comparable training and experience as approved by the department. (III)

e. There shall be a written plan for personnel coverage when the activities coordinator is absent during scheduled working hours. (III)

57.23(3) Duties of activities coordinator. The activities coordinator shall:

a. Have access to all residents' records. (III)

b. Coordinate all activities, including volunteer or auxiliary activities and religious services. (III)

c. Keep all necessary records including:

(1) Attendance records; (III)

- (2) Individual resident progress notes, recorded at least every three months; (III)
 - (3) Monthly calendars, prepared in advance, updated as necessary and maintained for one year.
- (III)
- d.* Coordinate the activities program with all other services in the facility. (III)
- 57.23(4) Supplies, equipment, and storage.**
- a.* Each facility shall provide a variety of supplies and equipment of a nature calculated to fit the needs and interests of the residents. (III)
 - b.* Storage shall be provided for recreational equipment and supplies. (III)
- [ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.24(135C) Residents' rights.

57.24(1) Each facility shall ensure that policies and procedures are written and implemented which include, at a minimum, the provisions of this rule and which govern all areas of service provided by the facility. These policies and procedures shall be available to staff, residents, residents' families or legal representatives and the public and shall be reviewed annually. (II, III)

57.24(2) Policies and procedures shall include a method for submitting complaints and recommendations by residents or their responsible parties and for ensuring a response and disposition by the facility. (II, III) The written procedures shall:

- a.* Ensure the provision of assistance to residents as necessary to complete and submit complaints and recommendations; (II, III)
- b.* Ensure protection of the resident from any form of reprisal or intimidation; (II, III)
- c.* Include designation of an employee responsible for handling grievances and recommendations; (II, III)
- d.* Include a method of investigating and assessing the validity of a grievance or recommendation; (II, III) and
- e.* Include methods of recording grievances and actions taken. (II, III)

57.24(3) Policies and procedures shall include provisions governing access to, duplication of, and dissemination of information from the residents' records. (II, III)

57.24(4) Policies and procedures shall include a provision that each resident shall be fully informed of the resident's rights and responsibilities as a resident and of all rules governing resident conduct and responsibilities. This information must be provided upon the resident's admission, or in the case of residents already in the facility, upon the facility's adoption or amendment of residents' rights policies. (II, III)

- a.* The facility shall communicate to residents prior to or within five days after admission what residents may expect from the facility and its staff, and what is expected from residents. The communication shall be in writing, e.g., in a separate handout or brochure describing the facility, and interpreted verbally, e.g., as part of a preadmission interview, resident counseling, or in individual or group orientation sessions following the resident's admission. (II, III)

- b.* Residents' rights and responsibilities shall be presented in language understandable to the resident. If the facility serves residents who are non-English-speaking or deaf, steps shall be taken to translate the information into a foreign or sign language. In the case of blind residents, either Braille or a recording shall be provided. Residents shall be encouraged to ask questions about their rights and responsibilities and these questions shall be answered. (II, III)

- c.* A statement shall be signed by the resident, or the resident's responsible party, if applicable, indicating an understanding of these rights and responsibilities and shall be maintained in the resident's record. The statement shall be signed no later than five days after admission, and a copy of the signed statement shall be given to the resident or responsible party. (II, III)

- d.* In order to ensure that residents continue to be aware of these rights and responsibilities during their stay, a written copy shall be prominently posted in a location that is available to all residents. (II, III)

e. All residents shall be advised within 30 days following changes made in the statement of residents' rights and responsibilities. Appropriate means shall be utilized to inform non-English-speaking, deaf or blind residents of changes. (II, III)

57.24(5) Choice of primary care provider. Each resident shall be permitted free choice of a primary care provider, and pharmacy, if accessible. The facility may require the selected pharmacy to utilize a drug distribution system compatible with the system currently used by the facility. (II)

57.24(6) Each resident shall be afforded the opportunity to participate in the planning of the resident's total care and treatment, which may include, but shall not be limited to, medical care, nutritional needs, activities, and social work services. Each resident has the right to refuse treatment except as provided by Iowa Code chapter 229. In the case of a resident with impaired decision-making skills, the responsible party shall be afforded the opportunity to participate in the planning of the resident's total care and medical treatment and to be informed of the resident's medical condition. (II, III)

57.24(7) Each resident shall be encouraged and assisted throughout the resident's period of stay to exercise the resident's rights as a resident and as a citizen and may voice grievances and recommend changes in policies and services to administrative staff or to outside representatives of the resident's choice, free from interference, coercion, discrimination, or reprisal. (II)

57.24(8) The facility shall provide ongoing opportunities for residents to be aware of and to exercise their rights as residents. Residents shall be kept informed of changes in policies and services that are more restrictive, and their views shall be solicited prior to action. (II)

57.24(9) The facility shall post in a prominent area the text of Iowa Code section 135C.46 (Retaliation Prohibited) and the name, telephone number, and address of the long-term care ombudsman, the department, and the local law enforcement agency to provide residents a further course of redress. (II)

57.24(10) All rights and responsibilities of the resident devolve to the resident's responsible party or any legal surrogate designated in accordance with state law, to the extent permitted by state law. This subrule is not intended to limit the authority of any individual acting pursuant to Iowa Code chapter 144A. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.25(135C) Dignity preserved. The resident shall be treated with consideration, respect, and full recognition of dignity and individuality, including privacy in treatment and in care for personal needs. (I, II)

57.25(1) Staff shall display respect for residents when speaking with, caring for, or talking about them, as constant affirmation of their individuality and dignity as human beings. (I, II)

57.25(2) Schedules of daily activities shall allow maximum flexibility for residents to exercise choice about what they will do and when they will do it. Residents' individual preferences regarding such things as menus, clothing, religious activities, friendships, activity programs, entertainment, sleeping and eating, also times to retire at night and arise in the morning shall be elicited and considered by the facility. (II)

57.25(3) Residents shall be examined and treated in a manner that maintains the privacy of their bodies. A closed door or a drawn curtain shall shield the resident from passersby. People not involved in the care of the residents shall not be present without the resident's consent while the resident is being examined or treated. (II)

57.25(4) Privacy of a resident's body also shall be maintained during toileting, bathing, and other activities of personal hygiene, except as needed for resident safety or assistance. (II)

57.25(5) Staff shall knock and be acknowledged before entering a resident's room unless the resident is not capable of a response. This shall not apply under emergency conditions. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.26(135C) Communications. Each resident may communicate, associate, and meet privately with persons of the resident's choice, unless to do so would infringe upon the rights of other residents, and may send and receive personal mail unopened. (II)

57.26(1) Subject to reasonable scheduling restrictions, visiting policies and procedures shall permit residents to receive visits from anyone they wish. Visiting hours shall be posted. (II)

57.26(2) Reasonable, regular visiting hours shall not be less than 12 hours per day and shall take into consideration the special circumstances of each visitor. A particular visitor(s) may be restricted by the facility for one of the following reasons:

a. The resident refuses to see the visitor(s). (II)

b. The resident's primary care provider documents specific reasons why such a visit would be harmful to the resident's health. (II)

c. The visitor's behavior is unreasonably disruptive to the functioning of the facility. This judgment must be made by the administrator, and the reasons shall be documented and kept on file. (II)

57.26(3) Decisions to restrict a visitor are reviewed and reevaluated:

a. Each time the medical orders are reviewed by the primary care provider;

b. At least quarterly by the facility's staff; or

c. At the resident's request. (II)

57.26(4) Space shall be provided for residents to receive visitors in reasonable comfort and privacy. (II)

57.26(5) Telephones shall be available and accessible for residents to make and receive calls with privacy. Residents who need help shall be assisted in using the telephone. (II)

57.26(6) Arrangements shall be made to provide assistance to residents who require help in reading or sending mail. (II)

57.26(7) Residents, including residents court-ordered to the facility, shall be permitted to leave the facility at reasonable times unless there are justifiable reasons established in writing by court order, the primary care provider, the interdisciplinary team, or facility administrator for refusing permission. (II)

57.26(8) Residents shall not have their personal lives regulated beyond reasonable adherence to meal schedules, bedtime hours, and other written policies which may be necessary for the orderly management of the facility and as required by these rules. However, residents shall be encouraged to participate in recreational programs. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.27(135C) Resident activities.

57.27(1) Each resident may participate in activities of social, religious, and community groups at the resident's discretion unless contraindicated for reasons documented by the primary care provider or interdisciplinary team as appropriate in the resident's record. (II)

57.27(2) Residents who wish to meet with or participate in activities of social, religious, or other community groups in or outside of the facility shall be informed, encouraged, and assisted to do so. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.28(135C) Resident property.

57.28(1) Residents shall be permitted to keep reasonable amounts of personal clothing and possessions for their use while in the facility. The facility shall offer the resident the opportunity to have personal property itemized and documented on an inventory sheet upon the resident's admission. The inventory sheet shall be kept in a safe location which is convenient to the resident and shall be updated at least annually. At discharge, residents may sign off on a list of the personal property they are taking with them. (II, III)

57.28(2) The facility shall provide for the safekeeping of personal effects, funds and other property of its residents. The facility may require that items of exceptional value or that would convey unreasonable responsibilities to the licensee be removed from the premises of the facility for safekeeping. (III)

57.28(3) Funds or properties received by the facility, belonging or due a resident, expendable for the resident's account, shall be trust funds. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.29(135C) Financial affairs—management. Each resident who has not been assigned a guardian or conservator by the court may manage the resident's own personal financial affairs. To the

extent the facility assists in management, under written authorization by the resident, the management shall be carried out in accordance with Iowa Code section 135C.24. (II)

57.29(1) The facility shall maintain a written account of all residents' funds received by or deposited with the facility. (II)

57.29(2) An employee shall be designated in writing to be responsible for resident accounts. (II)

57.29(3) The facility shall keep on deposit personal funds over which the resident has control in accordance with Iowa Code section 135C.24. Should the resident request these funds, they shall be given to the resident on request with receipts maintained by the facility and a copy to the resident. In the case of a resident with impaired decision-making skills, the resident's legal representative shall designate a method of disbursing the resident's funds. (II)

57.29(4) If the facility makes financial transactions on a resident's behalf, the facility must document that it has prepared and sent an itemized accounting of disbursements and current balances at least quarterly. A copy of this statement shall be maintained in the resident's financial or business record. (II)

57.29(5) A resident's personal funds shall not be used without the written consent of the resident or the resident's legal representative. (I, II)

57.29(6) A resident's personal funds shall be returned to the resident when the funds have been used without the written consent of the resident or the resident's legal representative. The department may report findings that resident funds have been used without written consent to the department's investigations division or the local law enforcement agency, as appropriate. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.30(135C) Resident work. No resident may be required to perform services for the facility, except as provided by Iowa Code section 347B.5. (II)

57.30(1) Residents may not be used to provide a source of labor for the facility against their will. Approval by the primary care provider is required for all work programs. (I, II)

57.30(2) Residents who perform work for the facility must receive compensation unless the work is part of their approved training program. Persons on the resident census who perform work shall not be used to replace paid employees in fulfilling staffing requirements. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.31(135C) Family—shared rooms. Family members or spouses shall be permitted to share a room, if available, if requested by both parties, unless the primary care provider of one of the parties documents in the medical record specific reasons why such an agreement would have an adverse effect on the health of the resident. (II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.32(135C) Resident abuse prohibited. Each resident shall receive kind and considerate care at all times and shall be free from mental, physical, sexual, and verbal abuse, exploitation, neglect, and physical injury. (I, II)

57.32(1) Mental abuse includes, but is not limited to, humiliation, harassment, and threats of punishment or deprivation. (I, II)

57.32(2) Physical abuse includes, but is not limited to, corporal punishment and the use of restraints as punishment. (I, II)

57.32(3) Drugs such as tranquilizers shall only be used in accordance with orders of the primary care provider. (I, II)

57.32(4) Allegations of dependent adult abuse. Allegations of dependent adult abuse shall be reported and investigated pursuant to Iowa Code chapter 235E and 481—Chapter 52. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.33(135C) Crisis intervention. If a facility utilizes physical restraints, there shall be written policies that define the uses of physical restraints, designate the administrator or designee as the person who may authorize their use, and establish a mechanism for monitoring and controlling their use. (I, II)

57.33(1) Temporary physical restraint of residents shall be used only under the following conditions: (I, II)

- a. An emergency to prevent injury to the resident or to others; or (I, II)
- b. For crisis intervention, but shall not be used for punishment, for the convenience of staff or as a substitution for supervision or programming; (I, II) and
- c. No staff person shall use any restraint that obstructs the airway of the resident. (I, II)

57.33(2) Authorization for the use of physical restraints must be prior to or immediately after application of the restraint. (I, II)

57.33(3) Prone restraint is prohibited. Staff persons who find themselves involved in the use of a prone restraint when responding to an emergency must take immediate steps to end the prone restraint. (I, II)

57.33(4) The rationale and authorization for the use of physical restraint and staff action and procedures carried out to protect the resident's rights and to ensure safety shall be clearly set forth in the resident's record by the responsible staff persons. (I, II)

57.33(5) The primary care provider, the interdisciplinary team and the resident's responsible party shall be notified of any restraints administered. (I, II, III)

57.33(6) The facility shall provide to the staff a department-approved training program by qualified professionals on physical restraint techniques. (I, II)

a. The facility shall keep a record of training for review by the department and shall include attendance. (II, III)

b. Only staff with documented training in physical restraint and techniques shall be authorized to assist with physical restraint of a resident. (I, II)

c. Under no circumstances shall a resident be allowed to actively or passively assist in the restraint of another resident. (I, II)

57.33(7) Residents shall not be kept behind locked doors. (I, II)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.34(135C) Safety. The licensee of a residential care facility shall be responsible for the provision and maintenance of a safe environment for residents and personnel. (I, II, III)

57.34(1) Fire safety.

a. All residential care facilities shall meet the fire safety rules and regulations as promulgated by the state fire marshal. (I, II)

b. The size of the facility and needs of the residents shall be taken into consideration in evaluating safety precautions and practices.

57.34(2) Safety duties of administrator. The administrator shall have a written emergency plan to be followed in the event of fire, tornado, explosion, or other emergency. (III)

a. The plan shall be prominently posted in a common area of the building. (III)

b. In-service shall be provided to ensure that all employees are knowledgeable of the emergency plan. (II, III)

57.34(3) Resident safety.

a. Smoking shall be prohibited, except as allowed by Iowa Code chapter 142D, the smokefree air Act. (II, III)

b. Whenever full or empty tanks of oxygen are being used or stored, they shall be securely supported in an upright position. (II, III)

c. Residents shall receive adequate supervision to ensure against hazard from themselves, others, or elements in the environment. (I, II, III)

d. Storage areas for cleaning agents, bleaches, insecticides, or any other poisonous, dangerous, or flammable materials shall be locked. Residents permitted to access these materials shall be supervised by staff as identified in the resident's service plan. (I, II, III)

e. Sufficient numbers of noncombustible trash containers with covers shall be available. (III)

f. Residents' personal possessions that may constitute a hazard to residents or others shall be removed and stored. (III)

57.34(4) First-aid kit. A first-aid emergency kit shall be available on each floor in every facility. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.35(135C) Housekeeping.

57.35(1) Written procedures shall be established and implemented for daily and weekly cleaning schedules. (III)

57.35(2) Each resident room shall be cleaned on a routine schedule. (III)

57.35(3) All rooms, corridors, storage areas, linen closets, attics, and basements shall be kept in a clean, orderly condition, free of unserviceable furniture and equipment and accumulations of refuse. (II, III)

57.35(4) A hallway or corridor shall not be used for storage of equipment. (II, III)

57.35(5) All odors shall be kept under control by cleanliness and proper ventilation. (III)

57.35(6) Clothing worn by personnel shall be clean and washable. (III)

57.35(7) Housekeeping and maintenance personnel shall be provided with well-constructed and properly maintained equipment appropriate to the function for which it is to be used. (III)

57.35(8) All furniture, bedding, linens, and equipment shall be cleaned periodically and before use by another resident. (II, III)

57.35(9) Polishes used on floors shall provide a nonslip finish. (II, III)

57.35(10) Throw or scatter rugs shall have nonskid backing. (II, III)

57.35(11) Entrances, exits, steps, and outside walkways shall be kept free from ice, snow, and other hazards. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.36(135C) Maintenance.

57.36(1) Each facility shall establish a maintenance program to ensure the continued maintenance of the facility, to promote good housekeeping procedures, and to ensure sanitary practices throughout the facility. In facilities with more than 15 beds, the maintenance program shall be established in writing and available for review by the department. (II, III)

57.36(2) The building, grounds, and other buildings shall be maintained in a clean, orderly condition and in good repair. (II, III)

57.36(3) Window treatments and furniture shall be clean and in good repair. (II, III)

57.36(4) Cracks in plaster, peeling wallpaper or paint, and tears or splits in floor coverings shall be promptly repaired or replaced in a professional manner. (II, III)

57.36(5) The electrical systems, including appliances, cords, and switches, shall be maintained to guarantee safe functioning and comply with the National Electric Code. (II, III)

57.36(6) All plumbing fixtures shall function properly and comply with the state plumbing code. (II, III)

57.36(7) Yearly inspections of the heating and cooling systems shall be made to guarantee safe operation. (II, III)

57.36(8) The building, grounds, and other buildings shall be kept free of breeding areas for flies, other insects, and rodents. (II, III)

57.36(9) The facility shall be kept free of flies, other insects, and rodents. (II, III)

57.36(10) Janitor's closet.

a. Facilities shall be provided with storage for cleaning equipment and supplies. (III)

b. Mops, scrub pails, and other cleaning equipment used in the resident areas shall not be stored or used in the dietary area. (III)

c. In facilities licensed for more than 15 beds, a janitor's closet shall be provided. It shall be equipped with water for filling scrub pails and a janitor's sink for emptying scrub pails. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.37(135C) Laundry.

57.37(1) All soiled linens shall be collected and transported to the laundry room in closed, leakproof laundry bags or covered, impermeable containers. (III)

57.37(2) Except for related activities, the laundry room shall not be used for other purposes. (III)

57.37(3) Procedures shall be written for the proper handling of wet, soiled, and contaminated linens. (III)

57.37(4) Residents' personal laundry shall be marked with an identification if comingled with other residents' personal laundry. (III)

57.37(5) Bed linens, towels, and washcloths shall be clean and stain-free. (III)

57.37(6) If laundry is done in the facility, the following shall be provided:

a. A clean, dry, well-lit area to accommodate a washer and dryer of adequate size to serve the needs of the facility. (III)

b. In facilities with more than 15 beds, the laundry room shall be divided into separate areas, one for sorting soiled linen and one for sorting and folding clean linen. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.38(135C) Garbage and waste disposal.

57.38(1) All garbage shall be gathered, stored, and disposed of in a manner that will not permit transmission of disease, create a nuisance, or provide a breeding or feeding place for vermin or insects. (III)

57.38(2) All containers for refuse shall be watertight and rodent-proof and have tight-fitting covers. (III)

57.38(3) All unlined containers shall be thoroughly cleaned each time the containers are emptied. (III)

57.38(4) All waste shall be properly disposed of in compliance with local ordinances and state codes. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.39(135C) Supplies.

57.39(1) *Linen supplies.*

a. There shall be an adequate supply of linen so that each resident shall have at least three washcloths, hand towels, and bath towels per week. (III)

b. A complete change of bed linens shall be available in the linen storage area for each bed. (III)

c. Sufficient lightweight, clean, serviceable blankets shall be available. All blankets shall be laundered as often as necessary for cleanliness and freedom from odors. (III)

d. Each bed shall be provided with clean, washable bedspreads. There shall be a supply available when changes are necessary. (III)

e. Adequate storage shall be provided for linens, pillows, and bedding. (III)

57.39(2) *Supplies, equipment and storage.*

a. All equipment shall be properly cleaned and sanitized before use by another resident. (III)

b. Clean and sanitary storage shall be provided for equipment and supplies. (III)

c. Each facility shall provide a variety of supplies and equipment of a nature calculated to fit the needs and interests of the residents. (III)

d. Locked storage should be available for potentially dangerous items such as scissors, knives, and toxic materials. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.40(135C) Buildings, furnishings, and equipment.

57.40(1) *Buildings—general requirements.*

a. All windows shall be supplied with window treatments that are kept clean and in good repair. (III)

b. Whenever glass sliding doors or transparent panels are used, they shall be marked conspicuously. (III)

c. The facility shall meet the equivalent requirements of the appropriate group occupancy of the state building code. (III)

57.40(2) *Furnishings and equipment.*

a. All furnishings and equipment shall be durable, cleanable, and appropriate to their function. (III)

b. All resident areas shall be decorated, painted, and furnished to provide a homelike atmosphere. (III)

c. Upholstery materials shall be moisture- and soil-resistant as needed, except on furniture provided by the resident and the property of the resident. (III)

57.40(3) *Dining and living rooms.*

a. Every facility shall have a dining room and a living room easily accessible to all residents. (III)

b. Living rooms shall be maintained for the use of residents and their visitors and may be used for recreational activities. Living rooms shall be suitably furnished. (III)

c. Dining rooms shall be furnished with dining tables and chairs appropriate to the size and function of the facility. Dining rooms and furnishings shall be kept clean and sanitary. (III)

57.40(4) *Bedrooms.*

a. Each resident shall be provided with a standard, single, or twin bed, substantially constructed and in good repair. Rollaway beds, metal cots, or folding beds are not acceptable. (III)

b. Each bed shall be equipped with the following: casters or glides; clean springs in good repair; a clean, comfortable, well-constructed mattress approximately five inches thick and standard in size for the bed; and clean, comfortable pillows of average bed size. (III)

c. Each resident shall have a bedside table with a drawer to accommodate personal possessions. (III)

d. There shall be a comfortable chair, either a rocking chair or armchair, per resident bed. The resident's personal wishes shall be considered. (III)

e. There shall be drawer space for each resident's clothing. In a bedroom in which more than one resident resides, drawer space shall be assigned to each resident. (III)

f. Beds and other furnishings shall not obstruct free passage to and through doorways. (III)

g. Beds shall not be placed in such a manner that the side of the bed is against the radiator or in close proximity to it unless the radiator is covered so as to protect the resident from contact with it or from excessive heat. (III)

h. There shall be no more than four residents per room. (III)

57.40(5) *Bath and toilet facilities.*

a. All sinks shall have paper towel dispensers and an available supply of soap. (III)

b. Toilet paper shall be readily available to residents. (III)

57.40(6) *Heating.* A centralized heating system shall be maintained in good working order and capable of maintaining a comfortable temperature for residents of the facility. Portable units or space heaters are prohibited from being used in the facility except in an emergency. (II, III)

57.40(7) *Water supply.*

a. Private sources of water supply shall be tested annually and the report made available for review by the department upon request. (III)

b. A bacterially unsafe source of water supply shall be grounds for denial, suspension, or revocation of license. (III)

c. The department may require testing of private sources of water supply at its discretion in addition to the annual test. The facility shall supply reports of such tests as directed by the department. (III)

d. Hot and cold running water under pressure shall be available in the facility. (II, III)

e. Prior to construction of a new facility or new water source, private sources of water supply shall be surveyed and shall comply with the requirements of the department. (III)

481—57.41(135C) Family and employee accommodations.

57.41(1) In facilities where the total occupancy of family, employees, and residents is more than five, separate bathing and toilet facilities shall be required for the family or employees distinct from such areas provided for the residents. (III)

57.41(2) In all facilities, if the family or employees live within the facility, separate living quarters and recreation facilities shall be required for the family or employees distinct from such areas provided for the residents. (III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.42(135C) Animals. No animals shall be allowed to reside in the facility except with written approval of the department and under controlled conditions. (II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.43(135C) Another business or activity in a facility. A facility is allowed to have another business or activity in a health care facility or in the same physical structure of the facility, if the other business or activity is under the control of and is directly related to and incidental to the operation of the health care facility, or the business or activity is approved by the department and the state fire marshal. (I, II, III)

57.43(1) To obtain the approval of the department and the state fire marshal, the facility must submit to the department a written request for approval which identifies the service(s) to be offered by the business and addresses the factors outlined in paragraphs 57.43(2) “a” through “j.” (I, II, III)

57.43(2) The following factors will be considered by the department in determining whether a business or activity will interfere with the use of the facility by residents, interfere with services provided to residents, or be disturbing to residents:

- a. Health and safety risks for residents;
- b. Compatibility of the proposed business or activity with the facility program;
- c. Noise created by the proposed business or activity;
- d. Odors created by the proposed business or activity;
- e. Use of entrances and exits for the business or activity in regard to safety and disturbance of residents and interference with delivery of services;
- f. Use of the facility’s corridors or rooms as thoroughfares to the business or activity in regard to safety and disturbance of residents and interference with delivery of services;
- g. Proposed staffing for the business or activity;
- h. Sharing of services and staff between the proposed business or activity and the facility;
- i. Facility layout and design; and
- j. Parking area utilized by the business or activity.

57.43(3) Approval of the state fire marshal shall be obtained before approval of the department will be considered.

57.43(4) A business or activity conducted in a health care facility or in the same physical structure as a health care facility shall not reduce space, services or staff available to residents below minimums required in these rules and 481—Chapter 60. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

481—57.44(135C) Respite care services. “Respite care services” means an organized program of temporary supportive care provided for 24 hours or more to a person in order to relieve the usual caregiver of the person from providing continual care to the person. “Respite care services” does not include crisis stabilization services provided pursuant to 2014 Iowa Acts, chapter 1044 (to be codified at Iowa Code section 225C.19A). “Respite care individual” means a person receiving respite care services. A residential care facility which chooses to provide respite care services must meet the following requirements related to respite services and must be licensed as a residential care facility. (II, III)

57.44(1) *Length of stay.* Respite care may be provided for no more than 30 consecutive days and for a total of no more than 60 days in a consecutive 12-month period. The 12-month period begins on the first day of the respite care individual’s stay at the facility. (II, III)

57.44(2) *No separate license.* A residential care facility which chooses to provide respite care services is not required to obtain a separate license or pay a license fee.

57.44(3) *Involuntary termination of respite services.* The facility may terminate the respite services for a respite care individual. Rule 481—57.14(135C) shall not apply. The facility shall make proper arrangements for the welfare of the respite care individual prior to involuntary termination of respite services, including notification of the respite care individual's family or legal representative. (II, III)

57.44(4) *Contract.* Pursuant to rule 481—57.15(135C), the facility shall have a contract with each resident in the facility. When an individual is there for respite care services, the contract shall specify the time period during which the individual will be considered to be receiving respite care services. At the end of that period, the contract may be amended to extend that period of time. The contract shall specifically state that respite care services may be involuntarily terminated. The contract shall meet other requirements under rule 481—57.15(135C), except the requirements under subrule 57.15(7). (II, III)

57.44(5) *Admission as a resident.*

a. An individual being cared for under a respite care contract shall not be considered an admission to the facility.

b. A respite care individual shall be included in the facility's census.

c. The facility shall not enter into multiple 30-day contracts with an individual being cared for under a respite care contract in order to lengthen the individual's stay at the facility. (II, III)

d. If an individual being cared for under a respite care contract remains in the facility beyond 30 consecutive days and is eligible for admission, the department shall consider the individual a resident in the facility. The facility shall follow all requirements for the individual's admission to the facility. (II, III)

57.44(6) *Level of care.* Respite care services shall not be provided by a health care facility to persons requiring a level of care which is higher than the level of care the facility is licensed to provide. (I, II, III)

57.44(7) *Reporting requirements.* The reporting requirements of rule 481—50.7(135C) shall apply to residents being cared for under a respite care contract. (I, II, III)

[ARC 1753C, IAB 12/10/14, effective 1/14/15]

These rules are intended to implement Iowa Code section 135C.14.

[Filed 8/6/76, Notice 4/19/76—published 8/23/76, effective 9/27/76]

[Filed without Notice 10/4/76—published 10/20/76, effective 11/24/76]

[Filed emergency 12/21/76—published 1/12/77, effective 1/12/77]

[Filed without Notice 2/4/77—published 2/23/77, effective 3/30/77]

[Filed 8/18/77, Notice 3/9/77—published 9/7/77, effective 10/13/77]

[Filed without Notice 10/14/77—published 11/2/77, effective 12/8/77]

[Filed 1/20/78, Notice 12/14/77—published 2/8/78, effective 3/15/78]

[Filed 5/26/78, Notice 3/8/78—published 6/14/78, effective 7/19/78]

[Filed 7/7/78, Notice 5/31/78—published 7/26/78, effective 9/1/78]

[Filed 10/13/78, Notice 9/6/78—published 11/1/78, effective 12/7/78]

[Filed 11/9/78, Notice 6/28/78—published 11/29/78, effective 1/3/79]

[Filed emergency 11/22/78—published 12/13/78, effective 1/3/79]

[Filed 5/20/82, Notice 12/23/81—published 6/9/82, effective 7/14/82]

[Filed 1/10/86, Notice 11/6/85—published 1/29/86, effective 3/5/86]¹

[Filed 5/16/86, Notice 1/1/86—published 6/4/86, effective 7/9/86]

[Filed emergency 7/1/86—published 7/16/86, effective 7/1/86]²

[Filed emergency 9/19/86—published 10/8/86, effective 9/19/86]

[Filed 3/12/87, Notice 1/28/87—published 4/8/87, effective 5/13/87]

[Filed emergency 6/25/87—published 7/15/87, effective 7/1/87]

[Filed 2/5/88, Notice 10/7/87—published 2/24/88, effective 3/30/88]^o

[Filed 4/28/88, Notice 12/16/87—published 5/18/88, effective 6/22/88]

[Filed 5/26/88, Notice 4/20/88—published 6/15/88, effective 7/20/88]

[Filed 9/30/88, Notice 8/24/88—published 10/19/88, effective 11/23/88]

[Filed 12/9/88, Notices 8/24/88, 10/5/88—published 12/28/88, effective 2/1/89]

[Filed 6/23/89, Notice 5/17/89—published 7/12/89, effective 8/16/89]
 [Filed 7/20/89, Notice 6/14/89—published 8/9/89, effective 9/13/89]
 [Filed 8/16/89, Notices 4/19/89, 7/12/89—published 9/6/89, effective 10/11/89]
 [Filed 3/14/91, Notice 9/19/90—published 4/3/91, effective 5/8/91]
 [Filed emergency 5/10/91—published 5/29/91, effective 5/10/91]
 [Filed 1/31/92, Notice 11/13/91—published 2/19/92, effective 7/1/92]
 [Filed 3/12/92, Notice 12/11/91—published 4/1/92, effective 5/6/92]
 [Filed 5/21/93, Notice 11/25/92—published 6/9/93, effective 7/14/93]³
 [Filed 3/11/94, Notice 9/15/93—published 3/30/94, effective 5/4/94]
 [Filed 5/16/95, Notice 3/15/95—published 6/7/95, effective 7/12/95]
 [Filed 7/11/97, Notice 4/23/97—published 7/30/97, effective 9/3/97]
 [Filed emergency 7/25/97—published 8/13/97, effective 7/25/97]
 [Filed emergency 11/14/97—published 12/3/97, effective 11/14/97]
 [Filed 11/14/97, Notice 8/13/97—published 12/3/97, effective 1/7/98]
 [Filed 3/31/98, Notice 12/3/97—published 4/22/98, effective 5/27/98]
 [Filed 7/9/98, Notice 4/22/98—published 7/29/98, effective 9/2/98]
 [Filed 1/15/04, Notice 10/1/03—published 2/4/04, effective 3/10/04]
 [Filed 1/15/04, Notice 12/10/03—published 2/4/04, effective 3/10/04]
 [Filed 7/13/05, Notice 6/8/05—published 8/3/05, effective 9/7/05]
 [Filed 9/20/06, Notice 8/2/06—published 10/11/06, effective 11/15/06]
 [Filed 11/14/07, Notice 10/10/07—published 12/5/07, effective 1/9/08]
 [Filed 7/9/08, Notice 1/30/08—published 7/30/08, effective 9/3/08]
 [Filed ARC 0663C (Notice ARC 0513C, IAB 12/12/12), IAB 4/3/13, effective 5/8/13]
 [Filed ARC 0766C (Notice ARC 0601C, IAB 2/6/13), IAB 5/29/13, effective 7/3/13]
 [Filed ARC 0903C (Notice ARC 0776C, IAB 5/29/13), IAB 8/7/13, effective 9/11/13]
 [Filed ARC 1050C (Notice ARC 0907C, IAB 8/7/13), IAB 10/2/13, effective 11/6/13]
 [Filed ARC 1205C (Notice ARC 1082C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]
 [Filed ARC 1204C (Notice ARC 1083C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]
 [Filed ARC 1476C (Notice ARC 1413C, IAB 4/2/14), IAB 6/11/14, effective 7/16/14]
 [Filed ARC 1753C (Notice ARC 1649C, IAB 10/1/14), IAB 12/10/14, effective 1/14/15]
 [Filed ARC 2273C (Notice ARC 2162C, IAB 9/30/15), IAB 12/9/15, effective 1/13/16]
 [Filed ARC 2643C (Notice ARC 2395C, IAB 2/3/16), IAB 8/3/16, effective 9/7/16]

⁰ Two or more ARCs

¹ Effective date of 470—57.15(2) “a” and “b” delayed until the expiration of 45 calendar days into the 1987 session of the General Assembly pursuant to Iowa Code section 17A.8(9), IAB 6/4/86.

² See IAB, Inspections and Appeals Department.

³ Effective date of 481—57.12(2) “a,” last paragraph, delayed 70 days by the Administrative Rules Review Committee at its meeting held July 8, 1993.

CHAPTER 62
RESIDENTIAL CARE FACILITIES
FOR PERSONS WITH MENTAL ILLNESS (RCF/PMI)

481—62.1(135C) Definitions. For the purposes of these rules, the following terms shall have the meaning indicated in this chapter. The definitions set out in Iowa Code section 135C.1 shall be considered incorporated verbatim in the rules. The use of the words “shall” and “must” indicate these standards are mandatory.

“*Academic services*” means those activities provided to assist a person to acquire general information and skills which establish the basis for subsequent acquisition and application of knowledge.

“*Age appropriate*” means those activities, settings, and personal appearance and possessions commensurate with the person’s chronological age.

“*Chronic mental illness*” means a persistent mental or emotional disorder that seriously impairs an adult’s functioning relative to such primary aspects of daily living as personal relations, living arrangements, or employment.

“*Commission*” means the mental health and mental retardation commission.

“*Community living training services*” are those activities provided to assist a person to acquire or sustain the knowledge and skills essential to independent functioning to the person’s maximum potential in the physical and social environment. These services may focus on the following areas:

1. Independent living skills means those skills necessary to sustain oneself in the physical environment and are essential to the management of one’s personal property and business. This includes self-advocacy skills.

2. Socialization skills which include self-awareness and self-control, social responsiveness, group participation, social amenities, and interpersonal skills.

3. Communication skills which include expressive and receptive skills in verbal and nonverbal language including reading and writing.

4. Leisure time and recreational skills which include the skills necessary for a person to use leisure time in a manner which is satisfying and constructive to the person.

5. Parenting skills which include those skills necessary to meet the needs of the person’s child. This service is designed to assist the person with mental illness to acquire or sustain the skills necessary for parenting.

“*Department*” means the Iowa department of inspections and appeals.

“*Dependent adult abuse*” is as defined in rule 481—52.1(235E).

“*Diagnosis*” means the investigation and analysis of the cause or nature of a person’s condition, situation, or problem.

“*Direct care staff*” means those staff persons who provide a homelike environment for the residents and assist or supervise the resident in meeting the goals in the resident’s program plan.

“*Evaluation services*” means those activities designed to identify a person’s current functioning level and those factors which are barriers to maintaining the current level or achieving a higher level of functioning.

“*Exploitation*” means the act or process of taking unfair advantage of a resident, or the resident’s physical or financial resources, for one’s own personal or pecuniary profit by the use of undue influence, harassment, duress, deception, false representation, or false pretenses.

“*Goals*” means general statements of attainable expected accomplishments to be achieved in meeting identified needs.

“*Incident*” means all accidental, purposeful, or other occurrences within the facility or on the premises affecting residents, visitors, or employees whether there is apparent injury or where hidden injury may have occurred.

“*Individual program plan (IPP)*” means a written plan for the provision of services to the resident that is developed and implemented using an interdisciplinary process, that is based on the resident’s functional status, strengths and needs, and that identifies service activities designed to enable a person

to maintain or move toward independent functioning. The plan identifies a continuum of development and outlines progressive steps and anticipated outcomes of services.

"Informed consent" means an agreement by a person, or by the person's legally authorized representative, based upon an understanding of:

1. A full explanation of the procedures to be followed including an identification of those that are and are not experimental,
2. A description of the attendant discomforts, risks, and benefits to be expected,
3. A disclosure of appropriate alternative procedures that would be advantageous for the person.

"Interdisciplinary process" means an approach to assessment, individual program planning, and service implementation in which planning participants function as a team. Each participant utilizing the skills, competencies, insights and perspectives provided by the participant's training and experience focuses on identifying the service needs of the resident and the resident's family. The purpose of the process is for participants to review and discuss, face-to-face, all information and recommendations and to reach decisions as a team. Participants share all information and recommendations, and develop as a team a single, integrated, individual program plan to meet the resident's and, when appropriate, the resident's family's needs.

"Interdisciplinary team" means the group of persons who develop a single, integrated, individual program plan to meet a resident's needs for services. The interdisciplinary team consists of, at a minimum, the resident, the resident's legal guardian, if applicable, the resident's advocate if desired by the resident, a referral agency representative, other appropriate staff members, other providers of services, and other persons relevant to resident's needs.

"Least restrictive environment" means the environment in which the interventions in the lives of people with mental illness can be carried out with a minimum of limitation, intrusion, disruption, and departure from commonly accepted patterns of living.

It is the environment which allows residents to participate, to the maximum extent possible, in everyday life and to have control over the decisions that affect them. It is an environment that provides needed supports which do not interfere with personal liberty and do not unduly interfere with a person's access to the normal events of life.

"Legal services" means those activities designed to assist the person in exercising constitutional and legislatively enacted rights.

"Level of functioning" means a person's current physiological and psychological status and current academic, community living, self-care, and vocational skills.

"Long-term residential care facility for persons with mental illness (RCF/PMI)" means a residential setting to maintain or improve community living skills to reach maximum potential for independent living and to prevent movement to a more restrictive setting.

"Mechanical restraint" means a device applied to a person's limbs, head, or body which restricts a person's movement and includes but is not limited to leather straps, leather cuffs, camisoles, or handcuffs.

"Mental abuse" means, but is not limited to, humiliation, harassment, and threats of punishment or deprivation.

"Mental illness" means a substantial disorder of thought or mood which significantly impairs judgment, behavior, or the capacity to recognize reality or the ability to cope with the ordinary demands of life. Mental disorders include the organic and functional psychoses, neuroses, personality disorders, alcoholism and drug dependence, behavioral disorders and other disorders as defined by the current edition of American Psychiatric Association Diagnostic and Statistical Manual of Mental Disorders.

"Normalization" means helping persons, in accordance with their needs and preference, to achieve a lifestyle that is consistent with the norms and patterns of general society and in ways which incorporate the age-appropriate and least restrictive principles.

"Objectives" means specific, time-limited, and measurable statements showing outcomes or accomplishments necessary to progress toward the goal.

"Physical abuse" means, but is not limited to, corporal punishment and the use of restraints as punishment.

“Physical injury” means damage to any bodily tissue to the extent the tissue must undergo a healing process in order to be restored to a sound and healthy condition. It may also mean damage to the extent the bodily tissue cannot be restored to a sound and healthy condition, or results in the death of the resident whose bodily tissue sustained the damage.

“Physical or physiological treatment” means those activities designed to prevent, halt, control, relieve, or reverse symptoms or conditions which interfere with the physical or physiological functioning of the human body.

“Physical restraint” means a technique involving the use of one or more of a staff person’s arms, legs, hands or other body areas to restrict or control the movements of a resident. This does not include the use of mechanical restraint.

“Physician” means a person licensed to practice medicine and surgery, osteopathy and surgery, osteopathy, or chiropractic under the laws of this state; but a physician licensed as a physician and surgeon shall be designated as a “physician” or “surgeon”; a person licensed as an osteopath and surgeon shall be designated as an “osteopathic physician” or “osteopathic surgeon”; a person designated as an osteopath shall be designated as an “osteopathic physician”; and a person licensed as a chiropractor shall be designated as a “chiropractor.”

“Primary care provider” means any of the following who provide primary care and meet certification standards:

1. A physician who is a family or general practitioner or an internist.
2. An advanced registered nurse practitioner.
3. A physician assistant.

“Program” means a set of related resources and services directed to the accomplishment of a fixed set of goals and objectives for any of the following:

1. Special target populations,
2. The population of a specified geographic area(s),
3. A specified purpose, and
4. A person.

“Psychotherapeutic treatment” means those activities designed to assist a person in the identification or modification of beliefs, emotions, attitudes, or behaviors in order to maintain or improve the person’s functioning in response to the physical, emotional and social environment.

“Qualified mental health professional (QMHP)” means a person who:

Is a psychiatrist, psychologist, social worker, psychiatric nurse or mental health counselor; or

Is a doctor of medicine or osteopathic medicine or has at least a master’s degree or its equivalent with coursework focusing on diagnosis and evaluation and psychotherapeutic treatment of mental health problems and mental illness.

Equivalent means at least 32 semester hours of graduate level study in the following areas:

1. Psychology (normal and abnormal)
2. Assessment (psychological and physiological)
3. Growth, development, and personality
4. Learning theory
5. Counseling theory and technique (group dynamics)
6. Human behavior
7. Sociology
8. Interpersonal relations
9. Change
10. Systems theory
11. Interdisciplinary team process
12. Organizational theory
13. Planning

These persons must have two years of documented supervised experience in providing mental health services; or

Is employed by a community mental health center or mental health service provider accredited by the commission and has less than a master's degree but at least a bachelor's degree and sufficient education and experience as determined by the chief administrative officer of the community mental health center, with the approval of the commission with coursework and experience focusing on diagnosis and evaluation and treatment of persons with mental health problems and mental illness.

All persons must hold a current license when required by Iowa law.

1. *"Psychiatrist"* means a doctor of medicine or osteopathic medicine and surgery who is certified by the American Board of Psychiatry and Neurology or who is eligible for certification.

2. *"Psychologist"* means a person who is licensed to practice psychology in the state of Iowa, or is certified by the Iowa department of education as a school psychologist, or is eligible for certification, or meets the requirements for eligibility for a license to practice psychology in the state of Iowa that were effective prior to July 1, 1985.

3. *"Social worker"* means a person who is licensed to practice social work in the state of Iowa, or who is eligible for licensure.

4. *"Psychiatric nurse"* means a person who meets the requirements of certified psychiatric-mental health nurse practitioner pursuant to 655—Chapter 7, Iowa Administrative Code, or is eligible for certification.

5. *"Mental health counselor"* means a person who is certified or eligible for certification as a mental health counselor by the National Academy of Certified Clinical Mental Health Counselors.

"Resident" means a person who has been admitted to the facility to receive care and services.

"Seclusion" means the isolation of the resident in a locked room which cannot be opened by the resident.

"Self-care training services" means those activities provided to assist a person to acquire or sustain the knowledge, habits, and skills essential to the daily needs of the person. The activities focus on personal hygiene, general health maintenance, mobility skills, and other activities of daily living.

"Service" means a set of interrelated activities provided to a resident pursuant to the IPP.

"Sexual abuse" means, but is not limited to, the exposing of pubes to a resident, the exposure of a resident's genitals, pubes, breasts or buttocks for sexual satisfaction, fondling or touching the inner thigh, groin, buttocks, anus or breast of a resident or the clothing covering these areas, sexually suggestive comments or remarks made to a resident, a genital to genital or oral to genital contact or the commission of a sexual offense under Iowa Code chapter 709 or Iowa Code section 726.2.

"Short-term transitional residential care facility for persons with mental illness" means a transitional setting to move the person toward independent living by helping the person gain mastery of independent living skills.

"Support services" means those activities provided to or on behalf of a person in the areas of personal care and assistance and property maintenance in order to allow a person to live in the least restrictive environment.

"Transportation services" means those activities designed to assist a person to travel from one place to another to obtain services or carry out life's activities.

"Verbal abuse" means, but is not limited to, the use of derogatory terms or names, undue voice volume and rude comments, orders, or responses to residents.

"Vocational training services" means those activities designed to familiarize a person with production or employment requirements and to maintain or develop the person's ability to function in a work setting. This service includes programming which allows or promotes the development of skills, attitudes, and personal attributes appropriate to the work setting.

"Work" means any activity during which a resident provides goods or services for wages.

"Written, in writing or recorded" means that an account or entry is made in a permanent form.

[ARC 1204C, IAB 12/11/13, effective 1/15/14; ARC 1752C, IAB 12/10/14, effective 1/14/15]

481—62.2(135C) Application for license.

62.2(1) Initial application and licensing. In order to obtain an initial license for a residential care facility for persons with mental illness, the applicant must meet all of the rules, regulations, and standards

contained in Iowa Code chapter 135C, and Iowa Administrative Code 481—Chapters 60 and 62, and submit an application to the department which states the type and category of license for which the facility is applying.

- a. Submit a résumé of care with a narrative which includes the following information:
 - (1) The purpose of the facility.
 - (2) A description of the target population and limitations on resident eligibility.
 - (3) An identification and description of the services the facility will provide which shall minimally include specific and measurable goals and objectives for each of the services to be made available by the facility and a description of the resources needed to provide each of the services including staff, physical facilities and funds.
 - (4) A description of the human services system available in the area, including, but not limited to, social, public health, visiting nurse, vocational training, employment services, sheltered living arrangements, and services of private agencies.
 - (5) A description of working relationships with the human services agencies when applicable, which shall include at a minimum:
 - 1. A description of how the facility will coordinate with the human services to facilitate continuity of care and coordination of services to residents; and
 - 2. A description of how the facility will coordinate with those agencies to identify unnecessary duplication of services and plan for development and coordination of needed services.
- b. Submit a floor plan of each floor of the facility drawn on 8½- x 11-inch paper showing room areas in proportion, room dimensions, room numbers for all rooms, including bathroom; and designation of the use to which room will be put and window and door location;
- c. Submit a photograph of the front and side elevation of the facility;
- d. Submit the statutory fee for a residential care facility license;
- e. Show evidence of a certificate signed by the state fire marshal or deputy state fire marshal as to compliance with fire safety rules.

62.2(2) *Renewal application or change of ownership.* In order to obtain a renewal or change of ownership license of the residential care facility to serve persons with mental illness the applicant must:

- a. Submit to the department the completed application form 30 days prior to annual license renewal or change of ownership date of the residential care facility license.
- b. Submit the statutory license fee for a residential care facility for persons with mental illness with the application for renewal or change of ownership.
- c. Have an approved current certificate signed by the state fire marshal or deputy state fire marshal as to compliance with fire safety rules.
- d. Submit documentation of review of résumé of care pursuant to 62.2(1) “a” and a copy of any revisions to the plan.

This rule is intended to implement Iowa Code sections 135C.7 and 135C.9.

481—62.3(135C) Licenses for distinct parts.

62.3(1) Separate licenses may be issued for distinct parts which are clearly identifiable parts of a health care facility, containing contiguous rooms in a separate wing or building or on a separate floor of the facility and which provide care and services of separate categories.

62.3(2) The following requirements shall be met for a separate licensing of a distinct part:

- a. The distinct part shall serve only residents who require the category of care and services immediately available to them within that part. (III)
- b. The distinct part shall meet all the standards, rules, and regulations pertaining to the category for which a license is being sought.
- c. The distinct part must be operationally and financially feasible.
- d. A separate personal care staff with qualifications appropriate to the care and services being rendered must be regularly assigned and working in the distinct part under responsible management. (III)

e. Separately licensed distinct parts may have certain services such as management, building maintenance, laundry and dietary in common with each other.

62.3(3) Licenses are issued to the person or governmental unit which has responsibility for the operation of the facility and authority to comply with all applicable statutes, rules or regulations.

The person or governmental unit must be the owner of the facility or, if the facility is leased, the lessee.

This rule is intended to implement Iowa Code sections 135C.6(1) and 135C.6(2).

481—62.4(135C) Variances. Variances from these rules may be granted by the director of the department:

1. When the need for a variance has been established consistent with the résumé of care or the resident's individual program plan.
2. When there is no danger to the health, safety, welfare, or rights of any resident.
3. The variance will apply only to a specific residential care facility for the mentally ill.
4. Variances shall be reviewed at the time of each licensure survey by the department to see if the need for the variance is still acceptable.

62.4(1) To request a variance, the licensee must:

- a.* Apply in writing on a form provided by the department;
- b.* Cite the rule or rules from which a variance is desired;
- c.* State why compliance with the rule or rules cannot be accomplished;
- d.* Explain how the variance is consistent with the résumé of care or the individual program plan;
- e.* Demonstrate that the requested variance will not endanger the health, safety, welfare, or rights of any resident.

62.4(2) Upon receipt of a request for variance, the director shall:

- a.* Examine the rule from which the variance is requested;
- b.* Evaluate the requested variance against the requirement of the rule to determine whether the request is necessary to meet the needs of the residents;
- c.* Examine the effect of the requested variance on the health, safety, or welfare of the residents;
- d.* Consult with the applicant to obtain additional written information if required.

62.4(3) Based upon this information, approval of the variance will be either granted or denied within 120 days of receipt.

481—62.5(135C) General requirements.

62.5(1) The license shall be valid and be posted in each facility so the public can see it easily. (III)

62.5(2) The license shall be valid only for the premises and person named on the license and is not transferable.

62.5(3) The posted license shall accurately reflect the current status of the residential care facility for persons with mental illness. (III)

62.5(4) Licenses expire one year after the date of issuance or as indicated on the license.

62.5(5) There shall be no more beds erected than are stipulated on the license. (II, III)

62.5(6) Each citation or a copy of each citation issued by the department for a class I or class II violation shall be prominently posted by the facility in plain view of the residents, visitors, and persons inquiring about placement in the facility. The citation or copy of the citation shall remain posted until the violation is corrected to the satisfaction of the department. (III)

This rule is intended to implement Iowa Code section 135C.8.

481—62.6(135C) Notification required by the department. The department shall be notified:

Within 48 hours, by letter, of any reduction or loss of personal care or dietary staff lasting more than seven days which places the staff ratio below that required for licensing. No additional residents shall be admitted until the minimum staff requirements are achieved. (II, III)

Within 30 days of any proposed change in the résumé of care for the RCF/PMI. (II, III)

Thirty days before addition, alteration, or new construction is begun in the residential care facility or on the premises; (III)

Thirty days in advance of closure of the residential care facility for persons with mental illness; (III)

Within two weeks of any change of administrator; (II, III)

Within 30 days when any change in the category of license is sought. (III)

Prior to the purchase, transfer, assignment, or lease of a residential care facility the licensee shall:

1. Inform the department in writing of pending sale, transfer, assignment, or lease of the facility; (III)

2. Inform the department in writing of the name and address of the prospective purchaser, transferee, assignee, or lessee at least 30 days before the sale, transfer, assignment, or lease is completed; (III)

3. Submit a written authorization to the department permitting the department to release information of whatever kind from the department's files concerning the licensee's residential care facility to the named prospective purchaser, transferee, assignee, or lessee. (III)

After the authorization has been submitted to the department, the department shall upon request send or give copies of all recent licensure surveys and any other pertinent information relating to the facility's licensure status to the prospective purchaser, transferee, assignee or lessee. Costs for copies requested shall be paid by the prospective purchaser, transferee, assignee or lessee. No information personally identifying any resident shall be provided to prospective purchaser, transferee, assignee or lessee. (II, III)

This rule is intended to implement Iowa Code sections 135C.6(3) and 135C.16(2).

481—62.7(135C) Administrator. Each residential care facility for persons with mental illness shall have one person in charge, duly approved by the department or acting in a provisional capacity in accordance with these rules. (II, III)

62.7(1) The administrator shall be at least 21 years of age and shall meet at least one of the following conditions:

a. Be a licensed nursing home administrator, or a certified residential care administrator in Iowa. These individuals must have at least two years' experience in direct care or supervision of persons with mental illness, (II, III) or

b. Be a qualified mental health professional (QMHP) with at least one year of experience in an administrative capacity in a health care facility, (II, III) or

c. Have completed a one-year educational training program approved by the department with emphasis on serving the needs of persons with mental illness, and two years' experience in direct care or supervision of persons with mental illness. (II, III)

d. Those individuals currently employed as administrators on the effective date of these rules (March 30, 1988) shall not be required to meet the above criteria during their employment in the current facility.

62.7(2) The administrator shall be responsible for no more than 150 beds in total if the administrator is an administrator of more than one facility. (II, III)

a. The distance between the two farthest facilities shall be no greater than 50 miles. (II, III)

b. An administrator of more than one facility must designate an administrative staff person in each facility who shall be responsible for directing programs in the facility during the administrator's absence. (II, III)

62.7(3) The administrative staff person shall be designated in writing and immediately available to the facility on a 24-hour basis when the administrator is absent and residents are in the facility. (II, III)

The person(s) designated shall:

a. Have at least two years' experience or training in a supervisory or direct care position in a mental health setting; (II, III)

b. Be knowledgeable of the operation of the facility; (II, III)

c. Have access to records concerned with the operation of the facility; (II, III)

d. Be capable of carrying out administrative duties and of assuming administrative responsibilities; (II, III)

e. Be at least 21 years of age; (III)

f. Be empowered to act on behalf of the licensee during the administrator's absence concerning the health, safety, and welfare of the residents; (II, III)

g. Have training to carry out assignments and take care of emergencies and sudden illnesses of residents. (II, III)

62.7(4) If an administrator serves more than one facility, a written plan shall be developed and available for review and approval by the department designating regular and specific times the administrator will be available to meet with the staff and residents to provide direction and supervision of resident care and services. (II, III)

62.7(5) The licensee may be the approved administrator providing the requirements set forth in these rules are met. (III)

62.7(6) When a facility has been unable to replace the administrator, through no fault of its own, a provisional administrator meeting the qualifications of the administrative staff person may be appointed on a temporary basis by the licensee to assume the administrative responsibilities for the facility. This person shall not serve more than three months. The department must be notified before the appointment of the provisional administrator. (III)

A facility applying for initial licensing shall not have a provisional administrator. (III)

This rule is intended to implement Iowa Code section 135C.14(2).

481—62.8(135C) Administration.

62.8(1) The licensee shall:

a. Be responsible for the overall operation of the RCF/PMI. (III)

b. Be responsible for compliance with all applicable laws and with the rules of the department. (II, III)

c. Establish written policies, which shall be available for review by the department or other agencies designated by Iowa Code section 135C.16(3), for the operation of the RCF/PMI including but not limited to: (III)

1. Personnel (III)

2. Admission (III)

3. Evaluation services (II, III)

4. Programming and individual program plan (II, III)

5. Crisis intervention (II, III)

6. Discharge or transfer (III)

7. Medication management (II)

8. Resident property (II, III)

9. Financial affairs (II, III)

10. Records (III)

11. Health and safety (II, III)

12. Nutrition (III)

13. Physical facilities and maintenance (III)

14. Care review (III)

15. Resident rights (II, III)

d. Furnish statistical information concerning the operation of the facility to the department within 30 days of request. (III)

62.8(2) The administrator shall be responsible for the implementation of procedures to support the policies established by the licensee. (III)

This rule is intended to implement Iowa Code section 135C.14.

481—62.9(135C) Personnel.

62.9(1) The personnel policies and procedures shall include the following requirements: (III)

a. Written job descriptions for all employees or agreements for all consultants, which include duties and responsibilities; education, experience, or other requirements, and supervisory relationships. (III)

b. Annual performance evaluation of all employees and consultants which is dated and signed by the employee or consultant and the supervisor. (III)

c. Personnel records which are current, accurate, complete, and confidential to the extent allowed by law. The record shall contain documentation of how the employee's or consultant's education and experience are relevant to the position for which hired. (III)

d. Roles, responsibilities, and limitation of student interns and volunteers. (III)

e. An orientation program for all newly hired employees and consultants which includes an introduction to the facility's personnel policies and procedures, and a discussion of the facility's safety plan. (II, III)

f. A plan for a continuing education program with a minimum of eight in-service programs per year for all employees which shall include a written, individualized staff development plan for each employee. This includes, but is not limited to, the administrator, department heads, and direct care staff. The plan shall take into consideration the needs of the facility as identified in the résumé of care. The plan shall ensure that each employee has the opportunity to develop and enhance skills and to broaden and increase knowledge contributing to effective resident care, including but not limited to: (II, III)

(1) First aid. (II, III)

(2) Human needs and behavior. (II, III)

(3) Problems and needs of persons with mental illness. (II, III)

(4) Medication. (II, III)

(5) Crisis intervention. (II)

(6) Delivery of services in accordance with the principles of normalization. (III)

(7) Wellness. (III)

(8) Fire safety, disaster, and tornado preparation. (II, III)

g. Equal opportunity and affirmative action employment practices. (III)

h. Procedures to be used when disciplining an employee. (III)

i. Appropriate dress and personal hygiene for staff and residents. (III)

62.9(2) The facility shall require regular health examinations for all personnel, and examinations shall be required at the commencement of employment and thereafter at least every four years. The examination shall include, at a minimum, the health status of the employee. Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (III)

a. No person shall be allowed to provide services in a facility if the person has a disease:

(1) Which is transmissible through required workplace contact, (I, II, III)

(2) Which presents a significant risk of infecting others, (I, II, III)

(3) Which presents a substantial possibility of harming others, and (I, II, III)

(4) For which no reasonable accommodation can eliminate the risk. (I, II, III)

Refer to Guidelines for Infection Control in Hospital Personnel, Centers for Disease Control, U.S. Department of Health and Human Services, PB85-923402 to determine (1), (2), (3) and (4).

b. There shall be written policies for emergency medical care for employees in case of sudden illness or accident. These policies shall include the administrative individuals to be contacted. (III)

c. Health certificates for all employees shall be available for review by the department. (III)

62.9(3) Staffing. The facility shall establish, subject to approval of the department, the numbers and qualifications of the staff required in an RCF/PMI using as its criteria the services being offered as indicated on the résumé of care and as required for implementation of individual program plans. (II, III)

a. Personnel in an RCF/PMI shall provide 24-hour coverage for residential care services. Personnel shall be up and dressed at all times in facilities over 15 beds. In facilities with 15 or less beds, personnel shall be up and dressed when residents are awake. (II, III)

b. The policies and procedures shall provide for staff accessibility during normal sleeping hours in facilities with 15 beds or less. (I)

c. Direct care staff shall be present in the facility unless all residents are involved in activities away from the facility. The policies and procedures shall provide for an on-call staff person to be available when residents and staff are absent from the facility. (II, III)

- (1) The on-call staff person shall be designated in writing.
- (2) Residents shall be informed of how to call the on-call person.

d. The staffing plan shall ensure that at least one qualified direct care staff is on duty to carry out and implement the individual program plans. (II, III)

e. The RCF/PMI shall provide for services of a qualified mental health professional by direct employment or contract and whose responsibilities shall include, but not be limited to: (II, III)

- (1) Approval of each resident's individual program plan; (II, III)
- (2) Monitoring the implementation of each resident's individual program plan; (II, III)
- (3) Recording each resident's progress; (II, III)
- (4) Participation in a periodic review of each individual program plan pursuant to 62.12(4) "a" and "b." (II, III)

f. Each residential care facility with over 15 beds shall employ a person to direct the activity program both inside and outside the facility in accordance with each resident's individual program plan. (III)

g. Staff for the activity program shall be provided on a minimum basis of 45 minutes per licensed bed per week:

(1) The activity coordinator shall have completed the activity coordinator's orientation course approved by the department within six months of beginning employment or have comparable training and experience as approved by the department. (III)

(2) The activity coordinator shall attend workshops or educational programs which relate to activity programming. These shall total a minimum of ten contact hours per year. (III)

(3) There shall be a written plan for personnel coverage when the activity coordinator is absent during scheduled working hours. (III)

h. The activity coordinator shall have access to all residents' records excluding financial records; (III)

i. Responsibilities of the activity coordinator shall include:

(1) Coordinating all activities, including volunteer or auxiliary activities and religious services. (III)

(2) Keeping all necessary records including attendance, individual resident progress notes at least quarterly, and monthly calendars prepared one month in advance. (III)

(3) Coordinating the activity program with all other services in the facility. (III)

(4) Participating in the in-service training program in the facility. This shall include attending as well as presenting sessions. (III)

62.9(4) Personnel record.

a. A personnel record shall be kept for each employee. (III)

b. The record shall include the employee's:

1. Name and address, (III)
2. Social security number, (III)
3. Date of birth, (III)
4. Date of employment, (III)
5. References, (III)
6. Position in the facility, (III)
7. Job description, (III)
8. Documentation of experience and education, (III)
9. Staff development plan, (III)
10. Annual performance evaluation, (II, III)
11. Documentation of disciplinary action, (II, III)
12. Date and reason for discharge or resignation, (III)
13. Current physical examination. (III)

62.9(5) Employee criminal record checks, child abuse checks and dependent adult abuse checks and employment of individuals who have committed a crime or have a founded abuse. The facility shall comply with the requirements found in Iowa Code section 135C.33 as amended by 2013 Iowa Acts, Senate File 347, and rule 481—50.9(135C) related to completion of criminal record checks, child abuse checks, and dependent adult abuse checks and to employment of individuals who have committed a crime or have a founded abuse. (I, II, III)

This rule is intended to implement Iowa Code sections 135C.14(2) and 135C.14(6).
[ARC 0663C, IAB 4/3/13, effective 5/8/13; ARC 0903C, IAB 8/7/13, effective 9/11/13; ARC 1205C, IAB 12/11/13, effective 1/15/14]

481—62.10(135C) General admission policies. There shall be admission policies which address the following:

1. No resident shall be admitted or retained who is in need of greater services than the facility can provide. (II, III)

2. Residents shall be admitted only on a written order signed by a physician certifying that the individual requires no more than personal care and supervision and does not require nursing care. (II, III)

3. A preplacement visit shall be completed prior to admission, except in case of an emergency admission or readmission, to familiarize the applicant with the facility and services offered. The policies and procedures may allow for waiving the requirement at the request of a person seeking admission when the completion of the visit would create a hardship for the person seeking admission. If the distance to be traveled makes it impossible to complete the visit in an eight-hour day, this may be considered to create a hardship. (III)

4. Prior to admission of an applicant, the facility shall obtain sufficient information to determine if its program is appropriate and adequate to meet the person's needs. (III)

5. Admission criteria shall include but not be limited to age, sex, diagnosis, from the American Psychiatric Association Diagnostic and Statistical Manual of Mental Disorders, substance abuse, dual diagnosis and criteria that are consistent with the résumé of care. (III)

6. Each facility shall maintain a waiting list with selection priorities identified. (III)

7. No RCF/PMI may admit more residents than the number of beds for which it is licensed. (II, III)

8. There shall be a written, organized orientation program for all residents which shall be planned and implemented to resolve or reduce personal, family, business, and emotional problems that may interfere with the health care, recovery, and rehabilitation of the individual and which shall be available for review by the department. (III)

9. Infants and children under the age of 18 shall not be admitted to an RCF/PMI for adults unless given prior written approval by the department. A distinct part of an RCF/PMI, segregated from the adult section, may be established based on a résumé of care submitted by the licensee or applicant which is commensurate with the needs of the residents of the health care facility and has received the department's review and approval. (III)

This rule is intended to implement Iowa Code sections 135C.3 and 135C.23.

481—62.11(135C) Evaluation services.

62.11(1) Each resident admitted shall have had a physical examination prior to admission and annually thereafter. (II, III)

a. If the resident is admitted directly from a hospital, a copy of the hospital admission physical and discharge summary may be part of the record in lieu of an additional physical examination. (II, III)

b. The record of the admission physical examination shall portray the current medical status of the resident and shall include the resident's name, sex, age, medical history, physical examination, diagnosis, statement of chief complaints, and results of any diagnostic procedure. (II, III)

c. Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (II, III)

62.11(2) Evaluation services shall be provided to each resident. An annual evaluation of each resident shall be completed no later than 12 months from the date of the last available evaluation. For

residents who are on leave from a state mental health institution, the institution shall be responsible for the completion of the evaluation. The facility shall ensure the completion of the evaluation of all other residents. The annual evaluation shall identify physical health and current level of functioning and need for services. (II, III)

62.11(3) The portion of the evaluation to identify the resident's physical health shall:

a. Result in identification of current illness and disabilities and recommendations for physical and physiological treatment and services. (II, III)

b. Include an evaluation of the resident's ability for health maintenance. (III)

c. Be performed by a medical doctor or doctor of osteopathic medicine who holds a current license to practice medicine in the state of Iowa. If the evaluation is completed out of Iowa, it must be by a physician who holds a current license in the state in which the evaluation is performed. (II, III)

62.11(4) The portion of the evaluation to identify the resident's current functioning level and need for services shall:

a. Identify the resident's level of functioning and need for services in each of the following areas: self-care, community living skills, psychotherapeutic treatment, vocational skills, academic skills. (II, III)

b. Be of sufficient detail to determine the appropriateness of placement according to the skills and needs of the resident. (II, III)

c. Be made without regard to the availability of services. (III)

d. Be performed by a QMHP, in consultation with the interdisciplinary team. (II, III)

e. If an evaluation is available from the referral source, the evaluation shall be secured by the facility prior to the admission of the applicant. (III)

f. If an evaluation is not available, or does not contain all the required information, the facility shall ensure an evaluation to the extent necessary to determine if the applicant meets the criteria for admission. For those admitted, the remainder of the evaluation shall be performed prior to the development of an individual program plan. (III)

g. Results of all evaluations shall be in writing and maintained in the resident's record. Evaluations subsequent to the initial evaluation shall be performed in sufficient detail to determine changes in the resident's physical health, skills and need for services. (II, III)

62.11(5) A narrative social history shall be completed for each resident within 30 days of admission and approved by the qualified mental health professional prior to the development of the IPP. (III)

a. When the social history was secured from another provider, the information contained shall be reviewed within 30 days of admission. The date of the review, signature of the staff reviewing the history and a summary of significant changes in the information shall be entered in the resident's record. (III)

b. An annual review of the information contained within the social history shall be incorporated into the individual program plan progress note. (III)

c. The social history shall minimally address the following areas:

1. Referral source and reason for admission, (II, III)

2. Legal status, (II, III)

3. A description of previous living arrangements, (III)

4. A description of previous services received and summary of current service involvements, (II, III)

5. A summary of significant medical conditions including, but not limited to, illnesses, hospitalizations, past and current drug therapies, and special diets, (II, III)

6. Substance abuse history, (II, III)

7. Work history, (III)

8. Educational history, (III)

9. Relationship with family, significant others, and other support systems, (III)

10. Cultural and ethnic background and religious affiliation, (II, III)

11. Hobbies and leisure time activities, (III)

12. Likes, dislikes, habits, and patterns of behavior, (II, III)

13. Impressions and recommendations.

This rule is intended to implement Iowa Code section 135C.14(7).
[ARC 0663C, IAB 4/3/13, effective 5/8/13]

481—62.12(135C) Programming.

62.12(1) Individual program plan. An individual program plan (IPP) for each resident shall be developed by an interdisciplinary team. Services to the resident shall be appropriate to address the short-term transitional or long-term residential needs of the resident. The resident or the resident's legal guardian has the ultimate authority to accept or reject the plan unless otherwise determined by the court. The IPP shall be approved and implementation monitored by the QMHP. (II, III)

a. The IPP shall be based on the individual service plan of the referring agency, if available, the information contained in the social history, the need for services identified in the evaluation, and any other pertinent information. (III)

b. The facility shall assist the resident in obtaining access to academic, community living skills training, legal, self-care training, support, transportation, treatment, and vocational training services to the resident as needed. These services may be provided by the facility or obtained from other providers. (III)

c. Services to the resident shall be provided in the least restrictive environment and shall incorporate the principle of normalization. (III)

d. If needed services are not available and accessible, the facility shall document the actions which were taken to locate and access or deliver those services. The documentation shall include the identification of the type of needs which will not be met due to the lack of available services. (III)

e. The IPP shall be developed within 30 days following admission to the facility and renewed at least annually. (II, III)

f. The IPP shall be in writing, dated, signed by the interdisciplinary team members, and maintained in the resident's record. (III)

g. Written notice of the meeting to develop an IPP shall be sent to all persons to be included in the interdisciplinary team conference in advance of the scheduled meeting. (III)

62.12(2) The IPP shall include the following:

1. Goals, (III)

2. Objectives, (III)

3. The specific service(s), including medication counseling, to be provided to achieve the objectives, the person(s) or agency(ies) responsible for providing the service(s), and the date of initiation and anticipated duration of service(s). (III)

62.12(3) The IPP shall state the evaluation procedure for determining if objectives are achieved which shall include the incorporation of a continuous process for review and revision. (III)

62.12(4) There shall be a review of the IPP by relevant staff, the resident, and appropriate others at least semiannually. (II, III)

a. The review shall include the development of a written report which addresses the following: summary of the resident's progress toward objectives; the need for continued services and any recommendation concerning alternative services or living arrangements; and any recommended change in guardianship or conservatorship status. The report shall reflect those involved in the review and the date of the review, and shall be maintained in the resident's record. (II, III)

b. The review shall be approved by the qualified mental health professional. (III)

62.12(5) There shall be procedures for recording the activities of each service provider toward assisting the resident in achieving the objectives in the IPP and the resident's response which shall include a mechanism for coordination with all service providers. (III)

a. An entry into the resident's record shall be made by staff whenever possible at the time of service provision but no later than seven days from service provision. (III)

b. Entries shall be dated and signed by the person providing the service. (III)

c. When the service includes ongoing activities occurring more than once a week, a summarized entry may be made weekly by staff in the resident's record. (III)

d. Entries shall be written in terms of behavioral observations and specific activities. Entries that involve subjective interpretations of a resident's behavior or progress shall be clearly identified and shall be supplemented with the behavioral observations which served as the basis of the interpretation. (III)

This rule is intended to implement Iowa Code section 135C.14.

481—62.13(135C) Crisis intervention.

62.13(1) There shall be written policies and procedures concerning crisis intervention. (II) These policies and procedures shall be:

a. Directed to maximizing the growth and development of the individual by incorporating a hierarchy of available alternative methods that emphasize positive approaches; (II, III)

b. Available in each program area and living unit; (II, III)

c. Available to individuals and their families; and (II, III)

d. Developed with the participation, as appropriate, of individuals served. (II, III)

62.13(2) Corporal punishment and verbal abuse (shouting, screaming, swearing, name-calling, or any other activity that would be damaging to an individual's self-respect) are prohibited by written policy. (II)

62.13(3) Medication shall not be used as punishment, for the convenience of staff, or as a substitute for a program. Direct care staff shall monitor residents on medication and notify the physician if a resident is too sedated to participate in IPP. (I, II)

62.13(4) Residents shall not be subjected to mechanical restraint. (I, II)

62.13(5) There shall be written policies that define the uses of seclusion and physical restraints, designate the staff member(s) who may authorize its use, and establish a mechanism for monitoring and controlling its use. (I, II) Temporary physical restraint and temporary seclusion of residents shall be used only under the following conditions: (I, II)

a. An emergency to prevent injury to the resident or to others; or (I, II)

b. For crisis intervention but shall not be used for punishment, for the convenience of staff or as a substitution for supervision or program; (I, II) and

c. Seclusion may only be used in an RCF/PMI if a variance is granted. When a seclusion room is used, it shall meet the standards set out in 481—subrule 61.5(12). (I, II)

62.13(6) The physician and QMHP shall be notified immediately of the resident's need for placement in seclusion and a time-limited order for seclusion obtained from the physician. The order shall be for no more than one hour at a time. If the resident is placed in seclusion longer than one hour, the resident shall be visited and evaluated by the physician or qualified mental health professional before a continuation of the seclusion order can be obtained. If the evaluation is conducted by a QMHP, the physician shall be notified of the resident's condition and the physician shall see the resident within 24 hours of each incident of seclusion and sign the seclusion order. (I, II)

62.13(7) If orders for seclusion remain in force for more than a total of 3 hours in a 24-hour period, the facility shall make arrangements for immediate transfer of the resident to a higher level of care. (I, II)

62.13(8) Standing or PRN orders for seclusion are prohibited. (I, II)

62.13(9) Written documentation of the above information shall be kept as a part of each resident's record and the administrator shall be responsible for maintaining a daily record of seclusion usage which shall be kept available for review by the department. (II, III)

62.13(10) Written documentation shall be kept of each incident of seclusion to minimally include: (II)

a. Explanation of less restrictive measures implemented prior to use of seclusion, (I, II)

b. Record of visual observation of the resident every ten minutes or more frequently if needed, (I)

c. Description of the resident's activity at the time of observation to include verbal exchange and behavior, (I, II)

d. Description of safety procedures taken (removal of dangerous objects, etc.), (I)

e. Record of vital signs including blood pressure, pulse and respiration unless contraindicated by resident behavior and reasons documented, (I, II)

- f. Record of intake of food and fluid, (II, III)
- g. Record of rest room use, (II, III)
- h. Record of numbers of hours and minutes in seclusion. (II)

62.13(11) The facility shall provide training by qualified professionals to the staff on physical restraint and seclusion theory and techniques. (I)

a. The facility shall keep a record of above training for review by the department and shall include attendance. (II, III)

b. Only staff who have documented training in physical restraint and seclusion theory and techniques shall be authorized to assist with seclusion or physical restraint of a resident. (I)

c. Under no circumstances shall a resident be allowed to actively or passively assist in the restraint of another resident. (I)

This rule is intended to implement Iowa Code section 135C.14.

481—62.14(135C) Discharge or transfer. Procedures for the discharge or transfer of the resident shall be established and followed: (II, III)

62.14(1) Discharge plan. The decision to discharge a person and the plan for doing so shall be established through the participation of the resident, members of the interdisciplinary team and other resource personnel as appropriate for the welfare of the individual. (II, III)

a. Discharge planning shall begin within 30 days of admission and be carried out in accordance with the IPP. (II, III)

b. As changes occur in a resident's physical or mental condition, necessitating services or care which cannot be adequately provided by the facility, the resident shall be transferred promptly to another appropriate facility pursuant to 62.10(1) "a." (I, II)

c. Notification shall be made to the resident's family, the resident's legal representative, primary care provider, and sponsoring agency, if any, prior to transfer or discharge of any resident. (III)

d. Proper arrangements shall be made for the welfare of the resident prior to the transfer or discharge in the event of an emergency or inability to reach the resident's family or the resident's legal representative. (III)

e. The licensee shall not refuse to discharge or transfer a resident when directed by the primary care provider, resident, legal representative, or court. (II, III)

f. Advance notification by telephone shall be made to the receiving facility prior to the transfer of any resident. (III)

g. When a resident is transferred or discharged, the current evaluation and treatment plan and progress notes for the last 30 days, as set forth in these rules, shall accompany the resident. (II, III)

h. Prior to the transfer or discharge of a resident to another health care facility, arrangements to provide for continuity of care shall be made with the facility to which the resident is being sent. (II, III)

i. A discharge or transfer authorization and summary shall be prepared for each resident who has been discharged or transferred from the facility and shall be disseminated to appropriate persons to ensure continuity of care and in accordance with the requirements to ensure confidentiality. (II, III)

j. A transfer to a part of a facility that has a different license must be handled the same way as a transfer to another facility, and not as an intrafacility transfer.

62.14(2) Intrafacility transfer. Residents shall not be moved from room to room within a health care facility arbitrarily. (I, II)

a. Involuntary relocation may occur only to implement goals and objectives in the IPP and in the following situations:

(1) Incompatibility with or behavior disturbing to roommates, as documented in the residents' records; (I, II)

(2) To allow a new admission to the facility which would otherwise not be possible due to separation of roommates by sex; (II, III)

(3) Reasonable and necessary administrative decisions regarding the use and functioning of the building. (II, III)

b. Unreasonable and unjustified reasons for changing a resident's room without the concurrence of the resident or legal guardian include:

- (1) Punishment or behavior modification. (II)
- (2) Discrimination on the basis of race or religion. (II)

c. If intrafacility relocation is necessary for reasons outlined in paragraph “*a.*,” the resident shall be notified at least 48 hours prior to the transfer and the reason shall be explained. The legal guardian shall be notified as soon as possible. The notification shall be documented in the resident's record and signed by the resident or legal guardian. (II)

d. If emergency relocation is required to protect the safety or health of the resident or other residents, the notification requirements may be waived. The conditions of the emergency shall be documented. The family and legal guardian shall be notified immediately, or as soon as possible, of the condition requiring emergency relocation and the notification shall be documented. (II)

e. A transfer to a part of a facility that has a different license must be handled in the same way as a transfer to another facility and not as an intrafacility transfer. (II, III)

62.14(3) *Involuntary discharge or transfer permitted.* A facility may involuntarily discharge or transfer a resident for only one of the following reasons:

a. Medical reasons, based on the resident's needs and determined and documented in the resident's record by the primary care provider;

b. The resident's social, emotional or physical well-being or that of other residents, as documented by the administrator or designee with specific information to support the determination that the resident's continued presence in the facility would adversely affect the resident's own well-being or that of other residents;

c. Due to action pursuant to Iowa Code chapter 229; or

d. Nonpayment for the resident's stay, as described in the admission agreement for the resident's stay. (I, II, III)

62.14(4) *Involuntary transfer or discharge—written notice.* Involuntary transfer or discharge of a resident from a facility shall be preceded by a written notice to the resident or the resident's family or resident's legal representative. (II, III)

a. The notice shall contain all of the following information:

- (1) The stated reason for the proposed transfer or discharge. (II)
- (2) The effective date of the proposed transfer or discharge. (II)
- (3) A statement, in not less than 12-point type, that reads as follows:

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 Iowa department of inspections and appeals (hereinafter referred to as “department”) within 7 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. If you request a hearing, it will be held no later than 14 days after the department's receipt of your request and you will not be transferred before a final decision is rendered. In emergency circumstances, provision may be made for extension of the 14-day requirement upon request to the department designee. If you lose the hearing, you will not be transferred before the expiration date of either (1) 30 days following your receipt of the original notice of the discharge or transfer, or (2) no sooner than 5 days following final decision of such hearing, including the exhaustion of all appeals, whichever occurs later. To request a hearing or receive further information, call the department at (515)281-4115, or you may write to the department to the attention of: Administrator, Division of Health Facilities, Iowa Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319. (II)

b. The notice shall be personally delivered to the resident and a copy placed in the resident's record. A copy shall also be transmitted to the department, the resident's legal representative, primary care provider, and the person or agency responsible for the resident's placement, maintenance, and care

in the facility. The notice shall indicate that copies have been transmitted to the required parties by using the abbreviation “cc:” and listing the names of all parties to whom copies were sent. (II)

c. The notice required by paragraph 62.14(4) “*a*” shall be provided at least 30 days in advance of the proposed transfer or discharge unless one of the following occurs:

(1) An emergency transfer or discharge is mandated by the resident’s health care needs and is in accordance with the written orders and medical justification of the primary care provider. Emergency transfers or discharges may also be mandated in order to protect the health, safety, or well-being of other residents and staff. (II)

(2) The transfer or discharge is subsequently agreed to by the resident or the resident’s legal representative, and notification is given to the legal representative, the resident’s primary care provider, and the person or agency responsible for the resident’s placement, maintenance, and care in the facility. (II)

d. A hearing requested pursuant to this subrule shall be held in accordance with subrule 62.14(6).

62.14(5) *Involuntary transfer or discharge—emergency transfer or discharge.* In the case of an emergency transfer or discharge, the resident must be given a written notice prior to or within 48 hours following the transfer or discharge. (II, III)

a. A copy of this notice must be placed in the resident’s file. The notice must contain all of the following information:

- (1) The stated reason for the transfer or discharge. (II)
- (2) The effective date of the transfer or discharge. (II)
- (3) A statement, in not less than 12-point type, that reads:

You have a right to appeal the facility’s decision to transfer or discharge you on an emergency basis. If you think you should not have to leave this facility, you may request a hearing, in writing or verbally, with the Iowa department of inspections and appeals within 7 days after receiving this notice. You have the right to be represented at the hearing by an attorney or any other individual of your choice. If you request a hearing, it will be held no later than 14 days after the department’s receipt of your request. You may be transferred or discharged before the hearing is held or before a final decision is rendered. If you win the hearing, you have the right to be transferred back into the facility. To request a hearing or receive further information, call the department at (515)281-4115, or write to the department to the attention of: Administrator, Division of Health Facilities, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. (II)

b. The notice shall be personally delivered to the resident, and a copy shall be placed in the resident’s record. A copy shall also be transmitted to the department, the resident’s legal representative, the resident’s primary care provider, and the person or agency responsible for the resident’s placement, maintenance, and care in the facility. The notice shall indicate that copies have been transmitted to the required parties by using the abbreviation “cc:” and listing the names of all parties to whom copies were sent.

c. A hearing requested pursuant to this subrule shall be held in accordance with subrule 62.14(6).

62.14(6) *Involuntary transfer or discharge—hearing.*

a. Request for hearing.

- (1) The resident must request a hearing within 7 days of receiving written notice.
- (2) The request must be made to the department, either in writing or verbally.

b. The hearing shall be held no later than 14 days after the department’s receipt of the request unless either party requests an extension due to emergency circumstances.

c. Except in the case of an emergency discharge or transfer, a request for a hearing shall stay a transfer or discharge pending a final decision, including the exhaustion of all appeals. (II)

d. The hearing shall be heard by a department of inspections and appeals administrative law judge pursuant to Iowa Code chapter 17A and 481—Chapter 10. The hearing shall be public unless the resident or representative requests in writing that the hearing be closed. In a determination as to whether a

transfer or discharge is authorized, the burden of proof by a preponderance of evidence rests on the party requesting the transfer or discharge.

e. Notice of the date, time, and place of the hearing shall be sent by certified mail or delivered in person to the facility, the resident and the resident's legal representative not later than 5 full business days after the department's receipt of the request. The notice shall also inform the facility and the resident or the resident's legal representative that they have a right to appear at the hearing in person or be represented by an attorney or other individual. The appeal shall be dismissed if neither party is present or represented at the hearing. If only one party appears or is represented, the hearing shall proceed with one party present.

f. The administrative law judge's written decision shall be sent by certified mail to the facility, resident, and resident's legal representative within 10 working days after the hearing has been concluded.

62.14(7) *Nonpayment.* If nonpayment is the basis for involuntary transfer or discharge, the resident shall have the right to make full payment up to the date that the discharge or transfer is to be made and then shall have the right to remain in the facility. (II)

62.14(8) *Discussion of involuntary transfer or discharge.* Within 48 hours after notice of involuntary transfer or discharge has been received by the resident, the facility shall discuss the involuntary transfer or discharge with the resident, the resident's legal representative, and the person or agency responsible for the resident's placement, maintenance, and care in the facility. (II)

a. The facility administrator or other appropriate facility representative serving as the administrator's designee shall provide an explanation and discussion of the reasons for the resident's involuntary transfer or discharge. (II)

b. The content of the explanation and discussion shall be summarized in writing, shall include the names of the individuals involved in the discussion, and shall be made part of the resident's record. (II)

c. The provisions of this subrule do not apply if the involuntary transfer or discharge has already occurred pursuant to subrule 62.14(5) and emergency notice is provided within 48 hours.

62.14(9) *Involuntary discharge or transfer—transfer or discharge planning.*

a. The facility shall develop a plan to provide for the orderly and safe transfer or discharge of each resident to be transferred or discharged. (II)

b. To minimize the possible adverse effects of the involuntary transfer, the resident shall receive counseling services by the sending facility before the involuntary transfer and by the receiving facility after the involuntary transfer. Counseling shall be documented in the resident's record. (II)

c. The counseling requirement in paragraph 62.14(9) "b" does not apply if the discharge has already occurred pursuant to subrule 62.14(5) and emergency notice is provided within 48 hours.

d. Counseling, if required, shall be provided by a licensed mental health professional as defined in Iowa Code section 228.1(6). (II)

e. The health care facility that receives a resident who has been involuntarily transferred shall immediately formulate and implement a plan of care which takes into account possible adverse effects the transfer may cause. (II)

62.14(10) *Transfer upon revocation of license or voluntary closure.* Residents shall not have the right to a hearing to contest an involuntary discharge or transfer resulting from the revocation of the facility's license by the department of inspections and appeals. In the case of the voluntary closure of a facility, a period of 30 days must be allowed for an orderly transfer of residents to other facilities.

This rule is intended to implement Iowa Code section 135C.14(8).

[ARC 1205C, IAB 12/11/13, effective 1/15/14; ARC 1752C, IAB 12/10/14, effective 1/14/15]

481—62.15(135C) Medication management.

62.15(1) Medications shall be prescribed on an individual basis by one who is authorized by Iowa law to prescribe. (I, II)

a. Medication orders shall be correctly implemented by qualified personnel. (II)

b. Qualified staff shall ensure that residents are able to take their own medication. (I, II)

c. Each physician order allowing a resident to take their own medications shall specify whether this self-medication shall be without supervision or under the supervision of qualified staff as defined in 62.15(2). (I, II)

62.15(2) Drug administration.

a. A properly trained person shall be charged with the responsibility of administering nonparenteral medications.

b. The individual shall have knowledge of the purpose of the drugs, their dangers, and contraindications.

c. This person shall be a licensed nurse or physician or shall have successfully completed a department-approved medication aide course or passed a department-approved medication aide challenge examination administered by an area community college.

d. Prior to taking a department-approved medication aide course, the individual shall have a letter of recommendation for admission to the medication aide course from the employing facility.

e. A person who is a nursing student or a graduate nurse may take the challenge examination in place of taking a medication aide course. This individual shall do all of the following before taking the medication aide challenge examination:

(1) Complete a clinical or nursing theory course within six months before taking the challenge examination;

(2) Successfully complete a nursing program pharmacology course within one year before taking the challenge examination;

(3) Provide to the community college a written statement from the nursing program's pharmacology or clinical instructor indicating the individual is competent in medication administration.

f. A person who has written documentation of certification as a medication aide in another state may become a medication aide in Iowa by successfully completing a department-approved nurse aide competency examination and a medication aide challenge examination.

The requirements of paragraph "*d*" of this subrule do not apply to this individual.

g. Unit dose medication shall remain in the identifiable unit dose package until given to the resident. (II)

h. Medications that are not contained in unit dose packaging shall be set up and administered by the same person and must be administered within one hour of preparation. (II)

i. The person administering medications must observe and check to make sure the resident swallows oral medications and must record the date, time, amount and name of each medication given. (II)

j. Injectable medications shall be administered as permitted by Iowa law by a qualified nurse, physician, pharmacist, or physician assistant (PA).

k. Residents certified by their physician as capable of injecting their own insulin may do so. Insulin may be administered pursuant to "*j*" above or as otherwise authorized by the resident's physician. Authorization by the physician shall:

(1) Be in writing,

(2) Be maintained in the resident's record,

(3) Be renewed quarterly,

(4) Include the name of the individual authorized to administer the insulin,

(5) Include documentation by the physician that the authorized person is qualified to administer insulin to that resident.

l. Current and accurate records must be kept on the receipt and disposition of all Schedule II drugs. (II, III)

62.15(3) For each resident who is taking medication with or without supervision there shall be documentation on the individual's record to include:

a. Name of resident, (II, III)

b. Name of drug, dose, and schedule, (II, III)

c. Method of administration, (II, III)

d. Drug allergies and adverse reactions, (I, II)

- e.* Special precautions, (I, II)
- f.* Documentation of resident's continuing ability to administer own medication. (I, II)

62.15(4) Medication counseling shall be provided for all residents in accordance with the IPP on an ongoing basis and as part of discharge planning unless contraindicated in writing by the physician with reasons and pursuant to 62.12(2) "c." (II, III)

Each resident shall be given verbal and written information about all medications the resident is currently using, including over-the-counter medications. A suggested reference is "USPDI, Advice for the Patient." (II, III)

The information shall include:

- a.* Name, reason for, and amount of medication to be taken; (II)
- b.* Time medication is to be taken and the reason that schedule was established; (II)
- c.* Possible benefits, risks and side effects of each medication including over-the-counter medications; (II)
- d.* The names of people in the community qualified to answer questions about medications. (II, III)
- e.* A list of available resources or agencies which may assist the resident to obtain medication after discharge. (III)

62.15(5) Drug storage.

a. Residents who have been certified in writing by the physician as capable of taking their own medications may retain these medications in their bedrooms. Individual locked storage shall be utilized. (II, III)

b. Drug storage for residents who are unable to take their own medications and require supervision shall meet the following requirements:

- (1) Adequate size cabinet with lock which can be used for storage of drugs, solutions, and prescriptions. A locked drug cart may be used. (II, III)
- (2) A bathroom shall not be used for drug storage. (II, III)
- (3) The drug storage cabinet shall be kept locked when not in use. (II, III)
- (4) The drug storage cabinet key shall be in the possession of the employee charged with the responsibility of administering medication. (III)
- (5) Medications requiring refrigeration which are stored in a common refrigerator shall be kept in a locked box properly labeled, and separated from food and other items. (III)
- (6) Drugs for external use shall be stored separately from drugs for internal use. External medications are those to be applied to the outside of the body and include but are not limited to salves, ointments, gels, pastes, soaps, baths, and lotions. Internal medications are those to be applied inside the body or ingested and include but are not limited to oral and injectable medications, eye drops, ear drops and suppositories. Also, eye drops and ear drops shall be separated from each other as well as from other internal and external medications. (II, III)
- (7) All potent, poisonous, or caustic materials shall be stored in a separate room from the medications. (II, III)
- (8) Inspection of the condition of stored drugs shall be made by the administrator and a licensed pharmacist not less than once every three months. The inspection shall be verified by a report signed by the administrator and the pharmacist and filed with the administrator. The report shall include, but need not be limited to, certifying absence of the following: expired drugs, deteriorated drugs, improper labeling, drugs for which there is no current order, and drugs improperly stored. (III)
- (9) Double-locked storage of Schedule II drugs shall not be required under single unit package drug distribution systems in which the quantity stored does not exceed a seven-day supply and a missing dose can be readily detected but must be kept in a locked medication cabinet. Quantities in excess of a seven-day supply must be double-locked. (II)

c. Bulk supplies of prescription drugs shall not be kept. (III)

62.15(6) Drug safeguards.

a. All labels on medications must be legible. If labels are not legible, the medication shall be sent back to the dispenser as defined in Iowa Code section 147.107 for relabeling. (II, III)

b. The medication for each resident shall be kept or stored in the original dispensed containers. (II, III)

c. The facility shall adopt policies and procedures for the destruction of unused prescription drugs for residents who have died. The policies and procedures shall include, but not be limited to, the following: (III)

(1) Drugs shall be destroyed by the person in charge in the presence of the administrator or the administrator's designee;

(2) Notation of the destruction shall be made in the resident's chart, with signatures of the persons involved in the destruction;

(3) The manner in which the drugs are disposed of shall be identified (i.e., incinerator, sewer, landfill). (II, III)

d. The facility shall also adopt policies and procedures for the disposal of controlled substances dispensed to residents whose administration has been discontinued by the prescriber. These policies and procedures shall include, but not be limited to, the following:

(1) Procedures for obtaining a release from the resident;

(2) The manner in which the drugs were destroyed and by whom, including witnesses to the destruction;

(3) Mechanisms for recording the destruction;

(4) Procedures to be used when the resident or the conservator or guardian refuses to grant permission for destruction. (II, III)

e. The facility shall adopt policies and procedures for the disposal of unused discontinued medication. The procedures shall include but not be limited to:

(1) A specified time after which medication must be destroyed, sent back to the dispenser or placed in long-term storage;

(2) Procedures for obtaining permission of the resident, or the conservator or guardian;

(3) Procedures to be used when the resident or conservator or guardian refuses to grant permission for disposal;

(4) Unused discontinued medication shall be locked and shall be separate from current medication. (II, III)

f. All medication orders which do not specifically indicate the number of doses to be administered or the length of time the drug is to be administered shall be stopped automatically after a given time period. The automatic stop order may vary for different types of drugs. The facility, in consultation with a physician or pharmacist serving the home, shall institute policies and provide procedures. These shall be provided to all prescribers and pharmacists serving the facility and conveniently located for personnel administering medications. (III)

g. Residents shall not keep any prescription medication in their possession unless the attending physician has certified in writing on the resident's medical record that the resident is mentally and physically capable of doing so. Over-the-counter medications may be maintained provided they are in a locked container and pursuant to subrule 62.16(5). (I, II)

h. No prescription drugs shall be administered to a resident without a written order signed by a person qualified to prescribe the medication and renewed quarterly. (II)

i. Prescription drugs shall be reordered only with the permission of the attending prescriber. (II, III)

j. No medications prescribed for one resident may be administered to or allowed in the possession of another. (II)

k. Residents on prescribed medication may maintain over-the-counter medication pursuant to 62.15(6) "g" unless contraindicated by the physician. The facility shall request this information from the physician and document in the resident's record. (II)

62.15(7) Each facility shall have policies and procedures established to govern the administration of prescribed medications to residents on leave from the facility. (III)

a. Medication may be issued to residents who will be on leave from a facility for less than 24 hours. Non-child-resistant containers may be used. Each container may hold only one medication. A label on

each container shall indicate the date, the resident's name, the facility, the medication, its strength, dose, and time of administration.

b. Medication for residents on leave from a facility longer than 24 hours shall be obtained in accordance with requirements established by the Iowa board of pharmacy examiners.

c. Medication distributed as above may be issued only by facility personnel responsible for administering medication.

62.15(8) Each RCF/PMI that administers controlled substances shall obtain annually a registration issued by the board of pharmacy pursuant to Iowa Code section 124.302(1). (III)

This rule is intended to implement Iowa Code section 135C.14.

[ARC 1050C, IAB 10/2/13, effective 11/6/13; ARC 2643C, IAB 8/3/16, effective 9/7/16]

481—62.16(135C) Resident property.

62.16(1) The admission of a resident does not give the facility or any employee of the facility the right to manage, use, or dispose of any property of the resident except with the written authorization of the resident or the resident's legal guardian. (II, III)

62.16(2) The admission of a resident shall not grant the RCF/PMI the authority or responsibility to manage the personal affairs of the resident except as may be necessary for the resident's safety and for safe and orderly management of the residential care facility as required by these rules and in accordance with the IPP. (III)

62.16(3) An RCF/PMI shall provide for the safekeeping of personal effects, funds, and other property of its residents. The facility may require that items of exceptional value or which would convey unreasonable responsibilities to the licensee be removed from the premises of the facility for safekeeping. (III)

62.16(4) Resident's funds held by the RCF/PMI shall be in a trust account and kept separate from funds of the facility. (III)

62.16(5) No administrator, employee or representative thereof shall act as guardian, trustee, or conservator for any resident or the resident's property, unless the resident is related to the person acting as guardian within the third degree of consanguinity. (III)

62.16(6) If a facility is a county care facility and upon the verified petition of the county board of supervisors, the district court may appoint the administrator of a county care facility as conservator or guardian or both of a resident of that county care facility without fee. The administrator may establish either separate or common bank accounts for cash funds of these residents. (III)

This rule is intended to implement Iowa Code section 135C.24.

481—62.17(135C) Financial affairs. Each resident who has not been assigned a guardian or conservator by the court may manage the resident's personal financial affairs, and to the extent, under written authorization by the resident that the facility assists in management, the management shall be carried out in accordance with Iowa Code section 135C.24. (II)

62.17(1) The facility shall maintain a written account of all the resident's funds received by or deposited with the facility. (II)

a. An employee shall be designated in writing to be responsible for resident accounts. (II)

b. The facility shall keep on deposit personal funds over which the resident has control.

c. If the resident requests these funds, they shall be given to the resident with a receipt maintained by the facility and a copy to the resident. If a conservator or guardian has been appointed for the resident, the conservator or guardian shall designate the method of disbursing the resident's funds. (II)

d. If the facility makes a financial transaction on a resident's behalf, the resident or the resident's legal guardian or conservator must receive or acknowledge having seen an itemized accounting of disbursements and current balances at least quarterly. A copy of this statement shall be maintained in the resident's financial or business record. (II)

e. A resident's personal funds shall not be used without the written consent of the resident or the resident's guardian. (II)

f. A resident's personal funds shall be returned to the resident when the funds have been used without the written consent of the resident or the resident's guardian. The department may report findings that resident funds have been used without written consent to the audits division or the local law enforcement agency, as appropriate. (II)

62.17(2) Contracts. There shall be a written contract between the facility and each resident which meets the following requirements:

a. State the base rate or scale per day or per month, the services included, and the method of payment; (III)

b. Contain a complete schedule of all offered services for which a fee may be charged in addition to the base rate; (III)

c. Stipulate that no further additional fees shall be charged for items not contained in complete schedule of services as set forth in subrule 62.17(2); (III)

d. State the method of payment of additional charges; (III)

e. Contain an explanation of the method of assessment of additional charges and an explanation of the method of periodic reassessment, if any, resulting in charging the additional charges; (III)

f. State that additional fees may be charged to the resident for nonprescription drugs, other personal supplies, and services by a barber, beautician, etc. (III)

g. Contain an itemized list of those services, with the specific fee the resident will be charged and method of payment, as related to the resident's current condition, based on the program assessment at the time of admission, which is determined in consultation with the administrator. (III)

h. Include the total fee to be charged initially to the specific resident. (III)

i. State the conditions whereby the facility may make adjustments to its overall fees for residential care as a result of changing costs. (III) Furthermore, the contract shall provide that the facility shall give:

(1) Written notification to the resident and responsible party, when appropriate, of changes in the overall rates of both base and additional charges at least 30 days prior to the effective date of changes; (III)

(2) Notification to the resident and payor when appropriate, of changes in additional charges based on a change in the resident's condition. Notification must occur prior to the date the revised additional charges begin. If notification is given orally, subsequent written notification must also be given within a reasonable time, not to exceed one week, listing specifically the adjustments made; (III)

(3) State the terms of agreement in regard to refund of all advance payments, in the event of transfer, death, or voluntary or involuntary discharge. (III)

j. State the terms of agreement concerning the holding and charging for a bed when a resident is hospitalized or leaves the facility temporarily for recreational or therapeutic reasons. The terms shall contain a provision that the bed will be held at the request of the resident or the resident's legal representative.

(1) The facility shall ask the resident or legal representative if they want the bed held. This request shall be made before the resident leaves or within 48 hours after the resident leaves. The inquiry and the response shall be documented. (II)

(2) The facility shall reserve the bed when requested for as long as payments are made in accordance with the contract. (II)

k. State the conditions under which the involuntary discharge or transfer of a resident would be effected; (III)

l. State the conditions of voluntary discharge or transfer; (III)

m. Set forth any other matters deemed appropriate by the parties to the contract. No contract or any provision shall be drawn or construed so as to relieve any health care facility of any requirement or obligation imposed upon it by this chapter or any standards or rules in force pursuant to this chapter; (III)

62.17(3) Each party shall receive a copy of the signed contract. (III)

This rule is intended to implement Iowa Code sections 135C.24 and 135C.23(1).

481—62.18(135C) Records.

62.18(1) Resident record. The licensee shall keep a permanent record about each resident with all entries current, dated, and signed. (II) The record shall include:

- a. Name and previous address of resident; (III)
- b. Birth date, sex, and marital status of resident; (III)
- c. Church affiliation; (III)
- d. Physician's name, telephone number, and address; (III)
- e. Dentist's name, telephone number, and address; (III)
- f. Name, address and telephone number of next of kin or legal representative; (III)
- g. Name, address and telephone number of the person to be notified in case of emergency; (III)
- h. Funeral director, telephone number, and address; (III)
- i. Pharmacy name, telephone number, and address; (III)
- j. Results of evaluation pursuant to 62.11(135C); (III)
- k. Certification by the physician that the resident requires no more than personal care and supervision, but does not require nursing care; (III)
- l. Physician's orders for medication and treatments shall be in writing and signed by the physician quarterly; diet orders shall be renewed yearly; (III)
- m. A notation of yearly or other visits to physician or other professionals, all consultation reports and progress notes; (III)
- n. Any change in the resident's condition; (II, III)
- o. A notation describing the resident's condition on admission, transfer, and discharge; (III)
- p. In the event of a resident's death, notations in the resident's record shall include the date and time of the resident's death, the circumstances of the resident's death, the disposition of the resident's body, and the date and time that the resident's family and physician were notified of the resident's death; (III)
- q. A copy of instructions given to the resident, legal representative, or facility in the event of discharge or transfer; (III)
- r. Disposition of personal property; (III)
- s. Copy of IPP pursuant to 62.12(1); (III)
- t. Progress notes pursuant to 62.12(4) and 62.12(5). (III)

62.18(2) Confidentiality of resident records. The facility shall have policies and procedures providing that each resident shall be ensured confidential treatment of all information, including information contained in an automatic data bank. The resident's or the resident's legal guardian's written informed consent shall be required for the release of information to persons not otherwise authorized under law to receive it. (II)

A release of information form shall be used which includes to whom the information shall be released, the reason for the information being released, how the information is to be used, and the period of time for which the release is in effect. A third party, not requesting the release, shall witness the release of information form. (II)

a. The facility shall limit access to any resident records to staff and consultants providing professional service to the resident. Information shall be made available to staff only to the extent that the information is relevant to the staff person's responsibilities and duties. (II)

Only those personnel concerned with financial affairs of the residents may have access to the financial information. This is not meant to preclude access by representatives of state or federal regulatory agencies. (II)

b. The resident, or the resident's legal guardian, shall be entitled to examine all information and shall have the right to secure full copies of the record at reasonable cost upon request, unless the physician or QMHP determines the disclosure of the record or section is contraindicated in which case this information will be deleted prior to making the record available to the resident. This determination and the reasons for it must be documented in the resident's record by the physician or qualified mental health professional in collaboration with the resident's interdisciplinary team. (II)

62.18(3) Incident records.

- a. Each RCF/PMI shall maintain an incident report and shall have available incident report forms. (II, III)
- b. The report of every incident shall be in detail on a printed incident report form. (II, III)
- c. The person in charge at the time of the incident shall oversee the preparation and sign the report. (III)
- d. A copy of the incident report shall be kept on file in the facility available for review and a part of administrative records. (III)

62.18(4) Retention of records.

- a. Records shall be retained in the facility for five years following termination of services to the resident even when there is a change of ownership. (III)
- b. When the facility ceases to operate, the resident's record shall be released to the facility to which the resident is transferred. If no transfer occurs, the record shall be released to the individual's physician. (III)

This rule is intended to implement Iowa Code section 135C.24.

481—62.19(135C) Health and safety.

62.19(1) Physician. Each resident shall have a designated licensed physician who may be called when needed. (III)

62.19(2) Emergency care. The facility shall have written policies and procedures for emergency medical or psychiatric care to include:

- a. A written agreement with a hospital or psychiatric facility or documentation of attempt to obtain a written agreement for the timely admission of a resident who, in the opinion of the attending physician, requires inpatient services; (II, III)
- b. Provisions consistent with Iowa Code chapter 229; (II, III)
- c. Immediate notification by the person in charge to the physician or QMHP, as appropriate, of any accident, injury or adverse change in the resident's condition. (I, II)

62.19(3) First-aid kit. A first-aid emergency kit shall be available on each floor in every facility. (II, III)

62.19(4) Infection control. Each facility shall have a written and implemented infection control program addressing the following:

- a. Techniques for hand washing consistent with Guidelines for Handwashing and Hospital Control, 1985, Centers for Disease Control, U.S. Department of Health and Human Services, PB85-923404; (I, II, III)
- b. Techniques for handling of blood, body fluids, and body wastes consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)
- c. Dressings, soaks, or packs; (I, II, III)
- d. Infection identification; (I, II, III)
- e. Resident care procedures to be used when there is an infection present consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)
- f. Sanitation techniques for resident care equipment; (I, II, III)
- g. Techniques for sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags; (I, II, III)
- h. Techniques for use and disposal of needles, syringes, and other sharp instruments consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)

CDC Guidelines may be obtained from the U.S. Department of Commerce, Technology Administration, National Technical Information Service, 5285 Port Royal Rd., Springfield, Virginia 22161 (1-800-553-6847).

62.19(5) Aseptic techniques. If a resident needs any of the treatment or devices on the list below, written and implemented procedures regarding aseptic techniques shall be followed.

a. Intravenous or central line catheter consistent with Guideline for Prevention of Intravascular Device Related Infections, Centers for Disease Control, U.S. Department of Health and Human Services, PB97-130074, (I, II, III)

b. Urinary catheter, (I, II, III)

c. Respiratory suction, oxygen or humidification, (I, II, III)

d. Decubitus care, (I, II, III)

e. Tracheostomy, (I, II, III)

f. Nasogastric or gastrostomy tubes, (I, II, III)

g. Sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags. (I, II, III)

62.19(6) Dental services. Personnel shall assist residents to obtain regular and emergency dental services and provide necessary transportation. Dental services shall be performed only on the request of the resident or legal guardian. The resident's physician shall be advised of the resident's dental problems. (III)

62.19(7) Safe environment. The licensee of an RCF/PMI is responsible for the provision and maintenance of a safe environment for residents and personnel. (I, II) The RCF/PMI shall meet the fire and safety rules and regulations as promulgated by the state fire marshal. (I, II)

62.19(8) Disaster. The licensee shall have a written emergency plan to be followed in the event of fire, tornado, explosion, or other emergency. (II, III)

a. The plan shall be posted. (II, III)

b. Training shall be provided to ensure that all employees and residents are knowledgeable of the emergency plan. The training shall be documented. (II, III)

c. Residents shall be permitted to smoke only in posted areas where proper facilities are provided. Smoking by residents considered to be careless shall be prohibited except under direct supervision and in accordance with the IPP. (II, III)

62.19(9) Safety precautions. The facility shall take reasonable measures to ensure the safety of residents and shall involve the residents in learning the safe handling of household supplies and equipment in accordance with the policies and procedures established by the facility. (II)

a. All potent, poisonous, or caustic materials shall be plainly labeled and stored in a specific locked, well-illuminated cabinet, closet, or storeroom and made accessible only to authorized persons. (I, II)

b. Residents shall have access to storage areas for cleaning and laundry supplies as appropriate to the activities being performed unless contraindicated in their IPP. (I, II)

62.19(10) Hazards. Entrances, exits, steps, and outside steps and walkways shall be kept free from ice, snow, and other hazards. (II, III)

62.19(11) Laundry. All soiled linens shall be collected in and transported to the laundry room in closed, leakproof laundry bags or covered, impermeable containers. (III)

a. Except for related activities, the laundry room shall not be used for other purposes. (III)

b. Resident's personal laundry shall be marked with an identification unless the resident is responsible for doing the resident's own laundry as indicated in the individual program plan. (III)

c. There shall be an adequate supply of clean, stain-free linens so that each resident shall have at least three washcloths, hand towels, and bath towels. (III)

d. Each bed shall be provided with clean, stain-free, washable bedspreads and sufficient lightweight serviceable blankets. A complete change of bed linens shall be available for each bed. (III)

62.19(12) Supplies, equipment, and storage.

a. Each facility shall provide a variety of supplies and equipment of a nature calculated to fit the needs and interests of the residents. These may include: books (standard and large print), magazines, newspapers, radio, television, bulletin boards, board game, game equipment, songbooks, cards, craft supplies, record player, movie projector, piano, and outdoor equipment. Supplies and equipment shall be appropriate to the chronological age of the residents. (III)

b. Storage shall be provided for recreational equipment and supplies. (III)

This rule is intended to implement Iowa Code section 135C.14(1).

481—62.20(135C) Nutrition.

62.20(1) There shall be policies and procedures written and implemented for dietary staffing.

a. The person responsible for planning menus and monitoring the kitchens in each facility shall have completed training, approved by the department, in sanitation and food preparation. (III)

b. In facilities licensed for over 15 beds, food service personnel shall be on duty during a 12-hour span extending from the preparation of breakfast through supper. (III)

c. There shall be written work schedules and time schedules covering each type of job in the food service department for facilities over 15 beds. These work and time schedules shall be posted or kept in a notebook which is available for use in the food service area. (III)

62.20(2) Nutrition and menu planning.

a. Residents shall be encouraged to the maximum extent possible to participate in meal planning, shopping, and in preparing and serving the meal and cleaning up. The facility shall be responsible for helping residents become knowledgeable of what constitutes a nutritionally adequate diet. (III)

b. Menus shall be planned and served to meet nutritional needs of residents in accordance with the physician's diet orders which shall be renewed yearly. Menus shall be planned and served to include foods and amounts necessary to meet the recommended daily dietary allowances of the Food and Nutrition Board of the National Research Council, National Academy of Sciences. (II) Other foods shall be included to meet energy requirements (calories) to add to the total nutrients and variety of meals. (III)

c. At least three meals or their equivalent shall be made available to each resident daily, consistent with those times normally existing in the community. (II, III)

(1) There shall be no more than a 14-hour span between the substantial evening meal and breakfast. (III)

(2) To the extent medically possible, bedtime nourishments, containing a protein source, shall be offered routinely to all residents. Special nourishments shall be available when ordered by the physician. (II, III)

d. Menus shall include a variety of foods prepared in various ways. The same menus shall not be repeated on the same day of the following week. (III)

e. If modified diets are ordered by the physician, the person responsible for writing the menus shall have completed department-approved training in simple therapeutic diets and a copy of a modified diet manual approved by the department and written within the past five years shall be available in the facility. (II, III)

f. Therapeutic diets shall be served accurately. (II)

g. Menus shall be written at least one week in advance. The current menu shall be located in an accessible place in the dietetic service department for easy use by persons purchasing, preparing, and serving food. (III)

h. Records of menus as served shall be filed and maintained for 30 days and shall be available for review by departmental personnel. When substitutions are necessary, they shall be of similar nutritive value and recorded on the menu or in a notebook. (III)

i. A file of tested recipes adjusted to the number of people to be fed in the facility shall be maintained. (III)

62.20(3) Dietary storage, food preparation, service.

a. The use of foods from salvaged, damaged, or unlabeled containers is prohibited. (II, III)

b. No perishable food shall be allowed to stand at room temperature any longer than is required to prepare and serve. (II, III)

c. Canning of food is prohibited. The facility may freeze fruits, vegetables, and meats provided strict sanitary procedures are followed and in accordance with recommendations in the "Food Service Manual" revised 1976, U.S. Department of Health, Education, and Welfare, Public Health Service, U.S. Government Printing Office, Washington, D.C. (II)

d. Supplies of staple foods for a minimum of a one-week period and of perishable foods for a minimum of a three-day period shall be maintained on the premises. (III)

e. If family-style service is used, all leftover prepared food that has been on the table shall be safely handled. (III)

f. Poisonous compounds shall not be kept in food storage or preparation areas except for a sanitizing agent which shall be kept in a locked cabinet. (II, III)

62.20(4) Sanitation in food preparation area.

a. The facility shall develop and implement policies and procedures to address sanitation, meal preparation and service in accordance with recommendations in the food service sanitation manual pursuant to 62.20(2) “c,” and which shall be used as the established, nationally recognized reference for establishing and determining satisfactory compliance with the department’s food service and sanitation rules. (III)

b. Residents shall be allowed in the food preparation area in accordance with their IPP. (III)

c. In facilities licensed for over 15 beds, the kitchen shall not be used for serving meals to residents, food service personnel, or other staff. (III)

d. All appliances and work areas shall be kept clean and sanitized. (III)

e. There shall be written procedures established for cleaning all work and serving areas in facilities over 15 beds and a schedule of duties to be performed daily shall be posted in each food area. (III)

f. The food service area shall be located so it will not be used as a passageway by residents, guests, or nonfood service staff in facilities over 15 beds. (III)

g. Dirty linen shall not be carried through the food service area unless it is in sealed, leakproof containers. (III)

h. Mops, scrub pails, and other cleaning equipment used in the resident areas shall not be stored or used in the dietary area. (III)

62.20(5) Hygiene of food service personnel.

a. In the event food service employees are assigned duties outside the dietetic service, these duties shall not interfere with sanitation, safety, or time required for dietetic work assignments. (II, III)

b. Employees shall wear clean, washable uniforms that are not used for duties outside the food service area in facilities over 15 beds. (III)

c. Hairnets shall be worn by all food service personnel in facilities over 15 beds and effective hair restraints in facilities less than 15 beds. (III)

d. Persons handling food shall use correct hand-washing and food-handling techniques as identified in the food service sanitation manual. (III)

e. Persons handling dirty dishes shall not handle clean dishes without washing their hands. (III)

This rule is intended to implement Iowa Code section 135C.14.

481—62.21(135C) Physical facilities and maintenance.

62.21(1) *Housekeeping.* The facility shall have written procedures for daily and weekly cleaning (III) to include but need not be limited to:

a. All rooms including furnishings, all corridors, storage areas, linen closets, attics, and basements shall be kept in a clean, orderly condition, free of unserviceable furniture and equipment or accumulations of refuse. (III)

b. All resident bedrooms, including furnishings, shall be cleaned and sanitized before use by another resident. (III)

c. Polishes used on floors shall provide a slip-resistant finish. (III)

62.21(2) *Equipment.* Housekeeping and maintenance personnel shall be provided with well-constructed and properly maintained equipment appropriate to the function for which it is to be used. (III)

a. All facilities shall be provided with clean and sanitary storage for cleaning equipment, supplies, and utensils. In facilities over 15 beds a janitor’s closet shall be provided. It shall be equipped with water for filling scrub pails and a janitor’s sink for emptying scrub pails. A hallway or corridor shall not be used for storage of equipment. (III)

b. Sufficient numbers of noncombustible trash containers, which have covers, shall be available. (III)

c. All containers for trash shall be watertight, rodent-proof, and have tight-fitting covers and shall be thoroughly cleaned each time a container is emptied. (III)

d. All wastes shall be properly disposed of in compliance with the local ordinances and state codes. (III)

62.21(3) Bedrooms.

a. Each resident shall be provided with a bed, substantially constructed and in good repair. Roll-away beds, metal cots, or folding beds are not acceptable. (III)

b. Each bed shall be equipped with the following: casters or glides; clean springs in good repair; a clean, comfortable, well-constructed mattress approximately 5 inches thick and standard in size for the bed; and clean, comfortable pillows of average bed size. (III)

c. There shall be a comfortable chair, either a rocking chair or arm chair, per resident bed. The resident's personal wishes shall be considered and documented. (III)

d. There shall be drawer space for each resident's clothing. In a multiple bedroom, drawer space shall be assigned each resident. (III)

e. There shall be a bedside table with a drawer and a reading lamp for each resident.

f. All furnishings and equipment shall be durable, cleanable, and appropriate to their function. (III)

g. All resident areas shall be decorated, painted, and furnished to provide a homelike atmosphere and in a manner which is age and culture appropriate. (III)

h. Upholstery materials shall be moisture- and soil-resistant, except on furniture which is provided by the resident and is the property of the resident. (III)

i. Beds and other furnishings shall not obstruct free passage to and through doorways. (III)

j. Beds shall not be placed with the side of the bed against a radiator or in close proximity to it unless the radiator is covered to protect the resident from contact with it or from excessive heat. (III)

62.21(4) Bath and toilet facilities. All lavatories shall have nonreusable towels and an available supply of soap. (III)

62.21(5) Dining and living rooms.

a. Every facility shall have a dining room and a living room easily accessible to all residents. (III)

b. Dining rooms and living rooms shall at no time be used as bedrooms. (III)

c. Dining rooms and living rooms shall be available for use by residents at appropriate times to allow social, diversional, individual, and group activities. (III)

d. A combination dining room and living room may be permitted if the space requirements of a multipurpose room as provided in 481—subrule 60.6(2) are met. (III)

e. Living rooms shall be suitably furnished and maintained for the use of residents and their visitors and may be used for recreational activities. (III)

f. Dining rooms shall be furnished with dining tables and chairs appropriate to the size and function of the facility. These rooms and furnishings shall be kept clean and sanitary. (III)

62.21(6) Family and employee accommodations.

a. The residents' bedrooms shall not be occupied by employees, family members of employees, or family members of the licensee. (III)

b. In facilities where the total occupancy of family, employees, and residents is five or less, one toilet and one tub or shower is the minimum requirement. (III)

c. In all health care facilities, if the family or employees live within the facility, living quarters shall be required for the family or employees separate from areas provided for residents. (III)

62.21(7) Animals. Animals shall be allowed within the facility with written approval of the department and under controlled conditions. (III)

62.21(8) Maintenance. Each facility shall establish a maintenance program to ensure continued maintenance of the facility, to promote good housekeeping procedures, and to ensure sanitary practices throughout the facility. In facilities over 15 beds, this program shall be in writing and be available for review by the department. (III)

a. The buildings, furnishing, and grounds shall be maintained in a clean, orderly condition and be in good repair. (III)

b. The buildings and grounds shall be kept free of flies, other insects, rodents, and their breeding areas. (III)

62.21(9) Buildings, furnishings, and equipment.

a. Battery-operated, portable emergency lights in good working condition shall be available at all times, at a ratio of one light per employee on duty from 6 p.m. to 6 a.m. (III)

b. All windows shall be supplied with curtains and shades or drapes which are kept in good repair. (III)

c. Wherever glass sliding doors or transparent panels are used, they shall be marked conspicuously and decoratively. (III)

62.21(10) Water supply. Every facility shall have an adequate water supply from an approved source. A municipal source of water shall be considered as meeting this requirement. (III) Private sources of water to a facility shall be tested annually and the report submitted with the annual application for license. (III)

a. A bacterially unsafe source of water shall be grounds for denial, suspension, or revocation of license. (III)

b. The department may require testing of private sources of water to a facility at its discretion in addition to the annual test. The facility shall supply reports of tests as directed by the department. (III)

This rule is intended to implement Iowa Code section 135C.14.

481—62.22(135C) Care review committee. Rescinded **ARC 1205C**, IAB 12/11/13, effective 1/15/14.

481—62.23(135C) Residents' rights in general.

62.23(1) Each facility shall ensure that policies and procedures are written and implemented which include, at a minimum, all of the following provisions subrules (62.23(2) to 62.23(22)) and which govern all areas of service provided to staff, residents, their families or legal representatives and shall be available to the public and shall be reviewed annually. (II)

62.23(2) Grievances. Written policies and procedures shall include a method for submitting grievances and recommendations by residents or their responsible party and for ensuring a response and disposition by the facility. The written procedure shall ensure protection of the resident from any form of reprisal or intimidation and shall include:

a. An employee or an alternate designated to be responsible for handling grievances and recommendations; (II) and

b. Methods to investigate and assess the validity of a grievance or recommendation, resolve grievances, and take action. (II)

62.23(3) Informed of rights. Policies and procedures shall include a provision that each resident shall be fully informed of the resident's rights and responsibilities as a resident and of all rules governing resident conduct and responsibilities. This information must be provided upon admission, or in the case of residents already in the facility, upon the facility's adoption or amendment of residents' rights policies and be posted in locations accessible to all residents. (II)

a. The facility shall make known to residents what they may expect from the facility and its staff, and what is expected from residents. The facility shall communicate these expectations during the period of not more than two weeks before or five days after admission. The communication shall be in writing, e.g., in a separate handout or brochure describing the facility, and interpreted verbally, e.g., as part of a preadmission interview, resident counseling, or in individual or group orientation sessions following admission. (II)

b. Resident's rights and responsibilities shall be presented in language understandable to the resident. If the facility serves residents who are not English-speaking or are deaf, steps shall be taken to translate the information into a foreign or sign language. In the case of blind residents, either Braille or a recording shall be provided. Residents shall be encouraged to ask questions about their rights and responsibilities and these questions shall be answered. (II)

c. A statement shall be signed by the resident and legal guardian, if applicable, indicating an understanding of these rights and responsibilities, and the statement shall be maintained in the record.

The statement shall be signed no later than five days after admission, and a copy of the signed statement shall be given to the resident or legal guardian. (II)

d. All residents, next of kin, or legal guardian shall be advised within 30 days following changes made in the statement of residents' rights and responsibilities. Appropriate means shall be used to inform non-English-speaking, deaf or blind residents of changes. (II)

62.23(4) Informed of health condition. Each resident or legal guardian shall be fully informed by a physician of the resident's health and medical condition unless medically contraindicated as documented by a physician in the resident's record. (II)

62.23(5) Research. The resident or legal guardian shall make the decision as whether to participate in experimental research and then only upon written informed consent. (II, III)

Any clinical investigation involving residents must be under the sponsorship of an institution with a human subjects review board functioning in accordance with the requirement of Public Law 93-348, as implemented by Part 46 of Title 45 of the Code of Federal Regulations, as amended to December 1, 1981 (45 CFR 46). (III)

62.23(6) Resident work. Services performed by the resident for the facility shall be in accordance with the IPP. (II)

a. Residents shall not be used to provide a source of labor for the facility against the resident's will. Physician's approval is required for all work programs and must be renewed yearly. (II, III)

b. If the individual program plan requires activities for therapeutic or training reasons, the plan for these activities must be professionally developed and implemented. Therapeutic or training goals must be clearly stated and measurable and the plan shall be time-limited and reviewed at least quarterly. (II)

c. A resident engaged in work programs in the RCF/PMI shall be paid wages commensurate with wage and hour regulations for comparable work and productivity. (II)

d. The resident shall have the right to employment options commensurate with training and skills. (II)

62.23(7) Residents performing work shall not be used to replace paid employees in fulfilling staffing requirements. (II)

62.23(8) Encouragement to exercise rights. Each resident shall be encouraged and assisted throughout the resident's period of stay, to exercise resident and citizen rights and may voice grievances and recommend changes in policies and services to administrative staff or to outside representatives of the resident's choice, free from interference, coercion, discrimination, or reprisal. (II)

62.23(9) Posting of names. The facility shall post in a prominent area the name, telephone number, and address of the survey agency, the local law enforcement agency and the protection and advocacy agency designated pursuant to Iowa Code section 135C.2(4) and the text of Iowa Code section 135C.46 to provide to residents another course of redress. (II)

62.23(10) Dignity preserved. Each resident shall be treated with consideration, respect, and full recognition of the resident's dignity and individuality, including privacy in treatment and in care of personal needs. (II)

a. Staff shall display respect for residents when speaking with, caring for, or talking about them, as constant affirmation of the individuality and dignity of human beings. (II)

b. Schedules of daily activities shall allow maximum flexibility for residents to exercise choice about what they will do and when they will do it. Residents' individual preferences regarding such things as menus, clothing, religious activities, friendships, activity programs, entertainment, sleeping, eating, and times to retire at night and arise in the morning shall be elicited and considered by the facility. The facility shall make every effort to match nonsmokers with other nonsmokers. (II)

c. Residents shall be examined and treated in a manner that maintains the privacy of their bodies. A closed door shall shield the resident from passersby. People not involved in the care of the residents shall not be present without the resident's consent while the resident is being examined or treated. (II)

d. Privacy for each person shall be maintained when residents are being taken to the toilet or being bathed and while they are being helped with other types of personal hygiene, except as needed for resident safety or assistance. (II)

e. Staff shall knock and be acknowledged before entering a resident's room unless the resident is not capable of a response. This does not apply under emergency conditions. (II)

62.23(11) Communications. Each resident may communicate, associate, and meet privately with persons of the resident's choice, unless to do so would infringe upon the rights of other residents. Each resident may send and receive personal mail unopened unless prohibited in the IPP which has explicit approval of the resident or legal guardian. (II)

62.23(12) Visiting hours. Subject to reasonable scheduling restrictions, visiting policies and procedures shall permit residents to receive visits from anyone they wish. Visiting hours shall be posted. (II)

a. Reasonable, regular visiting hours shall not be less than 12 hours per day and shall take into consideration the special circumstances of each visitor. A particular visitor(s) may be restricted by the facility for one of the following reasons:

- (1) The resident refuses to see the visitor(s). (II)
- (2) The visit would not be in accordance with the IPP. (II)
- (3) The visitor's behavior is unreasonably disruptive to the functioning of the facility.

Reasons for denial of visitation shall be documented in the resident's records. (II)

b. Decisions to restrict a visitor are reevaluated at least quarterly by the QMHP or at the resident's request. (II)

62.23(13) Privacy. Space shall be provided for residents to receive visitors in comfort and privacy. (II)

62.23(14) Telephone calls. Telephones consistent with ANSI standards 42 CFR 405.1134(c) (10-1-86) shall be available and accessible for residents to make and receive calls with privacy. Residents who need help shall be assisted in using the telephone. (II)

62.23(15) Arrangements shall be made to provide assistance to residents who require help in reading or sending mail. (II)

62.23(16) Residents shall be permitted to leave the facility and environs at reasonable times unless there are justifiable reasons established in writing by the attending physician, QMHP, or facility administrator for refusing permission. (II)

62.23(17) Residents shall not have their personal lives regulated beyond reasonable adherence to meal schedules, bedtime hours, and other written policies which may be necessary for the orderly management of the facility and as required by these rules; however, residents shall be encouraged to participate in recreational programs. (II)

62.23(18) Resident activities. Each resident may participate in activities of social, religious, and community groups as desired unless contraindicated for reasons documented by the attending physician or qualified mental health professional, as appropriate, in the resident's record. (II)

Residents who wish to meet with or participate in activities of social, religious or community groups in or outside the facility shall be informed, encouraged, and assisted to do so. (II)

62.23(19) Resident property. Each resident may retain and use personal clothing and possessions as space permits and provided use is not otherwise prohibited in these rules. (II)

a. Residents shall be permitted to keep reasonable amounts of personal clothing and possessions for their use while in the facility. The personal property shall be kept in a secure location which is convenient to the resident. (II)

b. Residents shall be advised, prior to or at the time of admission, of the kinds and amounts of clothing and possessions permitted for personal use, and whether the facility will accept responsibility for maintaining these items, e.g., cleaning and laundry. (II)

c. Any personal clothing or possessions retained by the facility for the resident shall be identified and recorded on admission and the record placed on the resident's chart. The facility shall be responsible for secure storage of items, and they shall be returned to the resident promptly upon request or upon discharge from the facility. (II)

d. A resident's personal property shall not be used without the written consent of the resident or the resident's guardian. (II)

e. A resident's personal property shall be returned to the resident when it has been used without the written consent of the resident or the resident's guardian. The department may report findings that a resident's property has been used without written consent to the local law enforcement agency, as appropriate. (II)

62.23(20) Sharing rooms. Residents, including spouses staying in the same facility, shall be permitted to share a room, if available, if requested by both parties, unless contraindicated in the IPP and when the reasons for denial are documented in the resident's record. (II)

62.23(21) Choice of physician and pharmacy. Each resident shall be permitted free choice of a physician and a pharmacy. The facility may require the pharmacy selected to use a drug distribution system compatible with the system currently used by the facility. (II)

62.23(22) Incompetent residents.

a. Each facility shall provide that all rights and responsibilities of the resident devolve to the resident's legal guardian when a resident is adjudicated incompetent in accordance with state law or, in the case of a resident who has not been adjudicated incompetent under the laws of the state, in accordance with 42 CFR 483.10. This paragraph is not intended to limit the authority of any individual acting pursuant to Iowa Code chapter 144A. (II)

b. The fact that a resident has been adjudicated incompetent does not absolve the facility from advising the resident of these rights to the extent the resident is able to understand them. The facility shall also advise the legal guardian, if any, and acquire a statement indicating an understanding of resident's rights. (II)

62.23(23) Resident abuse prohibited. Each resident shall receive kind and considerate care at all times and shall be free from physical, sexual, mental and verbal abuse, exploitation, neglect, and physical injury. (I, II)

62.23(24) Allegations of dependent adult abuse. Allegations of dependent adult abuse shall be reported and investigated pursuant to Iowa Code chapter 235E and 481—Chapter 52. (I, II, III)

62.23(25) Rescinded IAB 12/11/13, effective 1/15/14.

This rule is intended to implement Iowa Code sections 135C.14 and 135C.24 and Iowa Code chapter 235E.

[ARC 1205C, IAB 12/11/13, effective 1/15/14; ARC 1204C, IAB 12/11/13, effective 1/15/14]

481—62.24(135C) County care facilities. In addition to Chapter 62 licensing rules, county care facilities licensed as residential care facilities for persons with mental illness must also comply with department of human services rules, 441—Chapter 37. Violation of any standard established by the department of human services is a class II violation pursuant to 481—56.2(135C).

This rule is intended to implement Iowa Code section 227.4.

481—62.25(135C) Another business or activity in a facility. A facility is allowed to have another business or activity in a health care facility or in the same physical structure of the facility, if the other business or activity is under the control of and is directly related to and incidental to the operation of the health care facility, or the business or activity is approved by the department and the state fire marshal.

To obtain the approval of the department and the state fire marshal, the facility must submit to the department a written request for approval which identifies the service(s) to be offered by the business and addresses the factors outlined in paragraphs "a" through "j" of this rule. (I, II, III)

62.25(1) The following factors will be considered by the department in determining whether a business or activity will interfere with the use of the facility by residents, interfere with services provided to residents, or be disturbing to residents:

- a.* Health and safety risks for residents;
- b.* Compatibility of the proposed business or activity with the facility program;
- c.* Noise created by the proposed business or activity;
- d.* Odors created by the proposed business or activity;
- e.* Use of entrances and exits for the business or activity in regard to safety and disturbance of residents and interference with delivery of services;

- f.* Use of the facility's corridors or rooms as thoroughfares to the business or activity in regard to safety and disturbance of residents and interference with delivery of services;
- g.* Proposed staffing for the business or activity;
- h.* Sharing of services and staff between the proposed business or activity and the facility;
- i.* Facility layout and design; and
- j.* Parking area utilized by the business or activity.

62.25(2) Approval of the state fire marshal shall be obtained before approval of the department will be considered.

62.25(3) A business or activity conducted in a health care facility or in the same physical structure as a health care facility shall not reduce space, services or staff available to residents below minimums required in these rules and 481—Chapter 60. (I, II, III)

This rule will become effective July 1, 1992.

481—62.26(135C) Respite care services. Respite care services means an organized program of temporary supportive care provided for 24 hours or more to a person in order to relieve the usual caregiver of the person from providing continual care to the person. A facility which chooses to provide respite care services must meet the following requirements related to respite care services and must be licensed as a health care facility.

62.26(1) A facility which chooses to provide respite care services is not required to obtain a separate license or pay a license fee.

62.26(2) Rules regarding involuntary discharge or transfer rights do not apply to residents who are being cared for under a respite care contract.

62.26(3) The facility shall have a contract with each resident in the facility. When the resident is there for respite care services, the contract shall specify the time period during which the resident will be considered to be receiving respite care services. At the end of that period, the contract may be amended to extend that period of time. The contract shall specifically state the resident may be involuntarily discharged while being considered as a respite care resident. The contract shall meet other requirements for contracts between a health care facility and resident, except the requirements concerning the holding and charging for a bed when a resident is hospitalized or leaves the facility temporarily for recreational or therapeutic reasons.

62.26(4) Respite care services shall not be provided by a facility to persons requiring a level of care which is higher than the level of care the facility is licensed to provide.

These rules are intended to implement Iowa Code sections 135C.2(6), 135C.4, 135C.6(1) to 135C.6(3), 135C.7, 135C.8, 135C.14, 135C.16(2), 135C.23 to 135C.25, 135C.31, 135C.36, and 227.4.

[Filed 2/5/88, Notice 10/7/87—published 2/24/88, effective 3/30/88]

[Filed 5/26/88, Notice 4/20/88—published 6/15/88, effective 7/20/88]

[Filed 9/30/88, Notice 8/24/88—published 10/19/88, effective 11/23/88]

[Filed 12/9/88, Notices 8/24/88, 10/5/88—published 12/28/88, effective 2/1/89]

[Filed 4/14/89, Notice 2/8/89—published 5/3/89, effective 6/7/89]

[Filed 6/23/89, Notice 5/17/89—published 7/12/89, effective 8/16/89]

[Filed 7/20/89, Notice 6/14/89—published 8/9/89, effective 9/13/89]

[Filed 8/16/89, Notices 4/19/89, 7/12/89—published 9/6/89, effective 10/11/89]

[Filed 3/14/91, Notice 9/19/90—published 4/3/91, effective 5/8/91]

[Filed 1/31/92, Notice 11/13/91—published 2/19/92, effective 7/1/92]

[Filed 3/12/92, Notice 12/11/91—published 4/1/92, effective 5/6/92]

[Filed 1/15/93, Notice 11/25/92—published 2/3/93, effective 3/10/93]

[Filed 5/16/95, Notice 3/15/95—published 6/7/95, effective 7/12/95]

[Filed 11/30/95, Notice 9/13/95—published 12/20/95, effective 1/24/96]

[Filed 7/11/97, Notice 4/23/97—published 7/30/97, effective 9/3/97]

[Filed emergency 7/25/97—published 8/13/97, effective 7/25/97]

[Filed emergency 11/14/97—published 12/3/97, effective 11/14/97]

[Filed 11/14/97, Notice 8/13/97—published 12/3/97, effective 1/7/98]

[Filed 3/31/98, Notice 12/3/97—published 4/22/98, effective 5/27/98]

[Filed 7/9/98, Notice 4/22/98—published 7/29/98, effective 9/2/98]

[Filed 1/15/04, Notice 10/1/03—published 2/4/04, effective 3/10/04]

[Filed 1/15/04, Notice 12/10/03—published 2/4/04, effective 3/10/04]

[Filed 9/20/06, Notice 8/2/06—published 10/11/06, effective 11/15/06]

[Filed ARC 0663C (Notice ARC 0513C, IAB 12/12/12), IAB 4/3/13, effective 5/8/13]

[Filed ARC 0903C (Notice ARC 0776C, IAB 5/29/13), IAB 8/7/13, effective 9/11/13]

[Filed ARC 1050C (Notice ARC 0907C, IAB 8/7/13), IAB 10/2/13, effective 11/6/13]

[Filed ARC 1205C (Notice ARC 1082C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]

[Filed ARC 1204C (Notice ARC 1083C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]

[Filed ARC 1752C (Notice ARC 1648C, IAB 10/1/14), IAB 12/10/14, effective 1/14/15]

[Filed ARC 2643C (Notice ARC 2395C, IAB 2/3/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 63
RESIDENTIAL CARE FACILITIES FOR THE
INTELLECTUALLY DISABLED
[Prior to 7/15/87, Health Department[470] Ch 63]

481—63.1(135C) Definitions. For the purpose of these rules, the following terms shall have the meaning indicated in this chapter. The definitions set out in Iowa Code section 135C.1 shall be considered to be incorporated verbatim in the rules. The use of the words “shall” and “must” indicate those standards are mandatory. The use of the words “should” and “could” indicate those standards are recommended.

“*Accommodation*” means the provision of lodging, including sleeping, dining, and living areas.

“*Administrator*” means a person who administers, manages, supervises, and is in general administrative charge of a residential care facility for the intellectually disabled, whether or not such individual has an ownership interest in such facility, and whether or not the functions and duties are shared with one or more individuals.

“*Alcoholic*” means a person in a state of dependency resulting from excessive or prolonged consumption of alcoholic beverages as defined in Iowa Code section 125.2.

“*Ambulatory*” means a person who immediately and without aid of another, is physically and mentally capable of traveling a normal path to safety, including the ascent and descent of stairs.

“*Basement*” means that part of a building where the finish floor is more than 30 inches below the finish grade.

“*Board*” means the regular provision of meals.

“*Communicable disease*” means a disease caused by the presence of virus or microbial agents within a person’s body, which agents may be transmitted either directly or indirectly to other persons.

“*Department*” means the state department of inspections and appeals.

“*Distinct part*” means a clearly identifiable area or section within a residential care facility for the intellectually disabled, consisting of at least a residential unit, wing, floor, or building containing contiguous rooms.

“*Drug addiction*” means a state of dependency, as medically determined, resulting from excessive or prolonged use of drugs as defined in Iowa Code chapter 124.

“*Interdisciplinary team*” means persons drawn from, or representing such of the professions, disciplines, or services required for the care of the resident.

“*Medication*” means any drug including over-the-counter substances ordered and administered under the direction of the physician.

“*Nonambulatory*” means a person who immediately and without the aid of another is not physically and mentally capable of traveling a normal path to safety, including the ascent and descent of stairs.

“*Personal care*” means assistance with the activities of daily living which the recipient can perform only with difficulty. Examples are help in getting in and out of bed, assistance with personal hygiene and bathing, help with dressing and feeding, and supervision over medications which can be self-administered.

“*Primary care provider*” means any of the following who provide primary care and meet certification standards:

1. A physician who is a family or general practitioner or an internist.
2. An advanced registered nurse practitioner.
3. A physician assistant.

“*Program of care*” means all services being provided for a resident in a health care facility.

“*Qualified intellectual disabilities professional*” means a psychologist, physician, registered nurse, educator, social worker, physical or occupational therapist, speech therapist or audiologist who meets the educational requirements for the profession, as required in the state of Iowa, and having one year’s experience working with the intellectually disabled.

“*Rate*” means that daily fee charged for all residents equally and shall include the cost of all minimum services required in these regulations.

“*Responsible party*” means the person who signs or cosigns the admission agreement required in 481—63.14(135C) or the resident’s guardian or conservator if one has been appointed. In the event that a resident has neither a guardian, conservator nor person who signed or cosigned the resident’s admission agreement, the term “responsible party” shall include the resident’s sponsoring agency, e.g., the department of social services, Veterans Administration, religious groups, fraternal organizations, or foundations that assume responsibility and advocate for their client patients and pay for their health care.

“*Restraints*” means the measures taken to control a resident’s physical activity for the resident’s own protection or for the protection of others.

[ARC 0765C, IAB 5/29/13, effective 7/3/13; ARC 1752C, IAB 12/10/14, effective 1/14/15]

481—63.2(135C) Variances. Variances from these rules may be granted by the director of the department of inspections and appeals for good and sufficient reason when the need for variance has been established; no danger to the health, safety, or welfare of any resident results; alternate means are employed or compensating circumstances exist and the variance will apply only to an individual residential care facility for the intellectually disabled. Variances will be reviewed at the discretion of the director of the department of inspections and appeals.

63.2(1) To request a variance, the licensee must:

- a. Apply for variance in writing, on a form provided by the department;
- b. Cite the rule or rules from which a variance is desired;
- c. State why compliance with the rule or rules cannot be accomplished;
- d. Explain alternate arrangement or compensating circumstances which justify the variance;
- e. Demonstrate that the requested variance will not endanger the health, safety, or welfare of any resident.

63.2(2) Upon receipt of a request for variance, the director of the department of inspections and appeals will:

- a. Examine the rule from which variance is requested to determine that the request is necessary and reasonable;
- b. If the request meets the above criteria, evaluate the alternate arrangements or compensating circumstances against the requirement of the rules;
- c. Examine the effect of the requested variance on the health, safety, or welfare of the residents;
- d. Consult with the applicant if additional information is required.

63.2(3) Based upon these studies, approval of the variance will be either granted or denied within 120 days of receipt.

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.3(135C) Application for licensure.

63.3(1) Initial application and licensing. In order to obtain an initial residential care facility for the intellectually disabled license for a residential care facility for the intellectually disabled which is currently licensed, the applicant must:

- a. Meet all of the rules, regulations, and standards contained in 481—Chapters 60 and 63;
- b. Submit a letter of intent and a written résumé of the resident care program and other services provided which reflect the services indicated in individualized programs of care for each resident for departmental review and approval;
- c. Make application at least 30 days prior to the change of ownership of the facility on forms provided by the department;
- d. Submit a floor plan of each floor of the facility drawn on 8½- × 11-inch paper showing room areas in proportion, room dimensions, room numbers for all rooms, including bathrooms, and designation of the use to which each room will be put and window and door location;
- e. Submit a photograph of the front and side elevation of the facility;
- f. Submit the statutory fee for a residential care facility for the intellectually disabled for which licensure application is made;
- g. Comply with all other local statutes and ordinances in existence at the time of licensure;

h. Have a certificate signed by the state fire marshal or deputy state fire marshal as to compliance with fire safety rules and regulations.

63.3(2) In order for a facility not currently licensed as a residential care facility for the intellectually disabled to obtain an initial license as a residential care facility for the intellectually disabled, the applicant must:

a. Meet all of the rules, regulations, and standards contained in 481—Chapters 60 and 63 (exceptions noted in 60.3(2) shall not apply);

b. Submit a letter of intent and a written résumé of the resident care program and other services provided for departmental review and approval;

c. Make application at least 30 days prior to the proposed opening date of the facility on forms provided by the department;

d. Submit a floor plan of each floor of the residential care facility for the intellectually disabled, drawn on 8½- × 11-inch paper showing room areas in proportion, room dimensions, room numbers for all rooms, including bathrooms, and designation of the use to which the room will be put and window and door locations;

e. Submit a photograph of the front and side elevation of the residential care facility for the intellectually disabled;

f. Submit the statutory fee for a residential care facility for the intellectually disabled;

g. Comply with all other local statutes and ordinances in existence at the time of licensure;

h. Have a certificate signed by the state fire marshal or deputy state fire marshal as to compliance with fire safety rules and regulations.

63.3(3) Renewal application. In order to obtain a renewal of the residential care facility for the intellectually disabled license, the applicant must:

a. Submit the completed application form 30 days prior to annual license renewal date of residential care facility for the intellectually disabled license;

b. Submit the statutory license fee for a residential care facility for the intellectually disabled with the application for renewal;

c. Have an approved current certificate signed by the state fire marshal or deputy state fire marshal as to compliance with fire safety rules and regulations;

d. Submit appropriate changes in the résumé to reflect any changes in the resident care program and other services.

63.3(4) Deemed status.

a. The department shall recognize, in lieu of its own inspection, the comparable inspection and inspection findings of the Accreditation Council for Service for Mentally Retarded and Other Developmentally Disabled Persons (AC—MR/DD), if the department is given copies of all requested materials relating to the comparable inspection process, is notified of the scheduled comparable inspection not less than 30 days in advance of the inspection, and is given the opportunity to monitor the comparable inspection. The department may verify the findings of 10 percent of the comparable inspections, selected annually on a random basis, in order to ensure compliance with minimum residential care standards established pursuant to this chapter.

b. The above accreditation will be accepted in lieu of the department's yearly licensure inspection for each year of the AC—MR/DD accreditation period up to two years.

63.3(5) Licenses are issued to the person or governmental unit which has responsibility for the operation of the facility and authority to comply with all applicable statutes, rules or regulations.

The person or governmental unit must be the owner of the facility or, if the facility is leased, the lessee.

This rule is intended to implement Iowa Code sections 135C.6(1) and 135C.9.
[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.4(135C) General requirements.

63.4(1) The license shall be displayed in a conspicuous place in the facility which is viewed by the public. (III)

63.4(2) The license shall be valid only in the possession of the licensee to whom it is issued.

63.4(3) The posted license shall accurately reflect the current status of the residential care facility for the intellectually disabled. (III)

63.4(4) Licenses expire one year after the date of issuance, or as indicated on the license.

63.4(5) Each citation or a copy of each citation issued by the department for a class I or class II violation shall be prominently posted by the facility in plain view of the residents, visitors, and persons inquiring about placement in the facility. The citation or copy of the citation shall remain posted until the violation is corrected to the satisfaction of the department. (III)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.5(135C) Notifications required by the department. The department shall be notified:

63.5(1) Within 48 hours, by letter, of any reduction or loss of personal care or dietary staff lasting more than seven days which places the staffing ratio below that required for licensing. No additional residents shall be admitted until the minimum staffing requirements are achieved; (III)

63.5(2) Of any proposed change in the residential care facility for the intellectually disabled's functional operation or addition or deletion of required services; (III)

63.5(3) Thirty days before addition, alteration, or new construction is begun in the residential care facility for the intellectually disabled, or on the premises; (III)

63.5(4) Thirty days in advance of closure of the residential care facility for the intellectually disabled; (III)

63.5(5) Within two weeks of any change in administrator; (III)

63.5(6) When any change in the category of license is sought; (III)

63.5(7) Prior to the purchase, transfer, assignment, or lease of a residential care facility for the intellectually disabled, the licensee shall:

a. Inform the department of the pending sale, transfer, assignment, or lease of the facility; (III)

b. Inform the department of the name and address of the prospective purchaser, transferee, assignee, or lessee at least 30 days before the sale, transfer, assignment, or lease is completed; (III)

c. Submit a written authorization to the department permitting the department to release all information of whatever kind from the department's files concerning the licensee's residential care facility for the intellectually disabled to the named prospective purchaser, transferee, assignee, or lessee; (III)

63.5(8) Pursuant to the authorization submitted to the department by the licensee prior to the purchase, transfer, assignment, or lease of a residential care facility for the intellectually disabled, the department shall upon request, send or give copies of all recent licensure surveys and of any other pertinent information relating to the facility's licensure status to the prospective purchaser, transferee, assignee, or lessee; costs for such copies shall be paid by the prospective purchaser.

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.6(135C) Witness fees. Rescinded IAB 3/30/94, effective 5/4/94. See 481—subrule 50.6(4).

481—63.7(135C) Licenses for distinct parts.

63.7(1) Separate licenses may be issued for distinct parts of a health care facility which are clearly identifiable, containing contiguous rooms in a separate wing or building or on a separate floor of the facility and which provide care and services of separate categories.

63.7(2) The following requirements shall be met for a separate licensing of a distinct part:

a. The distinct part shall serve only residents who require the category of care and services immediately available to them within that part; (III)

b. The distinct part shall meet all the standards, rules, and regulations pertaining to the category for which a license is being sought;

c. A distinct part must be operationally and financially feasible;

d. A separate staff with qualifications appropriate to the care and services being rendered must be regularly assigned and working in the distinct part under responsible management; (III)

e. Separately licensed distinct parts may have certain services such as management, building maintenance, laundry, and dietary in common with each other.

481—63.8(135C) Administrator. Each residential care facility for the intellectually disabled shall have one person in charge, duly approved by the department or acting in a provisional capacity in accordance with these regulations. (III)

63.8(1) The administrator shall be at least 18 years of age and shall have a high school diploma or equivalent. (III) In addition this person shall meet at least one of the following conditions:

a. Be a licensed nursing home administrator who is also a qualified intellectual disabilities professional; (III) or

b. Be a qualified intellectual disabilities professional with at least one year of experience in an administrative capacity in a health care facility; (III) or

c. Have completed a one-year educational training program approved by the department for residential care facility for the intellectually disabled. (III)

63.8(2) The administrator may act as an administrator for not more than two residential care facilities for the intellectually disabled. (II)

a. The distance between the two facilities shall be no greater than 50 miles. (II)

b. The administrator shall spend the equivalent of three full eight-hour days per week in each facility. (II)

c. The administrator may be responsible for no more than 150 beds in total if the administrator is an administrator of more than one facility. (II)

63.8(3) The licensee may be the approved administrator providing the licensee meets the requirements as set forth in these regulations and devotes the required time to administrative duties. Residency in the facility does not in itself meet the requirement. (III)

63.8(4) A provisional administrator may be appointed on a temporary basis by the residential care facility for the intellectually disabled licensee to assume the administrative responsibilities for a residential care facility for the intellectually disabled for a period not to exceed six months when, through no fault of its own, the home has lost its administrator and has not been able to replace the administrator, provided the department has been notified prior to the date of the administrator's appointment. (III)

63.8(5) In the absence of the administrator, a responsible person shall be designated in writing to the department to be in charge of the facility. (III) The person designated shall:

a. Be knowledgeable of the operation of the facility; (III)

b. Have access to records concerned with the operation of the facility; (III)

c. Be capable of carrying out administrative duties and of assuming administrative responsibilities; (III)

d. Be at least 18 years of age; (III)

e. Be empowered to act on behalf of the licensee during the administrator's absence concerning the health, safety, and welfare of the residents; (III)

f. Have had training to carry out assignments and take care of emergencies and sudden illnesses of residents. (III)

63.8(6) The licensee shall:

a. Assume the responsibility for the overall operation of the residential care facility for the intellectually disabled; (III)

b. Be responsible for compliance with all applicable laws and with the rules of the department; (III)

c. Establish written policies, which shall be available for review, for the operation of the residential care facility for the intellectually disabled. (III)

63.8(7) The administrator shall:

a. Be responsible for the selection and direction of competent personnel to provide services for the resident care program; (III)

- b.* Be responsible for the arrangement for all department heads to annually attend a minimum of ten contact hours of educational programs to increase skills and knowledge needed for the position; (III)
 - c.* Be responsible for a monthly in-service educational program for all employees and to maintain records of programs and participants; (III)
 - d.* Make available the residential care facility for the intellectually disabled payroll records for departmental review as needed. (III)
- [ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.9(135C) General policies.

63.9(1) There shall be written personnel policies in facilities of more than 15 beds to include hours of work, and attendance at educational programs. (III)

63.9(2) There shall be a written job description developed for each category of worker in facilities. The job description shall include title of job, job summary, age range, qualifications (formal education and experience), skills needed, physical requirements, and responsibilities. (III)

63.9(3) There shall be written personnel policies for each facility. Personnel policies shall include the following requirements:

- a.* Employees shall have a physical examination before employment. (I, II, III)
- b.* Employees shall have a physical examination at least every four years. (I, II, III)
- c.* Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (I, II, III)

63.9(4) Health certificates for all employees shall be available for review. (III)

63.9(5) Rescinded IAB 10/19/88, effective 11/23/88.

63.9(6) There shall be written policies for emergency medical care for employees and residents in case of sudden illness or accident which includes the individual to be contacted in case of emergency. (III)

63.9(7) The facility shall have a written agreement with a hospital for the timely admission of a resident who, in the opinion of the attending physician, requires hospitalization. (III)

63.9(8) The residential care facility for the intellectually disabled shall have established policies concerning the control, investigation, and prevention of infections within the facility. (III)

63.9(9) Each facility licensed as a residential care facility for the intellectually disabled shall provide an organized continuous 24-hour program of care commensurate with the needs of the residents of the home and under the direction of an administrator whose combined training and supervisory experience is such as to ensure adequate and competent care. (III)

63.9(10) Each facility shall have a written and implemented infection control program addressing the following:

- a.* Techniques for hand washing consistent with Guidelines for Handwashing and Hospital Control, 1985, Centers for Disease Control, U.S. Department of Health and Human Services, PB85-923404; (I, II, III)

- b.* Techniques for handling of blood, body fluids, and body wastes consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)

- c.* Dressings, soaks, or packs; (I, II, III)

- d.* Infection identification; (I, II, III)

- e.* Resident care procedures to be used when there is an infection present consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)

- f.* Sanitation techniques for resident care equipment; (I, II, III)

- g.* Techniques for sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags; (I, II, III)

- h.* Techniques for use and disposal of needles, syringes, and other sharp instruments consistent with Guideline for Isolation Precautions in Hospitals, Centers for Disease Control, U.S. Department of Health and Human Services, PB96-138102; (I, II, III)

CDC Guidelines may be obtained from the U.S. Department of Commerce, Technology Administration, National Technical Information Service, 5285 Port Royal Rd., Springfield, Virginia 22161 (1-800-553-6847).

63.9(11) Aseptic techniques. If a resident needs any of the treatments or devices on the list below, written and implemented procedures regarding aseptic techniques shall be followed.

a. Intravenous or central line catheter consistent with Guideline for Prevention of Intravascular Device Related Infections, Centers for Disease Control, U.S. Department of Health and Human Services, PB97-130074, (I, II, III)

b. Urinary catheter, (I, II, III)

c. Respiratory suction, oxygen or humidification, (I, II, III)

d. Decubitus care, (I, II, III)

e. Tracheostomy, (I, II, III)

f. Nasogastric or gastrostomy tubes, (I, II, III)

g. Sanitary use and reuse of feeding syringes and single-resident use and reuse of urine collection bags. (I, II, III)

63.9(12) Prior to the removal of a deceased resident/patient from a facility, the funeral director or person responsible for transporting the body shall be notified by the facility staff of any special precautions that were followed by the facility having to do with the mode of transmission of a known or suspected communicable disease. (III)

[ARC 0663C, IAB 4/3/13, effective 5/8/13; ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.10 Rescinded, effective 7/14/82.

481—63.11(135C) Personnel.

63.11(1) *General qualifications.*

a. No person with a current record of habitual alcohol intoxication or addiction to the use of drugs shall serve in a managerial role of a residential care facility for the intellectually disabled. (II)

b. No person under the influence of alcohol or intoxicating drugs shall be permitted to provide services in a residential care facility for the intellectually disabled. (II)

c. No person shall be allowed to provide services in a facility if the person has a disease:

(1) Which is transmissible through required workplace contact, (I, II, III)

(2) Which presents a significant risk of infecting others, (I, II, III)

(3) Which presents a substantial possibility of harming others, and (I, II, III)

(4) For which no reasonable accommodation can eliminate the risk. (I, II, III)

Refer to Guidelines for Infection Control in Hospital Personnel, Centers for Disease Control, U.S. Department of Health and Human Services, PB85-923402 to determine (1), (2), (3) and (4).

d. Reserved.

e. Individuals with either physical or mental disabilities may be employed for specific duties, but only if that disability is unrelated to that individual's ability to perform the duties of the job. (III)

63.11(2) *Supervision and staffing.*

a. The department shall establish on an individual facility basis the numbers and qualifications of the staff required in a residential care facility for the intellectually disabled, using as its criteria the services being offered as indicated on the résumé program of care and, as required for individual care plans, the needs of the resident. (II, III)

b. Personnel in a residential care facility for the intellectually disabled shall provide 24-hour coverage for residential care services for the intellectually disabled. Personnel shall be up and dressed at all times in facilities with more than 15 beds. In facilities with 15 or fewer beds, personnel shall be up and dressed when residents are awake. (II, III)

c. Direct care staff shall be present in the facility unless all residents are involved in activities away from the facility. (II, III)

d. Physician's orders shall be implemented by qualified personnel. (II, III)

63.11(3) *Employee criminal record checks, child abuse checks and dependent adult abuse checks and employment of individuals who have committed a crime or have a founded abuse.* The facility shall comply with the requirements found in Iowa Code section 135C.33 as amended by 2013 Iowa Acts, Senate File 347, and rule 481—50.9(135C) related to completion of criminal record checks, child abuse checks, and dependent adult abuse checks and to employment of individuals who have committed a crime or have a founded abuse. (I, II, III)

[ARC 0765C, IAB 5/29/13, effective 7/3/13; ARC 0903C, IAB 8/7/13, effective 9/11/13]

481—63.12(135C) Resident care and personal services.

63.12(1) Beds shall be made daily and adjusted as necessary. A complete change of linen shall be made at least once a week and more often if necessary. (III)

63.12(2) Residents shall receive sufficient supervision so that their personal cleanliness is maintained. (II, III)

63.12(3) Residents shall have clean clothing as needed to present a neat appearance, be free of odors, and to be comfortable. Clothing shall be appropriate to their activities and to the weather. (III)

63.12(4) Rescinded, effective 7/14/82.

63.12(5) Residents shall be encouraged to leave their rooms and make use of the recreational room or living room of the facility. (III)

63.12(6) Residents shall not be required to pass through another's bedroom to reach a bathroom, living room, dining room, corridor, or other common areas of the facility. (III)

63.12(7) Rescinded, effective 7/14/82.

63.12(8) Uncontrollable residents shall be transferred or discharged from the facility in accordance with contract arrangements and requirements of Iowa Code chapter 135C. (II, III)

63.12(9) Residents shall be required to bathe at least twice a week. (II, III)

481—63.13(135C) Admission, transfer, and discharge.

63.13(1) *General admission policies.*

a. No resident who is in need of greater services than the facility can provide shall be admitted or retained in a residential care facility for the intellectually disabled. (II, III)

b. No residential care facility for the intellectually disabled shall admit more residents than the number of beds for which it is licensed. (II, III)

c. There shall be no more beds erected than is stipulated on the license. (II, III)

d. There shall be no more beds erected in a room than its size and other characteristics will permit. (II, III)

e. The admission of a resident to a residential care facility for the intellectually disabled shall not give the facility or any employee of the facility the right to manage, use, or dispose of any property of the resident except with the written authorization of the resident or the resident's legal representative. (III)

f. The admission of a resident shall not grant the residential care facility for the intellectually disabled the authority or responsibility to manage the personal affairs of the resident except as may be necessary for the safety of the resident and safe and orderly management of the residential care facility for the intellectually disabled as required by these rules. (III)

g. A residential care facility for the intellectually disabled shall provide for the safekeeping of personal effects, funds, and other property of its residents. The facility may require that items of exceptional value or which would convey unreasonable responsibilities to the licensee be removed from the premises of the facility for safekeeping. (III)

h. Rescinded, effective 7/14/82.

i. Funds or properties received by the residential care facility for the intellectually disabled, belonging to or due a resident, expendable for the resident's account, shall be trust funds. (III)

j. Infants and children under the age of 16 shall not be admitted to health care facilities for adults unless given prior written approval by the department. A distinct part of a health care facility, segregated from the adult section, may be established based on a program of care submitted by the licensee or

applicant which is commensurate with the needs of the residents of the health care facility and has received the department's review and approval. (III)

k. No health care facility, and no owner, administrator, employee or representative thereof shall act as guardian, trustee, or conservator for any resident's property, unless such resident is related to the person acting as guardian within the third degree of consanguinity. (III)

l. Upon the verified petition of the county board of supervisors, the district court may appoint the administrator of a county care facility as conservator or guardian or both of a resident of such county care facility. Such administrator shall serve as conservator or guardian or both without fee. The administrator may establish either separate or common bank accounts for cash funds of such resident wards. (III)

63.13(2) Discharge or transfer.

a. Prior notification shall be made to the next of kin, legal representative, attending physician, and sponsoring agency, if any, prior to transfer or discharge of any resident. (III)

b. Proper arrangements shall be made by the residential care facility for the intellectually disabled for the welfare of the resident prior to transfer or discharge in the event of an emergency or inability to reach the next of kin or legal representative. (III)

c. The licensee shall not refuse to discharge or transfer a resident when the physician, family, resident, or legal representative requests such transfer or discharge. (II, III)

d. Advance notification by telephone will be made to the receiving facility prior to the transfer of any resident. (III)

e. When a resident is transferred or discharged, the appropriate record as set forth in 63.17(1) of these rules will accompany the resident. (II, III)

f. Prior to the transfer or discharge of a resident to another health care facility, arrangements to provide for continuity of care shall be made with the facility to which the resident is being sent. (II, III)
[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.14(135C) Contracts. Each party shall receive a copy of the signed contract. Each contract for residents shall:

63.14(1) State the base rate or scale per day or per month, the services included, and the method of payment; (III)

63.14(2) Contain a complete schedule of all offered services for which a fee may be charged in addition to the base rate. (III) Furthermore, the contract shall:

a. Stipulate that no further additional fees shall be charged for items not contained in complete schedule of services as set forth in subrule 63.14(2); (III)

b. State the method of payment of additional charges; (III)

c. Contain an explanation of the method of assessment of such additional charges and an explanation of the method of periodic reassessment, if any, resulting in changing such additional charges; (III)

d. State that additional fees may be charged to the resident for nonprescription drugs, other personal supplies, and services by a barber, beautician, etc. (III)

63.14(3) Contain an itemized list of those services, with the specific fee the resident will be charged and method of payment, as related to the resident's current condition, based on a preadmission evaluation assessment which is determined in consultation with the administrator; (III)

63.14(4) Include the total fee to be charged initially to the resident; (III)

63.14(5) State the conditions whereby the facility may make adjustments to its overall fees for resident care as a result of changing costs. (III) Furthermore, the contract shall provide that the facility shall give:

a. Written notification to the resident or responsible party, when appropriate, of changes in the overall rates of both base and additional charges at least 30 days prior to effective date of such changes; (III)

b. Notification to the resident or responsible party, when appropriate, of changes in additional charges, based on a change in the resident's condition. Notification must occur prior to the date such revised additional charges begin. If notification is given orally, subsequent written notification must also

be given within a reasonable time, not to exceed one week, listing specifically the adjustments made; (III)

63.14(6) State the terms of agreement in regard to refund of all advance payments in the event of transfer, death, voluntary or involuntary discharge; (III)

63.14(7) State the terms of agreement concerning the holding and charging for a bed when a resident is hospitalized or leaves the facility temporarily for recreational or therapeutic reasons. The terms shall contain a provision that the bed will be held at the request of the resident or the resident's responsible party:

a. The facility shall ask the resident or responsible party if they want the bed held. This request shall be made before the resident leaves or within 48 hours after the resident leaves. The inquiry and the response shall be documented; (II)

b. The facility shall reserve the bed when requested for as long as the resident can ensure payment in accordance with the contract; (II)

63.14(8) State the conditions under which the involuntary discharge or transfer of a resident would be effected; (III)

63.14(9) State the conditions of voluntary discharge or transfer; (III)

63.14(10) Set forth any other matters deemed appropriate by the parties to the contract. No contract or any provision thereof shall be drawn or construed so as to relieve any health care facility of any requirement or obligation imposed upon it by this chapter or any standards or rules in force pursuant to this chapter. (III)

481—63.15(135C) Physical examinations.

63.15(1) Each resident in a residential care facility for the intellectually disabled shall have a designated licensed physician, who may be called when needed. (III)

63.15(2) Each resident admitted to a residential care facility for the intellectually disabled shall have had a physical examination prior to admission. (II, III)

a. If the resident is admitted directly from a hospital, a copy of the hospital admission physical and discharge summary may be a part of the record in lieu of an additional physical examination. A record of the examination, signed by the physician, shall be a part of the resident's record. (II, III)

b. The record of the admission physical examination and medical history shall portray the current medical status of the resident and shall include the resident's name, sex, age, medical history, physical examination, diagnosis, statement of chief complaints, and results of any diagnostic procedures. (II, III)

c. Screening and testing for tuberculosis shall be conducted pursuant to 481—Chapter 59. (II, III)

63.15(3) Arrangements shall be made to have a physician available to furnish medical care in case of emergency. (II, III)

63.15(4) Rescinded, effective 7/14/82.

63.15(5) The person in charge shall immediately notify the physician of any accident, injury, or adverse change in the resident's condition. (I, II, III)

63.15(6) Each resident shall be visited by or shall visit the resident's physician at least annually. The year period shall be measured from the date of admission and is not to include preadmission physicals. Any required physician task or visit in a residential care facility for the intellectually disabled may also be performed by an advanced registered nurse practitioner, clinical nurse specialist, or physician assistant who is working in collaboration with the physician. (III)

63.15(7) Residents shall be admitted to a residential care facility for the intellectually disabled only on a written order signed by a physician certifying that the individual being admitted requires no more than personal care and supervision but does not require nursing care. (III)

This rule is intended to implement Iowa Code section 135C.23(2).

[ARC 0663C, IAB 4/3/13, effective 5/8/13; ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.16(135C) Dental services.

63.16(1) The residential care facility for the intellectually disabled personnel shall assist residents to obtain regular and emergency dental services. (III)

63.16(2) Transportation arrangements shall be made when necessary for the resident to be transported to the dentist's office. (III)

63.16(3) Dental services shall be performed only on the request of the resident, responsible relative, or legal representative. The resident's physician shall be advised of the resident's dental problems. (III)

63.16(4) All dental reports or progress notes shall be included in the clinical record. (III)

63.16(5) Personal care staff shall assist the resident in carrying out dentist's recommendations. (III)

63.16(6) Dentists shall be asked to participate in the in-service program of the facility. (III)
[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.17(135C) Records.

63.17(1) *Resident record.* The licensee shall keep a permanent record on all residents admitted to a residential care facility for the intellectually disabled with all entries current, dated, and signed. (III)
The record shall include:

- a. Name and previous address of resident; (III)
 - b. Birth date, sex, and marital status of resident; (III)
 - c. Church affiliation; (III)
 - d. Physician's name, telephone number, and address; (III)
 - e. Dentist's name, telephone number, and address; (III)
 - f. Name, address, and telephone number of next of kin or legal representative; (III)
 - g. Name, address, and telephone number of person to be notified in case of emergency; (III)
 - h. Mortician's name, telephone number, and address; (III)
 - i. Pharmacist's name, telephone number, and address; (III)
 - j. Physical examination and medical history; (III)
 - k. Certification by the physician that the resident requires no more than personal care and supervision, but does not require nursing care; (III)
 - l. Physician's orders for medication, treatment, and diet in writing and signed by the physician; (III)
 - m. A notation of yearly or other visits to physician or other professional services; (III)
 - n. Any change in the resident's condition; (II, III)
 - o. If the physician has certified that the resident is capable of taking prescribed medications, the resident shall be required to keep the administrator advised of current medications, treatments, and diet. The administrator shall keep a listing of medication, treatments, and diet prescribed by the physician for each resident; (III)
 - p. If the physician has certified that the resident is not capable of taking prescribed medication, it must be administered by a qualified person of the facility. A qualified person shall be defined as either a registered or licensed practical nurse or an individual who has completed the state-approved training course in medication administration; (II)
 - q. Medications administered by an employee of the facility shall be recorded on a medication record by the individual who administers the medication; (II, III)
 - r. A notation describing condition on admission, transfer, and discharge; (III)
 - s. In the event of a resident's death, notations in the resident's record shall include the date and time of the resident's death, the circumstances of the resident's death, the disposition of the resident's body, and the date and time that the resident's family and physician were notified of the resident's death; (III)
 - t. A copy of instructions given to the resident, legal representative, or facility in the event of discharge or transfer; (III)
 - u. Disposition of valuables. (III)
- 63.17(2)** *Incident record.*
- a. Each residential care facility for the intellectually disabled shall maintain an incident record report and shall have available incident report forms. (III)
 - b. Report of incidents shall be in detail on a printed incident report form. (III)

c. The person in charge at the time of the incident shall oversee the preparation and sign the incident report. (III)

d. The report shall cover all accidents where there is apparent injury or where hidden injury may have occurred. (III)

e. The report shall cover all accidents or unusual occurrences within the facility or on the premises affecting residents, visitors, or employees. (III)

f. A copy of the incident report shall be kept on file in the facility. (III)

63.17(3) Retention of records.

a. Records shall be retained in the facility for five years following termination of services. (III)

b. Records shall be retained within the facility upon change of ownership. (III)

c. Rescinded, effective 7/14/82.

d. When the facility ceases to operate, the resident's record shall be released to the facility to which the resident is transferred. If no transfer occurs, the record shall be released to the individual's physician. (III)

63.17(4) Reports to the department. The licensee shall furnish statistical information concerning the operation of the facility to the department on request. (III)

63.17(5) Personnel record.

a. An employment record shall be kept for each employee consisting of the following information: name and address of employee, social security number of employee, date of birth of employee, date of employment, experience and education, references, position in the home, date and reason for discharge or resignation. (III)

b. The personnel records shall be made available for review upon request by the department. (III)
[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.18(135C) Drugs.

63.18(1) Drug storage.

a. Residents who have been certified in writing by the physician as capable of taking their own medications may retain these medications in their bedroom but locked storage must be provided. (III)

b. Drug storage for residents who are unable to take their own medications and require supervision shall meet the following requirements:

(1) A cabinet with a lock shall be provided which can be used for storage of drugs, solutions, and prescriptions; (III)

(2) A bathroom shall not be used for drug storage; (III)

(3) The drug storage cabinet shall be kept locked; (III)

(4) Schedule II drugs, as defined by Iowa Code chapter 124, shall be kept in a locked box within the locked medication cabinet; (II)

(5) The medicine cabinet key shall be in the possession of the employee charged with the responsibility of administering medications; (II, III)

(6) Medications requiring refrigeration shall be kept in a refrigerator and separated from food and other items; (III)

(7) Drugs for external use shall be stored separately from drugs for internal use; (III)

(8) All potent, poisonous, or caustic materials shall be stored separately from drugs. They shall be plainly labeled and stored in a specific, well-illuminated cabinet, closet, or storeroom and made accessible only to authorized persons; (I, II)

(9) The drug cabinet shall have a work counter, both the counter and cabinet shall be well-lighted; (III)

(10) Running water shall be available in the room in which the medicine cabinet is located or in an adjacent room; (III)

(11) Inspection of drug storage condition shall be made by the administrator and a registered pharmacist not less than once every three months. The inspection shall be verified by a report signed by the administrator and the pharmacist and filed with the administrator. The report shall include, but not

be limited to, certifying absence of the following: expired drugs, deteriorated drugs, improper labeling, drugs for which there is no current physician's order, and drugs improperly stored. (III)

c. Bulk supplies of prescription drugs shall not be kept in a residential care facility for the intellectually disabled unless a licensed pharmacy is established in the facility under the direct supervision and control of a pharmacist. (III)

63.18(2) Drug safeguards.

a. All prescribed medications shall be clearly labeled indicating the resident's full name, physician's name, prescription number, name and strength of drug, dosage, directions for use, date of issue, and name and address and telephone number of pharmacy or physician issuing the drug. Where unit dose is used, prescribed medications shall, as a minimum, indicate the resident's full name, physician's name, name and strength of drug, and directions for use. Standard containers shall be utilized for dispensing drugs. Paper envelopes shall not be considered standard containers. (III)

b. Medication containers having soiled, damaged, illegible or makeshift labels shall be returned to the issuing pharmacist, pharmacy, or physician for relabeling or disposal. (III)

c. The medications of each resident shall be kept or stored in the originally received containers. (II, III)

d. When a resident is discharged or leaves the facility, the unused prescription shall be sent with the resident or with a legal representative only upon the written order of a physician. (III)

e. Unused prescription drugs prescribed for residents who have died shall be destroyed by the person in charge with a witness and notation made on the resident's record, or, if a unit dose system is used, such drugs shall be returned to the supplying pharmacist. (III)

f. Prescriptions shall be refilled only with the permission of the attending physician. (II, III)

g. No medications prescribed for one resident may be administered to or allowed in the possession of another resident. (II)

h. Instructions shall be requested of the Iowa board of pharmacy examiners concerning disposal of unused Schedule II drugs prescribed for residents who have died or for whom the Schedule II drug was discontinued. (III)

i. There shall be a formal routine for the proper disposal of discontinued medications within a reasonable but specified time. These medications shall not be retained with the resident's current medications. Discontinued drugs shall be destroyed by the responsible person with a witness and notation made to that effect or returned to the pharmacist for destruction or resident credit. Drugs listed under the Schedule II drugs shall be disposed of in accordance with the provisions of the Iowa board of pharmacy examiners. (II, III)

j. All medication orders which do not specifically indicate the number of doses to be administered or the length of time the drug is to be administered shall be stopped automatically after a given time period. The automatic stop order may vary for different types of drugs. The personal physician of the resident, in conjunction with the pharmacist, shall institute these policies and provide procedures for review and endorsement. (II, III)

k. No resident shall be allowed to keep in the resident's possession any medications unless the attending physician has certified in writing on the resident's medical record that the resident is mentally and physically capable of doing so. (II)

l. No medications or prescription drugs shall be administered to a resident without a written order signed by the attending physician. (II)

m. Each facility shall establish a policy cooperating with a licensed pharmacist to govern distributing prescribed medication to residents who are on leave from a facility. (III)

(1) Medication may be issued to residents who will be on leave from a facility for less than 24 hours. Notwithstanding the prohibition against paper envelopes in 63.18(2) "a," non-child-resistant containers may be used. Each container may hold only one medication. A label on each container shall indicate the date, the resident's name, the facility, the medication, its strength, dose, and time of administration.

(2) Medication for residents on leave from a facility longer than 24 hours shall be obtained in accordance with requirements established by the Iowa board of pharmacy examiners.

(3) Medication distributed as above may be issued only by facility personnel responsible for administering medication.

63.18(3) Drug administration.

a. A properly trained person shall be charged with the responsibility of administering nonparenteral medications.

b. The individual shall have knowledge of the purpose of the drugs, their dangers, and contraindications.

c. This person shall be a licensed nurse or physician or shall have successfully completed a department-approved medication aide course or passed a department-approved medication aide challenge examination administered by an area community college.

d. Prior to taking a department-approved medication aide course, the individual shall have a letter of recommendation for admission to the medication aide course from the employing facility.

e. A person who is a nursing student or a graduate nurse may take the challenge examination in place of taking a medication aide course. This individual shall do all of the following before taking the medication aide challenge examination:

(1) Complete a clinical or nursing theory course within six months before taking the challenge examination;

(2) Successfully complete a nursing program pharmacology course within one year before taking the challenge examination;

(3) Provide to the community college a written statement from the nursing program's pharmacology or clinical instructor indicating the individual is competent in medication administration.

f. In an RCF/ID facility licensed for 15 or fewer beds, a person who has successfully completed a state-approved medication manager course may administer medications.

g. A person who has written documentation of certification as a medication aide in another state may become a medication aide in Iowa by successfully completing a department-approved nurse aide competency examination and a medication aide challenge examination.

The requirements of paragraph "d" of this subrule do not apply to this individual.

h. Unless the unit dose system is used, the person assigned the responsibility of medication administration must complete the procedure by personally preparing the dose, observing the actual act of swallowing the oral medication, and charting the medication. (II) In facilities where the unit dose system is used, the person assigned the responsibility must complete the procedure by observing the actual act of swallowing the medication and charting the medication. Medications shall be prepared on the same shift of the same day they are administered, (II) unless the unit dose system is used.

i. Injectable medications shall be administered as permitted by Iowa law by a qualified nurse, physician, pharmacist, or physician assistant (PA).

j. Residents certified by their physician as capable of injecting their own insulin may do so. Insulin may be administered pursuant to "i" above or as otherwise authorized by the resident's physician.

Authorization by the physician shall:

(1) Be in writing,

(2) Be maintained in the resident's record,

(3) Be renewed quarterly,

(4) Include the name of the individual authorized to administer the insulin,

(5) Include documentation by the physician that the authorized person is qualified to administer insulin to that resident.

k. An individual inventory record shall be maintained for each Schedule II drug prescribed for each resident. (II)

[ARC 0765C, IAB 5/29/13, effective 7/3/13; ARC 1050C, IAB 10/2/13, effective 11/6/13; ARC 2643C, IAB 8/3/16, effective 9/7/16]

481—63.19(135C) Dietary.

63.19(1) Dietary staffing.

a. In facilities licensed for over 15 beds, persons in charge of meal planning and food preparation shall complete the home study course on sanitation and food preparation offered by the department. (III)

b. In facilities licensed for over 15 beds, food service personnel shall be on duty during a 12-hour span extending from the preparation of breakfast through supper. (III)

c. There shall be written work schedules and time schedules covering each type of job in the food service department. These work and time schedules shall be posted or kept in a notebook which is available for use in the food service area in facilities over 15 beds. (III)

63.19(2) Nutrition and menu planning.

a. Menus shall be planned and followed to meet nutritional needs of residents in accordance with the physician's orders. (II)

b. Menus shall be planned and served to include foods and amounts necessary to meet the recommended daily dietary allowances of the food and nutrition board of the National Research Council, National Academy of Sciences. (II) Recommended daily dietary allowances are:

(1) Milk—two or more cups served as beverage or used in cooking;

(2) Meat group—two or more servings of meat, fish, poultry, eggs, cheese or equivalent; at least four to five ounces edible portion per day;

(3) Vegetable and fruit group—four or more servings (two cups). This shall include a citrus fruit or other fruit and vegetable important for vitamin C daily, a dark green or deep yellow vegetable for vitamin A at least every other day, and other fruits and vegetables, including potatoes;

(4) Bread and cereal group—four or more servings of whole-grain, enriched or restored;

(5) Foods other than those listed will usually be included to meet daily energy requirements (calories) to add to the total nutrients and variety of meals.

c. At least three meals or their equivalent shall be served daily, at regular hours. (II)

(1) There shall be no more than a 14-hour span between substantial evening meal and breakfast. (II, III)

(2) To the extent medically possible, bedtime nourishments shall be offered routinely to all residents. Special nourishments shall be available when ordered by physician. (II, III)

d. Menus shall include a variety of foods prepared in various ways. The same menu shall not be repeated on the same day of the following week. (III)

e. Menus shall be written at least one week in advance. The current menu shall be located in an accessible place in the dietetic service department for easy use by persons purchasing, preparing, and serving food. (III)

f. Records of menus as served shall be filed and maintained for 30 days and shall be available for review by departmental personnel. When substitutions are necessary, they shall be of similar nutritive value and recorded on the menu or in a notebook. (III)

g. A file of tested recipes adjusted to the number of people to be fed in the facility shall be maintained. (III)

63.19(3) Dietary storage, food preparation, and service.

a. All food and drink shall be clean, wholesome, free from spoilage, and safe for human consumption. (II, III)

b. The use of food from salvaged, damaged, or unlabeled containers shall be prohibited. (III)

c. All perishable or potentially hazardous food shall be stored at safe temperatures of 45°F (7°C) or below, or 140°F (60°C) or above. (III)

d. No perishable food shall be allowed to stand at room temperature any longer than is required to prepare and serve. (III)

e. Supplies of staple foods for a minimum of a one-week period and or perishable foods for a minimum of a two-day period shall be maintained on the premises. Minimum food portion requirements for a low-cost plan shall conform to information supplied by the nutrition section of the department of health. (II, III)

f. Table service shall be attractive. Dishes shall be free of cracks, chips, and stains. (III)

g. If family-style service is used, all leftover prepared food that has been on the table shall be properly handled. (III)

h. Poisonous compounds shall not be kept in food storage or preparation areas. (II)

63.19(4) Sanitation in food preparation area.

- a.* "Food Service Sanitation Manual," revised 1976, U.S. Department of Health, Education, and Welfare, Public Health Service, U.S. Government Printing Office, Washington, D.C., shall be used as the established, nationally recognized reference for establishing and determining satisfactory compliance with food service sanitation.
- b.* Residents shall not be allowed in the food preparation area, unless indicated in their individualized care plans. (III)
- c.* In facilities licensed for over 15 beds, the kitchen shall not be used for serving meals to residents, food service personnel, or other staff. (III)
- d.* All foods, while being stored, prepared, displayed, served, or transported shall be protected against contamination from dust, flies, rodents, and other vermin. (II, III)
- e.* Food shall be protected from unclean utensils and worn surfaces, unnecessary handling, coughs and sneezes, flooding, drainage, and overhead leakage. (II, III)
- f.* All appliances and work areas shall be kept clean. (III)
- g.* There shall be written procedures established for cleaning all work and serving areas in facilities over 15 beds. (III)
- h.* A schedule for duties to be performed daily shall be posted in each food area. (III)
- i.* All cooking stoves in facilities of 15 or more beds shall be provided with a properly sized exhaust system and hood to eliminate excess heat, moisture, and odors from the kitchen. (III)
- j.* Spillage and breakage shall be cleaned up immediately. (III)
- k.* All garbage not mechanically disposed of shall be kept in nonabsorbent, cleanable containers pending disposal. All filled containers shall be covered and stored in a sanitary manner. (III)
- l.* The food service area shall be located so it will not be used as a passageway by residents, guests, or nonfood service staff. (III)
- m.* The walls, ceilings, and floors of all rooms in which food is prepared and served shall be in good repair, smooth, washable, and shall be kept clean. (III)
- n.* There shall be no washing, ironing, sorting, or folding of laundry in the food service area. Dirty linen shall not be carried through the food service area unless it is in sealed, leakproof containers. (III)
- o.* Ice shall be stored and handled in such a manner as to prevent contamination. Ice scoops should be sanitized daily and kept in a clean container. (III)
- p.* There shall be no animals or birds in the food preparation area. (III)
- q.* No dishes or cooking utensils shall be towel dried. (III)
- r.* In facilities of over 15 beds directions for the dishwashing procedure shall be posted and available to all kitchen personnel. (III)
- s.* If there is a dishwashing machine, it must provide a wash temperature of 140°F (60°C) to 160°F (71°C) and a rinse temperature of 170°F (70°C) to 180°F (82°C). (III)
- t.* The washing and sanitizing of dishes and utensils shall meet approved sanitation procedures and practices. In facilities of 15 or more beds, a mechanical dishwashing machine or three-compartment sink shall be used for washing dishes; a booster heater for the third compartment or sanitizing agent shall be used. (III)
- u.* All dishes, silverware, and cooking utensils shall be stored above the floor in a sanitary manner, in a clean, dry place protected from flies, splashes, dust, and other contaminants. (III)
- v.* Procedures for washing and handling dishes shall be followed in order to protect the welfare of the residents and employees. Persons handling dirty dishes shall not handle clean dishes without washing their hands. (III)
- w.* Dishes, silverware, and cooking utensils shall be properly cleaned by prerinsing or scraping, washing, sanitizing, and air-drying. (III)

63.19(5) *Hygiene of food service personnel.*

- a.* Food service personnel shall be free of communicable diseases and practice hygienic food-handling techniques. In the event food service employees are assigned duties outside the dietetic service, these duties shall not interfere with sanitation, safety, or time required for dietetic work assignments. Personnel recovering from a diagnosed intestinal infection shall submit a report from their

physician showing freedom from infection before returning to work in the food service department. (II, III)

b. Staff employees who are full-time food service personnel shall wear clean, washable uniforms that are not used for duties outside the food service area. In all facilities, employees shall wear clean, washable clothing when in the food service area. (III)

c. Hairnets shall be worn by all staff food service personnel. Total enclosure of facial hair shall be provided for staff personnel. (III)

d. Clean aprons and hairnets shall be available for use by other personnel in emergency situations. (III)

e. Persons handling food shall be knowledgeable of good hand-washing techniques. A hand-wash sink shall be provided in or adjacent to the food service area. Continuous on-the-job training on sanitation shall be encouraged. (III)

f. The use of tobacco shall be prohibited in the kitchen. (III)

63.19(6) Food and drink. All food and drink consumed within the facility shall be clean and wholesome and comply with local ordinances and applicable provisions of state and federal laws. (II, III)

481—63.20(135C) Orientation program.

63.20(1) The administrator or designee shall be responsible for developing a written, organized orientation program for all residents. (III)

63.20(2) The program shall be planned and implemented to resolve or reduce personal, family, business, and emotional problems that may interfere with the medical or health care, recovery, and rehabilitation of the individual. (III)

481—63.21(135C) Individualized program of care.

63.21(1) The individualized program of care, including specific goals and regular evaluation of progress, shall incorporate the social services, psychological, educational activities, and medical needs of the residents, and shall be designed by an interdisciplinary team. (II)

63.21(2) Each residential care facility for the intellectually disabled shall provide an organized resident activity program for the group and for the individual resident which shall include suitable activities for evenings and weekends. (III)

a. The activity program shall be designed to meet the needs and interests of each resident and to assist residents in continuing normal activities within limitations set by the resident's physician. This shall include helping residents continue in their individual interests or hobbies. (III)

b. The program shall include individual goals for each resident. (III)

c. The activity program shall include both group and individual activities. (III)

d. Residents shall be encouraged, but not forced, to participate in the activity program. (III)

63.21(3) Coordination of activities program.

a. Each residential care facility for the intellectually disabled with over 15 beds shall employ a person to direct the activities program. (III)

b. ¹Staffing for the activity program shall be ²provided on the minimum basis of 45 minutes per licensed bed per week. (II, III)

c. The activity coordinator shall have completed the activity coordinators' orientation course offered through the department within six months of employment or have comparable training and experience as approved by the department. (III)

d. The activity coordinator shall attend workshops or educational programs which relate to activity programming. These shall total a minimum of ten contact hours per year. These programs shall be approved by the department. (III)

e. There shall be a written plan for personnel coverage when the activity coordinator is absent during scheduled working hours. (III)

63.21(4) Duties of activity coordinator. The activity coordinator shall:

a. Have access to all residents' records excluding financial records; (III)

- b. Coordinate all activities, including volunteer or auxiliary activities and religious services; (III)
- c. Keep all necessary records including:
 - (1) Attendance; (III)
 - (2) Individual resident progress notes recorded at regular intervals (at least every three months). (III)
 - (3) Monthly calendars, prepared in advance. (III)
- d. Coordinate the activity program with all other services in the facility; (III)
- e. Participate in the in-service training program in the facility. This shall include attending as well as presenting sessions. (III)

63.21(5) Supplies, equipment, and storage.

a. Each facility shall provide a variety of supplies and equipment of a nature calculated to fit the needs and interests of the residents. (III) These may include: books (standard and large print), magazines, newspapers, radio, television, and bulletin boards. Also appropriate would be box games, game equipment, songbooks, cards, craft supplies, record player, movie projector, piano, outdoor equipment, etc.

b. Storage shall be provided for recreational equipment and supplies. (III)

c. Locked storage should be available for potentially dangerous items such as scissors, knives, and toxic materials. (III)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

¹ Emergency, pursuant to Iowa Code section 17A.5(2)“b”(2).

² Objection filed 2/14/79; see Objection at end of chapter.

481—63.22(135C) Care review committee. Rescinded ARC 1205C, IAB 12/11/13, effective 1/15/14.

481—63.23(135C) Safety. The licensee of a residential care facility for the intellectually disabled shall be responsible for the provision and maintenance of a safe environment for residents and personnel. (III)

63.23(1) Fire safety.

a. All residential care facilities for the intellectually disabled shall meet the fire safety rules and regulations as promulgated by the state fire marshal. (I, II)

b. The size and condition of the facility and needs of the residents shall be taken into consideration in evaluating safety precautions and practices.

63.23(2) Safety duties of administrator. The administrator shall have a written emergency plan to be followed in the event of fire, tornado, explosion, or other emergency which shall be rehearsed at least quarterly. (III)

a. The plan shall be available for review upon request. (III)

b. In-service shall be provided to ensure that all employees are knowledgeable of the emergency plan. (III)

63.23(3) Resident safety.

a. Residents shall be permitted to smoke only where proper facilities are provided. Smoking shall not be permitted in bedrooms. Smoking by residents considered to be careless shall be prohibited except when the resident is under direct supervision. (II, III)

b. Smoking is prohibited in all rooms where oxygen is being administered or in rooms where oxygen is stored. (II, III)

c. Whenever full or empty tanks of oxygen are being used or stored, they shall be securely supported in an upright position. (II, III)

d. Smoking shall be permitted only in designated areas. (II, III)

e. Residents shall receive adequate supervision to ensure against hazards from themselves, others, or elements in the environment. (II, III)

63.23(4) Restraints.

a. Residents shall not be kept behind locked doors.

b. Temporary seclusion of residents shall be used only in an emergency to prevent injury to the resident or to others pending transfer to appropriate placements.

c. A divided door equipped with a securing device that may be readily opened by personnel shall be considered an appropriate means of temporarily confining a resident in the resident's room.

d. Divided doors shall be of such type that when the upper half is closed the lower section shall close.

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.24(135C) Housekeeping.

63.24(1) Written procedures shall be established and implemented for daily and weekly cleaning schedules. (III)

63.24(2) Each resident unit shall be cleaned on a routine schedule. (III)

63.24(3) All rooms, corridors, storage areas, linen closets, attics, and basements shall be kept in a clean, orderly condition, free of unserviceable furniture and equipment and accumulations of refuse. (III)

63.24(4) A hallway or corridor shall not be used for storage of equipment. (III)

63.24(5) All odors shall be kept under control by cleanliness and proper ventilation. (III)

63.24(6) Clothing worn by personnel shall be clean and washable. (III)

63.24(7) Housekeeping and maintenance personnel shall be provided with well-constructed and properly maintained equipment appropriate to the function for which it is to be used. (III)

63.24(8) All furniture, bedding, linens, and equipment shall be cleaned periodically and before use by another resident. (III)

63.24(9) Polishes used on floors shall provide a nonslip finish. (III)

63.24(10) Throw or scatter rugs shall not be permitted. (III)

63.24(11) Entrances, exits, steps, and outside walkways shall be kept free from ice, snow, and other hazards. (II, III)

63.24(12) Cleaning agents, bleaches, insecticides, or any other poisonous, dangerous, or flammable materials shall not be accessible to residents except as indicated in individualized programs of care. (II, III)

63.24(13) Sufficient numbers of noncombustible trash containers, which have covers, shall be available. (III)

481—63.25(135C) Maintenance.

63.25(1) Each facility shall establish a maintenance program to ensure the continued maintenance of the facility, to promote good housekeeping procedures, and to ensure sanitary practices throughout the facility. In facilities over 15 beds, this program shall be established in writing and available for review by the department. (III)

63.25(2) The building, grounds, and other buildings shall be maintained in a clean, orderly condition and in good repair. (III)

63.25(3) Draperies and furniture shall be clean and in good repair. (III)

63.25(4) Cracks in plaster, peeling wallpaper or paint, and tears or splits in floor coverings shall be promptly repaired or replaced in a professional manner. (III)

63.25(5) The electrical systems, including appliances, cords, and switches, shall be maintained to guarantee safe functioning and comply with the National Electrical Code. (III)

63.25(6) All plumbing fixtures shall function properly and comply with the state plumbing code. (III)

63.25(7) Yearly inspections of the heating and cooling systems shall be made to guarantee safe operation. (III)

63.25(8) The building, grounds, and other buildings shall be kept free of breeding areas for flies, other insects, and rodents. (III)

63.25(9) The facility shall be kept free of flies, other insects, and rodents. (III)

63.25(10) Janitor closet.

a. Facilities shall be provided with storage for cleaning equipment, supplies, and utensils. (III)

b. Mops, scrub pails, and other cleaning equipment used in the resident areas shall not be stored or used in the dietary area. (III)

c. In facilities licensed for over 15 beds, a janitor's closet shall be provided. It shall be equipped with water for filling scrub pails and janitor's sink for emptying scrub pails. (III)

481—63.26(135C) Laundry.

63.26(1) All soiled linens shall be collected in and transported to the laundry room in closed, leakproof laundry bags or covered, impermeable containers. (III)

63.26(2) Except for related activities, the laundry room shall not be used for other purposes. (III)

63.26(3) Procedures shall be written for the proper handling of wet, soiled, and contaminated linens. (III)

63.26(4) Residents' personal laundry shall be marked with an identification. (III)

63.26(5) Bed linens, towels, washcloths, and residents' clothing shall be clean and stain-free. (III)

63.26(6) If laundry is done in the facility, the following shall be provided:

a. A clean, dry, well-lighted area to accommodate a washer and dryer of adequate size to serve the needs of the facility. (III)

b. In facilities of over 15 beds, the laundry room shall be divided into separate areas, one for sorting soiled linen and one for sorting and folding clean linen. (III)

481—63.27(135C) Garbage and waste disposal.

63.27(1) All garbage shall be gathered, stored, and disposed of in a manner that will not permit transmission of disease, create a nuisance, or provide a breeding or feeding place for vermin or insects. (III)

63.27(2) All containers for refuse shall be watertight, rodent-proof, and have tight-fitting covers. (III)

63.27(3) All containers shall be thoroughly cleaned each time the containers are emptied. (III)

63.27(4) All wastes shall be properly disposed of in compliance with local ordinances and state codes. (III)

63.27(5) Special provision shall be made for the disposal of soiled dressings and similar items in a safe, sanitary manner. (III)

481—63.28(135C) Buildings, furnishings, and equipment.

63.28(1) *Buildings—general requirements.*

a. For purposes of computation of usable floor space in bedrooms and other living areas of the facility, that part of the room having no less than 7 feet of ceiling height shall be used. Usable floor space may include irregularities in the rooms such as alcoves and offsets with approval of the department. Usable floor space shall not include space needed for corridor door swings or wardrobes being used as a substitute for closet space. (III)

b. Battery-operated, portable emergency lights in good working condition shall be available at all times, at a ratio of one light per one employee on duty from 6 p.m. to 6 a.m. (III)

c. All windows shall be supplied with curtains and shades or drapes which are kept clean and in good repair. (III)

d. Light fixtures shall be so equipped to prevent glare and to prevent hazards to the residents. (III)

e. Exposed heating pipes, hot water pipes, or radiators in rooms and areas used by residents and within reach of residents shall be covered or protected to prevent injury or burns to residents. (II, III)

f. All fans located within 7 feet of the floor shall be protected by screen guards of not more than ¼-inch mesh. (III)

g. Whenever glass sliding doors or transparent panels are used, they shall be marked conspicuously. (III)

h. The facility shall meet the equivalent requirements of the appropriate group occupancy of the state building code. (III)

i. No part of any room shall be enclosed, subdivided, or partitioned unless such part is separately lighted and ventilated and meets such other requirements as its usage and occupancy dictates, except closets used for the storage of resident's clothing. (III)

- j.* All stairways in resident-occupied areas shall have substantial handrails on both sides. (III)
- k.* Each stairway shall have protective barriers. (III)
- l.* Screens of 16 mesh per square inch shall be provided at all hold-open openings. (III)
- m.* Screen doors shall swing outward and be self-closing. At the discretion of the state fire marshal, screens for fire doors may swing in. (III)
- n.* All resident rooms shall have a door. (III)
- o.* All rooms in resident-occupied areas shall have general lighting switched at the entrance to each room. (III)

63.28(2) *Furnishings and equipment.*

- a.* All furnishings and equipment shall be durable, cleanable, and appropriate to its function and in accordance with the department's approved program of care. (III)
- b.* All resident areas shall be decorated, painted, and furnished to provide a homelike atmosphere. (III)
- c.* Upholstery materials shall be moisture- and soil-resistant, except on furniture provided by the resident and the property of the resident. (III)
- d.* Night lights may be required in corridors, at stairways, attendant's stations and resident's bedrooms, and hazardous areas with no less than 1 foot-candle throughout the area at all times. (III)

63.28(3) *Dining and living rooms.*

- a.* Every facility over 15 beds shall have a dining room and a living room easily accessible to all residents. (III)
- b.* Dining rooms and living rooms shall at no time be used as bedrooms. (III)
- c.* Dining rooms and living rooms shall be available for use by residents at appropriate times to provide periods of social and diversional individual and group activities. (III)
- d.* A combination dining room and living room may be permitted if the space requirements of a multipurpose room as provided in 63.28(3) "e" of the rules are met. (III)
- e.* Multipurpose rooms. When space is provided for multipurpose dining and activities and recreational purposes, the area shall total at least 30 square feet per licensed bed for the first 100 beds and 27 square feet per licensed bed for all beds in excess of 100. An open area of sufficient size shall be provided to permit group activities such as religious meetings or presentation of demonstrations or entertainment. (III)
- f.* Living rooms.
 - (1) Living rooms shall be maintained for the use of residents and their visitors and may be used for recreational activities. (III)
 - (2) Living rooms shall be suitably furnished. (III)
 - (3) When space is provided to be used only for activities and recreational purposes, the area shall be at least 15 square feet per licensed bed. At least 50 percent of the required area must be in one room. (III)

g. Dining rooms.

- (1) Dining rooms shall be furnished with dining tables and chairs appropriate to the size and function of the facility. These rooms and furnishings shall be kept clean and sanitary. (III)
- (2) When space is provided to be used only for dining, the area shall total at least 15 square feet per licensed bed. (III)

63.28(4) *Bedrooms.*

- a.* Each resident shall be provided with a standard, single, or twin bed, substantially constructed and in good repair. Rollaway beds, metal cots, or folding beds are not acceptable. (III)
- b.* Each bed shall be equipped with the following: casters or glides; clean springs in good repair; a clean, comfortable, well-constructed mattress approximately five inches thick and standard in size for the bed; clean, comfortable pillows of average bed size. (III)
- c.* Each resident shall have a bedside table with a drawer to accommodate personal possessions. (III)
- d.* There shall be a comfortable bedside chair per resident bed. The resident's personal wishes shall be considered. (III)

e. There shall be drawer space for each resident's clothing. In a multiple bedroom, drawer space shall be assigned each resident. (III)

f. Walls, ceilings, and floors shall have easily cleanable surfaces and shall be kept clean and in good repair. (III)

g. Beds and other furnishings shall not obstruct free passage to and through doorways. (III)

h. There shall be a wardrobe or closet in each resident's room. Minimum clear dimensions shall be 1 foot 10 inches deep by 1 foot 8 inches wide with full hanging space and provide a clothes rod and shelf. In a multiple bedroom, closet or wardrobe space shall be assigned each resident sufficient for the resident's needs. (III)

i. Beds shall not be placed with the head of the bed in front of a window or radiator. (III)

j. Beds shall not be placed in such a manner that the side of the bed is against the radiator or in close proximity to it unless it is covered so as to protect the resident from contact with it or from excessive heat. (III)

k. Reading lamps shall be provided each resident in the resident's room. (III)

l. Each room shall have sufficient accessible mirrors to serve residents' needs. (III)

m. Usable floor space of a room shall be no less than 8 feet in any major dimension. (III)

n. Bedrooms shall have a minimum of 80 square feet of usable floor space per bed. (III)

o. There shall be no more than four residents per room. (III)

p. Each resident room shall be provided with light and ventilation by means of a window or windows with an area equal to one-eighth of the total floor area. The windows shall be openable. (III)

63.28(5) Bath and toilet facilities.

a. Provision shall be made for bars to hold individual towels and washcloths. (III)

b. In facilities of over 15 beds all lavatories shall have paper towel dispensers and an available supply of soap. (III)

c. Minimum numbers of toilet and bath facilities shall be one lavatory, one toilet for each five residents, and one tub or shower for each ten residents or fraction thereof. (III)

d. There shall be a minimum of one bathroom with tub or shower, toilet stool and lavatory on each floor in multistory buildings for facilities licensed for over 15 beds. Separate toilets for the sexes shall be provided. (III)

e. Grab bars shall be provided at all toilet stools, tubs, and showers. Grab bars, accessories, and anchorage shall have sufficient strength to sustain a deadweight of 250 pounds for five minutes. (III)

f. Each toilet room shall have a door. (III)

g. All toilet, bath, and shower facilities shall be supplied with adequate safety devices appropriate to the needs of the individual residents. Raised toilet seats shall be available for residents who are aged or infirm. (III)

h. Toilet and bath facilities shall have an aggregate outside window area of at least 4 square feet. Facilities having a system of mechanical ventilation are exempt from this regulation. (III)

i. Every facility shall provide a toilet with grab bars and lavatory for the public and staff. (III)

63.28(6) Heating. A centralized heating system capable of maintaining a minimum temperature of 78°F (26°C) shall be provided. Portable units or space heaters are prohibited from being used in the facility except in an emergency. (III)

63.28(7) Water supply.

a. Every facility shall have an adequate water supply from an approved source. A municipal source of supply shall be considered as meeting this requirement. (III)

b. Private sources of supply shall be tested annually and the report submitted with the annual application for license. (III)

c. A bacterially unsafe source of supply shall be grounds for denial, suspension, or revocation of license. (III)

d. The department may require testing of private sources of supply at its discretion in addition to the annual test. The facility shall supply reports of such tests as directed by the department. (III)

e. Hot and cold running water under pressure shall be available in the facility. (III)

f. Prior to construction of a new facility or new water source, private sources of supply shall be surveyed and shall comply with the requirements of the department. (III)

63.28(8) Sewage system.

a. Sewage shall be collected and disposed of in a manner approved by the department. Disposal into a municipal system will be considered as meeting this requirement. (III)

b. Private sewage systems shall conform to the rules and regulations of the department of environmental quality, state health department, and the natural resources council. (III)

c. Every facility shall have an interior plumbing system complete with flushing device. (III)

63.28(9) Attendant's station. In facilities over 15 beds, an attendant's station with a minimum of 40 square feet shall be provided which is centrally located in the resident area and shall have a well-lighted desk with the necessary equipment for the keeping of required records and supplies. (III)

481—63.29(135C) Family and employee accommodations.

63.29(1) Children under 14 years of age shall not be allowed into the service areas in facilities of more than 15 beds. (III)

63.29(2) The residents' bedrooms shall not be occupied by employees, family members of employees, or family members of the licensee. (III)

63.29(3) In facilities where the total occupancy of family, employees, and residents is five or less, one toilet and one tub or shower shall be the minimum requirement. (III)

63.29(4) In facilities where the total occupancy of family, employees, and residents is more than five, separate bathing and toilet facilities shall be required for the family or employees distinct from such areas provided for residents. (III)

63.29(5) In facilities of more than 15 beds, if the family or employees live within the facility, separate living quarters and recreation facilities shall be required for the family or employees distinct from such areas provided for residents. (III)

481—63.30(135C) Animals. No animals shall be allowed within the facility except with written approval of the department and under controlled conditions. (III)

481—63.31(135C) Environment and grounds.

63.31(1) A residential care facility for the intellectually disabled shall be constructed in a neighborhood free from excessive noise, dirt, polluted or odorous air, or similar disturbances. (III)

63.31(2) There shall be an area available for outdoor activities calculated at 25 square feet per licensed bed. (III) Open-air porches may be included in meeting such requirement.

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.32(135C) Supplies.

63.32(1) Linen supplies.

a. There shall be an adequate supply of linen so that each resident shall have at least three washcloths, hand towels, and bath towels per week. (III)

b. A complete change of bed linens shall be available in the linen storage area for each bed. (III)

c. Sufficient lightweight, clean, serviceable blankets shall be available. All blankets shall be laundered as often as necessary for cleanliness and freedom from odors. (III)

d. Each bed shall be provided with clean, washable bedspreads. There shall be a supply available when changes are necessary. (III)

e. Uncrowded and convenient storage shall be provided for linens, pillows, and bedding. (III)

63.32(2) First-aid kit. A first-aid emergency kit shall be available on each floor in every facility. (II, III)

63.32(3) General supplies.

a. All equipment shall be properly cleaned and sanitized before use by another resident. (III)

- b.* Clean and sanitary storage shall be provided for equipment and supplies. (III)

481—63.33(135C) Residents' rights in general.

63.33(1) Each facility shall ensure that policies and procedures are written and implemented which include, at a minimum, all of the following provisions subrules (63.33(2) to 63.33(6)) and which govern all areas of service provided by the facility. These policies and procedures shall be available to staff, residents, their families or legal representatives and the public and shall be reviewed annually. (II)

63.33(2) Policies and procedures regarding the admission, transfer, and discharge of residents shall ensure that:

a. Only those persons are accepted whose needs can be met by the facility directly or in cooperation with community resources or other providers of care with which it is affiliated or has contracts. (II)

b. As changes occur in residents' physical or mental condition, necessitating services or care which cannot be adequately provided by the facility, they are transferred promptly to other appropriate facilities. (II)

63.33(3) Policies and procedures regarding the use of chemical and physical restraints shall define the use of restraints and identify the individual who may authorize the application of physical restraints in emergencies, and describe the mechanism for monitoring and controlling their use. (II)

63.33(4) Policies and procedures shall include a method for submitting complaints and recommendations by residents or their responsible party and for ensuring a response and disposition by the facility. (II)

63.33(5) Policies and procedures shall include provisions governing access to, duplication of, and dissemination of information from the residents' records. (II)

63.33(6) Policies and procedures shall include a provision that each resident shall be fully informed of the resident's rights and responsibilities as a resident and of all rules governing resident conduct and responsibilities. The information must be provided upon admission or in the case of residents already in the facility upon the facility's adoption or amendment of resident right policies.

a. The facility shall make known to residents what they may expect from the facility and its staff, and what is expected from them. The facility shall communicate these expectations during the period of not more than two weeks before or five days after admission. The communication shall be in writing, e.g., in a separate handout or brochure describing the facility, and interpreted verbally, e.g., as part of a preadmission interview, resident counseling, or in individual or group orientation sessions following admission. (II)

b. Residents' rights and responsibilities shall be presented in language understandable to the resident. If the facility serves residents who are non-English-speaking or deaf, steps shall be taken to translate the information into a foreign or sign language. In the case of blind residents, either Braille or a recording shall be provided. Residents shall be encouraged to ask questions about their rights and responsibilities and these questions shall be answered. (II)

c. A statement shall be signed by the resident, or responsible party, indicating an understanding of these rights and responsibilities, and shall be maintained in the record. The statement shall be signed no later than five days after admission, and a copy of the signed statement shall be given to the resident or responsible party, if applicable. In the case of an intellectually disabled resident, the signature shall be witnessed by a person not associated with or employed by the facility. The witness may be a parent, guardian, Medicaid agency representative, etc. (II)

d. In order to ensure that residents continue to be aware of these rights and responsibilities during their stay, a written copy shall be prominently posted in a location that is available to all residents. (II)

e. All residents shall be advised within 30 days following changes made in the statement of residents' rights and responsibilities. Appropriate means shall be utilized to inform non-English-speaking, deaf, or blind residents of such changes. (II)

63.33(7) Each resident or responsible party shall be fully informed in a contract as required in rule 481—63.14(135C), prior to or at the time of admission and during the resident's stay, of services available in the facility, and of related charges not covered by the facility's basic per diem rate. (II)

63.33(8) Each resident or responsible party shall be fully informed by a physician of the resident's health and medical condition unless medically contraindicated (as documented by a physician in the resident's record). Each resident shall be afforded the opportunity to participate in the planning of the resident's total care and medical treatment, which may include, but is not limited to, nursing care, nutritional care, rehabilitation, restorative therapies, activities, and social work services. Each resident only participates in experimental research conducted under the U.S. Department of Health and Human Services' protection from research risks policy and then only upon the resident's informed written consent. Each resident has the right to refuse treatment except as provided by Iowa Code chapter 229. In the case of a confused or intellectually disabled individual, the responsible party shall be informed by the physician of the resident's medical condition and be afforded the opportunity to participate in the planning of the resident's total care and medical treatment, to be informed of the medical condition, and to refuse to participate in experimental research. (II)

a. The requirement that residents shall be informed of their conditions, involved in the planning of their care, and advised of any significant changes in either, shall be communicated to every physician responsible for the medical care of residents in the facility. (II)

b. The administrator or designee shall be responsible for working with attending physicians in the implementation of this requirement. (II)

c. If the physician determines or in the case of a confused or intellectually disabled resident the responsible party determines that informing the resident of the resident's condition is contraindicated, this decision and reasons for it shall be documented in the resident's record by the physician. (II)

d. Any clinical investigation involving residents must be under the sponsorship of an institution with a human subjects review board functioning in accordance with the requirements of Public Law 93-348, as implemented by Part 46 of Title 45 of the Code of Federal Regulations, as amended December 1, 1981 (45 CFR 46). A resident being considered for participation in experimental research must be fully informed of the nature of the experiment, e.g., medication, treatment, and understand the possible consequences of participating or not participating. The resident's (or responsible party's) written informed consent must be received prior to participation. (II)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.34(135C) Involuntary discharge or transfer.

63.34(1) *Involuntary discharge or transfer permitted.* A facility may involuntarily discharge or transfer a resident for only one of the following reasons:

a. Medical reasons;

b. The resident's welfare or that of other residents;

c. Nonpayment for the resident's stay, as described in the contract for the resident's stay; or

d. Due to action pursuant to Iowa Code chapter 229. (I, II, III)

63.34(2) *Medical reasons.* Medical reasons for transfer or discharge shall be based on the resident's needs and shall be determined and documented in the resident's record by the primary care provider. Transfer or discharge may be required in order to provide a different level of care to the resident. (II)

63.34(3) *Welfare of a resident.* Welfare of a resident or that of other residents refers to a resident's social, emotional, or physical well-being. A resident may be transferred or discharged because the resident's behavior poses a continuing threat to the resident (e.g., suicidal) or to the well-being of other residents or staff (e.g., the resident's behavior is incompatible with other residents' needs and rights). Written documentation that the resident's continued presence in the facility would adversely affect the resident's own welfare or that of other residents shall be made by the administrator or designee and shall include specific information to support this determination. (II)

63.34(4) *Involuntary discharge or transfer prohibited—payment source.* A resident shall not be transferred or discharged solely because the cost of the resident's care is being paid under Iowa Code chapter 249A or because the resident's source of payment is changing from private support to payment under Iowa Code chapter 249A. (I, II)

63.34(5) *Notice.* Involuntary transfer or discharge of a resident from a facility shall be preceded by a written notice to the resident and the responsible party. (II, III)

- a. The notice shall contain all of the following information:
- (1) The stated reason for the proposed transfer or discharge. (II)
 - (2) The effective date of the proposed transfer or discharge. (II)
 - (3) A statement, in not less than 12-point type, that reads as follows:

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 Iowa department of inspections and appeals (hereinafter referred to as "department") within 7 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. If you request a hearing, it will be held no later than 14 days after the department's receipt of your request and you will not be transferred before a final decision is rendered. Extension of the 14-day requirement may be permitted in emergency circumstances upon request to the department's designee. If you lose the hearing, you will not be transferred before the expiration of either (1) 30 days following your receipt of the original notice of the discharge or transfer, or (2) no sooner than 5 days following final decision of such hearing, including the exhaustion of all appeals, whichever occurs later. To request a hearing or receive further information, call the department at (515)281-4115, or write to the department to the attention of: Administrator, Division of Health Facilities, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. (II)

b. The notice shall be personally delivered to the resident, and a copy shall be placed in the resident's record. A copy shall also be transmitted to the department, the resident's responsible party, the resident's primary care provider, and the person or agency responsible for the resident's placement, maintenance, and care in the facility. The notice shall indicate that copies have been transmitted to the required parties by using the abbreviation "cc:" and listing the names of all parties to whom copies were sent.

c. The notice required by paragraph 63.34(5) "a" shall be provided at least 30 days in advance of the proposed transfer or discharge unless one of the following occurs:

(1) An emergency transfer or discharge is mandated by the resident's health care needs and is in accordance with the written orders and medical justification of the primary care provider. Emergency transfers or discharges may also be mandated in order to protect the health, safety, or well-being of other residents and staff from the resident being transferred. (II)

(2) The transfer or discharge is subsequently agreed to by the resident or the resident's responsible party, and notification is given to the responsible party, the resident's primary care provider, and the person or agency responsible for the resident's placement, maintenance, and care in the facility.

d. A hearing requested pursuant to this subrule shall be held in accordance with subrule 63.34(7).

63.34(6) *Emergency transfer or discharge.* In the case of an emergency transfer or discharge, the resident must be given a written notice prior to or within 48 hours following the transfer or discharge. (II, III)

a. A copy of this notice shall be placed in the resident's file. The notice shall contain all of the following information:

- (1) The stated reason for the transfer or discharge. (II)
- (2) The effective date of the transfer or discharge. (II)
- (3) A statement, in not less than 12-point type, that reads as follows:

You have a right to appeal the facility's decision to transfer or discharge you on an emergency basis. If you think you should not have to leave this facility, you may request a hearing, in writing or verbally, with the Iowa department of inspections and appeals (hereinafter referred to as "department") within 7 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. If you request a hearing, it will be held no later than 14 days after the department's receipt of your request. You may be transferred or discharged before the hearing is held or before a final decision is rendered. If you win the hearing, you have the right to be transferred back into the facility. To request a hearing or receive further information, call the department at (515)281-4115, or write to the department to the attention of: Administrator, Division of Health Facilities, Department of Inspections and Appeals, Lucas State Office Building, Des Moines, Iowa 50319-0083. (II)

b. The notice shall be personally delivered to the resident, and a copy shall be placed in the resident's record. A copy shall also be transmitted to the department; the resident's responsible party; the resident's primary care provider; and the person or agency responsible for the resident's placement, maintenance, and care in the facility. The notice shall indicate that copies have been transmitted to the required parties by using the abbreviation "cc:" and listing the names of all parties to whom copies were sent.

c. A hearing requested pursuant to this subrule shall be held in accordance with subrule 63.34(7).
63.34(7) Hearing.

a. Request for hearing.

(1) The resident must request a hearing within 7 days of receipt of written notice.

(2) The request must be made to the department, either in writing or verbally.

b. The hearing shall be held no later than 14 days after the department's receipt of the request unless either party requests an extension due to emergency circumstances.

c. Except in the case of an emergency discharge or transfer, a request for a hearing shall stay a transfer or discharge pending a final decision, including the exhaustion of all appeals. (II)

d. The hearing shall be heard by a department of inspections and appeals administrative law judge pursuant to Iowa Code chapter 17A and 481—Chapter 10. The hearing shall be public unless the resident or representative requests in writing that the hearing be closed. In a determination as to whether a transfer or discharge is authorized, the burden of proof by a preponderance of the evidence rests on the party requesting the transfer or discharge.

e. Notice of the date, time, and place of the hearing shall be sent by certified mail or delivered in person to the facility, the resident, and the responsible party not later than 5 full business days after the department's receipt of the request. The notice shall also inform the facility and the resident or the responsible party that they have a right to appear at the hearing in person or be represented by an attorney or other individual. The appeal shall be dismissed if neither party is present or represented at the hearing. If only one party appears or is represented, the hearing shall proceed with one party present.

f. The administrative law judge's written decision shall be sent by certified mail to the facility, resident, and responsible party within 10 working days after the hearing has been concluded.

63.34(8) Nonpayment. If nonpayment is the basis for involuntary transfer or discharge, the resident shall have the right to make full payment up to the date that the discharge or transfer is to be made and then shall have the right to remain in the facility. (II)

63.34(9) Discussion of involuntary transfer or discharge. Within 48 hours after notice of involuntary transfer or discharge has been received by the resident, the facility shall discuss the involuntary transfer or discharge with the resident, the resident's responsible party, and the person or agency responsible for the resident's placement, maintenance, and care in the facility. (II)

a. The facility administrator or other appropriate facility representative serving as the administrator's designee shall provide an explanation and discussion of the reasons for the resident's involuntary transfer or discharge. (II)

b. The content of the explanation and discussion shall be summarized in writing, shall include the names of the individuals involved in the discussion, and shall be made part of the resident's record. (II)

c. The provisions of this subrule do not apply if the involuntary transfer or discharge has already occurred pursuant to subrule 63.34(6) and emergency notice is provided within 48 hours.

63.34(10) Transfer or discharge planning.

a. The facility shall develop a plan to provide for the orderly and safe transfer or discharge of each resident to be transferred or discharged. (II)

b. To minimize the possible adverse effects of the involuntary transfer, the resident shall receive counseling services by the sending facility before the involuntary transfer and by the receiving facility after the involuntary transfer. Counseling shall be documented in the resident's record. (II)

c. The counseling requirement in paragraph 63.34(10) "b" does not apply if the discharge has already occurred pursuant to subrule 63.34(6) and emergency notice is provided within 48 hours.

d. Counseling, if required, shall be provided by a licensed mental health professional as defined in Iowa Code section 228.1(6). (II)

e. The health care facility that receives a resident who has been involuntarily transferred shall immediately formulate and implement a plan of care which takes into account possible adverse effects the transfer may cause. (II)

63.34(11) Transfer upon revocation of license or voluntary closure. Residents shall not have the right to a hearing to contest an involuntary discharge or transfer resulting from the revocation of the facility's license by the department of inspections and appeals. In the case of the voluntary closure of a facility, a period of 30 days must be allowed for an orderly transfer of residents to other facilities.

63.34(12) Intrafacility transfer.

a. Residents shall not be arbitrarily relocated from room to room within a licensed health care facility. (I, II) Involuntary relocation may occur only in the following situations, which shall be documented in the resident's record: (II)

- (1) A resident's incompatibility with or disturbance to other roommates.
- (2) For the welfare of the resident or other residents of the facility.
- (3) For medical, nursing or psychosocial reasons, as judged by the primary care provider, nurse or social worker in the case of a facility which groups residents by medical, nursing or psychosocial needs.
- (4) To allow a new admission to the facility that would otherwise not be possible due to separation of roommates by sex.

(5) In the case of a resident whose source of payment was previously private but who now is eligible for Title XIX (Medicaid) assistance, the resident may be transferred from a private room to a semiprivate room or from one semiprivate room to another.

(6) Reasonable and necessary administrative decisions regarding the use and functioning of the building.

b. Unreasonable and unjustified reasons for changing a resident's room without the concurrence of the resident or responsible party include:

(1) Change from private pay status to Title XIX, except as outlined in subparagraph 63.34(12) "a" (5). (II)

(2) As punishment or behavior modification, except as specified in subparagraph 63.34(12) "a" (1). (II)

(3) Discrimination on the basis of race or religion. (II)

c. If intrafacility relocation is necessary for reasons outlined in paragraph 63.34(12) "a," the resident shall be notified at least 48 hours prior to the transfer and the reason therefor shall be explained. The responsible party shall be notified as soon as possible. The notification shall be documented in the resident's record and signed by the resident or responsible party. (II)

d. If emergency relocation is required in order to protect the safety or health of the resident or other residents, the notification requirements may be waived. The conditions of the emergency shall be documented. The family or responsible party shall be notified immediately or as soon as possible of the condition that necessitates emergency relocation and such notification shall be documented. (II)

e. A transfer to a part of a facility that has a different license must be handled the same way as a transfer to another facility and not as an intrafacility transfer. (II, III)

[ARC 1205C, IAB 12/11/13, effective 1/15/14; ARC 1752C, IAB 12/10/14, effective 1/14/15]

481—63.35(135C) Resident rights. Each resident shall be encouraged and assisted throughout the resident's period of stay, to exercise the resident's rights as a resident and as a citizen and may voice grievances and recommend changes in policies and services to administrative staff or to outside representatives of the resident's choice, free from interference, coercion, discrimination, or reprisal. (II)

63.35(1) The facility shall provide ongoing opportunities for residents to be aware of and to exercise their rights as residents. Residents shall be kept informed of issues or pending decisions of the facility that affect them and their views shall be solicited prior to action. (II)

63.35(2) The facility shall implement a written procedure for registering and resolving grievances and recommendations by residents or their responsible party. The procedure shall ensure protection of the resident from any form of reprisal or intimidation. The written procedure shall include:

- a. Designation of an employee responsible for handling grievances and recommendations. (II)
- b. A method of investigating and assessing the validity of a grievance or recommendation. (II)
- c. Methods of resolving grievances. (II)
- d. Methods of recording grievances and actions taken. (II)

63.35(3) The facility shall post in a prominent area the name, telephone number, and address of the ombudsman, survey agency and local law enforcement agency and the text of Iowa Code section 135C.46 to provide to residents a further course of redress. (II)

[ARC 1205C, IAB 12/11/13, effective 1/15/14]

481—63.36(135C) Financial affairs—management. Each resident, who has not been assigned a guardian or conservator by the court, may manage personal financial affairs, and to the extent, under written authorization by the resident that the facility assists in management, the management shall be carried out in accordance with Iowa Code section 135C.24. (II)

63.36(1) The facility shall maintain a written account of all residents' funds received by or deposited with the facility. (II)

63.36(2) An employee shall be designated in writing to be responsible for resident accounts. (II)

63.36(3) The facility shall keep on deposit personal funds over which the resident has control in accordance with Iowa Code section 135C.24(2). Should the resident request these funds, they shall be given to the resident on request with receipts maintained by the facility and a copy to the resident. In the case of a confused or intellectually disabled resident, the resident's responsible party shall designate a method of disbursing the resident's funds. (II)

63.36(4) If the facility makes financial transactions on a resident's behalf, the resident must receive or acknowledge having seen an itemized accounting of disbursements and current balances at least quarterly. A copy of this statement shall be maintained in the resident's financial or business record. (II)

63.36(5) A resident's personal funds shall not be used without the written consent of the resident or the resident's guardian. (II)

63.36(6) A resident's personal funds shall be returned to the resident when the funds have been used without the written consent of the resident or the resident's guardian. The department may report findings that resident funds have been used without written consent to the audits division or the local law enforcement agency, as appropriate. (II)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.37(135C) Resident abuse prohibited. Each resident shall receive kind and considerate care at all times and shall be free from mental, physical, sexual, and verbal abuse, exploitation, neglect, and physical injury. Each resident shall be free from chemical and physical restraints, except in an emergency for the shortest amount of time necessary to protect the resident from injury to the resident or to others, pending the immediate transfer to an appropriate facility. The decision to use restraints on an emergency basis shall be made by the designated charge person, who shall promptly report the action taken to the physician, and the reasons for using restraints shall be documented in the resident's record. Mechanical supports used in normative situations to achieve proper body position and balance shall not be considered to be a restraint. (II)

63.37(1) Mental abuse includes, but is not limited to, humiliation, harassment, and threats of punishment or deprivation. (II)

63.37(2) Physical abuse includes, but is not limited to, corporal punishment and the use of restraints as punishment. (II)

63.37(3) Drugs such as tranquilizers may not be used as chemical restraints to limit or control resident behavior for the convenience of staff or as a substitute for program. (II)

63.37(4) Allegations of dependent adult abuse. Allegations of dependent adult abuse shall be reported and investigated pursuant to Iowa Code chapter 235E and 481—Chapter 52. (I, II, III)

63.37(5) and **63.37(6)** Rescinded IAB 12/11/13, effective 1/15/14.

This rule is intended to implement Iowa Code sections 135C.14 and 135C.24 and Iowa Code chapter 235E.

[ARC 1204C, IAB 12/11/13, effective 1/15/14]

481—63.38(135C) Resident records. Each resident shall be ensured confidential treatment of all information contained in the resident's records, including information contained in an automatic data bank. The resident's written consent shall be required for the release of information to persons not otherwise authorized under law to receive it. (II)

63.38(1) The facility shall limit access to any medical records to staff and consultants providing professional service to the resident. This is not meant to preclude access by representatives of state and federal regulatory agencies. (II)

63.38(2) Similar procedures shall safeguard the confidentiality of residents' personal records, e.g., financial records and social services records. Only those personnel concerned with the financial affairs of the residents may have access to the financial records. This is not meant to preclude access by representatives of state and federal regulatory agencies. (II)

63.38(3) The resident, or the resident's responsible party, shall be entitled to examine all information contained in the resident's record and shall have the right to secure full copies of the record at reasonable cost upon request, unless the physician determines the disclosure of the record or section thereof is contraindicated in which case this information will be deleted prior to making the record available to the resident or responsible party. This determination and the reasons for it must be documented in the resident's record. (II)

481—63.39(135C) Dignity preserved. The resident shall be treated with consideration, respect, and full recognition of the resident's dignity and individuality, including privacy in treatment and in care for the resident's personal needs. (II)

63.39(1) Staff shall display respect for residents when speaking with, caring for, or talking about them, as constant affirmation of their individuality and dignity as human beings. (II)

63.39(2) Schedules of daily activities shall allow maximum flexibility for residents to exercise choice about what they will do and when they will do it. Residents' individual preferences regarding such things as menus, clothing, religious activities, friendships, activity programs, entertainment, sleeping and eating, also times to retire at night and arise in the morning shall be elicited and considered by the facility. (II)

63.39(3) Residents shall be examined and treated in a manner that maintains the privacy of their bodies. A closed door or a drawn curtain shall shield the resident from passersby. People not involved in the care of the residents shall not be present without the resident's consent while the resident is being examined or treated. (II)

63.39(4) Privacy of a resident's body also shall be maintained during toileting, bathing, and other activities of personal hygiene, except as needed for resident safety or assistance. (II)

63.39(5) Staff shall knock and be acknowledged before entering a resident's room unless the resident is not capable of a response. This shall not apply under emergency conditions. (II)

481—63.40(135C) Resident work. No resident may be required to perform services for the facility, except as provided by Iowa Code sections 35D.14 and 347B.5. (II)

63.40(1) Residents may not be used to provide a source of labor for the facility against their will. Physician's approval is required for all work programs. (I, II)

63.40(2) If the plan of care requires activities for therapeutic or training reasons, the plan for these activities shall be professionally developed and implemented. Therapeutic or training goals must be clearly stated and measurable and the plan shall be time-limited and reviewed at least quarterly. (II)

63.40(3) Residents who perform work for the facility must receive remuneration unless such work is part of their approved training program. Persons on the resident census performing work shall not be used to replace paid employees in fulfilling staff requirements. (II)

481—63.41(135C) Communications. Each resident may communicate, associate, and meet privately with persons of the resident's choice, unless to do so would infringe upon the rights of other residents, and may send and receive personal mail unopened. (II)

63.41(1) Subject to reasonable scheduling restrictions, visiting policies and procedures shall permit residents to receive visits from anyone they wish. Visiting hours shall be posted. (II)

63.41(2) Reasonable, regular visiting hours shall not be less than 12 hours per day and shall take into consideration the special circumstances of each visitor. A particular visitor(s) may be restricted by the facility for one of the following reasons:

- a. The resident refuses to see the visitor. (II)
- b. The resident's physician documents specific reasons why such a visit would be harmful to the resident's health. (II)
- c. The visitor's behavior is unreasonably disruptive to the functioning of the facility (this judgment must be made by the administrator and the reasons shall be documented and kept on file). (II)

63.41(3) Decisions to restrict a visitor are reviewed and reevaluated: each time the medical orders are reviewed by the physician; at least quarterly by the facility's staff; or at the resident's request. (II)

63.41(4) Space shall be provided for residents to receive visitors in reasonable comfort and privacy. (II)

63.41(5) Telephones consistent with ANSI standards (405.1134(c)) shall be available and accessible for residents to make and receive calls with privacy. Residents who need help shall be assisted in using the telephone. (II)

63.41(6) Arrangements shall be made to provide assistance to residents who require help in reading or sending mail. (II)

63.41(7) Residents shall be permitted to leave the facility and environs at reasonable times unless there are justifiable reasons established in writing by the attending physician, qualified intellectual disabilities professional or facility administrator for refusing permission. (II)

63.41(8) Residents shall not have their personal lives regulated beyond reasonable adherence to meal schedules, bedtime hours, and other written policies which may be necessary for the orderly management of the facility and as required by these rules. However, residents shall be encouraged to participate in recreational programs. (II)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.42(135C) Resident activities. Each resident may participate in activities of social, religious, and community groups at the resident's discretion unless contraindicated for reasons documented by the attending physician or qualified intellectual disabilities professional as appropriate in the resident's record. (II)

63.42(1) Residents who wish to meet with or participate in activities of social, religious, or other community groups in or outside of the facility shall be informed, encouraged, and assisted to do so. (II)

63.42(2) All residents shall have the freedom to refuse to participate in these activities. (II)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.43(135C) Resident property. Each resident may retain and use personal clothing and possessions as space permits and provided such use is not otherwise prohibited by these rules. (II)

63.43(1) Residents shall be permitted to keep reasonable amounts of personal clothing and possessions for their use while in the facility. The personal property shall be kept in a safe location which is convenient to the resident. (II)

63.43(2) Residents shall be advised, prior to or at the time of admission, of the kinds and amounts of clothing and possessions permitted for personal use, and whether the facility will accept responsibility for maintaining these items, e.g., cleaning and laundry. (II)

63.43(3) Any personal clothing or possessions retained by the facility for the resident during the resident's stay shall be identified and recorded on admission and a record placed on the resident's chart. The facility shall be responsible for secure storage of such items, and they shall be returned to the resident promptly upon request or upon discharge from the facility. (II)

63.43(4) A resident's personal property shall not be used without the written consent of the resident or the resident's guardian. (II)

63.43(5) A resident's personal property shall be returned to the resident when it has been used without the written consent of the resident or the resident's guardian. The department may report findings that a resident's property has been used without written consent to the local law enforcement agency, as appropriate. (II)

481—63.44(135C) Family visits. Each resident, if married, shall be ensured privacy for visits by the resident's spouse; if both are residents in the facility, they shall be permitted to share a room, if possible. (II)

63.44(1) The facility shall provide for needed privacy in visits between spouses. (II)

63.44(2) Spouses who are residents in the same facility shall be permitted to share a room, if available, unless one of their attending physicians documents in the medical record those specific reasons why an arrangement would have an adverse effect on the health of the resident. (II)

63.44(3) Family members shall be permitted to share a room, if available, if requested by both parties, unless one of their attending physicians documents in the medical record those specific reasons why such an arrangement would have an adverse effect on the health of the resident. (II)

481—63.45(135C) Choice of physician. Each resident shall be permitted free choice of a physician and a pharmacy, if accessible. The facility may require the pharmacy selected to utilize a drug distribution system compatible with the system currently used by the facility. (II)

481—63.46(135C) Incompetent resident.

63.46(1) Each facility shall provide that all rights and responsibilities of the resident devolve to the resident's responsible party when a resident is adjudicated incompetent in accordance with state law or, in the case of a resident who has not been adjudicated incompetent under the laws of the state, in accordance with 42 CFR 483.10. This subrule is not intended to limit the authority of any individual acting pursuant to Iowa Code chapter 144A. (II)

63.46(2) The fact that a resident has been adjudicated incompetent does not absolve the facility from advising the resident of these rights to the extent the resident is able to understand them. The facility shall also advise the responsible party, if any, and acquire a statement indicating an understanding of residents' rights. (II)

481—63.47(135C) Specialized license for three- to five-bed facilities. The specialized license is for residential care facilities which serve persons with intellectual disabilities, chronic mental illness and other developmental disabilities having five or fewer residents as specified in Iowa Code section 225C.26. The facility is exempt from Iowa Code section 135.63. For this specialized license, all rules of 481—Chapter 63 apply except those which are deleted or amended, as indicated in subsequent rules.

63.47(1) The provider may apply for a specialized license from the department of inspections and appeals. Before the license is granted, the provider shall meet all of the following requirements:

a. Compliance with program requirements pursuant to Iowa Code chapter 135C and administrative rules relating to residential care facilities adopted by the state board of health, or

standards adopted by the Accreditation Council for Services for Persons with Mental Retardation and Other Developmental Disabilities (1984). The program of care shall emphasize an age-appropriate and least restrictive program.

b. The facility shall be located in areas zoned for single- or multiple-family housing, or be located in an unincorporated area, and shall be constructed in compliance with applicable local housing codes and rules adopted for this classification of license by the state fire marshal. (II, III)

c. The facility shall be appropriately accessible to residents who have disabilities. (II, III)

d. Written plans shall demonstrate that the facility meets the needs of the residents pursuant to individual program plans meeting age-appropriate and least restrictive program requirements. (II)

e. Written plans shall demonstrate the residents have reasonable access to employment for job-related training, education, generic community resources, or integrated opportunities to promote community interaction. (II)

f. Unless documented as appropriate within the residents' individual program plans, populations with primary diagnosis of chronic mental illness or intellectual disability/developmental disability may not be residents of the same specialized license facility. (II, III)

63.47(2) The housing for persons with intellectual disabilities, chronic mental illness, and other developmental disabilities, developed pursuant to this rule shall be eligible for funding utilized by licensed residential care facilities for the intellectually disabled.

63.47(3) Rescinded IAB 6/27/90, effective 8/1/90.

63.47(4) Rescinded IAB 6/27/90, effective 8/1/90.

63.47(5) The director of the department of inspections and appeals shall appoint a specialized license committee not to exceed nine members. This committee shall monitor the program rules and procedures adopted for this classification of license.

63.47(6) All conditions and criteria in 481—Chapter 63 apply to the specialized license with the exception of the following deletions: 481—63.7(135C), 63.8(2) “*b*,” 63.8(7) “*b*,” 63.13(1) “*l*,” 63.18(1) “*b*”(9), 63.19(1) “*a*,” “*b*,” “*c*,” 63.19(2) “*c*”(1), “*e*,” “*g*,” 63.19(4) “*a*,” “*b*,” “*c*,” “*g*,” “*h*,” “*i*,” “*l*,” “*n*,” “*p*,” “*q*,” “*r*,” “*t*,” 63.19(5) “*b*,” “*c*,” “*d*,” 63.21(1), (2), (3) “*a*” to “*e*,” (4) “*a*,” “*b*,” “*c*”(1) to (3), “*d*,” “*e*,” 63.21(5) “*c*,” 63.23(3) “*c*,” 63.23(4) “*c*,” “*d*,” 63.24(1), (7), (10), 63.25(10) “*b*,” 63.26(1) to (4), (6) “*b*,” 63.27(3) to (5), 63.28(1) “*a*,” “*b*,” “*f*,” “*g*,” “*k*,” “*l*,” “*m*,” “*o*,” 63.28(2) “*c*,” 63.28(3) “*a*,” “*d*,” “*e*,” “*f*”(3), “*g*”(2), 63.28(5) “*b*,” “*i*,” 63.28(9), 63.29(1), (4), (5), 63.33(6) “*d*.”

63.47(7) The following rules in Chapter 63 are amended for this specialized license as follows:

1. 63.3(1) “*a*” and 63.3(2)—Delete all references to 481—Chapter 60.
2. 63.8(1) “*a*”—Add “or qualified mental health professional (III)” after “qualified intellectual disabilities professional”. (III)
3. 63.8(2)—Add “For purposes of the specialized license, the administrator may act as an administrator for not more than three residential care facilities for the intellectually disabled, chronic mentally ill, and developmentally disabled.” (II)
4. 63.9(1)—Add “For purposes of the specialized license there shall be written personnel policies in all facilities to include hours of work and attendance at the education program.” (III)
5. 63.11(1) “*a*”—Delete the words “a managerial role of” in line 2.
6. 63.11(2) “*b*”—Delete the second sentence and “with 15 or less beds” in the third sentence.
7. 63.14(5) “*b*”—Add “or guardian” after “resident” in the first line.
8. 63.17(1)—Add a new paragraph: “v. Current Individual Program Plans (IPP)”.
9. 63.17(5) “*a*”—Add “For the specialized license, a job description shall be in the individual’s personnel file.” (III)
10. 63.19(2) “*b*”—Delete from the end “Recommended daily dietary allowances are:” Also delete subparagraphs (1) to (5).
11. 63.19(2) “*f*”—Delete the second sentence.
12. 63.19(3) “*e*”—Delete “for a minimum of a one-week period” in the first line.
13. 63.19(4) “*m*”—Delete “smooth, washable,” in the second line.
14. 63.19(4) “*o*”—Delete the second sentence.

15. 63.19(4) “s” —Add “and rinse” after “wash” in the first line and then delete the rest of the sentence after “(60°C)”.
16. 63.19(4) “w” —Change “or” to “and” in the first line and delete “,washing, sanitizing, and air-drying”.
17. 63.19(5) “b” —Delete the second sentence.
18. 63.19(5) “f” —Add “during food preparation” after “kitchen”.
19. 63.24(9) —Change “nonslip” to “slip-resistant” in the first sentence.
20. 63.25(1) —Delete the second sentence.
21. 63.28(1) “j” —Change “on both sides” in the first line to “on at least one side”.
22. 63.28(4) “n” —Change to read “Bedrooms shall have a minimum of 60 square feet for double, 80 square feet for single, and 100 square feet physical (wheelchair).” (III)
23. 63.28(4) “o” —Change “four” to “two”.
24. 63.28(5) “c” —Amend to read: “Minimum numbers of toilets and bath facilities shall be one for each five residents.” (III)
25. 63.28(5) “d” —Amend to read: “There shall be a minimum of one bathroom with tub or shower, toilet stool, and lavatory on each floor in the multistory buildings.” (III)
26. 63.28(5) “e” —Amend to read: “Grab bars shall be provided as needed.” (III)
27. 63.33(8) —Change any reference of “responsible party” to “legal guardian”.
28. 63.33(8) “c” —Delete “in the case of a confused or intellectually disabled resident”. Change any reference of “responsible party” to “legal guardian”.
29. 63.33(8) “d” —Change any reference of “responsible party” to “legal guardian”.
30. 63.46(1) —Change any reference of “responsible party” to “legal guardian” and delete the rest of the paragraph after “state law”.

63.47(8) “Qualified mental health professional” is a person who:

- a. Holds a master’s degree from an accredited educational institution with coursework relevant to the position for which the person is hired;
- b. Has at least two years’ relevant experience supervised by a qualified mental health professional in assessing mental health problems and needs of persons in providing appropriate mental health services for those persons;
- c. Holds a current Iowa license when required by Iowa licensure law.

63.47(9) “Intellectual disabilities” as used in this chapter shall also include the chronically mentally ill and the developmentally disabled for purposes of this specialized license.

a. For the specialized license, “persons with intellectual disabilities” means persons with significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior, manifested during the developmental period.

(1) “General intellectual functioning” is defined as the results obtained by assessment with one or more of the individually administered general intelligence tests developed for the purpose of assessing intellectual functioning;

(2) “Significantly subaverage functioning” is defined as approximately 70 IQ or below;

(3) “Adaptive behavior” is defined as the effectiveness or degree with which individuals meet the standards of personal independence and social responsibility expected for age and cultural group;

(4) “Developmental period” is defined as the period of time between conception and the eighteenth birthday.

b. For the specialized license, “persons with developmental disabilities” means persons with a severe, chronic disability which:

(1) Is attributable to mental or physical impairment, or a combination of physical and mental impairments;

(2) Is manifested before the person attains the age of 22;

(3) Is likely to continue indefinitely;

(4) Results in substantial functional limitations in three or more of the following areas of life activity; self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living and economic self-sufficiency; and

(5) Reflects the person's need for a combination and sequence of services which are of lifelong or extended duration.

c. For the specialized license, "persons with chronic mental illness" means adults aged 18 or older, with persistent mental or emotional disorders that seriously impair their functioning relative to such primary aspects of daily living as personal relations, living arrangement or employment. Persons with chronic mental illness typically meet at least one of the following criteria:

(1) Have undergone psychiatric treatment more intensive than outpatient care more than once in a lifetime (e.g., emergency services, alternative home care, partial hospitalization or in-patient hospitalization);

(2) Have experienced a single episode of continuous, structured supportive residential care other than hospitalization.

In addition, such persons typically meet at least two of the following criteria, on a continuing or intermittent basis for at least two years:

1. Are unemployed, or employed in a sheltered setting, or have markedly limited skills and a poor work history;

2. Require financial assistance for out-of-hospital maintenance and may be unable to procure this assistance without help;

3. Show severe inability to establish or maintain a personal social support system;

4. Require help in basic living skills;

5. Exhibit inappropriate social behavior which results in demand for intervention by the mental health or judicial system.

In atypical instances chronically mentally ill persons may vary from the above criteria.

63.47(10) For the specialized license, there shall be implemented an individual program plan (IPP) of goals and objectives for each resident developed using evaluations, assessments and progress reports. (II)

63.47(11) For the specialized license, "age-appropriate" shall mean activities, settings, personal appearance and possessions commensurate with the person's chronological age.

63.47(12) For the specialized license, "least restrictive" shall mean the availability to the person of programs, services and settings that give the greatest opportunity for human development and to associate with and become part of the general society.

63.47(13) "Individual program plan" shall be a written plan for the provision of services to the person and, when appropriate, to the person's family, that is developed and implemented, using an interdisciplinary process, which identifies the person's and, when appropriate, the person's family's functional status, strengths, and needs, and service activities designed to enable a person to maintain or move toward independent functioning. The plan is developed in accordance with the developmental model, which is a service approach that recognizes and assumes the potential for positive change, growth, and sequential development in all people. (II)

a. An individual program plan shall be developed and implemented for each individual accepted for service, regardless of the individual's chronological age or developmental level. (I, II)

b. The interdisciplinary team shall develop the plan. (II) For the purpose of the specialized license, the team shall include:

(1) The person, the person's legal guardian, and the person's family unless the family's participation is contrary to the wishes of the adult person who has not been legally determined to be incompetent; (II, III)

(2) The service coordinator or case manager; (II, III)

(3) All current service providers; and (II, III)

(4) Other persons whose appropriateness may be identified through the diagnosis and evaluation or current reevaluation. (III)

c. The person or the person's legal guardian has the ultimate authority to accept or reject the plan unless otherwise determined by court. (III)

d. The resident and the facility retain the rights of appeal and due process from the interdisciplinary team decisions. (II, III)

63.47(14) Goals and objectives shall be stated separately and a time frame shall be specified for their achievement. (II, III)

- a. Each individual enrolled shall have an individual program plan. (II)
- b. The initial individual program plan shall be developed within 30 calendar days after the individual is enrolled in this service. (II)
- c. The individual program shall be developed by an appropriately constituted interdisciplinary team. (II)
- d. The individual program plan shall state specific objectives to reach identified goals and shall identify the individuals responsible for implementation. (II, III)
- e. Goals and objectives shall be stated separately. (II, III)
- f. Goals and objectives shall be assigned projected evaluation completion dates and shall be reviewed at least annually. (II, III)
- g. Goals and objectives shall be expressed in behavioral terms that provide measurable indices of progress. (II)
- h. Goals and objectives shall be sequenced with a developmental progression appropriate to the individual. (II, III)
- i. Goals and objectives of the individual program plans shall be assigned priorities by the interdisciplinary team and implemented with documentation of needed resources. (II, III)
- j. The individual program plan shall be written in terms that are understandable to all concerned. (II, III)

63.47(15) Where implementation is a shared responsibility, the individual program plan shall identify the agencies or persons responsible for delivering the services required. (III)

63.47(16) A review of the individual program plan shall be made at least quarterly by a member or members of the individual's interdisciplinary team, as determined by the team, in order to ensure the continuing implemented appropriateness of the plan and any necessary action to be initiated. (II)

- a. Problems or changes that call for review of the individual program plan by the team shall be indicated. (II)
- b. The team shall be convened at least annually to review the individual program plan where problems or changes that call for review by the team are indicated. (II, III)
- c. The team review shall assess the individual's response to activities designed to achieve the objective stated in the individual program plan. (II, III)
- d. The team review shall modify activities or objectives as necessary. (II, III)
- e. The team review shall determine the services that are needed. (II, III)
- f. The team review shall include consideration of the advisability of continued enrollment or alternative placements. (II, III)

[ARC 0765C, IAB 5/29/13, effective 7/3/13]

481—63.48(135C) County care facilities. Rescinded ARC 0765C, IAB 5/29/13, effective 7/3/13.

481—63.49(135C) Another business or activity in a facility. A facility is allowed to have another business or activity in a health care facility or in the same physical structure of the facility, if the other business or activity is under the control of and is directly related to and incidental to the operation of the health care facility, or the business or activity is approved by the department and the state fire marshal.

To obtain the approval of the department and the state fire marshal, the facility must submit to the department a written request for approval which identifies the service(s) to be offered by the business and addresses the factors outlined in paragraphs "a" through "j" of this rule. (I, II, III)

63.49(1) The following factors will be considered by the department in determining whether a business or activity will interfere with the use of the facility by residents, interfere with services provided to residents, or be disturbing to residents:

- a. Health and safety risks for residents;
- b. Compatibility of the proposed business or activity with the facility program;
- c. Noise created by the proposed business or activity;

- d. Odors created by the proposed business or activity;
- e. Use of entrances and exits for the business or activity in regard to safety and disturbance of residents and interference with delivery of services;
- f. Use of the facility's corridors or rooms as thoroughfares to the business or activity in regard to safety and disturbance of residents and interference with delivery of services;
- g. Proposed staffing for the business or activity;
- h. Sharing of services and staff between the proposed business or activity and the facility;
- i. Facility layout and design; and
- j. Parking area utilized by the business or activity.

63.49(2) Approval of the state fire marshal shall be obtained before approval of the department will be considered.

63.49(3) A business or activity conducted in a health care facility or in the same physical structure as a health care facility shall not reduce space, services or staff available to residents below minimums required in these rules and 481—Chapter 60. (I, II, III)

481—63.50(135C) Respite care services. Respite care services means an organized program of temporary supportive care provided for 24 hours or more to a person in order to relieve the usual caregiver of the person from providing continual care to the person. A facility which chooses to provide respite care services must meet the following requirements related to respite care services and must be licensed as a health care facility.

63.50(1) A facility which chooses to provide respite care services is not required to obtain a separate license or pay a license fee.

63.50(2) Rules regarding involuntary discharge or transfer rights do not apply to residents who are being cared for under a respite care contract.

63.50(3) The facility shall have a contract with each resident in the facility. When the resident is there for respite care services, the contract shall specify the time period during which the resident will be considered to be receiving respite care services. At the end of that period, the contract may be amended to extend that period of time. The contract shall specifically state the resident may be involuntarily discharged while being considered as a respite care resident. The contract shall meet other requirements for contracts between a health care facility and resident, except the requirements concerning the holding and charging for a bed when a resident is hospitalized or leaves the facility temporarily for recreational or therapeutic reasons.

63.50(4) Respite care services shall not be provided by a facility to persons requiring a level of care which is higher than the level of care the facility is licensed to provide.

These rules are intended to implement Iowa Code sections 10A.202, 10A.402, 135C.1, 135C.2(5), 135C.2(6), 135C.6(1), 135C.14(3), 135C.14(5), 135C.14(8), 135C.25, 135C.25(3), 135C.36, 227.4, 235B.1(6), and 235B.1(11) and 1988 Iowa Acts, chapter 1239.

[Filed 8/18/77, Notice 2/23/77—published 9/7/77, effective 10/13/77]

[Filed without Notice 10/14/77—published 11/2/77, effective 12/8/77]

[Filed 1/20/78, Notice 12/14/77—published 2/8/78, effective 3/15/78]

[Filed 7/7/78, Notice 5/31/78—published 7/26/78, effective 9/1/78]

[Filed 10/13/78, Notice 9/6/78—published 11/1/78, effective 12/7/78]

[Filed 11/9/78, Notice 6/28/78—published 11/29/78, effective 1/3/79]

[Filed emergency 11/22/78—published 12/13/78, effective 1/3/79]

[Filed 5/20/82, Notice 12/23/81—published 6/9/82, effective 7/14/82]

[Filed 1/10/86, Notice 11/6/85—published 1/29/86, effective 3/5/86]¹

[Filed 5/15/86, Notice 2/26/86—published 6/4/86, effective 7/9/86]

[Filed 5/16/86, Notice 1/1/86—published 6/4/86, effective 7/9/86]

[Filed emergency 7/1/86—published 7/16/86, effective 7/1/86]²

[Filed emergency 9/19/86—published 10/8/86, effective 9/19/86]

[Filed emergency after Notice 3/12/87, Notice 12/31/86—published 4/8/87, effective 3/12/87]

[Filed 3/12/87, Notice 1/25/87—published 4/8/87, effective 5/13/87]

[Filed emergency 6/25/87—published 7/15/87, effective 7/1/87]
 [Filed 2/5/88, Notice 10/7/87—published 2/24/88, effective 3/30/88][◇]
 [Filed 4/28/88, Notice 12/16/87—published 5/18/88, effective 6/22/88]
 [Filed 5/26/88, Notice 4/20/88—published 6/15/88, effective 7/20/88]
 [Filed 9/30/88, Notice 8/24/88—published 10/19/88, effective 11/23/88][◇]
 [Filed 12/9/88, Notices 8/24/88, 10/5/88—published 12/28/88, effective 2/1/89]
 [Filed 6/23/89, Notice 5/17/89—published 7/12/89, effective 8/16/89]
 [Filed 7/20/89, Notice 6/14/89—published 8/9/89, effective 9/13/89]
 [Filed 8/16/89, Notices 4/19/89, 7/12/89—published 9/6/89, effective 10/11/89]
 [Filed 6/8/90, Notice 1/10/90—published 6/27/90, effective 8/1/90]
 [Filed 7/17/90, Notice 5/2/90—published 8/8/90, effective 9/12/90]
 [Filed 3/14/91, Notice 9/19/90—published 4/3/91, effective 5/8/91]
 [Filed emergency 5/10/91—published 5/29/91, effective 5/10/91]
 [Filed 1/31/92, Notice 11/13/91—published 2/19/92, effective 3/25/92]³
 [Filed 3/12/92, Notice 12/11/91—published 4/1/92, effective 5/6/92]
 [Filed 3/11/94, Notice 9/15/93—published 3/30/94, effective 5/4/94]
 [Filed 5/16/95, Notice 3/15/95—published 6/7/95, effective 7/12/95]
 [Filed 11/30/95, Notice 9/13/95—published 12/20/95, effective 1/24/96]
 [Filed 1/21/97, Notice 8/14/96—published 2/12/97, effective 3/19/97]
 [Filed 7/11/97, Notice 4/23/97—published 7/30/97, effective 9/3/97]
 [Filed emergency 7/25/97—published 8/13/97, effective 7/25/97]
 [Filed emergency 11/14/97—published 12/3/97, effective 11/14/97]
 [Filed 11/14/97, Notice 8/13/97—published 12/3/97, effective 1/7/98]
 [Filed 3/31/98, Notice 12/3/97—published 4/22/98, effective 5/27/98]
 [Filed 7/9/98, Notice 4/22/98—published 7/29/98, effective 9/2/98]
 [Filed 1/15/04, Notice 10/1/03—published 2/4/04, effective 3/10/04]
 [Filed 1/15/04, Notice 12/10/03—published 2/4/04, effective 3/10/04]
 [Filed 9/20/06, Notice 8/2/06—published 10/11/06, effective 11/15/06]
 [Filed 7/9/08, Notice 1/30/08—published 7/30/08, effective 9/3/08]
 [Filed ARC 0663C (Notice ARC 0513C, IAB 12/12/12), IAB 4/3/13, effective 5/8/13]
 [Filed ARC 0765C (Notice ARC 0600C, IAB 2/6/13), IAB 5/29/13, effective 7/3/13]
 [Filed ARC 0903C (Notice ARC 0776C, IAB 5/29/13), IAB 8/7/13, effective 9/11/13]
 [Filed ARC 1050C (Notice ARC 0907C, IAB 8/7/13), IAB 10/2/13, effective 11/6/13]
 [Filed ARC 1205C (Notice ARC 1082C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]
 [Filed ARC 1204C (Notice ARC 1083C, IAB 10/2/13), IAB 12/11/13, effective 1/15/14]
 [Filed ARC 1752C (Notice ARC 1648C, IAB 10/1/14), IAB 12/10/14, effective 1/14/15]
 [Editorial change: IAC Supplement 1/21/15]
 [Filed ARC 2643C (Notice ARC 2395C, IAB 2/3/16), IAB 8/3/16, effective 9/7/16]

[◇] Two or more ARCs

¹ Effective date of 63.15(2)“a” and “b” delayed 70 days by the Administrative Rules Review Committee, IAB 2/26/86.
 Effective date of 63.15(2)“a” and “b” delayed until the expiration of 45 calendar days into the 1987 session of the General Assembly pursuant to Iowa Code section 17A.8(9), IAC 6/4/86.

² See IAB, Inspections and Appeals Department.

³ Rule 481—63.49(135C), effective 7/1/92.

OBJECTION

At its February 13 meeting the Administrative Rules Review Committee voted the following objection: [Subrules 57.23(2)“b,” 58.26(2)“b,” 59.31(2)“b,” 63.21(3)“b,” published IAB 12/13/78]

The committee objects to the amendments to 470* IAC 57.23(2)“b,” 58.26(2)“b,” 59.31(2)“b” and 63.21(3)“b,” which strike the phrase “Twenty-five percent of the staffing may be provided by qualified volunteers. The time shall be spent in working with the organized program activity.”, on the grounds these provisions are unreasonable. It is the understanding of the committee these deletions in effect require facilities to employ a person to coordinate recreation activities. It is the feeling of the committee this would result in higher per bed costs without demonstrably improving the services rendered to the patient. Volunteers have always played a major role in health care institutions, and no evidence has been submitted indicating a decline in that role or in public interest in donating time and energy.

These amendments appear in the 12-13-78 IAB, and have been filed under the emergency provisions of chapter 17A, 1979 Code.

*Chapter 57 transferred to Inspections and Appeals[481], IAC 7/15/87.

CHAPTER 6
PEACE OFFICER AND CAPITOL SECURITY APPEALS

486—6.1(10A) Appeals.

6.1(1) *Form and time of appeal.* The department of public safety shall file with the employment appeal board notice of intent to dismiss or of intent to take other action, under the purview of Iowa Code section 80.15, regarding a member of the department, including capitol security officers covered under Iowa Code section 80.15. The notice of intent shall become final unless within 30 days a request (hereafter called an appeal) to appear and defend the charges is filed by the person named. No notice of intent to take action need be filed for action not under the purview of Iowa Code section 80.15. Such personnel actions are effective without following the process of Iowa Code section 80.15.

6.1(2) *Filing of appeal.* An appeal shall be deemed filed on the date it is delivered to the employment appeal board. If mailed, the postmark date, appearing on the envelope, if postage was prepaid and properly addressed, shall constitute the filing date.

The appeal board shall provide the respondent agency a copy of the appeal.

6.1(3) *Hearing date and notice.* Upon receipt of the appeal, a hearing date shall be scheduled and notice of the hearing shall be mailed, by ordinary mail, to the parties not less than ten days prior to the hearing date.

6.1(4) *Continuances.* A request for continuance shall be granted only upon showing of good cause by the requesting party. The request must be in writing, stating the grounds therefor, and signed by the requesting party or an authorized agent.

6.1(5) *Hearings.* The hearing shall be conducted by a quorum of the appeal board or an administrative law judge designated by the appeal board. A quorum of the appeal board shall consist of two members of the board.

6.1(6) *Decisions.* If the hearing is conducted by the employment appeal board, the decision of the board shall be the final decision. If the hearing is conducted by an administrative law judge, the decision shall be a proposed decision, which shall become the final decision 30 days after the issue date of that decision, unless a further appeal is taken to the employment appeal board. The employment appeal board on further review may reverse, modify, or remand the proposed decision. The decision of the employment appeal board shall be by majority vote. The decision of the employment appeal board shall be a final agency decision subject to review through a petition for judicial review filed within 30 days of the date of the employment appeal board decision in the appropriate district court.

This rule is intended to implement Iowa Code section 10A.601.

[ARC 2642C, IAB 8/3/16, effective 9/7/16]

[Filed emergency 7/1/86—published 7/16/86, effective 7/1/86]

[Filed 2/16/89, Notice 11/16/88—published 3/8/89, effective 4/12/89]

[Filed ARC 2642C (Notice ARC 2578C, IAB 6/8/16), IAB 8/3/16, effective 9/7/16]

PUBLIC HEALTH DEPARTMENT[641]

Rules of divisions under this department “umbrella” include Professional Licensure[645], Dental Board[650], Medical Board[653],
Nursing Board[655] and Pharmacy Board[657]

CHAPTER 1

REPORTABLE DISEASES, POISONINGS AND CONDITIONS, AND QUARANTINE AND ISOLATION

- | | |
|--|--|
| 1.1(139A) | Definitions |
| 1.2(139A) | Purpose and authority |
| REPORTABLE COMMUNICABLE AND INFECTIOUS DISEASES | |
| 1.3(139A,141A) | Reportable communicable and infectious diseases |
| 1.4(135,139A) | Reporting of reportable communicable and infectious diseases |
| REPORTABLE POISONINGS AND CONDITIONS—NONCOMMUNICABLE | |
| 1.5(139A,135) | Reportable poisonings and conditions |
| 1.6(135,139A) | Reporting poisonings and conditions |
| INVESTIGATION | |
| 1.7(135,139A) | Investigation of reportable diseases |
| ISOLATION AND QUARANTINE | |
| 1.8(139A) | Isolation and quarantine |
| 1.9(135,139A) | Quarantine and isolation |
| 1.10 and 1.11 | Reserved |
| 1.12(135,137,139A) | Quarantine and isolation—model rule for local boards |
| 1.13(135,139A) | Area quarantine |
| SPECIFIC NONCOMMUNICABLE CONDITIONS | |
| 1.14(139A) | Cancer |
| 1.15(144) | Congenital and inherited disorders |
| 1.16(139A) | Agriculturally related injury |
| CONFIDENTIALITY | |
| 1.17(139A,22) | Confidentiality |
| STATE HYGIENIC LABORATORY | |
| 1.18(135,139A) | Specimens for which the fee charged by the state hygienic laboratory shall be waived |

CHAPTER 2

HEPATITIS PROGRAMS

- | | |
|--|---|
| VIRAL HEPATITIS PROGRAM—VACCINATIONS AND TESTING | |
| 2.1(135) | Definitions |
| 2.2(135) | Purpose |
| 2.3(135) | Exposure risks for hepatitis C virus |
| 2.4(135) | Information for public distribution |
| 2.5(135) | Hepatitis vaccination and testing program |
| 2.6 to 2.8 | Reserved |
| HEPATITIS C AWARENESS PROGRAM—VETERANS | |
| 2.9(135) | Definitions |
| 2.10(135) | Purpose |
| 2.11(135) | Awareness materials |
| 2.12(135) | Awareness information |
| 2.13(135) | Resources for hepatitis follow-up and treatment |

CHAPTER 3
EARLY HEARING DETECTION AND INTERVENTION (EHDI) PROGRAM

- EARLY HEARING DETECTION AND INTERVENTION (EHDI) PROGRAM
- 3.1(135) Definitions
 - 3.2(135) Purpose
 - 3.3(135) Goal and outcomes
 - 3.4(135) Program components
 - 3.5(135) Screening the hearing of all newborns
 - 3.6(135) Procedures required of birthing hospitals
 - 3.7(135) Procedures required of birth centers
 - 3.8(135) Procedures to ensure that children born in locations other than a birth center or birthing hospital receive a hearing screening
 - 3.9(135) Reporting hearing screening results and information to the department and child's primary care provider
 - 3.10(135) Conducting and reporting screening results and diagnostic audiologic assessments to the department and child's primary care provider
 - 3.11(135) Sharing of information and confidentiality
 - 3.12 Reserved
 - 3.13(135) Procedure to accommodate parental objection
 - 3.14(135) Civil/criminal liability
 - 3.15(135) Early hearing detection and intervention advisory committee
 - 3.16 Reserved

HEARING AIDS AND AUDIOLOGIC SERVICES FUNDING PROGRAM

- 3.17(83GA, HF811) Eligibility criteria
- 3.18(83GA, HF811) Covered services
- 3.19(83GA, HF811) Application procedures
- 3.20(83GA, HF811) Hearing aids and audiologic services funding wait list
- 3.21(83GA, HF811) Reimbursement of providers
- 3.22(83GA, HF811) Appeals

CHAPTER 4
CENTER FOR CONGENITAL AND INHERITED DISORDERS

- 4.1(136A) Program overview
- 4.2(136A) Definitions
- 4.3(136A) Iowa newborn screening program (INSP)
- 4.4(136A) Iowa maternal prenatal screening program (IMPSP)
- 4.5(136A) Regional genetic consultation service (RGCS)
- 4.6(136A) Neuromuscular and other related genetic disease program (NMP)
- 4.7(136A) Iowa registry for congenital and inherited disorders (IRCID)
- 4.8(135) Iowa's early hearing detection and intervention program
- 4.9 and 4.10 Reserved

CENTER FOR CONGENITAL AND INHERITED DISORDERS ADVISORY COMMITTEE (CIDAC)

- 4.11(136A) Purpose
- 4.12(136A) Duties of the committee
- 4.13(136A) Membership
- 4.14(136A) Meetings

CHAPTER 5
MATERNAL DEATHS

- 5.1(135) Reporting of maternal deaths
- 5.2(135) Ascertainment of maternal deaths
- 5.3(135) Reviewing of maternal deaths

CHAPTER 6
Reserved

CHAPTER 7
IMMUNIZATION AND IMMUNIZATION EDUCATION: PERSONS ATTENDING ELEMENTARY
OR SECONDARY SCHOOLS, LICENSED CHILD CARE CENTERS OR INSTITUTIONS OF
HIGHER EDUCATION

- 7.1(139A) Definitions
- 7.2(139A) Persons included
- 7.3(139A) Persons excluded
- 7.4(139A) Required immunizations
- 7.5(139A) Required education
- 7.6(139A) Proof of immunization
- 7.7(139A) Provisional enrollment
- 7.8(139A) Records and reporting
- 7.9(139A) Providing immunization services
- 7.10(139A) Compliance
- 7.11(22) Statewide registry
- 7.12(22) Release of immunization and health screening information

CHAPTER 8
IOWA CARE FOR YOURSELF (IA CFY) PROGRAM

- 8.1(135) Definitions
- 8.2(135) Components of the Iowa care for yourself (IA CFY) program
- 8.3(135) Participant eligibility criteria
- 8.4(135) Participant application procedures for IA CFY program services
- 8.5(135) Priority for program expenditures
- 8.6(135) Right to appeal
- 8.7(135) Verification for the breast or cervical cancer treatment (BCCT) option of Medicaid

CHAPTER 9
OUTPATIENT DIABETES EDUCATION PROGRAMS

- 9.1(135) Scope
- 9.2(135) Definitions
- 9.3(135) Powers and duties
- 9.4(135) Application procedures for American Diabetes Association-recognized and American Association of Diabetes Educators-accredited programs
- 9.5(135) Renewal procedures for American Diabetes Association-recognized and American Association of Diabetes Educators-accredited programs
- 9.6(135) Application procedures for programs not recognized by the American Diabetes Association or accredited by the American Association of Diabetes Educators
- 9.7(135) Diabetes program management for programs not recognized by the American Diabetes Association or accredited by the American Association of Diabetes Educators
- 9.8(135) Program staff for programs not recognized by the American Diabetes Association or accredited by the American Association of Diabetes Educators

- 9.9(135) Renewal application procedures for programs not recognized by the American Diabetes Association or accredited by the American Association of Diabetes Educators
- 9.10(135) Annual report
- 9.11(135) Enforcement
- 9.12(135) Complaints
- 9.13(135) Appeal process
- 9.14(135) Formal contest

CHAPTER 10

IOWA GET SCREENED: COLORECTAL CANCER PROGRAM

- 10.1(135) Purpose
- 10.2(135) Definitions
- 10.3(135) Components of the Iowa get screened (IGS): colorectal cancer program
- 10.4 Reserved
- 10.5(135) Participant eligibility criteria
- 10.6(135) Participant application procedures for IGS program services
- 10.7(135) Priority for program expenditures
- 10.8(135) Right to appeal
- 10.9(135) Colorectal cancer treatment

CHAPTER 11

HUMAN IMMUNODEFICIENCY VIRUS (HIV) INFECTION AND ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS)

- 11.1(139A,141A) Definitions
- 11.2(141A) HIV testing—obtaining consent—voluntary HIV-related tests for adults who are not pregnant
- 11.3(139A,141A) HIV testing—obtaining consent—voluntary HIV-related tests for minors who are not pregnant
- 11.4(141A) HIV testing—obtaining consent—voluntary HIV-related tests for pregnant women
- 11.5(141A) HIV test results—post-test counseling
- 11.6(141A) Reporting of diagnoses and HIV-related tests, events, and conditions to the department
- 11.7(141A) Penalties
- 11.8(141A) Immunity
- 11.9 and 11.10 Reserved

TRAINING PROGRAMS

- 11.11(135) Purpose
- 11.12 to 11.14 Reserved

PARTNER NOTIFICATION SERVICES AND DIRECT NOTIFICATION OF AN IDENTIFIABLE THIRD PARTY

- 11.15(139A,141A) Purpose
- 11.16(139A,141A) Definitions
- 11.17(139A,141A) Partner notification services by the department
- 11.18(141A) Direct notification of an identifiable third party by a physician or the department
- 11.19 and 11.20 Reserved

CARE PROVIDERS EXPOSED TO CONTAGIOUS OR INFECTIOUS DISEASES

- 11.21(139A) Purpose
- 11.22(139A) Definitions
- 11.23(139A,141A) Exposures in non-clinical settings
- 11.24(139A,141A) Exposures in clinical settings
- 11.25(139A) Immunity

- 11.26(139A) Duty to test
- 11.27 to 11.29 Reserved

HIV-RELATED TEST FOR CONVICTED OR ALLEGED SEXUAL-ASSAULT OFFENDERS AND VICTIMS

- 11.30(915) Purpose
- 11.31(915) Definitions
- 11.32(915) HIV-related test—convicted or alleged sexual assault offender
- 11.33(915) Medical examination costs
- 11.34(915) Testing, reporting, and counseling—penalties
- 11.35 to 11.39 Reserved

AIDS DRUG ASSISTANCE PROGRAM (ADAP)

- 11.40(141A) Definitions
- 11.41(141A) Purpose
- 11.42(141A) Ensuring payer of last resort
- 11.43(141A) Eligibility requirements
- 11.44(141A) Enrollment process
- 11.45(141A) Discontinuation of services
- 11.46(141A) Distribution requirements
- 11.47(141A) ADAP waiting list
- 11.48(141A) Appeals
- 11.49(141A) Confidentiality

CHAPTER 12

APPROVAL OF CONFIRMATORY LABORATORIES FOR PRIVATE SECTOR DRUG-FREE WORKPLACE TESTING

- 12.1(730) Purpose
- 12.2(730) Definitions
- 12.3(730) Powers and duties
- 12.4(730) Application procedures and requirements
- 12.5(730) Requirements of laboratory personnel involved in confirmatory testing for alcohol or other drugs, or their metabolites
- 12.6(730) Quality assurance program and procedure manual requirements
- 12.7(730) Analytical quality control
- 12.8(730) Sample security and confidentiality of test results
- 12.9(730) Confirmatory testing
- 12.10(730) Documentation of the confirmatory testing process
- 12.11(730) Reporting of confirmed positive test results to the medical review officer
- 12.12(730) Reporting requirements to department
- 12.13(730) Approval, renewal, and inspection fees
- 12.14(730) Renewal
- 12.15(730) Reciprocity
- 12.16(730) Changes during approval periods
- 12.17(730) Enforcement
- 12.18(730) Denial, suspension, modification or revocation of approval
- 12.19(730) Restoration of approval
- 12.20(730) Appeals process
- 12.21(730) Complaints

CHAPTER 13

Reserved

CHAPTER 14
WATER TREATMENT SYSTEMS

14.1(714)	Purpose
14.2(714)	Applicability
14.3(714)	Definitions
14.4(714)	Performance testing
14.5(714)	Third-party testing agencies
14.6(714)	Registration
14.7(714)	Label and manufacturer's performance data sheet
14.8(714)	Consumer information pamphlet
14.9(714)	Sales of water treatment systems
14.10(714)	Treatment of records
14.11(714)	Penalties

CHAPTER 15
SWIMMING POOLS AND SPAS

15.1(135I)	Applicability
15.2(135I)	Scope
15.3(135I)	Definitions and abbreviations

SWIMMING POOLS

15.4(135I)	Swimming pool operations
15.5(135I)	Construction and reconstruction

ADMINISTRATION

15.6(135I)	Enforcement
15.7(135I)	Variances
15.8(135I)	Penalties
15.9(135I)	Registration
15.10(135I)	Training courses
15.11(135I)	Swimming pool/spa operator qualifications
15.12(135I)	Fees
15.13(135I)	28E agreements
15.14(135I)	Application denial or partial denial—appeal
15.15 to 15.50	Reserved

SPAS

15.51(135I)	Spa operations
15.52(135I)	Construction and reconstruction

CHAPTERS 16 to 19
Reserved

CHAPTER 20
COMMUNITY WATER FLUORIDATION GRANT PROGRAM

20.1(135)	Purpose
20.2(135)	Definitions
20.3(135)	Applications
20.4(135)	Review and rating of applications
20.5(135)	Project contracts
20.6(135)	Implementation procedures
20.7(135)	Reimbursement
20.8(135)	Termination
20.9(135)	Appeals

CHAPTER 21
CENTRAL REGISTRY FOR
BRAIN AND SPINAL CORD INJURIES

21.1(135)	Purpose
21.2(135)	Definitions
21.3(135)	Reportable brain and spinal cord injuries
21.4(135)	Who reports and under what circumstances
21.5(135)	Method and frequency of reporting
21.6(135)	Confidentiality
21.7(135)	Quality assurance

CHAPTER 22
PRACTICE OF TATTOOING

22.1(135)	Purpose
22.2(135)	Definitions
22.3(135)	General provisions
22.4(135)	Sanitation and infection control
22.5(135)	Equipment
22.6(135)	Procedures
22.7(135)	Permit issuance and renewal
22.8(135)	Fees
22.9(135)	Tattoo establishment permit requirements
22.10(135)	Tattoo artist permit requirements
22.11(135)	Temporary establishment permit requirements
22.12(135)	Mobile tattoo unit permit requirements
22.13(135)	Agreements
22.14(135)	Inspection requirements
22.15(135)	Tattoo inspector qualifications
22.16(135)	Enforcement
22.17(135)	Adverse actions and the appeal process

CHAPTER 23
PLUMBING AND MECHANICAL SYSTEMS BOARD—LICENSEE PRACTICE

23.1(105)	Definitions
23.2(105)	Duties of all licensees, specialty licensees, and certificate holders
23.3(105)	Contractor license
23.4(105)	Master license
23.5(105)	Journeyman license
23.6(105)	Apprentice license
23.7(105)	Specialty licenses and certifications
23.8(105)	Inactive license

CHAPTER 24
PRIVATE WELL TESTING, RECONSTRUCTION, AND
PLUGGING—GRANTS TO COUNTIES

24.1(135)	Applicability
24.2(135)	Definitions
24.3(135)	Eligibility
24.4(135)	Goal and objectives
24.5(135)	Eligible grant costs
24.6(135)	Ineligible grant costs
24.7(135)	Performance requirements
24.8(135)	Contents of grant application

24.9(135)	Grant application submission
24.10(135)	Multicounty grant applications
24.11(135)	Grant period
24.12	Reserved
24.13(135)	Grant amendments
24.14(135)	Termination or forfeiture of grant funds

CHAPTER 25
STATE PLUMBING CODE

25.1(105)	Adoption
25.2(105)	Applicability
25.3(105)	Fuel gas piping
25.4(105)	Amendments to Uniform Plumbing Code
25.5(105)	Backflow prevention with containment

CHAPTER 26
BACKFLOW PREVENTION ASSEMBLY TESTER REGISTRATION

26.1(135K)	Applicability
26.2(135K)	Definitions
26.3(135K)	Registration required
26.4(135K)	Backflow prevention assembly tester training
26.5(135K)	Registration
26.6(135K)	Standards of conduct
26.7(135K)	Penalty
26.8(135K)	Denial, suspension or revocation

CHAPTER 27
PLUMBING AND MECHANICAL SYSTEMS BOARD—ADMINISTRATIVE AND
REGULATORY AUTHORITY

27.1(17A,105)	Definitions
27.2(17A,105)	Purpose of board
27.3(17A,105)	Organization of board and proceedings
27.4(17A,105)	Official communications
27.5(17A,105)	Office hours
27.6(21)	Public meetings

CHAPTER 28
PLUMBING AND MECHANICAL SYSTEMS BOARD—LICENSURE FEES

28.1(105)	Fees
28.2(105)	Annual review of fee schedule

CHAPTER 29
PLUMBING AND MECHANICAL SYSTEMS BOARD—
APPLICATION, LICENSURE, AND EXAMINATION

29.1(105)	Definitions
29.2(105)	Available licenses and general requirements
29.3(105)	Medical gas piping certification
29.4(105)	Minimum qualifications for licensure
29.5(105)	General requirements for application for licensure
29.6(105)	Examination
29.7(105)	License renewal
29.8(105)	License reissue
29.9(105)	Waiver from examination for military service

CHAPTER 30
CONTINUING EDUCATION FOR PLUMBING AND
MECHANICAL SYSTEMS PROFESSIONALS

30.1(105)	Definitions
30.2(105)	Continuing education requirements
30.3(105)	Continuing education programs/activities
30.4(105)	Course instructor(s)
30.5(105)	Compliance review of continuing education requirements
30.6(105)	Continuing education exemptions
30.7(105)	Continuing education extensions
30.8(105)	Continuing education reporting requirements

CHAPTER 31
PLUMBING AND MECHANICAL SYSTEMS BOARD—WAIVERS OR VARIANCES FROM
ADMINISTRATIVE RULES

31.1(17A,105,272C)	Definitions
31.2(17A,105,272C)	Scope of chapter
31.3(17A,105,272C)	Applicability of chapter
31.4(17A,105,272C)	Criteria for waiver or variance
31.5(17A,105,272C)	Filing of petition
31.6(17A,105,272C)	Content of petition
31.7(17A,105,272C)	Additional information
31.8(17A,105,272C)	Notice
31.9(17A,105,272C)	Hearing procedures
31.10(17A,105,272C)	Ruling
31.11(17A,105,272C)	Public availability
31.12(17A,105,272C)	Summary reports
31.13(17A,105,272C)	Cancellation of a waiver
31.14(17A,105,272C)	Violations
31.15(17A,105,272C)	Defense
31.16(17A,105,272C)	Judicial review

CHAPTER 32
PLUMBING AND MECHANICAL SYSTEMS BOARD—LICENSEE DISCIPLINE

32.1(105,272C)	Definitions
32.2(105,272C)	Grounds for discipline
32.3(105,272C)	Method of discipline
32.4(272C)	Discretion of board
32.5(105)	Civil penalties
32.6(105,272C)	Collection of delinquent civil penalties and discipline-related debts

CHAPTER 33
PLUMBING AND MECHANICAL SYSTEMS BOARD—CONTESTED CASES

33.1(17A,105,272C)	Scope and applicability
33.2(17A,105,272C)	Definitions
33.3(17A)	Time requirements
33.4(17A,272C)	Probable cause
33.5(17A,272C)	Informal settlement
33.6(17A)	Statement of charges
33.7(17A)	Requests for contested case proceeding
33.8(105)	Legal representation
33.9(17A,105,272C)	Presiding officer in a disciplinary contested case
33.10(17A)	Presiding officer in a nondisciplinary contested case

33.11(17A)	Disqualification
33.12(17A)	Consolidation—severance
33.13(17A)	Pleadings
33.14(17A)	Service and filing
33.15(17A)	Discovery
33.16(17A,272C)	Subpoenas in a contested case
33.17(17A)	Motions
33.18(17A)	Withdrawals
33.19(17A)	Intervention
33.20(17A)	Telephone proceedings
33.21(17A)	Prehearing conferences
33.22(17A)	Continuances
33.23(272C)	Settlement agreements
33.24(17A)	Hearing procedures
33.25(17A)	Evidence
33.26(17A)	Default
33.27(17A)	Ex parte communication
33.28(17A)	Recording costs
33.29(17A)	Interlocutory appeals
33.30(17A,272C)	Decisions
33.31(17A,272C)	Client notification
33.32(17A,272C)	Application for rehearing
33.33(17A)	Stays of board actions
33.34(17A)	No factual dispute contested cases
33.35(17A)	Emergency adjudicative proceedings
33.36(17A,105,272C)	License denial
33.37(17A,105,272C)	Denial of application to renew license
33.38(105,272C)	Recovery of hearing fees and expenses
33.39(17A)	Judicial review
33.40(17A,272C)	Reinstatement

CHAPTER 34

PLUMBING AND MECHANICAL SYSTEMS BOARD—COMPLAINTS AND INVESTIGATIONS

34.1(272C)	Complaints
34.2(272C)	Report of malpractice claims or actions or disciplinary actions
34.3(272C)	Report of acts or omissions
34.4(272C)	Investigation of complaints or reports
34.5(17A,272C)	Issuance of investigatory subpoenas
34.6(272C)	Peer review committees
34.7(17A)	Appearance

CHAPTER 35

PLUMBING AND MECHANICAL SYSTEMS BOARD—LICENSURE OF NONRESIDENT
APPLICANT—RECIPROCITY

35.1(105)	Definition
35.2(105)	Reciprocity agreements
35.3(105)	Application by reciprocity

CHAPTER 36

PLUMBING AND MECHANICAL SYSTEMS BOARD—
PETITIONS FOR RULE MAKING

36.1(17A)	Petition for rule making
36.2(17A)	Briefs

- 36.3(17A) Inquiries
36.4(17A) Board consideration

CHAPTER 37
PHYSICAL PROTECTION OF CATEGORY 1 AND CATEGORY 2
QUANTITIES OF RADIOACTIVE MATERIAL

GENERAL PROVISIONS

- 37.1(136C) Purpose and scope
37.2 to 37.4 Reserved
37.5(136C) Definitions
37.6 Reserved
37.7(136C) Communications
37.8 to 37.10 Reserved
37.11(136C) Specific exemptions
37.12 to 37.20 Reserved
- BACKGROUND INVESTIGATIONS AND ACCESS CONTROL PROGRAM
- 37.21(136C) Personnel access authorization requirements for category 1 or category 2 quantities of radioactive material
37.22 Reserved
37.23(136C) Access authorization program requirements
37.24 Reserved
37.25(136C) Background investigations
37.26 Reserved
37.27(136C) Requirements for criminal history records checks of individuals granted unescorted access to category 1 or category 2 quantities of radioactive material
37.28 Reserved
37.29(136C) Relief from fingerprinting, identification, and criminal history records checks and other elements of background investigations for designated categories of individuals permitted unescorted access to certain radioactive materials
37.30 Reserved
37.31(136C) Protection of information
37.32 Reserved
37.33(136C) Access authorization program review
37.34 to 37.40 Reserved

PHYSICAL PROTECTION REQUIREMENTS DURING USE

- 37.41(136C) Security program
37.42 Reserved
37.43(136C) General security program requirements
37.44 Reserved
37.45(136C) LLEA coordination
37.46 Reserved
37.47(136C) Security zones
37.48 Reserved
37.49(136C) Monitoring, detection, and assessment
37.50 Reserved
37.51(136C) Maintenance and testing
37.52 Reserved
37.53(136C) Requirements for mobile devices
37.54 Reserved
37.55(136C) Security program review
37.56 Reserved

37.57(136C) Reporting of events
 37.58 to 37.70 Reserved

PHYSICAL PROTECTION IN TRANSIT

37.71(136C) Additional requirements for transfer of category 1 and category 2 quantities of radioactive material
 37.72 Reserved
 37.73(136C) Applicability of physical protection of category 1 and category 2 quantities of radioactive material during transit
 37.74 Reserved
 37.75(136C) Preplanning and coordination of shipment of category 1 or category 2 quantities of radioactive material
 37.76 Reserved
 37.77(136C) Advance notification of shipment of category 1 quantities of radioactive material
 37.78 Reserved
 37.79(136C) Requirements for physical protection of category 1 and category 2 quantities of radioactive material during shipment
 37.80 Reserved
 37.81(136C) Reporting of events
 37.82 to 37.100 Reserved

RECORDS

37.101(136C) Form of records
 37.102 Reserved
 37.103(136C) Record retention
 37.104 Reserved
 37.105(136C) Inspections

CHAPTER 38

GENERAL PROVISIONS FOR RADIATION MACHINES AND RADIOACTIVE MATERIALS

38.1(136C) Purpose and scope
 38.2(136C) Definitions
 38.3(136C) Exemptions from the regulatory requirements
 38.4(136C) General regulatory requirements
 38.5 Reserved
 38.6(136C) Prohibited uses
 38.7(136C) Communications
 38.8(136C) Fees
 38.9(136C) Administrative enforcement actions
 38.10(136C) Deliberate misconduct

CHAPTER 39

REGISTRATION OF RADIATION MACHINE FACILITIES, LICENSURE OF RADIOACTIVE MATERIALS AND TRANSPORTATION OF RADIOACTIVE MATERIALS

39.1(136C) Purpose and scope
 39.2(136C) Definitions
 39.3(136C) Requirements for registration of X-ray and other electronic machines that produce radiation
 39.4(136C) Requirements for licensing of radioactive materials
 39.5(136C) Transportation of radioactive material

CHAPTER 40
STANDARDS FOR PROTECTION AGAINST RADIATION

GENERAL PROVISIONS

- 40.1(136C) Purpose and scope
40.2(136C) Definitions
40.3(136C) Implementation
40.4 to 40.9 Reserved

RADIATION PROTECTION PROGRAMS

- 40.10(136C) Radiation protection programs
40.11 to 40.14 Reserved

OCCUPATIONAL DOSE LIMITS

- 40.15(136C) Occupational dose limits for adults
40.16(136C) Compliance with requirements for summation of external and internal doses
40.17(136C) Determination of external dose from airborne radioactive material
40.18(136C) Determination of internal exposure
40.19(136C) Determination of prior occupational dose
40.20(136C) Planned special exposures
40.21(136C) Occupational dose limits for minors
40.22(136C) Dose equivalent to an embryo/fetus
40.23 to 40.25 Reserved

RADIATION DOSE LIMITS FOR INDIVIDUAL MEMBERS OF THE PUBLIC

- 40.26(136C) Dose limits for individual members of the public
40.27(136C) Compliance with dose limits for individual members of the public

RADIOLOGICAL CRITERIA FOR LICENSE TERMINATION

- 40.28(136C) Radiological criteria for license termination
40.29(136C) Radiological criteria for unrestricted use
40.30(136C) Criteria for license termination under restricted conditions
40.31(136C) Alternate criteria for license termination

TESTING FOR LEAKAGE OR CONTAMINATION OF SEALED SOURCES

- 40.32(136C) Testing for leakage or contamination of sealed sources
40.33 to 40.35 Reserved

SURVEYS AND MONITORING

- 40.36(136C) Surveys and monitoring—general
40.37(136C) Conditions requiring individual monitoring of external and internal occupational dose
40.38 to 40.41 Reserved

CONTROL OF EXPOSURE FROM EXTERNAL SOURCES IN RESTRICTED AREAS

- 40.42(136C) Control of access to high radiation areas
40.43(136C) Control of access to very high radiation areas
40.44(136C) Control of access to very high radiation areas—irradiators
40.45 to 40.47 Reserved

RESPIRATORY PROTECTION AND CONTROLS TO RESTRICT
INTERNAL EXPOSURE IN RESTRICTED AREAS

- 40.48(136C) Use of process or other engineering controls
40.49(136C) Use of other controls
40.50(136C) Use of individual respiratory protection equipment
40.51 to 40.53 Reserved

STORAGE AND CONTROL OF LICENSED OR REGISTERED
SOURCES OF RADIATION

40.54	Reserved
40.55(136C)	Security and control of licensed or registered sources of radiation
40.56(136C)	Control of sources of radiation not in storage
40.57 to 40.59	Reserved

PRECAUTIONARY PROCEDURES

40.60(136C)	Caution signs
40.61(136C)	Posting requirements
40.62(136C)	Exceptions to posting requirements
40.63(136C)	Labeling containers and radiation machines
40.64(136C)	Exemptions to labeling requirements
40.65(136C)	Procedures for receiving and opening packages
40.66 to 40.69	Reserved

WASTE DISPOSAL

40.70(136C)	General requirements
40.71(136C)	Method for obtaining approval of proposed disposal procedures
40.72(136C)	Disposal by release into sanitary sewerage
40.73(136C)	Treatment or disposal by incineration
40.74(136C)	Disposal of specific wastes
40.75(136C)	Transfer for disposal and manifests
40.76(136C)	Compliance with environmental and health protection regulations
40.77(136C)	Disposal of certain by-product material
40.78 and 40.79	Reserved

RECORDS

40.80(136C)	General provisions
40.81(136C)	Records of radiation protection programs
40.82(136C)	Records of surveys
40.83(136C)	Records of tests for leakage or contamination of sealed sources
40.84(136C)	Records of prior occupational dose
40.85(136C)	Records of planned special exposures
40.86(136C)	Records of individual monitoring results
40.87(136C)	Records of dose to individual members of the public
40.88(136C)	Records of waste disposal
40.89(136C)	Records of testing entry control devices for very high radiation areas
40.90(136C)	Form of records
40.91 to 40.94	Reserved

REPORTS

40.95(136C)	Reports of stolen, lost, or missing licensed or registered sources of radiation
40.96(136C)	Notification of incidents
40.97(136C)	Reports of exposures, radiation levels, and concentrations of radioactive material exceeding the constraints or limits
40.98(136C)	Reports of planned special exposures
40.99(136C)	Reports of transactions involving nationally tracked sources
40.100(136C)	Reports of individual monitoring
40.101(136C)	Notifications and reports to individuals
40.102(136C)	Reports of leaking or contaminated sealed sources
40.103 and 40.104	Reserved

ADDITIONAL REQUIREMENTS

40.105(136C)	Vacating premises
40.106 to 40.109	Reserved
NOTICES, INSTRUCTIONS, AND REPORTS TO WORKERS; INSPECTIONS	
40.110(136C)	Posting of notices to workers
40.111(136C)	Instructions to workers
40.112(136C)	Notifications and reports to individuals
40.113(136C)	Presence of representatives of licensees or registrants and workers during inspection
40.114(136C)	Consultation with workers during inspections
40.115(136C)	Requests by workers for inspections
40.116(136C)	Inspections not warranted—informal review
40.117(136C)	Employee protection

CHAPTER 41

SAFETY REQUIREMENTS FOR THE USE OF
RADIATION MACHINES AND CERTAIN USES
OF RADIOACTIVE MATERIALS

41.1(136C)	X-rays in the healing arts
41.2(136C)	Use of radionuclides in the healing arts
41.3(136C)	Therapeutic use of radiation machines
41.4 and 41.5	Reserved
41.6(136C)	X-ray machines used for screening and diagnostic mammography
41.7(136C)	X-ray machines used for stereotactically guided breast biopsy

CHAPTER 42

PERMIT TO OPERATE IONIZING RADIATION PRODUCING MACHINES
OR ADMINISTER RADIOACTIVE MATERIALS

42.1(136C)	Purpose
42.2(136C)	Definitions
42.3(136C)	Exemptions

PERMIT APPLICATION AND RENEWAL

42.4(136C)	Permit application and renewal
42.5(136C)	Permit to practice as a general radiologic technologist
42.6(136C)	Permit to practice as a general nuclear medicine technologist
42.7(136C)	Permit to practice as a radiation therapist
42.8(136C)	Permit to practice as a radiologist assistant
42.9(136C)	Permit to practice as a limited radiologic technologist with categories of chest, spine, extremities, shoulder, pediatric
42.10(136C)	Permit to practice as an X-ray equipment operator in either podiatric radiography or bone densitometry
42.11	Reserved
42.12(136C)	Closed classification or category permits
42.13(136C)	Combining permits for an individual qualifying for permits in more than one classification
42.14 to 42.17	Reserved

PERMIT HOLDER SUBMISSION OF CONTINUING EDUCATION

42.18(136C)	Submission of proof of completion of continuing education by permit holder to meet continuing education requirements to renew or reinstate a permit
42.19 and 42.20	Reserved

ADMINISTRATIVE ITEMS AND GROUNDS FOR DISCIPLINARY ACTION

- 42.21(136C) Administrative items
 42.22(136C) Rules of conduct, self-reporting requirements, and enforcement actions for all permit holders
 42.23(136C) Procedures for demand for information, notice of proposed action, and orders for penalties, suspensions, revocations, and civil penalties for all individuals under this chapter
 42.24 and 42.25 Reserved

DEPARTMENT APPROVAL OF CONTINUING EDUCATION ACTIVITIES

- 42.26(136C) Department approval of continuing education activities
 42.27 to 42.29 Reserved

FORMAL EDUCATION

- 42.30(136C) Requirements for formal education
 42.31(136C) Standards for formal education for limited radiologic technologists
 42.32(136C) Standards for formal education for X-ray equipment operators in podiatric radiography
 42.33(136C) Standards for formal education for X-ray equipment operators in bone densitometry

CHAPTER 43

MINIMUM REQUIREMENTS FOR RADON TESTING AND ANALYSIS

- 43.1(136B) Purpose and scope
 43.2(136B) Definitions
 43.3(136B) General provisions
 43.4(136B) Application for certification
 43.5(136B) Revocation of certification
 43.6(136B) Reporting requirements
 43.7(136B) Training and continuing education programs
 43.8(136B) Exemptions
 43.9(136B) Enforcement
 43.10(136B) Penalties
 43.11(136B) Persons exempted from certification

CHAPTER 44

MINIMUM REQUIREMENTS FOR RADON MITIGATION

- 44.1(136B) Purpose and scope
 44.2(136B) Definitions
 44.3(136B) General provisions
 44.4(136B) Application for credentialing
 44.5(136B) Revocation of credentialing
 44.6(136B) Additional record-keeping requirements
 44.7(136B) Continuing education
 44.8(136B) Exemptions
 44.9(136B) Enforcement
 44.10(136B) Penalties

CHAPTER 45

RADIATION SAFETY REQUIREMENTS FOR INDUSTRIAL RADIOGRAPHIC OPERATIONS

- 45.1(136C) General requirements for industrial radiography operations
 45.2(136C) Radiation safety requirements for the use of radiation machines in industrial radiography

- 45.3(136C) Radiation safety requirements for use of sealed sources of radiation in industrial radiography
- 45.4(136C) Radiation safety requirements for the use of particle accelerators for nonhuman use
- 45.5(136C) Radiation safety requirements for analytical X-ray equipment
- 45.6(136C) Radiation safety requirements for well-logging, wireline service operations and subsurface tracer studies

CHAPTER 46

MINIMUM REQUIREMENTS FOR TANNING FACILITIES

- 46.1(136D) Purpose and scope
- 46.2(136D) Definitions
- 46.3(136D) Exemptions
- 46.4(136D) Permits and fees
- 46.5(136D) Construction and operation of tanning facilities
- 46.6(136D) Inspections, violations and injunctions

CHAPTERS 47 to 49

Reserved

CHAPTER 50

ORAL HEALTH

- 50.1(135) Purpose
- 50.2(135) Definitions
- 50.3(135) Dental director responsibilities
- 50.4(135) Oral health bureau functions
- 50.5(135) Funding

CHAPTER 51

DENTAL SCREENING

- 51.1(135) Purpose
- 51.2(135) Definitions
- 51.3(135) Persons included
- 51.4(135) Persons excluded
- 51.5(135) Dental screening components
- 51.6(135) Dental screening providers
- 51.7(135) Time line for valid dental screening
- 51.8(135) Proof of dental screening
- 51.9(135) Dental screening documentation
- 51.10(135) Assuring dental screening services
- 51.11(135) Records
- 51.12(135) Reporting
- 51.13(135) Iowa's dental screening database
- 51.14(135) Release of dental screening information
- 51.15(135) Referral requirements
- 51.16(135) Provider training

CHAPTER 52

VISION SCREENING

- 52.1(135) Purpose
- 52.2(135) Definitions
- 52.3(135) Persons included and persons excluded
- 52.4(135) Child vision screening components
- 52.5(135) Time line for valid vision screening

52.6(135)	Proof of child vision screening
52.7(135)	Child vision screening reporting
52.8(135)	School requirements
52.9(135)	Iowa's child vision screening database module and follow-up
52.10(135)	Referral requirements

CHAPTERS 53 and 54
Reserved

CHAPTER 55
ADVISORY COUNCIL ON BRAIN INJURIES

55.1(135)	Definitions
55.2(135)	Mission of council
55.3(135)	Council established
55.4(135)	Officers
55.5(135)	Duties of the council
55.6(135)	Meetings
55.7(135)	Minutes
55.8(135)	Task forces
55.9(135)	Expenses of advisory council members

CHAPTER 56
BRAIN INJURY SERVICES PROGRAM

56.1(135)	Definitions
56.2(135)	Purpose
56.3(135)	Waiver-eligible component
56.4(135)	Cost-share component
56.5(135)	Application process
56.6(135)	Service providers and reimbursement
56.7(135)	Available services/service plan
56.8(135)	Redetermination
56.9(135)	Appeal rights

CHAPTER 57
PLUMBING AND MECHANICAL SYSTEMS BOARD—
DECLARATORY ORDERS

57.1(17A)	Petition for declaratory order
57.2(17A)	Notice of petition
57.3(17A)	Intervention
57.4(17A)	Briefs
57.5(17A)	Inquiries
57.6(17A)	Service and filing of petitions and other papers
57.7(17A)	Consideration
57.8(17A)	Action on petition
57.9(17A)	Refusal to issue order
57.10(17A)	Contents of declaratory order—effective date
57.11(17A)	Copies of orders
57.12(17A)	Effect of a declaratory order

CHAPTER 58
PLUMBING AND MECHANICAL SYSTEMS BOARD—
AGENCY PROCEDURE FOR RULE MAKING

58.1(17A)	Applicability
58.2(17A)	Advice on possible rules before notice of proposed rule adoption
58.3(17A)	Public rule-making docket
58.4(17A)	Notice of proposed rule making
58.5(17A)	Public participation
58.6(17A)	Regulatory analysis
58.7(17A)	Fiscal impact statement
58.8(17A)	Time and manner of rule adoption
58.9(17A)	Variance between adopted rule and published notice of proposed rule adoption
58.10(17A)	Exemptions from public rule-making procedures
58.11(17A)	Concise statement of reasons
58.12(17A)	Contents, style, and form of rule
58.13(17A)	Agency rule-making record
58.14(17A)	Filing of rules
58.15(17A)	Effectiveness of rules prior to publication
58.16(17A)	General statements of policy
58.17(17A)	Review by agency of rules

CHAPTER 59
PLUMBING AND MECHANICAL SYSTEMS BOARD—FAIR INFORMATION
PRACTICES AND PUBLIC RECORDS

59.1(17A,22)	Definitions
59.2(17A,22)	Statement of policy
59.3(17A,22)	Requests for access to records
59.4(17A,22)	Access to confidential records
59.5(17A,22)	Requests for treatment of a record as a confidential record and its withholding from examination
59.6(17A,22)	Procedure by which additions, dissents, or objections may be entered into certain records
59.7(17A,22)	Consent to disclosure by the subject of a confidential record
59.8(17A,22)	Notice to suppliers of information
59.9(17A,22)	Disclosures without the consent of the subject
59.10(17A,22)	Routine use
59.11(17A,22)	Consensual disclosure of confidential records
59.12(17A,22)	Release to subject
59.13(17A,22)	Availability of records
59.14(17A,22)	Personally identifiable information
59.15(17A,22)	Other groups of records routinely available for public inspection
59.16(17A,22)	Applicability

CHAPTER 60
PLUMBING AND MECHANICAL SYSTEMS BOARD—
NONCOMPLIANCE REGARDING CHILD SUPPORT, NONPAYMENT OF STATE DEBT,
AND NONCOMPLIANCE REGARDING STUDENT LOAN REPAYMENT

60.1(252J)	Child support noncompliance
60.2(272D)	Nonpayment of state debt
60.3(261)	Student loan repayment noncompliance

CHAPTER 61
STATE MECHANICAL CODE

- 61.1(105) Definitions
- 61.2(105) Adoption by reference
- 61.3(105) Hospitals and health care facilities
- 61.4(105) Enforcement

CHAPTER 62
PLUMBING AND MECHANICAL SYSTEMS BOARD—
MILITARY SERVICE AND VETERAN RECIPROCITY

- 62.1(85GA,ch1116) Military service and veteran reciprocity

CHAPTERS 63 to 66

Reserved

CHAPTER 67
BLOOD LEAD TESTING

- 67.1(135) Purpose
- 67.2(135) Definitions
- 67.3(135) Persons included
- 67.4(135) Persons excluded
- 67.5(135) Blood lead testing requirement
- 67.6(135) Time line for valid blood lead testing
- 67.7(135) Proof of blood lead testing
- 67.8(135) Referral requirements
- 67.9(135) Blood lead testing documentation
- 67.10(135) Records
- 67.11(135) Provider training

CHAPTER 68
CONTROL OF LEAD-BASED PAINT HAZARDS

- 68.1(135) Applicability
- 68.2(135) Definitions
- 68.3(135) Elevated blood lead (EBL) inspections required
- 68.4(135) Refusal of admittance
- 68.5(135) Lead hazard reduction required
- 68.6(135) Retaliation prohibited
- 68.7(135) Enforcement
- 68.8(135) Hearings
- 68.9(135) Variances
- 68.10(135) Injunction
- 68.11(135) Effective date

CHAPTER 69
RENOVATION, REMODELING, AND REPAINTING—
LEAD HAZARD NOTIFICATION PROCESS

- 69.1(135) Applicability
- 69.2(135) Definitions
- 69.3(135) Notification required in target housing
- 69.4(135) Notification required in multifamily housing
- 69.5(135) Emergency renovation, remodeling, or repainting in target housing
- 69.6(135) Certification of attempted delivery in target housing
- 69.7(135) Notification required in child-occupied facilities

69.8(135)	Emergency renovation, remodeling, or repainting in child-occupied facilities
69.9(135)	Certification of attempted delivery for child-occupied facilities
69.10(135)	Subcontracts
69.11(135)	Exemption
69.12(135)	Record-keeping requirements
69.13(135)	Compliance inspections
69.14(135)	Enforcement
69.15(135)	Waivers

CHAPTER 70

LEAD-BASED PAINT ACTIVITIES

70.1(135)	Applicability
70.2(135)	Definitions
70.3(135)	Lead professional certification
70.4(135)	Course approval and standards
70.5(135)	Certification, interim certification, and recertification
70.6(135)	Work practice standards for lead professionals conducting lead-based paint activities in target housing and child-occupied facilities
70.7(135)	Firms
70.8	Reserved
70.9(135)	Compliance inspections
70.10(135)	Denial, suspension, or revocation of certification; denial, suspension, revocation, or modification of course approval; and imposition of penalties
70.11(135)	Waivers

CHAPTER 71

EMERGENCY INFORMATION SYSTEM ON PESTICIDES FOR USE BY HEALTH CARE PROVIDERS DURING MEDICAL EMERGENCIES

71.1(139A)	Scope
71.2(139A)	Definitions
71.3(139A)	Operation of EIS

CHAPTER 72

CHILDHOOD LEAD POISONING PREVENTION PROGRAM

72.1(135)	Definitions
72.2(135)	Approved programs
72.3(135)	Level of funding
72.4(135)	Appeals

CHAPTER 73

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

73.1(135)	Program explanation
73.2(135)	Adoption by reference
73.3(135)	Availability of rules
73.4(135)	Certain rules exempted from public participation
73.5(135)	Definitions
73.6(135)	Staffing of contract agencies
73.7(135)	Certification of participants
73.8(135)	Food delivery
73.9(135)	Food package
73.10(135)	Education

73.11(135)	Health services
73.12(135)	Appeals and fair hearings—local agencies and vendors
73.13(135)	Right to appeal—participant
73.14(135)	State monitoring of contract agencies
73.15(135)	Migrant services
73.16(135)	Civil rights
73.17(135)	Audits
73.18(135)	Reporting
73.19(135)	Program violation
73.20(135)	Data processing
73.21(135)	Outreach
73.22(135)	Caseload management
73.23(135)	Grant application procedures for contract agencies
73.24(135)	Participant rights

CHAPTER 74

FAMILY PLANNING SERVICES

74.1(135)	Program explanation
74.2(135)	Adoption by reference
74.3(135)	Rule coverage
74.4(135)	Definitions
74.5(135)	Grant application procedures for contract agencies
74.6(135)	Funding levels for contract agencies
74.7(135)	Agency performance
74.8(135)	Reporting
74.9(135)	Fiscal management
74.10(135)	Audits
74.11(135)	Denial, suspension, revocation, or reduction of contracts with contract agencies
74.12(135)	Right to appeal—contract agency

CHAPTER 75

STATEWIDE OBSTETRICAL AND
NEWBORN INDIGENT PATIENT CARE PROGRAM

75.1(255A)	Definitions
75.2(255A)	Covered services
75.3(255A)	Quota assignment
75.4(255A)	Eligibility criteria
75.5(255A)	Application procedures
75.6(255A)	Reimbursement of providers
75.7(255A)	Reassignment of county quotas
75.8(255A)	Appeals and fair hearings

CHAPTER 76

MATERNAL AND CHILD HEALTH PROGRAM

76.1(135)	Program overview
76.2(135)	Adoption by reference
76.3(135)	Rule coverage
76.4(135)	Definitions
76.5(135)	MCH services
76.6(135)	Client eligibility criteria
76.7(135)	Client application procedures for MCH services
76.8(135)	Right to appeal—client
76.9(135)	Grant application procedures for community-based contract agencies

76.10(135)	Funding levels for community-based contract agencies
76.11(135)	Contract agency performance
76.12(135)	Reporting
76.13(135)	Fiscal management
76.14(135)	Audits
76.15	Reserved
76.16(135)	Denial, suspension, revocation or reduction of contracts with contract agencies
76.17(135)	Right to appeal—contract agency
76.18 to 76.20	Reserved

MATERNAL AND CHILD HEALTH ADVISORY COUNCIL

76.21(135)	Purpose
76.22(135)	Mission
76.23(135)	Membership
76.24(135)	Officers
76.25(135)	Duties of the council
76.26(135)	Meetings
76.27(135)	Executive committee
76.28(135)	Committees

CHAPTER 77
LOCAL BOARDS OF HEALTH

77.1(137)	Purpose
77.2(137)	Definitions
77.3(137)	Local boards of health—roles and responsibilities
77.4(137)	Local boards of health—Iowa public health standards
77.5(137)	Organization of local boards of health
77.6(137)	Operation of local boards of health
77.7(137)	Expenses of local board of health members
77.8(137)	District boards of health
77.9(137)	Approval of district board of health formation
77.10(137)	Denial of district board of health formation
77.11(137)	Adding to a district board of health
77.12(137)	Withdrawal from a district board of health

CHAPTERS 78 and 79
Reserved

CHAPTER 80
LOCAL PUBLIC HEALTH SERVICES

80.1(135)	Purpose
80.2(135)	Definitions
80.3(135)	Local public health services (LPHS)
80.4(135)	Utilization of LPHS contract funding
80.5(135)	Right to appeal
80.6(135)	Community capacity/local board of health and healthy aging funds

CHAPTER 81
GENERAL RULES FOR MIGRATORY LABOR CAMPS

81.1(138)	Shelters
81.2(138)	Water supply
81.3(138)	Waste disposal
81.4(138)	Bathing facilities

- 81.5(138) Central dining facilities
- 81.6(138) Safety and fire

CHAPTER 82

OFFICE OF MINORITY AND MULTICULTURAL HEALTH

- 82.1(135) Purpose
- 82.2(135) Definitions
- 82.3(135) Responsibilities of the office of minority and multicultural health
- 82.4(135) Advisory council

CHAPTERS 83 and 84

Reserved

CHAPTER 85

LOCAL SUBSTITUTE MEDICAL DECISION-MAKING BOARDS

- 85.1(135) Purpose
- 85.2(135) Definitions
- 85.3(135) Appointment of local boards
- 85.4(135) Filing an application
- 85.5(135) Notification of patient and review of application
- 85.6(135) Panel appointment and procedures
- 85.7(135) Panel determination of need for surrogate decision making
- 85.8(135) Panel determination regarding proposed medical care decision
- 85.9(135) Right of appeal
- 85.10(135) Records and reports
- 85.11(135) Liability

CHAPTER 86

PLACES WHERE DEAD HUMAN BODIES ARE PREPARED
FOR BURIAL OR ENTOMBMENT

- 86.1(156) Purpose
- 86.2(156) Definitions
- 86.3(156) Licensing
- 86.4(156) Public access areas
- 86.5(156) Preparation room
- 86.6(156) Crematorium chambers
- 86.7(156) Inspection fees

CHAPTER 87

HEALTHY FAMILIES IOWA (HFI)

- 87.1(135) Purpose
- 87.2(135) Definitions
- 87.3(135) Applicant eligibility
- 87.4(135) Participant eligibility
- 87.5(135) Program requirements
- 87.6(135) Contractor assurance
- 87.7(135) Applicant appeal process
- 87.8(135) Participant right to appeal

CHAPTER 88

VOLUNTEER HEALTH CARE PROVIDER PROGRAM

- 88.1(135) Purpose
- 88.2(135) Definitions
- 88.3(135) Eligibility for the volunteer health care provider program

88.4(135)	Sponsor entity and protected clinic
88.5(135)	Covered health care services
88.6(135)	Defense and indemnification
88.7(135)	Term of agreement
88.8(135)	Reporting requirements and duties
88.9(135)	Revocation of agreement
88.10(135)	Procedure for revocation of agreement
88.11(135)	Effect of suspension or revocation
88.12(135)	Protection denied
88.13(135)	Board notice of disciplinary action
88.14(135)	Effect of eligibility protection
88.15(135)	Reporting by a protected clinic or sponsor entity

CHAPTER 89

DECISION-MAKING ASSISTANCE PROGRAM AND PARENTAL NOTIFICATION OF INTENT TO TERMINATE A PREGNANCY THROUGH ABORTION

89.1(135L)	Title
89.2(135L)	Purpose and scope
89.3(135L)	Definitions
89.4 to 89.10	Reserved
DECISION-MAKING ASSISTANCE PROGRAM	
89.11(135L)	Purpose
89.12(135L)	Initial appointment of a pregnant minor with a licensed physician from whom an abortion is sought and certification procedure for the decision-making assistance program
89.13 to 89.20	Reserved

NOTIFICATION PROCESS

89.21(135L)	Notification of parent prior to the performance of abortion on a pregnant minor
89.22(135L)	Exceptions to notification of parent
89.23(135L)	Physician compliance
89.24 and 89.25	Reserved
89.26(135L)	Fraudulent practice

CHAPTER 90

IOWA CHILD DEATH REVIEW TEAM

90.1(135)	Purpose
90.2(135)	Definitions
90.3(135)	Agency
90.4(135)	Membership
90.5(135)	Officers
90.6(135)	Meetings
90.7(135)	Expenses of team members
90.8(135)	Team responsibilities
90.9(135)	Liaisons
90.10(135)	Confidentiality and disclosure of information
90.11(135)	Immunity and liability

CHAPTER 91

IOWA DOMESTIC ABUSE DEATH REVIEW TEAM

91.1(135)	Purpose
91.2(135)	Definitions

91.3(135)	Agency
91.4(135)	Membership
91.5(135)	Officers
91.6(135)	Meetings
91.7(135)	Expenses of team members
91.8(135)	Team duties and responsibilities
91.9(135)	Liaisons
91.10(135)	Confidentiality and disclosure of information
91.11(135)	Immunity and liability

CHAPTER 92

IOWA FATALITY REVIEW COMMITTEE

92.1(135)	Purpose
92.2(135)	Definitions
92.3(135)	Committee
92.4(135)	Formation of the committee
92.5(135)	Committee protocol for review
92.6(135)	Content of report
92.7(135)	Consultation with county attorney
92.8(135)	Supplemental report
92.9(135)	Confidentiality and disclosure of information
92.10(135)	Immunity and liability

CHAPTER 93

MANDATORY REPORTER TRAINING CURRICULA

93.1(135)	Purpose
93.2 and 93.3	Reserved
93.4(135)	Duties
93.5(135)	Standards for approval of curricula
93.6(135)	Process for application review and approval
93.7(135)	Process for appeal

CHAPTER 94

CHILD PROTECTION CENTER GRANT PROGRAM

94.1(135)	Scope and purpose
94.2(135)	Definitions
94.3(135)	Goals
94.4(135)	Review process
94.5(135)	Eligibility and criteria
94.6(135)	Appeals

CHAPTER 95

VITAL RECORDS: GENERAL ADMINISTRATION

95.1(144)	Definitions
95.2(144)	Vital records and statistics
95.3(144)	Forms—property of department
95.4(144)	Information by others
95.5(144)	Handling of vital records
95.6(144)	Fees
95.7(144)	General public access of vital records in the custody of the county registrar
95.8(144)	Direct tangible interest in and entitlement to a vital record
95.9(144)	Search and issuance of a certified copy of a vital record
95.10(144)	Search and issuance for genealogy or family history

- 95.11(144) Registrars' responsibility for maintenance of confidentiality
- 95.12(144) Disclosure of data
- 95.13(144) Preparation of certified copies
- 95.14(144) Cancellation of fraudulent records
- 95.15(144) Unlawful acts
- 95.16(144) Enforcement assistance

CHAPTER 96 BIRTH REGISTRATION

- 96.1(144) Definitions
- 96.2(144) Forms—property of department
- 96.3(144) Standard birth registration—up to seven days
- 96.4(144) Standard birth registration—seven days to one year
- 96.5(144) Birthing institutions
- 96.6(144) Non-birthing institutions
- 96.7(144) Non-institution birth
- 96.8(144) Gestational surrogate arrangement birth registration
- 96.9(144) Foundling birth registration
- 96.10(144) Newborn safe haven registration
- 96.11(144) Birth registration following a foreign-born adoption
- 96.12(144) Birth registration fees
- 96.13(144) Fee collection
- 96.14(144) Waivers
- 96.15(144) Fee deposit
- 96.16(144) Responsibilities of institutions
- 96.17(144) Responsibility for births occurring in non-institutions and non-birthing institutions
- 96.18(144) Delayed birth registration—one year or more after event

CHAPTER 97 DEATH REGISTRATION AND DISPOSITION OF DEAD HUMAN BODIES

- 97.1(144) Definitions
- 97.2(144) Forms—property of department
- 97.3(144) Standard registration of death—up to one year
- 97.4(144) Standard registration of fetal death—up to one year
- 97.5(144) Preparation of the certificate of death or fetal death
- 97.6(144) Medical certification of death
- 97.7(144) Medical certification of fetal death
- 97.8(144) Medical certifier
- 97.9(144) Report of autopsy findings
- 97.10(144) Extension of time
- 97.11(144) Removal of a dead human body or fetus
- 97.12(144) Burial-transit permit
- 97.13(144) Transportation and disposition of a dead human body or fetus
- 97.14(144) Disinterment permits
- 97.15(144) Delayed death registration—one year or more after event
- 97.16(144) Registration of presumptive death
- 97.17(144) Release or final disposition of a dead human body or fetus by an institution
- 97.18(144) Additional record by funeral director

CHAPTER 98 MARRIAGE REGISTRATION

- 98.1(144,595) Definitions
- 98.2(144,595) Forms—property of department

98.3(144,595)	Standard registration of marriage—up to one year
98.4(144,595)	Application for a license to marry in Iowa
98.5(144,595)	License to marry
98.6(144, 595)	Certificate of marriage
98.7(144,595)	Delayed registration of marriage—one year or more after date of event
98.8(144,595)	Dissolution of marriage or annulment

CHAPTER 99

VITAL RECORDS MODIFICATIONS

99.1(144)	Definitions
99.2(144)	Forms—property of department
99.3(144)	Forms used in the establishment of new records
99.4(144)	Corrections of minor error in vital record—within one year of event
99.5(144)	Amendment of certificate of live birth to add first or middle given name—within one year of event
99.6(144)	Amendment of vital record—one year or more after the event
99.7(144)	Method of amendment of vital records
99.8(144)	Correction or amendment of same item more than once
99.9(144)	Other amendments to certificate of live birth
99.10(144)	Correction or amendment to medical certification of cause of death
99.11(144)	Correction or amendment to a certificate of marriage
99.12(144)	Correction to a report of dissolution of marriage or annulment
99.13(144)	Minimum information required to establish a new certificate of live birth
99.14(144)	Establishment of new certificate of live birth following adoption
99.15(144)	Establishment of new certificate of live birth following a birth by gestational surrogate arrangement
99.16(144)	Certificate of live birth following voluntary paternity affidavit
99.17(144)	Certificate of live birth following court determination of paternity
99.18(144)	Certificate of live birth following rescision of paternity affidavit or disestablishment of paternity
99.19(144)	Certificate of live birth following court-ordered change of name
99.20(144)	Certificate of live birth following sex designation change

CHAPTER 100

VITAL RECORDS REGISTRIES AND REPORTS

100.1(144)	Definitions
100.2(144)	Forms—property of department
100.3(144)	Declaration of paternity registry established
100.4(144)	Mutual consent voluntary adoption registry established
100.5(144)	Statistical report of termination of pregnancy report

CHAPTERS 101 to 107

Reserved

CHAPTER 108

MEDICAL RESIDENCY TRAINING STATE MATCHING GRANTS PROGRAM

108.1(135)	Scope and purpose
108.2(135)	Definitions
108.3(135)	Eligibility criteria
108.4(135)	Amount of grant
108.5(135)	Review process

CHAPTER 109

PRESCRIPTION DRUG DONATION REPOSITORY PROGRAM

- 109.1(135M) Definitions
- 109.2(135M) Purpose
- 109.3(135M) Eligibility criteria for program participation by medical facilities and pharmacies
- 109.4(135M) Standards and procedures for accepting donated prescription drugs and supplies
- 109.5(135M) Standards and procedures for inspecting and storing donated prescription drugs and supplies
- 109.6(135M) Standards and procedures for dispensing donated prescription drugs and supplies
- 109.7(135M) Eligibility criteria for individuals to receive donated prescription drugs and supplies
- 109.8(135M) Forms and record keeping
- 109.9(135M) Handling fee
- 109.10(135M) List of drugs and supplies program will accept
- 109.11(135M) Exemption from disciplinary action, civil liability and criminal prosecution
- 109.12 and 109.13 Reserved
- 109.14(135M) Prescription drug donation repository in disaster emergencies

CHAPTER 110

CENTER FOR RURAL HEALTH
AND PRIMARY CARE

- 110.1(135) Purpose and scope
- 110.2(135) Definitions
- 110.3(135) Responsibilities of the center
- 110.4(135) Advisory committee to the center for rural health and primary care
- 110.5(135) Organization
- 110.6(135) Meetings
- 110.7 to 110.10 Reserved

PRIMECARRE COMMUNITY GRANT PROGRAM

- 110.11(135) Purpose
- 110.12 to 110.15 Reserved

PRIMECARRE PRIMARY CARE PROVIDER
COMMUNITY SCHOLARSHIP PROGRAM

- 110.16(135) Purpose
- 110.17 to 110.20 Reserved

PRIMECARRE PRIMARY CARE PROVIDER LOAN REPAYMENT PROGRAM

- 110.21(135) Purpose

CHAPTER 111

IOWA NEEDS NURSES NOW INFRASTRUCTURE ACCOUNT

- 111.1(135) Scope and purpose
- 111.2(135) Definitions
- 111.3(135) Eligibility and criteria
- 111.4(135) Review process
- 111.5(135) Performance standards
- 111.6(135) Appeals

CHAPTER 112

BIOLOGICAL AGENT RISK ASSESSMENT

- 112.1(135) Purpose
- 112.2(135) Definitions
- 112.3(135) Biosecurity council established
- 112.4(135) Biological agent risk assessment

- 112.5(135) Requests for biological agent information
 112.6(135) Exceptions

CHAPTER 113
 PUBLIC HEALTH RESPONSE TEAMS

- 113.1(135) Definitions
 113.2(135) Purpose
 113.3(135) Sponsor agency
 113.4(135) Public health response team members
 113.5(135) Public health response team
 113.6(135) Legal and other protections
 113.7(135) Reporting requirements and duties

CHAPTER 114
 PREPAREDNESS ADVISORY COMMITTEE

- 114.1(135) Definitions
 114.2(135) Purpose
 114.3(135) Appointment and membership
 114.4(135) Officers
 114.5(135) Meetings
 114.6(135) Subcommittees
 114.7(135) Expenses of preparedness advisory committee voting members
 114.8(135) Committee composition

CHAPTERS 115 to 123
 Reserved

CHAPTER 124
 INTERAGENCY COORDINATING COUNCIL
 FOR THE STATE MEDICAL EXAMINER

- 124.1(691) Purpose
 124.2(691) Membership
 124.3(691) Meetings
 124.4(691) Duties
 124.5(691) Minutes

CHAPTER 125
 ADVISORY COUNCIL FOR THE STATE MEDICAL EXAMINER

- 125.1(691) Purpose
 125.2(691) Membership
 125.3(691) Meetings
 125.4(691) Duties
 125.5(691) Minutes

CHAPTER 126
 STATE MEDICAL EXAMINER

- 126.1(144,331,691) Definitions
 126.2 Reserved
 126.3(691) Fees for autopsies and related services and reimbursement for related expenses
 126.4(691) Fees for tissue recovery

CHAPTER 127
COUNTY MEDICAL EXAMINERS

- 127.1(144,331,691) Definitions
- 127.2(331,691) Duties of medical examiners—jurisdiction over deaths which affect the public interest
- 127.3(331,691) Autopsies
- 127.4(331,691) Fees
- 127.5(144,331,691) Death certificates—deaths affecting the public interest
- 127.6(331,691) Cremation
- 127.7(331,691) County medical examiner investigators
- 127.8(331,691) Deputy county medical examiners
- 127.9(331,691) Failure to comply with rules
- 127.10(331,691,22) Confidentiality
- 127.11(331,691,670) Indemnification

CHAPTERS 128 and 129
Reserved

CHAPTER 130
EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL

- 130.1(147A) Definitions
- 130.2(147A) Purpose
- 130.3(147A) Appointment and membership
- 130.4(147A) Officers
- 130.5(147A) Meetings
- 130.6(147A) Subcommittees
- 130.7(147A) Expenses of advisory council members
- 130.8(147A) Council composition

CHAPTER 131
EMERGENCY MEDICAL SERVICES—PROVIDER
EDUCATION/TRAINING/CERTIFICATION

- 131.1(147A) Definitions
- 131.2(147A) Emergency medical care providers—requirements for enrollment in training programs
- 131.3(147A) Emergency medical care providers—authority
- 131.4(147A) Emergency medical care providers—certification, renewal standards, procedures, continuing education, and fees
- 131.5(147A) Training programs—standards, application, inspection and approval
- 131.6(147A) Continuing education providers—approval, record keeping and inspection
- 131.7(147A) Complaints and investigations—denial, citation and warning, probation, suspension, or revocation of emergency medical care personnel certificates or renewal
- 131.8(147A) Complaints and investigations—denial, citation and warning, probation, suspension, or revocation of training program approval or renewal
- 131.9(147A) Reinstatement of certification
- 131.10(147A) Certification denial
- 131.11(147A) Emergency adjudicative proceedings
- 131.12(147A) Complaints, investigations and appeals

CHAPTER 132

EMERGENCY MEDICAL SERVICES—SERVICE PROGRAM AUTHORIZATION

- 132.1(147A) Definitions
- 132.2(147A) Authority of emergency medical care provider
- 132.3 to 132.6 Reserved
- 132.7(147A) Service program—authorization and renewal procedures, inspections and transfer or assignment of certificates of authorization
- 132.8(147A) Service program levels of care and staffing standards
- 132.9(147A) Service program—off-line medical direction
- 132.10(147A) Complaints and investigations—denial, citation and warning, probation, suspension or revocation of service program authorization or renewal
- 132.11 to 132.13 Reserved
- 132.14(147A) Temporary variances
- 132.15(147A) Transport options for fully authorized EMT-P, PS, and paramedic service programs

CHAPTER 133

WHITE FLASHING LIGHT AUTHORIZATION

- 133.1(321) Definitions
- 133.2(321) Purpose
- 133.3(321) Application
- 133.4(321) Approval, denial, probation, suspension and revocation of authorization
- 133.5(321) Appeal of denial, probation, or revocation of authorization

CHAPTER 134

TRAUMA CARE FACILITY CATEGORIZATION
AND VERIFICATION

- 134.1(147A) Definitions
- 134.2(147A) Trauma care facility categorization and verification
- 134.3(147A) Complaints and investigations and appeals—denial, citation and warning, probation, suspension, and revocation of verification as a trauma care facility

CHAPTER 135

TRAUMA TRIAGE AND TRANSFER PROTOCOLS

- 135.1(147A) Definitions
- 135.2(147A) Trauma triage and transfer protocols
- 135.3(147A) Offenses and penalties

CHAPTER 136

TRAUMA REGISTRY

- 136.1(147A) Definitions
- 136.2(147A) Trauma registry
- 136.3(147A) Offenses and penalties

CHAPTER 137

TRAUMA EDUCATION AND TRAINING

- 137.1(147A) Definitions
- 137.2(147A) Initial trauma education for Iowa's trauma system
- 137.3(147A) Continuing trauma education for Iowa's trauma system
- 137.4(147A) Offenses and penalties

CHAPTER 138

TRAUMA SYSTEM ADVISORY COUNCIL

- 138.1(147A) Definitions
- 138.2(147A) Purpose and duties

138.3(147A)	Appointment and membership
138.4(147A)	Officers
138.5(147A)	Meetings
138.6(147A)	Subcommittees
138.7(147A)	Confidentiality
138.8(147A)	Documentation
138.9(147A)	Expenses of advisory council members
138.10(147A)	Council composition

CHAPTER 139

IOWA LAW ENFORCEMENT EMERGENCY CARE PROVIDER

139.1(147A)	Definitions
139.2(147A)	Authority of Iowa law enforcement emergency care provider
139.3(147A)	Iowa law enforcement emergency care providers—requirements for enrollment in training programs
139.4(147A)	Iowa law enforcement emergency care providers—certification, renewal standards and procedures, and fees
139.5(147A)	Iowa law enforcement training programs
139.6(147A)	Law enforcement AED service program authorization

CHAPTER 140

EMERGENCY MEDICAL SERVICES SYSTEM DEVELOPMENT GRANTS FUND

140.1(135)	Definitions
140.2(135)	Purpose
140.3(135)	County EMS associations
140.4(135)	County EMS system development grants

CHAPTER 141

LOVE OUR KIDS GRANT

141.1(321)	Definitions
141.2(321)	Purpose
141.3(321)	Funding limitations
141.4(321)	Use of funds
141.5(321)	Application process
141.6(321)	Application denial—appeal

CHAPTER 142

OUT-OF-HOSPITAL DO-NOT-RESUSCITATE ORDERS

142.1(144A)	Definitions
142.2(144A)	Purpose
142.3(144A,147A)	Responsibilities of the department
142.4(144A,147A)	EMS providers
142.5(144A)	Guidelines for non-EMS health care providers, patients, and organizations
142.6(144A)	Revocation of the out-of-hospital do-not-resuscitate order
142.7(144A)	Personal wishes of family members or other individuals who are not authorized to act on the patient's behalf
142.8(144A)	Transfer of patients
142.9(144A)	Application to existing orders

CHAPTER 143
AUTOMATED EXTERNAL DEFIBRILLATOR PROGRAM

AUTOMATED EXTERNAL DEFIBRILLATOR GRANT PROGRAM

- 143.1(135) Purpose
- 143.2(135) Definitions
- 143.3(135) Application process
- 143.4(135) Early defibrillation program
- 143.5(135) Review process
- 143.6(135) Appeals
- 143.7 to 143.9 Reserved

AUTOMATED EXTERNAL DEFIBRILLATOR MAINTENANCE

- 143.10(135) Purpose
- 143.11(135) Definition
- 143.12(135) AED maintenance
- 143.13 to 143.15 Reserved

FIRE DEPARTMENT RESPONSE WITH AUTOMATED EXTERNAL DEFIBRILLATOR

- 143.16(147A) Purpose
- 143.17(147A) Definitions
- 143.18(147A) Local fire department AED service registration

CHAPTER 144
EMERGENCY MEDICAL SERVICES—AIR MEDICAL SERVICE
PROGRAM AUTHORIZATION

- 144.1(147A) Definitions
- 144.2(147A) Authority of emergency medical care provider
- 144.3(147A) Air ambulance service program—authorization and renewal procedures, inspections and transfer or assignment of certificates of authorization
- 144.4(147A) Service program levels of care and staffing standards
- 144.5(147A) Air ambulance service program—off-line medical direction
- 144.6(147A) Complaints and investigations—denial, citation and warning, probation, suspension or revocation of service program authorization or renewal
- 144.7(147A) Temporary variances
- 144.8(147A) Transport options for air medical services

CHAPTER 145
IOWA PHYSICIAN ORDERS FOR SCOPE OF TREATMENT

- 145.1(144D) Definitions
- 145.2(144D) Purpose
- 145.3(144D) Responsibilities of the department

CHAPTERS 146 to 149
Reserved

CHAPTER 150
IOWA REGIONALIZED SYSTEM OF PERINATAL HEALTH CARE

- 150.1(135,77GA,ch1221) Purpose and scope
- 150.2(135,77GA,ch1221) Definitions
- 150.3(135,77GA,ch1221) Perinatal guidelines advisory committee
- 150.4(135,77GA,ch1221) Categorization and selection of level of care designation
- 150.5(135,77GA,ch1221) Recommendation by the statewide perinatal care program
- 150.6(135,77GA,ch1221) Level I hospitals
- 150.7(135,77GA,ch1221) Level II hospitals

- 150.8(135,77GA,ch1221) Level II regional centers
- 150.9(135,77GA,ch1221) Level II regional neonatology centers
- 150.10(135,77GA,ch1221) Level III centers
- 150.11(135,77GA,ch1221) Grant or denial of certificate of verification; and offenses and penalties
- 150.12(135,77GA,ch1221) Prohibited acts
- 150.13(135,77GA,ch1221) Construction of rules

CHAPTER 151

TOBACCO USE PREVENTION AND CONTROL COMMUNITY PARTNERSHIP INITIATIVE

- 151.1(142A) Scope
- 151.2(142A) Community partnership areas
- 151.3(142A) Community partnerships
- 151.4(142A) Application requirements for community partnerships
- 151.5(142A) Performance indicators
- 151.6(142A) Application deadline
- 151.7(142A) Distribution of funding
- 151.8(142A) Gifts

CHAPTER 152

TOBACCO USE PREVENTION AND CONTROL FUNDING PROCESS

- 152.1(78GA,HF2565) Scope and purpose
- 152.2(78GA,HF2565) Funding
- 152.3(78GA,HF2565) Appeals

CHAPTER 153

SMOKEFREE AIR

- 153.1(82GA,HF2212) Purpose and scope
- 153.2(82GA,HF2212) Definitions
- 153.3(82GA,HF2212) Prohibition of smoking
- 153.4(82GA,HF2212) Areas where smoking not regulated
- 153.5(82GA,HF2212) Duties of employers, owners, operators, managers, and persons having custody or control of a public place, place of employment, area declared nonsmoking pursuant to 2008 Iowa Acts, House File 2212, section 5, or outdoor areas where smoking is prohibited
- 153.6(82GA,HF2212) Duties of other state agencies and political subdivisions
- 153.7(82GA,HF2212) Leases
- 153.8(82GA,HF2212) Complaints and enforcement
- 153.9(82GA,HF2212) Limitation of rules

CHAPTER 154

MEDICAL CANNABIDIOL ACT REGISTRATION CARD PROGRAM

- 154.1(85GA,SF2360) Definitions
- 154.2(85GA,SF2360) Neurologist recommendation—medical use of cannabidiol
- 154.3(85GA,SF2360) Cannabidiol registration card—application and issuance to patient
- 154.4(85GA,SF2360) Cannabidiol registration card—application and issuance to primary caregiver
- 154.5(85GA,SF2360) Tamperproofing
- 154.6(85GA,SF2360) Denial and cancellation
- 154.7(85GA,SF2360) Appeal
- 154.8(85GA,SF2360) Duplicate card
- 154.9(85GA,SF2360) Renewal
- 154.10(85GA,SF2360) Confidentiality
- 154.11(85GA,SF2360) Agreement with department of transportation

CHAPTER 155
LICENSURE STANDARDS FOR SUBSTANCE USE DISORDER AND
PROBLEM GAMBLING TREATMENT PROGRAMS

155.1(125,135)	Definitions
155.2(125,135)	Licensing
155.3(125,135)	Types of licenses
155.4(125,135)	Nonassignability
155.5(125,135)	Application procedures
155.6(125,135)	Technical assistance
155.7(125,135)	Inspection of applicants
155.8(125,135)	License—approval
155.9(125,135)	Written corrective action plan
155.10(125,135)	Grounds for denial of license
155.11(125,135)	Denial, suspension or revocation of a license
155.12(125,135)	Contested case hearing
155.13(125,135)	Rehearing application
155.14(125,135)	Judicial review
155.15(125,135)	Issuance of a license after denial, suspension or revocation
155.16(125,135)	Complaints and investigations
155.17(125,135)	License revision
155.18(125,135)	Deemed status
155.19(125,135)	Funding
155.20(125,135)	Inspection
155.21(125,135)	General standards for all programs
155.22(125,135)	Inpatient and residential program facilities
155.23(125,135)	Specific standards for inpatient and residential programs
155.24(125,135)	Specific standards for inpatient and residential programs licensed to provide services to juveniles
155.25(125,135)	Specific standards for substance use assessment and OWI evaluation-only programs
155.26 to 155.33	Reserved
155.34(125,135)	Specific standards for enhanced treatment services
155.35(125,135)	Specific standards for opioid treatment programs
155.36(125,135)	Purpose
155.37(125,135)	Definitions
155.38(125,135)	Tuberculosis screening of staff and residents

CHAPTER 156
LICENSURE STANDARDS FOR SUBSTANCE ABUSE TREATMENT PROGRAMS
IN CORRECTIONAL FACILITIES

156.1(125)	Definitions
156.2(125)	Inspection
156.3(125)	General standards for all correctional substance abuse treatment programs

CHAPTER 157
STANDARDS FOR SUBSTANCE ABUSE TREATMENT AND
ASSESSMENT PROGRAMS AND THE OPERATING A MOTOR VEHICLE
WHILE INTOXICATED (OWI) LAW

157.1(125)	Definitions
157.2(125)	Screening, evaluation, treatment, and drinking drivers course
157.3(125)	Screening, evaluation, treatment, and drinking drivers course completion
157.4(125)	Cost of evaluation and treatment
157.5(125)	Timeliness

157.6(125)	Confidentiality
157.7(125)	Records
157.8(125)	Reciprocity

CHAPTER 158

REGIONS FOR SUBSTANCE ABUSE PREVENTION AND TREATMENT

158.1(125)	Service areas established
158.2(125)	Request for a change in service areas
158.3(125)	Application
158.4(125)	Notification of affected parties
158.5(125)	Public hearing
158.6(125)	Proposed decision
158.7(125)	Change during term of contract
158.8(125)	State board of health review
158.9(125)	State board of health decision

CHAPTERS 159 to 169

Reserved

CHAPTER 170

ORGANIZATION OF THE DEPARTMENT

170.1(17A,135)	Definitions
170.2(17A,135)	Mission
170.3(17A,136)	State board of health
170.4(17A,135)	Director of the department of public health
170.5(17A,135)	Deputy director
170.6(17A,135)	Executive team
170.7(17A,135)	Administrative divisions of the department
170.8(17A)	Central office
170.9(17A)	Business hours
170.10(17A)	Submission of materials
170.11(17A)	Requests for information

CHAPTER 171

PETITIONS FOR RULE MAKING

171.1(17A)	Petition for rule making
171.2(17A)	Briefs
171.3(17A)	Inquiries
171.4(17A)	Department consideration

CHAPTER 172

DECLARATORY ORDERS

172.1(17A)	Petition for declaratory order
172.2(17A)	Notice of petition
172.3(17A)	Intervention
172.4(17A)	Briefs
172.5(17A)	Inquiries
172.6(17A)	Service and filing of petitions and other papers
172.7(17A)	Consideration
172.8(17A)	Action on petition
172.9(17A)	Refusal to issue order
172.10(17A)	Contents of declaratory order—effective date

- 172.11(17A) Copies of orders
- 172.12(17A) Effect of a declaratory order

CHAPTER 173 CONTESTED CASES

- 173.1(17A) Scope and applicability
- 173.2(17A) Definitions
- 173.3(17A) Time requirements
- 173.4(17A) Requests for contested case proceeding
- 173.5(17A) Notice of hearing
- 173.6(17A) Presiding officer
- 173.7(17A) Waiver of procedures
- 173.8(17A) Telephone proceedings
- 173.9(17A) Disqualification
- 173.10(17A) Consolidation—severance
- 173.11(17A) Pleadings
- 173.12(17A) Service and filing of pleadings and other papers
- 173.13(17A) Discovery
- 173.14(17A,135) Subpoenas
- 173.15(17A) Motions
- 173.16(17A) Prehearing conference
- 173.17(17A) Continuances
- 173.18(17A) Withdrawals
- 173.19(17A) Intervention
- 173.20(17A) Hearing procedures
- 173.21(17A) Evidence
- 173.22(17A) Default
- 173.23(17A) Ex parte communication
- 173.24(17A) Recording costs
- 173.25(17A) Interlocutory appeals
- 173.26(17A) Final decision
- 173.27(17A) Appeals and review
- 173.28(17A) Applications for rehearing
- 173.29(17A) Stays of department actions
- 173.30(17A) No factual dispute contested cases
- 173.31(17A) Emergency adjudicative proceedings

CHAPTER 174 AGENCY PROCEDURE FOR RULE MAKING (Uniform Rules)

- 174.3(17A) Public rule-making docket
- 174.4(17A) Notice of proposed rule making
- 174.5(17A) Public participation
- 174.6(17A) Regulatory flexibility analysis
- 174.11(17A) Concise statement of reasons
- 174.13(17A) Agency rule-making record

CHAPTER 175 FAIR INFORMATION PRACTICES AND PUBLIC RECORDS

- 175.1(17A,22) Definitions
- 175.2(17A,22) Statement of policy
- 175.3(17A,22) Requests for access to records
- 175.4(17A,22) Access to confidential records

175.5(17A,22)	Requests for treatment of a record as a confidential record and its withholding from examination
175.6(17A,22)	Procedure by which additions, dissents, or objections may be entered into certain records
175.7(17A,22)	Consent to disclosure by the subject of a confidential record
175.8(17A,22)	Notice to suppliers of information
175.9(17A,22)	Disclosures without the consent of the subject
175.10(17A,22)	Routine use
175.11(17A,22)	Consensual disclosure of confidential records
175.12(17A,22)	Release to subject
175.13(17A,22)	Availability of records
175.14(17A,22)	Personally identifiable information
175.15(17A,22)	Other groups of records
175.16(17A,22)	Data processing systems
175.17(17A,22)	Applicability

CHAPTER 176
CRITERIA FOR AWARDS OR GRANTS

176.1(135,17A)	Purpose
176.2(135,17A)	Definitions
176.3(135,17A)	Exceptions
176.4(135,17A)	Requirements
176.5(135,17A)	Review process (competitive applications only)
176.6	Reserved
176.7(135,17A)	Public notice of available funds
176.8(135,17A)	Appeals

CHAPTER 177
HEALTH DATA

177.1(76GA,ch1212)	Purpose
177.2(76GA,ch1212)	Definitions
177.3(76GA,ch1212)	Description of data to be submitted
177.4(76GA,ch1212)	Department studies
177.5(76GA,ch1212)	Fees
177.6(76GA,ch1212)	Patient confidentiality
177.7	Reserved
177.8(76GA,ch1212)	Address and specification for data submissions

CHAPTER 178
VARIANCES AND WAIVERS OF PUBLIC HEALTH
ADMINISTRATIVE RULES

178.1(17A,135)	Waivers
178.2(17A,135)	Sample petition for waiver

CHAPTER 179
COLLECTION OF DELINQUENT DEBTS

179.1(8A)	Authorization
179.2(8A)	Definitions
179.3(8A)	Liability file
179.4(8A)	Notification of offset
179.5(8A)	Request to divide a jointly or commonly owned right to payment
179.6(8A)	Appeal process
179.7(8A)	Notice of offset

CHAPTERS 180 to 185
Reserved

CHAPTER 186
GOVERNMENTAL PUBLIC HEALTH ADVISORY BODIES

186.1(135A)	Purpose
186.2(135A)	Definitions
186.3(135A)	Roles and responsibilities of advisory bodies
186.4(135A)	Officers
186.5(135A)	Members of advisory bodies
186.6(135A)	Meetings
186.7(135A)	Conflict of interest
186.8(135A)	Subcommittees

CHAPTERS 187 to 190
Reserved

CHAPTER 191
ADVISORY BODIES OF THE DEPARTMENT

191.1(135)	Definitions
191.2(135)	Purpose
191.3(135)	Appointment
191.4(135)	Officers
191.5(135)	Meetings
191.6(135)	Subcommittees
191.7(135)	Expenses of advisory body members
191.8(135)	Gender balance

CHAPTER 192
CHILD SUPPORT NONCOMPLIANCE

192.1(252J)	Definitions
192.2(252J)	Issuance or renewal of a license—denial
192.3(252J)	Suspension or revocation of a license
192.4(17A,22,252J)	Sharing of information

CHAPTER 193
IMPAIRED PRACTITIONER REVIEW COMMITTEE

193.1(272C)	Definitions
193.2(272C)	Purpose
193.3(272C)	Composition of the committee
193.4(272C)	Eligibility
193.5(272C)	Terms of participation in the impaired practitioner recovery program
193.6(272C)	Limitations
193.7(272C)	Confidentiality

CHAPTER 194
NONPAYMENT OF STATE DEBT

194.1(272D)	Definitions
194.2(272D)	Issuance or renewal of a license—denial
194.3(272D)	Suspension or revocation of a license
194.4(272D)	Sharing of information

CHAPTER 195
STUDENT LOAN DEFAULT/NONCOMPLIANCE WITH AGREEMENT
FOR PAYMENT OF OBLIGATION

- 195.1(261) General definitions
- 195.2(261) Issuance or renewal of a license—denial
- 195.3(261) Suspension or revocation of a license
- 195.4(17A,22,261) Sharing of information

CHAPTER 196
MILITARY SERVICE AND VETERAN RECIPROCITY

- 196.1(85GA,ch1116) Definitions
- 196.2(85GA,ch1116) Military education, training, and service credit
- 196.3(85GA,ch1116) Veteran reciprocity

CHAPTERS 197 to 200
Reserved

CHAPTER 201
ORGANIZED DELIVERY SYSTEMS

LICENSURE AND REGULATION

- 201.1(135,75GA,ch158) Purpose and scope
- 201.2(135,75GA,ch158) Definitions
- 201.3(135,75GA,ch158) Application
- 201.4(135,75GA,ch158) Governing body
- 201.5(135,75GA,ch158) Service area/geographic access
- 201.6(135,75GA,ch158,78GA,ch41) Provider network and contracts; treatment and services
- 201.7(135,75GA,ch158) Complaints
- 201.8(135,75GA,ch158) Accountability
- 201.9(135,75GA,ch158) Reporting
- 201.10(135,75GA,ch158) Evaluation
- 201.11(135,75GA,ch158) Annual report
- 201.12(135,75GA,ch158) Finance and solvency
- 201.13(135,75GA,ch158) Investment
- 201.14(135,75GA,ch158) Rating practices
- 201.15(135,75GA,ch158) Name
- 201.16(135,75GA,ch158) Change in organizational documents or control
- 201.17(135,75GA,ch158) Appeal
- 201.18(135,78GA,ch41) External review
- 201.19 Reserved

ANTITRUST

- 201.20(135,75GA,ch158) Purpose
- 201.21(135,75GA,ch158) Definitions
- 201.22(135,75GA,ch158) Scope
- 201.23(135,75GA,ch158) Application
- 201.24(135,75GA,ch158) Notice and comment
- 201.25(135,75GA,ch158) Procedure for review of applications
- 201.26(135,75GA,ch158) Criteria for decision
- 201.27(135,75GA,ch158) Decision
- 201.28(135,75GA,ch158) Appeal
- 201.29(135,75GA,ch158) Supervision after approval
- 201.30(135,75GA,ch158) Revocation

CHAPTER 202
CERTIFICATE OF NEED PROGRAM

202.1(135)	Definitions
202.2(135)	Letter of intent
202.3(135)	Determination of reviewability
202.4(135)	Submission of application
202.5(135)	Organizational procedures
202.6(135)	Public hearing on application
202.7(135)	Summary review
202.8(135)	Extension of review time
202.9(135)	Rehearing of certificate of need decision
202.10(135)	Status reports to affected persons
202.11(135)	Finality
202.12(135)	Project progress reports
202.13(135)	Request for extension of certificate
202.14(135)	Application changes after approval
202.15(135)	Sanctions
202.16(135)	Reporting requirements

CHAPTER 203
STANDARDS FOR CERTIFICATE OF NEED REVIEW

203.1	Reserved
203.2(135)	Cardiac catheterization and cardiovascular surgery standards
203.3(135)	Radiation therapy or radiotherapy standards
203.4(135)	Computerized tomography standards
203.5(135)	Long-term care
203.6 and 203.7	Reserved
203.8(135)	Financial and economic feasibility
203.9 to 203.11	Reserved
203.12(135)	Magnetic resonance imaging services standards
203.13(135)	Positron emission tomography services standards

CHAPTERS 204 and 205
Reserved

CHAPTER 206
IOWA HEALTH INFORMATION NETWORK

206.1(135)	Scope and applicability
206.2(135)	Definitions
206.3(135)	Policy development and governance
206.4(135)	Monitoring and audit
206.5(135)	Consumer participation in the Iowa health information network
206.6(135)	Security incidents, breaches
206.7(135)	Health information audit

CHAPTER 21
CENTRAL REGISTRY FOR
BRAIN AND SPINAL CORD INJURIES

641—21.1(135) Purpose. This chapter describes the central registry for brain and spinal cord injuries. Data from the registry shall be utilized to facilitate prevention strategies and the provision of appropriate rehabilitative services by the department and other state agencies.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.2(135) Definitions. For the purpose of these rules, the following definitions shall apply:

“*Acute injury*” means an injury for which a person has been continuously hospitalized since recognition of that injury.

“*Brain injury*” means clinically evident damage to the brain resulting directly or indirectly from trauma, infection, anoxia, vascular lesions, or tumor of the brain, not primarily related to a degenerative disease or aging process, which temporarily or permanently impairs a person’s physical, cognitive, or behavioral functions and is diagnosed by a physician.

“*Department*” means Iowa department of public health.

“*Hospital*” means hospital as defined by the department of inspections and appeals in Iowa Code section 135B.1.

“*Physical agent*” means mechanical energy transmitted from a living or nonliving vector to humans.

“*Reportable case*” means a person who is discharged from an Iowa hospital for an inpatient acute care, medical rehabilitation, skilled nursing care, or outpatient care visit with a diagnosis of acute brain or spinal cord injury.

“*Spinal cord injury*” means any acute, traumatic lesion of the neural elements in the spinal canal, resulting in any degree of sensory deficit, motor deficit, or bladder/bowel dysfunction.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.3(135) Reportable brain and spinal cord injuries. The brain and spinal cord injuries listed below are required to be reported to the Iowa Department of Public Health, Lucas State Office Building, Des Moines, Iowa 50319-0075, or its designee, as part of a statewide population-based registry.

21.3(1) Brain injuries.

a. Reportable cases of brain injuries are those that are identified by the following codes from the International Classification of Diseases, 9th Revision, Clinical Modification, or the International Classification of Diseases, 10th Revision, Clinical Modification:

	International Classification of Diseases, 9th Revision, Clinical Modification		International Classification of Diseases, 10th Revision, Clinical Modification
191.00	Malignant neoplasms of brain, cerebrum	C71.0	Malignant neoplasm of cerebrum, except lobes and ventricles
191.10	Malignant neoplasms of brain, frontal lobe	C71.1	Malignant neoplasm of frontal lobe
191.02	Malignant neoplasms of brain, temporal	C71.2	Malignant neoplasm of temporal
191.30	Malignant neoplasms of brain, parietal lobe	C71.3	Malignant neoplasm of parietal lobe
191.40	Malignant neoplasms of brain, occipital lobe	C71.4	Malignant neoplasm of occipital lobe
191.50	Malignant neoplasms of brain, ventricles	C71.5	Malignant neoplasm of cerebral ventricle
191.60	Malignant neoplasms of brain, cerebellum	C71.6	Malignant neoplasm of cerebellum
191.70	Malignant neoplasms of brain, brain stem	C71.7	Malignant neoplasm of brain stem
191.80	Malignant neoplasms of brain, other part of brain, includes midbrain, peduncle, and medulla oblongata	C71.8	Malignant neoplasm of overlapping sites of brain

192.00	Malignant neoplasms of brain, cranial nerves	C72.50	Malignant neoplasm of unspecified cranial nerve
		C72.59	Malignant neoplasm of other cranial nerves
192.10	Malignant neoplasms of brain, cerebral meninges	C70.0	Malignant neoplasm of cerebral meninges
198.30	Secondary malignant neoplasm of brain	C79.31	Secondary malignant neoplasm of brain
198.40	Secondary malignant neoplasm of other parts of the nervous system, includes cerebral meninges	C79.32	Secondary malignant neoplasm of cerebral meninges
		C79.49	Secondary malignant neoplasm of other parts of nervous system
225.00	Benign neoplasm of brain and other parts of the nervous system, brain	D33.2	Benign neoplasm of brain, unspecified
225.10	Benign neoplasm of brain and other parts of the nervous system, cranial nerves	D33.3	Benign neoplasm of cranial nerves
225.20	Benign neoplasm of brain and other parts of nervous system, cerebral meninges	D32.0	Benign neoplasm of cerebral meninges
		D32.9	Benign neoplasm of meninges, unspecified
323.01-323.9	Encephalitis, myelitis and encephalomyelitis	G04.00-G05.4	Encephalitis, myelitis and encephalomyelitis
324.00	Intracranial and intraspinal abscess	G06.0	Intracranial abscess and granuloma
		G06.1	Intraspinal abscess and granuloma
348.10	Anoxic brain damage	G93.1	Anoxic brain damage, not elsewhere classified
430.00	Subarachnoid hemorrhage	I60.00-I60.8	Nontraumatic subarachnoid hemorrhage
431.00	Intracerebral hemorrhage	I61.0-I61.9	Nontraumatic intracerebral hemorrhage
432.00	Other and unspecified intracranial hemorrhage	I62.1	Nontraumatic extradural hemorrhage
433.00	Occlusion and stenosis of precerebral arteries	I65.01-I65.9	Occlusion and stenosis of precerebral arteries, not resulting in cerebral infarction
434.00	Occlusion of cerebral arteries	I66.01-I66.9	Occlusion and stenosis of cerebral arteries, not resulting in cerebral infarction
435.00	Transient cerebral ischemia	G45.0-G45.9	Transient cerebral ischemic attacks and related syndromes
436.00	Acute, but ill-defined, cerebrovascular disease	I67.89	Other cerebrovascular disease
		I67.9	Cerebrovascular disease, unspecified
437.00	Other and ill-defined cerebrovascular disease	I67.89	Other cerebrovascular disease
		I67.9	Cerebrovascular disease, unspecified
800.00-800.99	Fracture of vault of skull	S02.0X XA;S02.0X XB	Fracture of vault of skull
801.00-801.99	Fracture of base of skull	S02.1-S02.19	Fracture of base of skull
803.00-803.99	Other and unqualified skull fractures	S02.91 XA	Unspecified fracture of skull

804.00-804.99	Multiple fractures involving skull or face with other bones	S02.91 XA	Unspecified fracture of skull
850.00-850.99	Concussion	S06.0X 0A-S06.0X 9A	Concussion
851.00-851.99	Cerebral laceration and contusion	S06.31-S06.33	Contusion and laceration of cerebrum
852.00-852.59	Subarachnoid, subdural, and extradural hemorrhage following injury	S06.4; S06.5; S06.6	Traumatic epidural, subdural, and subarachnoid hemorrhage
853.00-853.19	Other and unspecified intracranial hemorrhage following injury	S06.36	Traumatic hemorrhage of cerebrum, unspecified
854.00-854.19	Intracranial injury of other and unspecified nature	S06.8-S06.9	Other specified intracranial injuries and unspecified intracranial injuries

b. Reportable cases of brain injury are those that are identified by the following codes from the International Classification of Diseases, 9th Revision, Clinical Modification, or the International Classification of Diseases, 10th Revision, Clinical Modification, only to the extent the injury or condition resulted in a brain injury.

	International Classification of Diseases, 9th Revision, Clinical Modification		International Classification of Diseases, 10th Revision, Clinical Modification
960-979	Poisoning by drugs, medicinal and biological substances	T41-T44	Poisoning by, adverse effect of and underdosing of drugs and gases
980-989	Toxic effects of substances	T51; T58	Toxic effect of alcohol; toxic effect of carbon monoxide
990-995	Effects of external causes	T71	Asphyxiation
994.7	Asphyxiation and strangulation		
994.1	Drowning and nonfatal submersion	T75.1X XA	Unspecified effects of drowning and nonfatal submersion
995.50-995.59	Child maltreatment syndrome	T74.1; T74.4	Physical abuse, confirmed; shaken infant syndrome
995.80-995.89	Adult maltreatment syndrome		

21.3(2) Spinal cord injuries. Reportable cases of spinal cord injuries are those that are identified by the following codes from the International Classification of Diseases, 9th Revision, Clinical Modification, or the International Classification of Diseases, 10th Revision, Clinical Modification:

a. Fracture.

(1) International Classification of Diseases, 9th Revision, Clinical Modification:

806.00-806.9	Fracture of vertebral column with spinal cord injury
--------------	--

(2) International Classification of Diseases, 10th Revision, Clinical Modification:

S12.000A	Unspecified displaced fracture of the first cervical vertebra, initial encounter for closed fracture
S12.000B	Unspecified displaced fracture of first cervical vertebra, initial encounter for open fracture
S12.001A	Unspecified nondisplaced fracture of first cervical vertebra, initial encounter for closed fracture
S12.001B	Unspecified nondisplaced fracture of first cervical vertebra, initial encounter for open fracture
S12.100A	Unspecified displaced fracture of second cervical vertebra, initial encounter for closed fracture
S12.100B	Unspecified displaced fracture of second cervical vertebra, initial encounter for open fracture
S12.101A	Unspecified nondisplaced fracture of second cervical vertebra, initial encounter for closed fracture
S12.101B	Unspecified nondisplaced fracture of second cervical vertebra, initial encounter for open fracture
S12.200A	Unspecified displaced fracture of third cervical vertebra, initial encounter for closed fracture
S12.200B	Unspecified displaced fracture of third cervical vertebra, initial encounter for open fracture

S12.201A	Unspecified nondisplaced fracture of third cervical vertebra, initial encounter for closed fracture
S12.201B	Unspecified nondisplaced fracture of third cervical vertebra, initial encounter for open fracture
S12.300A	Unspecified displaced fracture of fourth cervical vertebra, initial encounter for closed fracture
S12.300B	Unspecified displaced fracture of fourth cervical vertebra, initial encounter for open fracture
S12.301A	Unspecified nondisplaced fracture of fourth cervical vertebra, initial encounter for closed fracture
S12.301B	Unspecified nondisplaced fracture of fourth cervical vertebra, initial encounter for open fracture
S12.400A	Unspecified displaced fracture of fifth cervical vertebra, initial encounter for closed fracture
S12.400B	Unspecified displaced fracture of fifth cervical vertebra, initial encounter for open fracture
S12.401A	Unspecified nondisplaced fracture of fifth cervical vertebra, initial encounter for closed fracture
S12.401B	Unspecified nondisplaced fracture of fifth cervical vertebra, initial encounter for open fracture
S12.500A	Unspecified displaced fracture of sixth cervical vertebra, initial encounter for closed fracture
S12.500B	Unspecified displaced fracture of sixth cervical vertebra, initial encounter for open fracture
S12.501A	Unspecified nondisplaced fracture of sixth cervical vertebra, initial encounter for closed fracture
S12.501B	Unspecified nondisplaced fracture of sixth cervical vertebra, initial encounter for open fracture
S12.600A	Unspecified displaced fracture of seventh cervical vertebra, initial encounter for closed fracture
S12.600B	Unspecified displaced fracture of seventh cervical vertebra, initial encounter for open fracture
S12.601A	Unspecified nondisplaced fracture of seventh cervical vertebra, initial encounter for closed fracture
S12.601B	Unspecified nondisplaced fracture of seventh cervical vertebra, initial encounter for open fracture
S12.9XXA	Fracture of neck, unspecified, initial encounter
S14.101A	Unspecified injury at C1 level of cervical spinal cord, initial encounter
S14.102A	Unspecified injury at C2 level of cervical spinal cord, initial encounter
S14.103A	Unspecified injury at C3 level of cervical spinal cord, initial encounter
S14.104A	Unspecified injury at C4 level of cervical spinal cord, initial encounter
S14.105A	Unspecified injury at C5 level of cervical spinal cord, initial encounter
S14.106A	Unspecified injury at C6 level of cervical spinal cord, initial encounter
S14.107A	Unspecified injury at C7 level of cervical spinal cord, initial encounter
S14.109A	Unspecified injury at unspecified level of cervical spinal cord, initial encounter
S14.111A	Complete lesion at C1 level of cervical spinal cord, initial encounter
S14.112A	Complete lesion at C2 level of cervical spinal cord, initial encounter
S14.113A	Complete lesion at C3 level of cervical spinal cord, initial encounter
S14.114A	Complete lesion at C4 level of cervical spinal cord, initial encounter
S14.115A	Complete lesion at C5 level of cervical spinal cord, initial encounter
S14.116A	Complete lesion at C6 level of cervical spinal cord, initial encounter
S14.117A	Complete lesion at C7 level of cervical spinal cord, initial encounter
S14.121A	Central cord syndrome at C1 level of cervical spinal cord, initial encounter
S14.122A	Central cord syndrome at C2 level of cervical spinal cord, initial encounter
S14.123A	Central cord syndrome at C3 level of cervical spinal cord, initial encounter
S14.124A	Central cord syndrome at C4 level of cervical spinal cord, initial encounter
S14.125A	Central cord syndrome at C5 level of cervical spinal cord, initial encounter
S14.126A	Central cord syndrome at C6 level of cervical spinal cord, initial encounter
S14.127A	Central cord syndrome at C7 level of cervical spinal cord, initial encounter
S14.131A	Anterior cord syndrome at C1 level of cervical spinal cord, initial encounter
S14.132A	Anterior cord syndrome at C2 level of cervical spinal cord, initial encounter
S14.133A	Anterior cord syndrome at C3 level of cervical spinal cord, initial encounter
S14.134A	Anterior cord syndrome at C4 level of cervical spinal cord, initial encounter

S14.135A	Anterior cord syndrome at C5 level of cervical spinal cord, initial encounter
S14.136A	Anterior cord syndrome at C6 level of cervical spinal cord, initial encounter
S14.137A	Anterior cord syndrome at C7 level of cervical spinal cord, initial encounter
S14.151A	Other incomplete lesion at C1 level of cervical spinal cord, initial encounter
S14.152A	Other incomplete lesion at C2 level of cervical spinal cord, initial encounter
S14.153A	Other incomplete lesion at C3 level of cervical spinal cord, initial encounter
S14.154A	Other incomplete lesion at C4 level of cervical spinal cord, initial encounter
S14.155A	Other incomplete lesion at C5 level of cervical spinal cord, initial encounter
S14.156A	Other incomplete lesion at C6 level of cervical spinal cord, initial encounter
S14.157A	Other incomplete lesion at C7 level of cervical spinal cord, initial encounter
S22.009A	Unspecified fracture of unspecified thoracic vertebra, initial encounter for closed fracture
S22.009B	Unspecified fracture of unspecified thoracic vertebra, initial encounter for open fracture
S22.019A	Unspecified fracture of first thoracic vertebra, initial encounter for closed fracture
S22.019B	Unspecified fracture of first thoracic vertebra, initial encounter for open fracture
S22.029A	Unspecified fracture of second thoracic vertebra, initial encounter for closed fracture
S22.029B	Unspecified fracture of second thoracic vertebra, initial encounter for open fracture
S22.039A	Unspecified fracture of third thoracic vertebra, initial encounter for closed fracture
S22.039B	Unspecified fracture of third thoracic vertebra, initial encounter for open fracture
S22.049A	Unspecified fracture of fourth thoracic vertebra, initial encounter for closed fracture
S22.049B	Unspecified fracture of fourth thoracic vertebra, initial encounter for open fracture
S22.059A	Unspecified fracture of T5-T6 vertebra, initial encounter for closed fracture
S22.059B	Unspecified fracture of T5-T6 vertebra, initial encounter for open fracture
S22.069A	Unspecified fracture of T7-T8 vertebra, initial encounter for closed fracture
S22.069B	Unspecified fracture of T7-T8 vertebra, initial encounter for open fracture
S22.079A	Unspecified fracture of T9-T10 vertebra, initial encounter for closed fracture
S22.079B	Unspecified fracture of T9-T10 vertebra, initial encounter for open fracture
S22.089A	Unspecified fracture of T11-T12 vertebra, initial encounter for closed fracture
S22.089B	Unspecified fracture of T11-T12 vertebra, initial encounter for open fracture
S24.101A	Unspecified injury at T1 level of thoracic spinal cord, initial encounter
S24.102A	Unspecified injury at T2-T6 level of thoracic spinal cord, initial encounter
S24.103A	Unspecified injury at T7-T10 level of thoracic spinal cord, initial encounter
S24.104A	Unspecified injury at T11-T12 level of thoracic spinal cord, initial encounter
S24.109A	Unspecified injury at unspecified level of thoracic spinal cord, initial encounter
S24.111A	Complete lesion at T1 level of thoracic spinal cord, initial encounter
S24.112A	Complete lesion at T2-T6 level of thoracic spinal cord, initial encounter
S24.113A	Complete lesion at T7-T10 level of thoracic spinal cord, initial encounter
S24.114A	Complete lesion at T11-T12 level of thoracic spinal cord, initial encounter
S24.131A	Anterior cord syndrome at T1 level of thoracic spinal cord, initial encounter
S24.132A	Anterior cord syndrome at T2-T6 level of thoracic spinal cord, initial encounter
S24.133A	Anterior cord syndrome at T7-T10 level of thoracic spinal cord, initial encounter
S24.134A	Anterior cord syndrome at T11-T12 level of thoracic spinal cord, initial encounter
S24.151A	Other incomplete lesion at T1 level of thoracic spinal cord, initial encounter
S24.152A	Other incomplete lesion at T2-T6 level of thoracic spinal cord, initial encounter
S24.153A	Other incomplete lesion at T7-T10 level of thoracic spinal cord, initial encounter
S24.154A	Other incomplete lesion at T11-T12 level of thoracic spinal cord, initial encounter

S32.009A	Unspecified fracture of unspecified lumbar vertebra, initial encounter for closed fracture
S32.009B	Unspecified fracture of unspecified lumbar vertebra, initial encounter for open fracture
S32.10XA	Unspecified fracture of sacrum, initial encounter for closed fracture
S32.10XB	Unspecified fracture of sacrum, initial encounter for open fracture
S32.019A	Unspecified fracture of first lumbar vertebra, initial encounter for closed fracture
S32.019B	Unspecified fracture of first lumbar vertebra, initial encounter for open fracture
S32.029A	Unspecified fracture of second lumbar vertebra, initial encounter for closed fracture
S32.029B	Unspecified fracture of second lumbar vertebra, initial encounter for open fracture
S32.039A	Unspecified fracture of third lumbar vertebra, initial encounter for closed fracture
S32.039B	Unspecified fracture of third lumbar vertebra, initial encounter for open fracture
S32.049A	Unspecified fracture of fourth lumbar vertebra, initial encounter for closed fracture
S32.049B	Unspecified fracture of fourth lumbar vertebra, initial encounter for open fracture
S32.059A	Unspecified fracture of fifth lumbar vertebra, initial encounter for closed fracture
S32.059B	Unspecified fracture of fifth lumbar vertebra, initial encounter for open fracture
S32.2XXA	Fracture of coccyx, initial encounter for closed fracture
S32.2XXB	Fracture of coccyx, initial encounter for open fracture
S34.101A	Unspecified injury to L1 level of lumbar spinal cord, initial encounter
S34.102A	Unspecified injury to L2 level of lumbar spinal cord, initial encounter
S34.103A	Unspecified injury to L3 level of lumbar spinal cord, initial encounter
S34.104A	Unspecified injury to L4 level of lumbar spinal cord, initial encounter
S34.105A	Unspecified injury to L5 level of lumbar spinal cord, initial encounter
S34.109A	Unspecified injury to unspecified level of lumbar spinal cord, initial encounter
S34.111A	Complete lesion of L1 level of lumbar spinal cord, initial encounter
S34.112A	Complete lesion of L2 level of lumbar spinal cord, initial encounter
S34.113A	Complete lesion of L3 level of lumbar spinal cord, initial encounter
S34.114A	Complete lesion of L4 level of lumbar spinal cord, initial encounter
S34.115A	Complete lesion of L5 level of lumbar spinal cord, initial encounter
S34.119A	Complete lesion of unspecified level of lumbar spinal cord, initial encounter
S34.121A	Incomplete lesion of L1 level of lumbar spinal cord, initial encounter
S34.122A	Incomplete lesion of L2 level of lumbar spinal cord, initial encounter
S34.123A	Incomplete lesion of L3 level of lumbar spinal cord, initial encounter
S34.124A	Incomplete lesion of L4 level of lumbar spinal cord, initial encounter
S34.125A	Incomplete lesion of L5 level of lumbar spinal cord, initial encounter
S34.129A	Incomplete lesion of unspecified level of lumbar spinal cord, initial encounter
S34.131A	Complete lesion of sacral spinal cord, initial encounter
S34.132A	Incomplete lesion of sacral spinal cord, initial encounter
S34.139A	Unspecified injury to sacral spinal cord, initial encounter
S34.3XXA	Injury of cauda equina, initial encounter

b. Spinal cord injury.

(1) International Classification of Diseases, 9th Revision, Clinical Modification:

952.00-952.9	Spinal cord injury without evidence of spinal bone injury
--------------	---

(2) International Classification of Diseases, 10th Revision, Clinical Modification:

S14.101A	Unspecified injury at C1 level of cervical spinal cord, initial encounter
S14.102A	Unspecified injury at C2 level of cervical spinal cord, initial encounter
S14.103A	Unspecified injury at C3 level of cervical spinal cord, initial encounter
S14.104A	Unspecified injury at C4 level of cervical spinal cord, initial encounter
S14.105A	Unspecified injury at C5 level of cervical spinal cord, initial encounter
S14.106A	Unspecified injury at C6 level of cervical spinal cord, initial encounter
S14.107A	Unspecified injury at C7 level of cervical spinal cord, initial encounter
S14.108A	Unspecified injury at C8 level of cervical spinal cord, initial encounter
S14.109A	Unspecified injury at unspecified level of cervical spinal cord, initial encounter
S14.111A	Complete lesion at C1 level of cervical spinal cord, initial encounter
S14.112A	Complete lesion at C2 level of cervical spinal cord, initial encounter
S14.113A	Complete lesion at C3 level of cervical spinal cord, initial encounter
S14.114A	Complete lesion at C4 level of cervical spinal cord, initial encounter
S14.115A	Complete lesion at C5 level of cervical spinal cord, initial encounter
S14.116A	Complete lesion at C6 level of cervical spinal cord, initial encounter
S14.117A	Complete lesion at C7 level of cervical spinal cord, initial encounter
S14.118A	Complete lesion at C8 level of cervical spinal cord, initial encounter
S14.121A	Central cord syndrome at C1 level of cervical spinal cord, initial encounter
S14.122A	Central cord syndrome at C2 level of cervical spinal cord, initial encounter
S14.123A	Central cord syndrome at C3 level of cervical spinal cord, initial encounter
S14.124A	Central cord syndrome at C4 level of cervical spinal cord, initial encounter
S14.125A	Central cord syndrome at C5 level of cervical spinal cord, initial encounter
S14.126A	Central cord syndrome at C6 level of cervical spinal cord, initial encounter
S14.127A	Central cord syndrome at C7 level of cervical spinal cord, initial encounter
S14.128A	Central cord syndrome at C8 level of cervical spinal cord, initial encounter
S14.131A	Anterior cord syndrome at C1 level of cervical spinal cord, initial encounter
S14.132A	Anterior cord syndrome at C2 level of cervical spinal cord, initial encounter
S14.133A	Anterior cord syndrome at C3 level of cervical spinal cord, initial encounter
S14.134A	Anterior cord syndrome at C4 level of cervical spinal cord, initial encounter
S14.135A	Anterior cord syndrome at C5 level of cervical spinal cord, initial encounter
S14.136A	Anterior cord syndrome at C6 level of cervical spinal cord, initial encounter
S14.137A	Anterior cord syndrome at C7 level of cervical spinal cord, initial encounter
S14.138A	Anterior cord syndrome at C8 level of cervical spinal cord, initial encounter
S14.151A	Other incomplete lesion at C1 level of cervical spinal cord, initial encounter
S14.152A	Other incomplete lesion at C2 level of cervical spinal cord, initial encounter
S14.153A	Other incomplete lesion at C3 level of cervical spinal cord, initial encounter
S14.154A	Other incomplete lesion at C4 level of cervical spinal cord, initial encounter
S14.155A	Other incomplete lesion at C5 level of cervical spinal cord, initial encounter
S14.156A	Other incomplete lesion at C6 level of cervical spinal cord, initial encounter
S14.157A	Other incomplete lesion at C7 level of cervical spinal cord, initial encounter
S14.158A	Other incomplete lesion at C8 level of cervical spinal cord, initial encounter
S24.101A	Unspecified injury at T1 level of thoracic spinal cord, initial encounter
S24.102A	Unspecified injury at T2-T6 level of thoracic spinal cord, initial encounter
S24.103A	Unspecified injury at T7-T10 level of thoracic spinal cord, initial encounter
S24.104A	Unspecified injury at T11-T12 level of thoracic spinal cord, initial encounter

S24.109A	Unspecified injury at unspecified level of thoracic spinal cord, initial encounter
S24.111A	Complete lesion at T1 level of thoracic spinal cord, initial encounter
S24.112A	Complete lesion at T2-T6 level of thoracic spinal cord, initial encounter
S24.113A	Complete lesion at T7-T10 level of thoracic spinal cord, initial encounter
S24.114A	Complete lesion at T11-T12 level of thoracic spinal cord, initial encounter
S24.131A	Anterior cord syndrome at T1 level of thoracic spinal cord, initial encounter
S24.132A	Anterior cord syndrome at T2-T6 level of thoracic spinal cord, initial encounter
S24.133A	Anterior cord syndrome at T7-T10 level of thoracic spinal cord, initial encounter
S24.134A	Anterior cord syndrome at T11-T12 level of thoracic spinal cord, initial encounter
S24.151A	Other incomplete lesion at T1 level of thoracic spinal cord, initial encounter
S24.152A	Other incomplete lesion at T2-T6 level of thoracic spinal cord, initial encounter
S24.153A	Other incomplete lesion at T7-T10 level of thoracic spinal cord, initial encounter
S24.154A	Other incomplete lesion at T11-T12 level of thoracic spinal cord, initial encounter
S34.109A	Unspecified injury to unspecified level of lumbar spinal cord, initial encounter
S34.139A	Unspecified injury to sacral spinal cord, initial encounter
S34.3XXA	Injury of cauda equina, initial encounter

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.4(135) Who reports and under what circumstances. Hospitals treating, transferring, or having pronounced dead any person determined to have sustained a reportable case of brain or spinal cord injury are required to submit information as identified by the department.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.5(135) Method and frequency of reporting.

21.5(1) To the extent possible, activities conducted under this chapter shall be coordinated with other health data collection methods. The department shall obtain brain and spinal cord injury data from the Iowa Hospital Association pursuant to 641—Chapter 177, and the association shall serve as the department's intermediary in the collection of brain and spinal cord injury data.

21.5(2) Hospitals shall report to the Iowa Hospital Association the required information for any reportable case of brain injury or spinal cord injury no later than 45 days after the end of the quarter during which the patient was discharged, transferred to another acute care hospital, or pronounced dead in the emergency department.

21.5(3) Reports shall meet the data quality, format, and timeliness standards prescribed by the department and the Iowa Hospital Association.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.6(135) Confidentiality.

21.6(1) The department shall maintain the confidentiality of all submitted registry reports of brain and spinal cord injuries and shall not release reports, or any information which can be associated with a particular individual, unless the release is in compliance with the provisions of subrule 21.6(2).

21.6(2) A registry report of a brain or spinal cord injury which is submitted to the department and which can be associated with a particular individual shall be released solely by the department and only under the following conditions:

a. To the particular individual upon receipt of a written request signed by the particular individual and suitable identification presented in person to an employee designated by the department.

b. If the particular individual is a minor, to a parent or attorney of the particular individual upon receipt of a written request signed by a parent or attorney of the individual and of a certified copy of the birth certificate and suitable identification presented to an employee designated by the department.

c. If the particular individual has a court-appointed guardian or if the particular individual is deceased, to the court-appointed guardian or to the executor or administrator of the particular

individual's estate upon receipt of a written request signed by the court-appointed guardian, executor, or administrator, and of a certified copy of the order or decree which appoints the guardian, executor, or administrator, and of suitable identification presented to an employee designated by the department.

d. To an attorney or other person who is designated by the particular individual upon receipt of a written request signed by the particular individual and suitable identification presented to an employee designated by the department.

e. To an authorized representative of a study or research project that shall be reviewed and approved by the department's research and ethics review committee and approved by the director of the division of behavioral health. If information identifies individuals with brain or spinal cord injuries, the release of such information for research purposes shall be subject to the terms and conditions set by the department. Such study or research project shall maintain the identifying information as confidential and privileged.

f. The department may transmit transcripts or copies of reported cases to state or national brain and spinal cord injury registries when the reports relate to residents of other states or countries. The agreement shall require that the transcripts or records be used for statistical purposes only and that the identity of reported cases shall not be released.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

641—21.7(135) Quality assurance. For the purpose of ensuring the completeness and quality of submitted data, each hospital may allow the department inspection of parts of patient's medical reports as necessary to verify or clarify these data by signing an agreement. The department's authorized representative may enter the facility, obtain the information, and report it in the appropriate form. Prior to inspecting the records, this department shall work with the hospital to determine a time and date agreeable to both parties.

[ARC 2655C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement Iowa Code section 135.22.

[Filed 8/28/87, Notice 6/17/87—published 9/23/87, effective 11/1/87]¹

[Filed 1/10/90, Notice 10/4/89—published 2/7/90, effective 3/14/90]

[Filed 9/23/94, Notice 8/3/94—published 10/12/94, effective 11/16/94]

[Filed ARC 2655C (Notice ARC 2447C, IAB 3/16/16), IAB 8/3/16, effective 9/7/16]

¹ See Human Services[441] Ch 39

CHAPTER 22
PRACTICE OF TATTOOING

641—22.1(135) Purpose. The purpose of this chapter is to stipulate the permit and operational requirements for tattoo artists and tattoo establishments.

[ARC 7982B, IAB 7/29/09, effective 1/1/10]

641—22.2(135) Definitions. For the purpose of these rules, the following definitions shall apply:

“Aftercare” means written instructions given to a client, specific to the procedures rendered, on care for the tattoo and surrounding area and guidance on when to seek medical treatment.

“Department” means the Iowa department of public health.

“Director” means the director of the Iowa department of public health.

“Disinfectant” means a U.S. Environmental Protection Agency (EPA)-registered antimicrobial product that is applied to surfaces to destroy microorganisms that are living on the surface but not necessarily bacterial spores.

“Imminent health threat” means a condition or conditions that exist in a tattoo establishment and require immediate action to prevent endangering the health of people.

“Impervious” means nonporous, impenetrable, smooth, and washable.

“Inspection agency” means the department or a city, county or district board of health that has executed an agreement with the department pursuant to the authority of a city, county or district board of health to inspect tattoo establishments and enforce these rules. The authority of a city, county or district board of health is limited to the geographic area defined in the agreement executed with the department. Within the defined geographic area, the city, county or district board of health is the “local inspection agency.”

“Mobile tattoo unit” means a mobile establishment or unit that is self-propelled or otherwise movable from place to place, is self-sufficient for utilities such as gas, water, electricity and liquid waste disposal, and operates at a fixed location where a permitted artist performs tattooing procedures for no more than 14 days in conjunction with a single event.

“Residential dwelling” is a place or structure intended to be occupied as a residence.

“Single use” means intended for one-time use and disposed of after use on a client. Single-use products or items include, but are not limited to, cotton swabs or balls, tissues or paper products, paper or plastic cups, gauze and sanitary coverings, disposable razors, tattoo needles, scalpel blades, stencils, ink cups, and protective gloves. Cloth towels and linens are not included as “single use” and are prohibited.

“Sterilization” means a process resulting in the destruction of all forms of microbial life, including highly resistant bacterial spores that demonstrate tuberculocidal activity.

“Tattoo artist” means any person, including a permanent color technologist, engaged in the practice of tattooing within the state of Iowa.

“Tattoo establishment” means the building or portion of the building designated by the owner where tattooing is practiced.

“Tattooing” means to puncture the skin of a person with a needle and insert indelible permanent colors through the puncture to leave permanent marks or designs. “Tattooing” includes permanent color technology that is the process by which the skin is marked or colored by insertion of nontoxic dyes or pigments into the dermis portion of the skin so as to form indelible marks for cosmetic purposes. “Tattooing” does not include applying a tattoo for radiological purposes.

“Temporary establishment permit” means a permit issued by the department to perform tattoo procedures at a temporary event.

“Temporary event” means any place or premises operating at a fixed location where a tattoo artist performs tattooing procedures for no more than 14 days consecutively in conjunction with a single event or celebration to which the general public is invited.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.3(135) General provisions.

22.3(1) Tattoo artists and tattoo establishments that fail to meet the requirements of Iowa Code section 135.37 or these rules shall be guilty of a serious misdemeanor.

22.3(2) No person shall tattoo any person under the age of 18. Violators shall be guilty of a serious misdemeanor.

22.3(3) No person shall engage in the practice of tattooing without first applying for and receiving a tattoo artist permit from the department.

22.3(4) Tattoo artists and tattoo establishments that are in compliance with Iowa Code section 135.37 and these rules are not relieved from the requirements of any other applicable state laws or local ordinances.

22.3(5) Tattooing shall be practiced only in facilities that have applied for and received a tattoo establishment permit from the department.

22.3(6) Notwithstanding local zoning codes, where zoning codes exist, tattooing shall not be practiced in a residential dwelling, inclusive of an attached garage. Beginning January 1, 2010, all new tattoo establishments must be in a building that is zoned commercial where zoning ordinances exist. A waiver shall be granted to any tattoo establishment which is in a residential dwelling and which has been operating continuously since being granted a permit prior to January 1, 2010.

22.3(7) Tattoo establishments shall be inspected annually.
[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.4(135) Sanitation and infection control.

22.4(1) Tables, chairs, and other general-use equipment in the tattoo area shall be constructed of impervious, smooth and easily cleanable material.

22.4(2) A sink for hand washing supplied with potable hot and cold running water under pressure to a mixing-type faucet shall be easily accessible in the tattooing area. Hand-washing facilities shall be supplied with liquid soap and single-use towels or hand dryer.

22.4(3) Easily accessible toilet facilities with a sink for hand washing must be available for employee use and patron use.

22.4(4) The tattoo establishment shall have an area of at least 300 square feet and shall be adequately lighted and ventilated.

22.4(5) Floors in the tattoo area shall be finished with an impervious, smooth, washable surface.

22.4(6) The entire premises and all facilities used in connection therewith shall be maintained in a clean, sanitary, vermin-free condition and in good repair.

22.4(7) All refuse shall be stored in rigid containers with plastic liners which are emptied at least once each business day.

22.4(8) Closed cabinets or containers shall be exclusively used for the storage of instruments, dyes, pigments, stencils, tattoo machines, and other equipment.

22.4(9) The following prohibitions apply to tattoo establishments:

a. Smoking shall not be allowed pursuant to Iowa Code chapter 142D.

b. Consumption of food or drink shall not be allowed in the tattoo area.

c. The owner or tattoo artist must not use, consume or serve intoxicating beverages or controlled substances on the establishment's premises.

d. The owner or tattoo artist must not allow any other person to use, consume, or serve intoxicating beverages or controlled substances on the establishment's premises.

e. The owner or tattoo artist shall not in any manner possess or distribute or allow any other person to possess or distribute intoxicating beverages or controlled substances on the establishment's premises.

f. The tattoo establishment owner shall not allow a tattoo artist who is not currently permitted in the state of Iowa to tattoo in the establishment.

22.4(10) No animals, except service animals, shall be permitted in a tattoo establishment. Aquariums containing fish shall be allowed in waiting rooms and non-tattoo areas.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.5(135) Equipment. All equipment shall be maintained in a clean and sanitary condition.

22.5(1) Cups to hold ink or dye shall be for single-patron use. Any ink or dye, once dispensed into an ink cup, must be disposed of immediately following use.

22.5(2) Any dye or ink in which needles were dipped shall not be used on another person.

22.5(3) All tubes, tips and grips used for the tattoo procedure which are not sterile, not for single-patron use, and not disposable shall be physically cleaned with a detergent according to manufacturers' recommendations and then steam-sterilized or dry-heat sterilized before use on another patron.

22.5(4) Steam sterilization shall be at 250 degrees Fahrenheit (121 degrees Celsius) for 15 minutes at a minimum pressure of 15 pounds per square inch. Steam sterilization is the preferred method of sterilization.

22.5(5) Dry-heat sterilization shall be at 350 degrees Fahrenheit (170 degrees Celsius) for one hour.

22.5(6) All instruments must be sterilized on site. All instruments to be sterilized shall be placed in closed pouches. The pouches must be dated effective for 30 days, after which the instruments must be resterilized and the pouches redated.

22.5(7) Sterilizers shall be monitored monthly for spores of *Bacillus subtilis*, and records of results shall be maintained for three years.

22.5(8) Each tattoo establishment shall maintain written procedures to follow in the event of positive spore tests.

a. In the event of a positive spore test, materials processed in that sterilizer, dating from the sterilization cycle having the positive biological indicator to the next cycle showing satisfactory biologic indicator challenge results, must be considered nonsterile and must be reprocessed before being used.

b. A sterilizer that has received a positive spore test must be immediately removed from service.

c. Prior to putting a sterilizer that has received a positive spore test back into service, the owner must ensure that there is evidence of one negative spore test.

d. The owner must notify the inspection agency of a positive spore test within 24 hours of receiving the test result.

22.5(9) Each tattoo establishment shall be equipped with a puncture-resistant, leakproof container designated for disposal of used needles and other sharps. The container shall be red and labeled with the "biohazard" symbol and shall be closeable for handling, storage, transportation and disposal. A written plan for disposal shall be maintained in the establishment.

22.5(10) Any bottles of solution shall be labeled as to contents and used according to manufacturers' directions.

22.5(11) Razors for removal of unwanted hair shall be for single-patron use and shall be disposable. If electric razors are used to remove unwanted hair of the patron, the clippers shall be cleaned with a brush and fungicidal/tuberculocidal disinfectant spray.

22.5(12) Topical ointments shall be prepared for single-patron use.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.6(135) Procedures.

22.6(1) Each tattoo establishment shall establish a written standard operating procedure (SOP), which shall include the process for setup and tear down of tattoo procedures. The SOP shall focus on procedures of hygiene and cross-contamination control.

22.6(2) For privacy purposes and at the patron's request, there shall be in place or readily available a panel or other barrier of sufficient height and width to effectively separate the patron from any unwanted observers or waiting patrons. Panels or other barriers shall be nontransparent and may be fixed or movable, rigid or flexible.

22.6(3) Tattoo artists shall scrub their hands thoroughly before beginning the tattoo procedure. Tattoo artists shall dry their hands with individual single-use towels or hand dryer.

22.6(4) Tattoo artists shall wear clean garments when performing tattoo procedures. Tattoo artists shall wear disposable latex, nitrile, chloroprene, or vinyl gloves during the tattoo procedure. Gloves shall be changed after each tattoo. Tattoo artists shall wash their hands before and after each tattoo procedure.

22.6(5) All items with which the gloved hands of the tattoo artist would normally come into contact during the tattooing procedure shall have appropriate barrier films covering them. These items include, but are not limited to, clip cords, squeeze bottles, seat adjustment controls, power control dials or buttons, and work lamps.

22.6(6) The skin area to be tattooed shall first be cleansed with soap and water. Single-use towels or sponges (gauze) shall be used during the cleansing procedure.

22.6(7) Before placing the tattoo design on the patron's skin, the tattoo artist shall prepare the skin with 70 percent ethyl or isopropyl alcohol solution or an equally effective antiseptic or antimicrobial.

22.6(8) Tattooing shall not be performed on any area where there is evidence of skin infection, irritation, or abnormalities.

22.6(9) After the tattooing is completed, the tattoo artist shall:

a. Apply an adequate dressing or bandage to the tattoo area.
b. Provide to the persons tattooed printed aftercare instructions regarding tattoo care during the healing process.

c. Thoroughly clean the machine head with an acceptable disinfectant and spray an acceptable surface disinfectant over the work area during the clean-up procedures before the area is set up for the next tattoo procedure.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.7(135) Permit issuance and renewal. The following criteria shall apply to application for a permit to practice as a tattoo artist or as a tattoo establishment.

22.7(1) Online or paper applications.

a. An applicant shall complete either an online application or a paper application according to the instructions contained in the application.

b. Paper applications are available to download at <http://www.idph.iowa.gov/Tattoo> or may be obtained from the tattoo office by writing to Tattoo Program, Iowa Department of Public Health, 321 East 12th Street, Des Moines, Iowa 50319-0075; or by calling (515)242-6337.

c. Fees. In order to be processed, each application must be accompanied by the appropriate fee as determined in the fee schedule listed in subrule 22.8(2). All fees are nonrefundable. An application that includes insufficient or incorrect fees shall be considered incomplete.

d. A paper application shall be accompanied by the appropriate fee payable by check or money order to the Iowa Department of Public Health.

e. Online application fees shall be paid by credit card only.

f. If the applicant is notified that the application is incomplete, the applicant must contact the tattoo office within 90 days. Incomplete applications shall be considered invalid and after 90 days shall be destroyed.

22.7(2) Documentation of medical conditions and criminal convictions related to the practice of the profession shall include a full explanation from the applicant. No application shall be considered complete until the applicant responds to any program requests for additional information regarding the applicant's medical condition or criminal conviction.

22.7(3) All permits expire on December 31 for the year issued. Permits shall be renewed annually. The applicant shall submit a completed application, supporting documentation and renewal fee by December 1. The permit holder must have a current permit in possession before performing tattooing. An applicant who submits a renewal application after December 1 will be required to pay an additional \$25 for each month delinquent.

22.7(4) The permit holder is responsible for renewing the permit prior to its expiration.

22.7(5) A permit which has not been renewed within 90 days of the permit expiration date will automatically be deactivated. There will be a \$25 reinstatement fee charged for reactivating a permit. This reactivation fee will be in addition to the renewal fee.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.8(135) Fees.

22.8(1) All fees are nonrefundable.

22.8(2) Fees for all initial and renewal applications are as follows:

- a. Tattoo artist - \$75.
- b. Tattoo establishment - \$100.
- c. Temporary tattoo establishment:
 - (1) 0 to 10 participating artists - \$100.
 - (2) 11 to 100 participating artists - \$200.
 - (3) 101 or more participating artists - \$300.
- d. Mobile tattoo unit - \$100.
- e. Mobile tattoo event - \$25 per event.
- f. Tattoo establishment change of ownership - \$25.
- g. Tattoo establishment change of location - \$25.
- h. Mobile tattoo unit change of location - \$25.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.9(135) Tattoo establishment permit requirements.

22.9(1) No tattoo establishment shall be operated in the state without having a permit to operate issued by the department. Permits shall be posted in a conspicuous location in the tattoo establishment.

22.9(2) Each person acquiring or establishing a tattoo establishment shall apply for a permit prior to beginning operation and shall submit a floor plan of the establishment with the application.

22.9(3) A permit to operate shall be issued to a new establishment when the department or its representative has successfully completed an on-site inspection.

22.9(4) Tattoo establishment permits are nontransferable.

22.9(5) Client records. A tattoo establishment shall retain a record of all persons who have had tattoo procedures performed at the establishment.

a. Records shall include the client's name and date of birth, copy of client's identification, date of the procedure, name of the tattoo artist who performed the procedure(s), and signature of client.

b. Records shall be retained in a confidential manner for a minimum of three years and shall be available to the department and the inspection agency upon request.

22.9(6) Change in ownership. Within 30 days of a change in ownership of a tattoo establishment, the new owner shall submit a change in ownership application and fee for a new permit. When a change of ownership occurs, an on-site inspection must be completed by the inspection agency before a permit to operate will be issued. The new permit must be posted in a conspicuous location in the establishment.

22.9(7) Change in location. Within 30 days of a change of location of a tattoo establishment, the owner shall submit a change of location application and a fee for a new permit. When a change of location occurs, an on-site inspection must be completed by the inspection agency before a permit to operate will be issued. The new permit must be posted in a conspicuous location in the establishment.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.10(135) Tattoo artist permit requirements.

22.10(1) No person shall perform tattooing without a current permit to operate issued by the department. Each person shall apply for a permit prior to beginning operation.

22.10(2) Each permit issued shall be in effect solely for the tattoo artist named thereon and shall remain with the tattoo artist upon change of employment. Tattoo artist permits are nontransferable.

22.10(3) An applicant for a tattoo artist permit shall be at least 18 years of age and must submit government-issued documentation to show proof of attaining the age of 18 years.

22.10(4) An applicant must show proof of a high school diploma or high school equivalency diploma. (NOTE: Tattoo artists granted a permit prior to January 1, 2010, will not be required to obtain a high school diploma or high school equivalency diploma.) A degree from an accredited college will be accepted in lieu of a high school diploma or high school equivalency diploma.

22.10(5) Upon initial application and permit renewal application, a tattoo artist must possess and show proof of current certification of American Red Cross or equivalent nationally recognized certifications for blood-borne pathogens and standard first aid.

22.10(6) Permits shall be posted in a conspicuous place in the tattoo establishment.
[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.11(135) Temporary establishment permit requirements.

22.11(1) A person who wishes to obtain a temporary establishment permit for a temporary event must submit a temporary tattoo establishment application form, a floor plan of the facility, promotional documentation for the event, and the appropriate fee at least 30 days prior to the event. Fees shall be based on the number of participating tattoo artists. The application shall specify the following:

- a. The purpose for which the permit is requested.
- b. The period of time during which the permit is needed (not to exceed 14 calendar days per event).
- c. The fulfillment of tattoo artist requirements as specified in 641—22.10(135). A list of participating tattoo artists shall be sent to the tattoo program no later than one week prior to the event.
- d. The location at which the temporary event will be held.

22.11(2) The temporary event must be inside a permanent building.

22.11(3) The temporary establishment shall comply with the following:

- a. Conveniently located hand-washing facilities with liquid soap, single-use towels or hand dryers and potable hot and cold water under pressure to a mixing-type faucet shall be provided. Drainage in accordance with local plumbing codes shall be provided.
- b. A minimum of 80 square feet of floor space shall be provided for each booth.
- c. There shall be sufficient lighting where the tattoo procedure is being performed.
- d. All tubes, tips and grips used for the tattoo procedure that are not single use must be properly sterilized and dated 30 days or less prior to the date of the event. Evidence of a spore test performed on the sterilization equipment must be dated 30 days or less prior to the date of the event. Single-use, prepackaged, sterilized equipment obtained from reputable suppliers or manufacturers will be allowed.
- e. Tattoo artists must properly clean and sanitize the area used for tattoo procedures.
- f. Floors of the tattooing area(s) shall be smooth and impervious or be covered with an impermeable barrier.

22.11(4) The facility where the temporary event will be held must be inspected by the designated inspection agency and be issued a permit prior to the performance of any tattoo procedures. A \$50 inspection fee for each booth shall be made payable to the inspection agency.

22.11(5) No animals, except service animals, shall be allowed in the temporary establishment at any time.

22.11(6) Temporary establishment permits issued under the provisions of these rules may be suspended by the department for failure of the holder to comply with the requirements of these rules.

22.11(7) Temporary establishment permits and tattoo artist permits shall be posted in a conspicuous place in the temporary establishment.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.12(135) Mobile tattoo unit permit requirements. Effective September 7, 2016, no new mobile tattoo units will be permitted. (NOTE: Mobile tattoo units granted a permit prior to September 7, 2016, may continue to operate with a current permit provided they remain compliant with the rules of this chapter.)

22.12(1) Mobile tattoo unit permits shall be in compliance with all of the following requirements:

- a. No mobile tattoo unit shall be operated in the state without having a permit to operate issued by the department.
- b. All tattoo artists working in a mobile tattoo unit must have a permit and must comply with the permit requirements of these rules. Artist permits shall be posted in a conspicuous location in the mobile tattoo unit.
- c. Mobile tattoo unit permits shall be posted in a conspicuous place in the mobile tattoo unit.
- d. Mobile tattoo unit permits are nontransferable.
- e. Change in address location. Within 30 days of a change of address of where the mobile tattoo unit is housed, the owner shall submit a new application and a fee for a new permit.

f. Inspections will be conducted by the local jurisdiction in which the mobile tattoo unit is housed. Out-of-state mobile tattoo units must have a current Iowa mobile tattoo unit permit and will be required to have an annual inspection.

22.12(2) Mobile tattoo units and tattoo artists working from a mobile tattoo unit shall also comply with all of the following requirements.

a. Mobile tattoo units are permitted for use only at temporary events lasting 14 calendar days or less. Permits must be obtained at least 14 days prior to the event, and no tattoo procedures shall be performed before a permit is issued. Promotional documentation of the event must be included with the application. Permit holders are responsible for compliance with all other local regulations including but not limited to zoning and business license requirements.

b. The mobile tattoo unit shall be maintained in a clean and sanitary condition at all times. Doors shall be tight-fitting. Openable windows shall have tight-fitting screens.

c. Mobile tattoo units must meet the sterilization requirements in accordance with 641—22.5(135).

d. Mobile tattoo units shall be used only for the purpose of performing tattoo procedures. No habitation or food preparation is permitted inside the vehicle unless the tattoo work station is separated from culinary or domicile areas by an impervious floor-to-ceiling barrier.

e. Mobile tattoo units shall be equipped with a hand sink for use of the tattoo artist for hand washing and preparing the client for the tattoo procedures.

(1) The hand sink shall be supplied with hot and cold running water under pressure to a mixing-type faucet, as well as liquid soap and single-use towels in dispensers or hand dryer.

(2) An adequate supply of potable water shall be maintained for the mobile tattoo unit at all times during operation.

(3) The source of the water and storage of the tank(s) shall also be identified.

f. All liquid wastes shall be stored in an adequate storage tank with a capacity at least 15 percent greater than the capacity of the on-board potable water supply. Liquid wastes shall be disposed of at a publicly owned treatment works site approved by the department of natural resources (IDNR).

g. Restroom facilities must be available at the temporary event or within the mobile tattoo unit.

(1) A hand sink must be available within a reasonably acceptable distance from the restroom.

(2) The hand sink shall be supplied with hot and cold running water under pressure to a mixing-type faucet, as well as liquid soap and single-use towels or hand dryer.

(3) Restrooms must be adequately ventilated.

h. All tattoo artists working in a mobile tattoo unit must have a permit and must comply with the permit requirements of these rules. Permits shall be posted in a conspicuous location in the mobile tattoo unit.

i. No animals, except service animals, shall be allowed in the mobile tattoo unit at any time.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.13(135) Agreements. The department may enter into agreements with the local boards of health to provide inspections and enforcement. An inspection agency shall:

1. Ensure that its inspectors will meet the educational requirements of 641—22.15(135).

2. Provide inspections of all tattoo establishments within the contracted area.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.14(135) Inspection requirements.

22.14(1) The inspection agency shall bill the owner of a tattoo establishment \$250 upon completion of an inspection. Inspection fees are due upon receipt of a notice of payment due.

22.14(2) Tattoo establishments shall be inspected annually, and inspection reports shall be maintained for three years by the inspection agency.

22.14(3) When the tattoo establishment is located within the jurisdiction of a local inspection agency, the local inspection agency may establish fees needed to defray the costs of inspection and enforcement under this chapter. Inspection fees billed by a local inspection agency shall be paid to the local inspection agency or its designee.

22.14(4) When an inspection agency determines that a special inspection is required, such as a follow-up inspection or an inspection generated by complaints, the inspection agency may charge a special inspection fee, which shall be based on the actual cost of providing the inspection.

22.14(5) Unpaid inspection fees will be considered delinquent 30 days after the date of the bill. A late fee of \$30 per month will be assessed to the establishment owner after a 30-day notice. If inspection fees remain unpaid after 60 days, an order to cease and desist operations will be issued by the department.

22.14(6) Failure to allow an inspection is grounds for denial of an initial tattoo establishment permit or for issuance of an order requiring suspension of a tattoo establishment's existing operations.

22.14(7) If an imminent health threat exists, the inspection agency or the department may, pursuant to Iowa Code section 17A.18A, order the establishment to cease operation immediately. Operation shall not be resumed until authorized by the inspection agency or the department.

22.14(8) Safety data sheets (SDS) for the chemicals used at the tattoo establishment shall be maintained at the establishment in a location known and readily accessible to the establishment staff and shall be made available upon request of the inspection agency.

22.14(9) An establishment inspected under this chapter shall post the most recent routine inspection report, along with any reinspection reports, in a location at the establishment that is readily visible to the public.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.15(135) Tattoo inspector qualifications. Each person designated as a tattoo inspector shall have successfully completed a blood-borne pathogen certification course from the American Red Cross or an equivalent nationally recognized organization. A copy of current certification shall be maintained by the local inspection agency.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.16(135) Enforcement.

22.16(1) The department may inspect tattoo establishments regulated by these rules and enforce these rules. A city, county or district board of health may inspect tattoo establishments regulated by these rules and enforce these rules in accordance with agreements executed pursuant to 641—22.13(135).

22.16(2) The inspection agency may take the following steps when enforcement of these rules is necessary.

a. Owner notification. As soon as possible after the violations are noted, the inspection agency shall provide written notification to the owner of the establishment that:

- (1) Cites each section of the Iowa Code or rule of the Iowa Administrative Code violated.
- (2) Specifies the manner in which the owner or operator failed to comply.
- (3) Specifies the steps required for correcting the violation.
- (4) Requests a corrective action plan, including a time schedule for completion of the plan.
- (5) Sets a reasonable time limit, not to exceed 30 days from the receipt of the notice, within which the owner of the establishment must respond.

b. Corrective action plan review. The inspection agency shall review the corrective action plan and approve it or require that it be modified.

c. Failure to comply. If the owner of a tattoo establishment, mobile tattoo unit, or temporary establishment fails to comply with conditions of the written notice, the inspection agency may take enforcement action in accordance with Iowa Code chapter 135 or in accordance with local ordinances.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

641—22.17(135) Adverse actions and the appeal process.

22.17(1) The department may deny an application for a permit, revoke a permit, order that a tattoo establishment not be operated, order a tattoo artist to cease engaging in the practice of tattooing, or refer the case to the office of the county attorney or attorney general for possible criminal penalties when the department finds that an establishment is not operated in accordance with these rules or that a permitted person or a person who is not permitted has committed any of the following acts:

- a.* Any material misstatement in the application or in any supplementary statement.

- b.* Any material misstatement in the renewal application or in any supplementary statement received upon renewal.
- c.* Failure to pay the required renewal fee or late fee.
- d.* Failure to submit a complete, legible, and accurate renewal application form before the end of the renewal period.
- e.* Any condition revealed by an inspection of the applicant, the application, or supplementary statement received upon renewal.
- f.* Falsification of approval records, qualifications, or other information or documentation related to permitting approval.
- g.* Any violation or failure to observe any of the applicable terms or provisions of permitting, public health law, or any other applicable rule, ordinance, regulation, code or order.
- h.* Failure to correct any violation of department rules that was found during an inspection or any violation found on an initial inspection which, as determined by the department, jeopardizes the safety of the public.
- i.* Knowingly making misleading, deceptive, untrue or fraudulent representations in the practice of the profession or engaging in unethical conduct or practice harmful or detrimental to the public. Proof of actual injury need not be established. Acts which may constitute unethical conduct include, but are not limited to:
 - (1) Verbally or physically abusing a patron.
 - (2) Improper sexual contact with or making suggestive, lewd, lascivious or improper remarks or advances to a patron.
 - (3) Betrayal of a professional confidence.
 - (4) Engaging in a professional conflict of interest.
 - (5) Falsification of records.
- j.* Engaging in any conduct that subverts or attempts to subvert a department investigation.
- k.* Failure to comply with a subpoena issued by the department or failure to cooperate with an investigation of the department.
- l.* Failure to comply with the terms of a department order or the terms of a settlement agreement or consent order.
- m.* Knowingly aiding, assisting or advising a person to unlawfully practice tattooing.
- n.* Representing oneself as a tattoo artist when one's permit has been denied, suspended or revoked, or when one's permit is lapsed or has been placed on inactive status.
- o.* Permitting the use of a permit by a nonpermitted person for any purpose.
- p.* Mental or physical inability reasonably related to and adversely affecting the tattoo artist's ability to practice in a safe and competent manner.
- q.* Being adjudged mentally incompetent by a court of competent jurisdiction.
- r.* Sexually harassing a patron. Sexual harassment includes sexual advances, sexual solicitation, requests for sexual favors, and other verbal or physical conduct of a sexual nature.
- s.* Habitual intoxication or addiction to drugs.
 - (1) The inability of a tattoo artist to practice with reasonable skill and safety by reason of the excessive use of alcohol on a continuing basis.
 - (2) The excessive use of drugs which may impair a tattoo artist's ability to practice with reasonable skill or safety.
 - (3) Obtaining, possessing, attempting to obtain or possess, or administering controlled substances without lawful authority.
- t.* Fraud in representation as to skill, ability, or certification.
- u.* Violating a statute of this state, another state, or the United States, without regard to its designation as either a felony or misdemeanor, which relates to the provision of tattooing, including but not limited to a crime involving dishonesty, fraud, theft, embezzlement, controlled substances, substance abuse, assault, sexual abuse, sexual misconduct, or homicide. A copy of the record of conviction or plea of guilty is conclusive evidence of the violation.

v. Having certification or permit to practice tattooing suspended or revoked, or having other disciplinary action taken by a licensing, certifying, or permitting authority of this state or another state, territory or country. A copy of the record or order of suspension, revocation or disciplinary action is conclusive or prima facie evidence.

w. Acceptance of any fee by fraud or misrepresentation.

x. Failure to comply with standard precautions for preventing transmission of infectious diseases as issued by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services.

y. Failure to respond within 30 days of receipt, unless otherwise specified, of communication from the department which was sent by registered or certified mail.

22.17(2) Notice of issuance of a denial, revocation, or order to cease operations shall be served by certified mail, return receipt requested, or by personal service.

22.17(3) Upon receipt of the order, the aggrieved party may request an appeal. The appeal shall be made in writing to the department within 20 days from the date of the aggrieved party's receipt of the department's order. The appeal shall be addressed to Iowa Department of Public Health, Division of ADPER and EH, Tattoo Permit Program, Lucas State Office Building, 321 E. 12th Street, Des Moines, Iowa 50319-0075. If such a request is made within the 20-day time period, the order shall be deemed to be suspended. Prior to or at the hearing, the department may rescind the order upon satisfaction that the reason for the order has been or will be removed. After the hearing, or upon default of the aggrieved party, the administrative law judge shall affirm, modify or set aside the order. If no request for appeal is received within the 20-day time period, the department's order shall become the department's final agency action.

22.17(4) Upon receipt of an appeal that meets contested case status, the appeal shall be forwarded within five working days to the department of inspections and appeals pursuant to the rules adopted by that agency regarding the transmission of contested cases. The information upon which the adverse action is based and any additional information which may be provided by the aggrieved party shall also be provided to the department of inspections and appeals.

22.17(5) The hearing shall be conducted according to the procedural rules of the department of inspections and appeals found in 481—Chapter 10.

22.17(6) When the administrative law judge makes a proposed decision and order, it shall be served by certified mail, return receipt requested, or delivered by personal service. That proposed decision and order then becomes the department's final agency action without further proceedings ten days after it is received by the aggrieved party unless an appeal to the director is taken as provided in subrule 22.17(7).

22.17(7) Any appeal to the director for review of the proposed decision and order of the administrative law judge shall be filed in writing and mailed to the director by certified mail, return receipt requested, or delivered by personal service within ten days after the receipt of the administrative law judge's proposed decision and order by the aggrieved party. A copy of the appeal shall also be mailed to the administrative law judge. Any request for an appeal shall state the reason for appeal.

22.17(8) Upon receipt of an appeal request, the administrative law judge shall prepare the record of the hearing for submission to the director. The record shall include the following:

- a. All pleadings, motions, and rules.
- b. All evidence received or considered and all other submissions by recording or transcript.
- c. A statement of all matters officially noticed.
- d. All questions and offers of proof, objections and rulings thereon.
- e. All proposed findings and exceptions.
- f. The proposed decision and order of the administrative law judge.

22.17(9) The decision and order of the director becomes the department's final agency action upon receipt by the aggrieved party and shall be delivered by certified mail, return receipt requested, or by personal service.

22.17(10) It is not necessary to file an application for a rehearing to exhaust administrative remedies when appealing to the director or the district court as provided in Iowa Code section 17A.19. The

aggrieved party to the final agency action of the department who has exhausted all administrative remedies may petition for judicial review of the action pursuant to Iowa Code chapter 17A.

22.17(11) Any petition for judicial review of a decision and order shall be filed in the district court within 30 days after the decision and order becomes final. A copy of the notice of appeal shall be sent to the department by certified mail, return receipt requested, or by personal service. The copy shall be directed to Iowa Department of Public Health, Division of ADPER and EH, Tattoo Permit Program, Lucas State Office Building, 321 E. 12th Street, Des Moines, Iowa 50319-0075.

22.17(12) The party who appeals a final agency action to the district court shall pay the cost of the preparation of a transcript of the contested case hearing for the district court.

[ARC 7982B, IAB 7/29/09, effective 1/1/10; ARC 2656C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement Iowa Code section 135.37.

[Filed 11/9/89, Notice 10/4/89—published 11/29/89, effective 1/3/90]

[Filed 11/15/93, Notice 9/1/93—published 12/8/93, effective 1/12/94]

[Filed 11/15/02, Notice 10/2/02—published 12/11/02, effective 1/15/03]

[Filed ARC 7982B (Notice ARC 7530B, IAB 1/28/09), IAB 7/29/09, effective 1/1/10]

[Filed ARC 2656C (Notice ARC 2459C, IAB 3/16/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 177
HEALTH DATA

641—177.1(76GA,ch1212) Purpose. The purpose of this chapter is to collect and provide access to health information to health care providers, health care subscribers, third-party payors and the general public. Such information may be collected from state agencies, health care providers, the state medical assistance program, third-party payors, associations, and other appropriate sources.

641—177.2(76GA,ch1212) Definitions. For purposes of this chapter, the following definitions shall apply:

“Confidential record” in these rules means a record which is not available as a matter of right for examination and copying by members of the public under applicable provisions of law. Confidential records include records or information contained in records that the agencies are prohibited by law from making available for examination by members of the public, and records or information contained in records that are specified as confidential by Iowa Code section 22.7, or other provision of law, but that may be disclosed upon order of a court, the lawful custodian of the record, or by another person duly authorized to release the record. Mere inclusion in a record of information declared confidential by an applicable provision of law does not necessarily make that entire record a confidential record. Included in the definition are those data collected by the department, pursuant to 1996 Iowa Acts, chapter 1212, for preparation and dissemination as compilations.

“Department” is defined as Iowa department of public health.

“Record” in these rules means the whole or a part of a “public record” as defined in Iowa Code section 22.1, that is owned by or in the physical possession of this agency.

[ARC 2654C, IAB 8/3/16, effective 9/7/16]

641—177.3(76GA,ch1212) Description of data to be submitted.

177.3(1) The department shall collect information from other state agencies for the purpose of public dissemination of health data.

177.3(2) Hospitals shall submit data to the Iowa Hospital Association which shall serve as an intermediary for the Iowa department of public health. The information shall include inpatient, outpatient and ambulatory information.

177.3(3) The Iowa Hospital Association shall collect, maintain, and disseminate hospital inpatient, outpatient, and ambulatory information pursuant to a memorandum of understanding with the department. The Iowa Hospital Association shall submit data to the department pursuant to the memorandum of understanding.

[ARC 2654C, IAB 8/3/16, effective 9/7/16]

641—177.4(76GA,ch1212) Department studies. The department may conduct special studies consistent with the intent of 1996 Iowa Acts, chapter 1212, using data collected in accordance with subrule 177.3(1). In conducting such studies, the department may utilize the services of a contractor.

[ARC 2654C, IAB 8/3/16, effective 9/7/16]

641—177.5(76GA,ch1212) Fees. Fees charged for data provided by the department shall not exceed administrative costs. Such charges may include copying, postage, supervisory, computer programming, time and medium fees.

641—177.6(76GA,ch1212) Patient confidentiality. The department shall protect patient confidentiality. Confidential records or parts of such records collected as a part of this process shall be kept confidential. All health data shall be collected, maintained, and disseminated only in accordance with Iowa and federal law.

[ARC 2654C, IAB 8/3/16, effective 9/7/16]

641—177.7(76GA,ch1212) Department contracting. Rescinded ARC 2654C, IAB 8/3/16, effective 9/7/16.

641—177.8(76GA,ch1212) Address and specification for data submissions. Data required to be submitted pursuant to this chapter shall be sent by agencies and health care providers, or their representatives, to the Iowa department of public health by the means and time frame specified by the department.

[ARC 2654C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement 1996 Iowa Acts, chapter 1212, section 5, and Iowa Code section 135.166.

[Filed 5/16/97, Notice 2/26/97—published 6/4/97, effective 7/9/97]

[Filed 3/14/02, Notice 2/6/02—published 4/3/02, effective 5/8/02]

[Filed ARC 2654C (Notice ARC 2458C, IAB 3/16/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 21
ELECTRONIC DATA IN PHARMACY PRACTICE

657—21.1(124,155A) Definitions. For the purpose of this chapter, the following definitions shall apply:

“*Application service provider*” means an entity that sells electronic prescription or pharmacy prescription applications as a hosted service where the entity controls access to the application and maintains the software and records on its servers.

“*DEA*” means the U.S. Department of Justice, Drug Enforcement Administration.

“*Electronically prepared prescription*” means a prescription that is generated utilizing an electronic prescription application.

“*Electronic prescription*” means an electronically prepared prescription that is authorized and transmitted from the prescriber to the pharmacy by means of electronic transmission.

“*Electronic prescription application*” means software that is used to create electronic prescriptions and that is intended to be installed on a prescriber’s computers and servers where access and records are controlled by the prescriber.

“*Electronic signature*” means a confidential personalized digital key, code, number, or other method used for secure electronic data transmissions which identifies a particular person as the source of the message, authenticates the signatory of the message, and indicates the person’s approval of the information contained in the transmission.

“*Electronic transmission*” means the transmission of an electronic prescription, formatted as an electronic data file, from a prescriber’s electronic prescription application to a pharmacy’s computer, where the data file is imported into the pharmacy prescription application.

“*Facsimile transmission*” or “*fax transmission*” means the transmission of a digital image of a prescription from the prescriber or the prescriber’s agent to the pharmacy. “Facsimile transmission” includes but is not limited to transmission of a written prescription between the prescriber’s fax machine and the pharmacy’s fax machine; transmission of an electronically prepared prescription from the prescriber’s electronic prescription application to the pharmacy’s fax machine, computer, or printer; or transmission of an electronically prepared prescription from the prescriber’s fax machine to the pharmacy’s fax machine, computer, or printer.

“*Intermediary*” means any technology system that receives and transmits an electronic prescription between the prescriber and the pharmacy.

“*Pharmacy prescription application*” means software that is used to process prescription information, is installed on a pharmacy’s computers or servers, and is controlled by the pharmacy.

“*Prescription drug order*” or “*prescription*” means a lawful order of a practitioner for a drug or device for a specific patient that is communicated to a pharmacy, regardless of whether the communication is oral, electronic, facsimile, or in printed form.

“*Readily retrievable*” means that records kept by automatic data processing applications or other electronic or mechanized record-keeping systems can be separated out from all other records within a reasonable time not to exceed 48 hours of a request from the board or other authorized agent or that hard-copy records are kept on which certain items are asterisked, redlined, or in some other manner visually identifiable apart from other items appearing on the records.

“*Written prescription*” means a prescription that is created on paper, a prescription that is electronically prepared and printed, or a prescription that is electronically prepared and transmitted from the prescriber’s electronic device to a pharmacy via facsimile. A written prescription for a controlled substance shall be manually signed by the prescriber in compliance with federal and state laws, rules, and regulations.

[ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.2(124,155A) System security and safeguards. To maintain the integrity and confidentiality of patient records and prescription drug orders, any system or computer utilized shall have adequate security including system safeguards designed to prevent and detect unauthorized access, modification, or manipulation of patient records and prescription drug orders. Authentication credentials shall be

securely maintained by the individual to whom the credentials are issued and shall not be shared with or disclosed to any other individual. Once a drug or device has been dispensed, any alterations in either the prescription drug order data or the patient record shall be documented and shall include the identification of all pharmacy personnel who were involved in making the alteration as well as the responsible pharmacist. A pharmacy prescription application used for the receipt and processing of electronic transmissions from a prescriber's electronic prescription application shall comply with DEA requirements relating to electronic prescriptions and shall be certified compliant with DEA regulations. [ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.3(124,155A) Verifying authenticity of an electronically prepared or electronically or fax transmitted prescription. The pharmacist shall ensure the validity of the prescription as to its source of origin.

21.3(1) Authentication measures. Measures to be considered in authenticating prescription drug orders received via electronic transmission or fax transmission, or signed utilizing an electronic signature include but may not be limited to:

- a. Maintenance of a practitioner number reference or electronic signature file.
- b. Verification of the telephone number of the originating facsimile equipment or oral communication device.
- c. Telephone verification with the practitioner's office that the prescription was both issued by the practitioner and transmitted by the practitioner or the practitioner's authorized agent.
- d. Use of authentication processes approved by the DEA for controlled substances prescriptions.
- e. Other efforts which, in the professional judgment of the pharmacist, may be necessary to ensure that the transmission was initiated by the prescriber.

21.3(2) Prescription originally electronically transmitted. When a pharmacist receives a written or oral prescription that indicates the prescription was originally electronically transmitted to a pharmacy, the pharmacist shall check with the pharmacy to which the prescription was originally electronically transmitted to determine whether the prescription was received and dispensed.

a. If the pharmacy that received the original electronic prescription dispensed the original prescription, the pharmacist receiving the written prescription shall mark the written prescription as void and shall not dispense the written prescription.

b. If the pharmacy that received the original electronic prescription has not dispensed the prescription, the pharmacy receiving the original electronic prescription shall mark the electronic prescription as void and shall not dispense the electronic prescription. The pharmacy that received the written or oral prescription shall dispense the prescription.

[ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.4(124,155A) Automated data processing system. An automated data processing system may be used, subject to the requirements contained in this rule, for the storage and retrieval of original and refill information for prescription orders.

21.4(1) On-line retrieval of prescription information. Any computerized system shall provide on-line retrieval (via CRT display and hard-copy printout) of original prescription order information and refill history information. This shall include, but is not limited to, the following:

- a. Original prescription number;
- b. Date of issuance of the original prescription order by the practitioner;
- c. Date and quantity of initial fill;
- d. Date and quantity of each refill or partial fill, if applicable, and the total number of refills dispensed to date;
- e. Full name and address of the patient;
- f. Name, address, and, if a controlled substance, DEA registration number of the prescriber;
- g. Name, strength, dosage form, quantity of the drug or device prescribed, and the total number of refills authorized by the prescribing practitioner; and
- h. For each fill or refill, the identification code, name, or initials of the dispensing pharmacist.

21.4(2) *Printout of prescription fill data.* Any computerized system shall have the capability of producing a printout of any prescription fill data the user pharmacy is responsible for maintaining or producing under state and federal laws, rules and regulations. This would include a refill-by-refill audit trail for any specified strength and dosage form of any prescription drug by brand or generic name or both. Records maintained or provided in electronic format shall be sortable by prescriber name, patient name, drug dispensed, and date filled. Any computerized system employed by a user pharmacy shall be capable of providing at the pharmacy a printout or electronic file of the records in a format that is readily understandable to the board or other authorized agents. A pharmacy may contract with an application service provider, or the pharmacy may maintain computer servers at a remote location, but all required records shall be readily retrievable at the pharmacy if requested by the board or other authorized agent. The printout or electronic record shall include the following:

- a. Name of the prescribing practitioner;
- b. Name and address of the patient;
- c. Quantity dispensed on each fill;
- d. Date of dispensing for each fill;
- e. Name or identification code of the dispensing pharmacist; and
- f. The number of the original prescription order.

21.4(3) *Auxiliary procedure for system downtime.* In the event that a pharmacy utilizing a computerized system experiences system downtime, the pharmacy shall have an auxiliary procedure that will be used for documentation of fills and refills of prescription orders. This auxiliary procedure shall ensure that refills are authorized by the original prescription order, that the maximum number of refills has not been exceeded, and that all of the appropriate data is retained for online data entry when the computer system is again available for use. As soon as reasonably possible upon resuming use of the computerized system, entry of all appropriate data accumulated during the system downtime shall be completed.

21.4(4) *Prescription notations.* When a pharmacist fills an electronic prescription that would require the pharmacist to make a notation on the prescription if the prescription were a written prescription, the pharmacist shall make the same notation electronically and shall retain the annotation electronically in the prescription record or in linked files.

21.4(5) *Records for electronic prescriptions for controlled substances.* A pharmacy that processes electronic prescriptions for controlled substances shall use a pharmacy prescription application that complies with DEA requirements relating to electronic prescriptions and that has been certified compliant with DEA regulations. When a prescription is received electronically from a prescriber's electronic prescription application into the pharmacy prescription application, the prescription and all required annotations shall be retained electronically.

[ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.5(124,155A) Pharmacist verification of controlled substance refills—daily printout or logbook. The individual pharmacist who makes use of the pharmacy prescription application shall provide documentation of the fact that the refill information entered into the pharmacy prescription application each time the pharmacist refills an original written, fax, or oral prescription order for a controlled substance is correct. If the pharmacy prescription application provides a hard-copy printout of each day's controlled substance prescription order refill data, that printout shall be verified, dated, and signed by each individual pharmacist who refilled a controlled substance prescription order. Each individual pharmacist must verify that the data indicated is correct and sign this document in the same manner as the pharmacist would sign a check or legal document (e.g., J. H. Smith or John H. Smith). This document shall be maintained in a separate file at that pharmacy for a period of two years from the dispensing date. This printout of the day's controlled substance prescription order refill data shall be generated by and available at each pharmacy using a computerized pharmacy prescription application within 48 hours of the date on which the refill was dispensed. The printout shall be verified and signed by each pharmacist involved with such dispensing.

In lieu of preparing and maintaining printouts as provided above, the pharmacy may maintain a bound logbook or separate file. The logbook or file shall include a statement signed each day by each individual pharmacist involved in each day's dispensing that attests to the fact that the refill information entered into the pharmacy prescription application that day has been reviewed by the pharmacist and is correct as shown. Pharmacist statements shall be signed in the manner previously described. The logbook or file shall be maintained at the pharmacy for a period of two years after the date of dispensing the appropriately authorized refill.

[ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.6 Reserved.

657—21.7(124,155A) Electronically prepared prescriptions. A prescriber may initiate and authorize a prescription drug order utilizing a computer or other electronic communication or recording device. The prescription drug order shall contain all information required by Iowa Code section 155A.27. The receiving pharmacist shall be responsible for verifying the authenticity of an electronically transmitted prescription or of an electronic signature as provided by rule 657—8.19(124,126,155A) or 657—21.3(124,155A).

21.7(1) *Controlled substances.* A prescription for a controlled substance prepared pursuant to this rule may be transmitted to a pharmacy via facsimile transmission as provided by rule 657—21.9(124,155A) or rules 657—21.12(124,155A) through 657—21.16(124,155A). The transmitted prescription shall include the prescriber's original signature or electronic signature. A prescription for a controlled substance may be transmitted by a prescriber to a pharmacy via electronic transmission pursuant to DEA requirements for electronic prescribing of controlled substances. Both the prescriber's electronic prescription application and the pharmacy prescription application shall be certified compliant with DEA regulations for electronic prescriptions. An electronically prepared prescription shall not be electronically transmitted to the pharmacy if the prescription has been printed prior to the electronic transmission. An electronically prepared and electronically transmitted prescription that is printed following the electronic transmission shall be clearly labeled as a copy only, not valid for dispensing.

21.7(2) *Noncontrolled prescription drugs.* A prescription for a noncontrolled prescription drug prepared pursuant to this rule may be transmitted to a pharmacy via electronic transmission as provided in rule 657—21.8(124,155A) or via facsimile transmission as provided in rule 657—21.9(124,155A). The transmitted prescription shall include the prescriber's original signature or electronic signature.

21.7(3) *Printed (hard-copy) prescriptions.* A prescription prepared pursuant to this rule may be printed by the prescriber or prescriber's agent for delivery to a pharmacy. An electronically prepared and electronically transmitted prescription that is printed following the electronic transmission shall be clearly labeled as a copy, not valid for dispensing.

a. A prescription for a controlled substance shall include the prescriber's original signature.

b. If the prescriber authenticates a prescription for a noncontrolled prescription drug utilizing an electronic signature, the printed prescription shall be printed on security paper that is designed to prevent photocopying or other duplication of the printed prescription by prominently disclosing the word "void" or "copy" on the duplication or by including a watermark or background that will not appear on duplication. If a watermark or background is used, the prescription shall include a statement that unless the watermark or background appears, the prescription is not valid. Security paper that complies with the security requirements of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, shall be deemed to comply with the security requirements of this paragraph.

c. When a prescription prepared pursuant to this subrule is transmitted to a pharmacy via facsimile, or when a prescription prepared pursuant to this subrule is scanned into an electronic record system, the watermark or background will not appear or the word "void" or "copy" will appear. The means of transmission via facsimile and the means of scanning into an electronic record system shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare the prescription. It is the responsibility of the pharmacist to verify the validity of the prescription as provided by rule 657—8.19(124,126,155A) or 657—21.3(124,155A).

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.8(124,155A) Electronic transmission of a prescription. Prescription drug orders may be communicated directly from a prescriber's computer or other electronic device utilizing an electronic prescription application to a pharmacy prescription application by electronic transmission. The receiving pharmacist shall be responsible for verifying the authenticity of an electronically transmitted prescription or of an electronic signature as provided by rule 657—8.19(124,126,155A) or 657—21.3(124,155A). The authenticity of a prescription transmitted via electronic transmission between a DEA-certified electronic prescription application and a DEA-certified electronic pharmacy prescription application shall be deemed verified by virtue of the security processes included in those applications.

21.8(1) *Secure transmission and patient's choice.* Orders shall be sent only to the pharmacy of the patient's choice, and no intermediary shall change the content of the prescription drug order or compromise its confidentiality during the transmission process. The electronic format of the prescription drug order may be changed by the intermediary to facilitate the transmission between electronic applications as long as the content of the prescription drug order remains unchanged. This subrule does not prohibit the receiving pharmacist from amending or adding to the content of a prescription as necessary in compliance with federal and state laws, rules, or regulations.

21.8(2) *Information required.* In addition to the information requirements for a prescription, an electronically transmitted prescription drug order shall identify the transmitter's telephone number for verbal confirmation, the time and date of transmission, and the pharmacy intended to receive the transmission as well as any other information required by federal or state laws, rules, or regulations.

21.8(3) *Who may transmit.* Orders shall be initiated and authorized only by a prescriber licensed and authorized under state law to prescribe the drug or device identified in the prescription and shall include the prescriber's electronic signature. An order for a controlled substance shall include the prescriber's DEA registration number. Orders may be transmitted by the prescriber or the prescriber's agent. An order transmitted by the prescriber's agent shall include the agent's first and last names and title.

21.8(4) *Original prescription.* The electronic transmission shall be deemed the original prescription drug order provided it meets the requirements of this rule. The electronic transmission of a prescription drug order for a controlled substance shall meet all requirements of the DEA for electronic prescribing. An electronically prepared and transmitted prescription shall be maintained electronically in the prescriber's electronic prescription application and the pharmacy prescription application for a minimum period of two years following the date of last activity on that prescription record.

21.8(5) *Failure of electronic transmission.* If the transmission of an electronic prescription fails, the intermediary shall notify the prescriber of that transmission failure and the prescriber may print the prescription, manually sign the printed prescription, and deliver the prescription to the pharmacy via facsimile transmission. The faxed prescription shall indicate that it was originally transmitted to the named pharmacy, the date and time of the original electronic transmission, and the fact that the original transmission failed.

[ARC 9912B, IAB 12/14/11, effective 1/18/12; ARC 2639C, IAB 8/3/16, effective 9/7/16]

657—21.9(124,155A) Facsimile transmission (fax) of a prescription. A pharmacist may dispense noncontrolled and controlled drugs, excluding Schedule II controlled substances, pursuant to a prescription faxed to the pharmacy by the prescribing practitioner or the practitioner's agent. A pharmacist may dispense a Schedule II controlled substance to fill an emergency prescription authorization pursuant to the requirements of rule 657—10.22(124). The means of transmission via facsimile shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare a written prescription. The faxed prescription drug order shall serve as the original prescription, shall be maintained for a minimum of two years from the date of last fill or refill, and shall contain all information required by Iowa Code section 155A.27, including the prescriber's signature or electronic signature. The faxed prescription drug order, if transmitted by the practitioner's agent, shall identify the transmitting agent by first and last names and title and shall include the prescriber's signature or electronic signature. A prescription for a controlled substance shall include the prescriber's manual signature. If the controlled substance

prescription is not manually signed by the prescriber, the pharmacist shall orally verify the authenticity and the content of the prescription by contacting the prescriber or the prescriber's agent via telephone. The receiving pharmacist shall be responsible for verifying the authenticity of an electronically transmitted prescription or of an electronic signature as provided by rule 657—8.19(124,126,155A) or 657—21.3(124,155A). This rule shall not apply to a prescription drug order transmitted pursuant to 657—paragraph 8.15(1)“d.”

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 8171B, IAB 9/23/09, effective 10/28/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.10 and 21.11 Reserved.

657—21.12(124,155A) Prescription drug orders for Schedule II controlled substances. A pharmacist may dispense Schedule II controlled substances pursuant to an electronic transmission to the pharmacy of an electronically prepared prescription if both the prescriber's electronic prescription application and the pharmacy prescription application have been certified to comply with DEA requirements for electronic prescribing of controlled substances. Records of electronically prepared and transmitted prescriptions shall be maintained electronically. A pharmacist may dispense Schedule II controlled substances pursuant to facsimile transmission to the pharmacy of a written, signed prescription from the prescribing practitioner or the practitioner's agent provided that the original written, signed prescription is received by the pharmacist prior to the actual dispensing of the controlled substance. An emergency authorization transmitted to the pharmacy by the practitioner's agent shall include the first and last names and title of the individual who transmitted the prescription. The means of transmission shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare a written prescription. The original prescription shall be verified against the transmission at the time the substance is actually dispensed, shall be properly annotated, and shall be retained with the electronic transmission for filing.

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.13(124,155A) Facsimile transmission of a prescription for Schedule II controlled substances—emergency situations. A pharmacist may in an emergency situation as defined in 657—subrule 10.22(1) dispense Schedule II controlled substances pursuant to a facsimile transmission to the pharmacy of a written, signed prescription from the prescribing practitioner or the practitioner's agent pursuant to the requirements of 657—10.22(124). The facsimile or a print of the facsimile transmission shall serve as the temporary written record required by 657—subrule 10.22(2).

[ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.14(124,155A) Facsimile transmission of a prescription for Schedule II narcotic substances—parenteral. A prescription for a nonoral dosage unit of a Schedule II narcotic substance to be compounded for the direct administration to a patient by parenteral, intravenous, intramuscular, subcutaneous, or intraspinal infusion may be transmitted by a practitioner or the practitioner's agent to the pharmacy via facsimile. If the prescription is transmitted by the practitioner's agent, the transmission shall include the first and last names and title of the individual who transmitted the prescription. The means of transmission shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare a written prescription. The facsimile serves as the original written prescription.

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.15(124,155A) Facsimile transmission of Schedule II controlled substances—long-term care facility patients. A prescription for any Schedule II controlled substance for a resident of a long-term care facility may be transmitted by the practitioner or the practitioner's agent to the dispensing pharmacy via facsimile. If the prescription is transmitted by the practitioner's agent, the transmission shall include the first and last names and title of the individual who transmitted the prescription. The means of transmission shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare a written prescription.

21.15(1) Original prescription. The facsimile serves as the original written prescription.

21.15(2) Information required. The patient's address on the prescription shall indicate that the address location is a long-term care facility.

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

657—21.16(124,155A) Facsimile transmission of Schedule II controlled substances—hospice patients. A prescription for a Schedule II controlled substance for a patient enrolled in a hospice care program licensed pursuant to Iowa Code chapter 135J or a program certified or paid for by Medicare under Title XVIII may be transmitted via facsimile by the practitioner or the practitioner's agent to the dispensing pharmacy. If the prescription is transmitted by the practitioner's agent, the transmission shall include the first and last names and title of the individual who transmitted the prescription. The means of transmission shall ensure that prescription information is not obscured or rendered illegible due to security features of the paper utilized by the prescriber to prepare a written prescription.

21.16(1) Original prescription. The facsimile serves as the original written prescription.

21.16(2) Information required. The practitioner or the practitioner's agent shall note on the prescription that the patient is a hospice patient.

[ARC 7636B, IAB 3/11/09, effective 4/15/09; ARC 9912B, IAB 12/14/11, effective 1/18/12]

These rules are intended to implement Iowa Code sections 124.301, 124.306, 124.308, 155A.27, and 155A.35.

[Filed 9/16/97, Notice 7/16/97—published 10/8/97, effective 11/12/97]

[Filed 7/31/98, Notice 5/20/98—published 8/26/98, effective 9/30/98]

[Filed 8/14/02, Notice 6/12/02—published 9/4/02, effective 10/9/02]

[Filed 10/22/04, Notice 3/31/04—published 11/10/04, effective 12/15/04]

[Filed 6/2/05, Notice 1/19/05—published 6/22/05, effective 7/27/05]

[Filed 6/2/05, Notice 3/16/05—published 6/22/05, effective 7/27/05]

[Filed 2/7/07, Notice 10/25/06—published 2/28/07, effective 4/4/07]

[Filed 8/3/07, Notice 6/20/07—published 8/29/07, effective 10/3/07]

[Filed ARC 7636B (Notice ARC 7448B, IAB 12/31/08), IAB 3/11/09, effective 4/15/09]

[Filed ARC 8171B (Notice ARC 7910B, IAB 7/1/09), IAB 9/23/09, effective 10/28/09]

[Filed ARC 9912B (Notice ARC 9671B, IAB 8/10/11), IAB 12/14/11, effective 1/18/12]

[Filed ARC 2639C (Notice ARC 2498C, IAB 4/13/16), IAB 8/3/16, effective 9/7/16]

REVENUE DEPARTMENT[701]

Created by 1986 Iowa Acts, chapter 1245.

CHAPTERS 1 and 2

Reserved

CHAPTER 3

VOLUNTARY DISCLOSURE PROGRAM

3.1(421,422,423) Voluntary disclosure program

CHAPTER 4

MULTILEVEL MARKETER AGREEMENTS

4.1(421) Multilevel marketers—in general

CHAPTER 5

PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

(Uniform Rules)

5.1(17A,22) Definitions
 5.3(17A,22) Requests for access to records
 5.6(17A,22) Procedure by which additions, dissents, or objections may be entered into certain records
 5.9(17A,22) Disclosures without the consent of the subject
 5.10(17A,22) Routine use
 5.11(17A,22) Consensual disclosure of confidential records
 5.12(17A,22) Release to subject
 5.13(17A,22) Availability of records
 5.14(17A,22) Personally identifiable information
 5.15(17A,22) Other groups of records
 5.16(17A,22) Applicability

TITLE I

ADMINISTRATION

CHAPTER 6

ORGANIZATION, PUBLIC INSPECTION

6.1(17A) Establishment, organization, general course and method of operations, methods by which and location where the public may obtain information or make submissions or requests
 6.2(17A) Public inspection
 6.3(17A) Examination of records
 6.4(17A) Copies of proposed rules
 6.5(17A) Regulatory analysis procedures
 6.6(422) Retention of records and returns by the department
 6.7(68B) Consent to sell
 6.8(421) Tax return extension in disaster areas

CHAPTER 7

PRACTICE AND PROCEDURE BEFORE THE DEPARTMENT OF REVENUE

7.1(421,17A) Applicability and scope of rules
 7.2(421,17A) Definitions
 7.3(17A) Business hours
 7.4(17A) Computation of time, filing of documents
 7.5(17A) Form and style of papers
 7.6(17A) Persons authorized to represent themselves or others

7.7(17A)	Resolution of tax liability
7.8(17A)	Protest
7.9(17A)	Identifying details
7.10(17A)	Docket
7.11(17A)	Informal procedures and dismissals of protests
7.12(17A)	Answer
7.13(17A)	Subpoenas
7.14(17A)	Commencement of contested case proceedings
7.15(17A)	Discovery
7.16(17A)	Prehearing conference
7.17(17A)	Contested case proceedings
7.18(17A)	Interventions
7.19(17A)	Record and transcript
7.20(17A)	Application for rehearing
7.21(17A)	Service
7.22(17A)	Ex parte communications and disqualification
7.23(17A)	Licenses
7.24(17A)	Declaratory order—in general
7.25(17A)	Department procedure for rule making
7.26(17A)	Public inquiries on rule making and the rule-making records
7.27(17A)	Criticism of rules
7.28(17A)	Waiver or variance of certain department rules
7.29(17A)	Petition for rule making
7.30(9C,91C)	Procedure for nonlocal business entity bond forfeitures
7.31(421)	Abatement of unpaid tax
7.32(421)	Time and place of taxpayer interviews
7.33(421)	Mailing to the last-known address
7.34(421)	Power of attorney
7.35(421)	Taxpayer designation of tax type and period to which voluntary payments are to be applied

CHAPTER 8 FORMS AND COMMUNICATIONS

8.1(17A)	Definitions
8.2(17A)	Official forms
8.3(17A)	Substitution of official forms
8.4(17A)	Description of forms
8.5(422)	Electronic filing of Iowa income tax returns

CHAPTER 9 FILING AND EXTENSION OF TAX LIENS AND CHARGING OFF UNCOLLECTIBLE TAX ACCOUNTS

9.1(422,423)	Definitions
9.2(422,423)	Lien attaches
9.3(422,423)	Purpose of filing
9.4(422,423)	Place of filing
9.5(422,423)	Time of filing
9.6(422,423)	Period of lien
9.7(422,423)	Fees

CHAPTER 10

INTEREST, PENALTY, EXCEPTIONS TO PENALTY, AND JEOPARDY ASSESSMENTS

10.1(421)	Definitions	
10.2(421)	Interest	
10.3(422,423,450,452A)	Interest on refunds and unpaid tax	
10.4(421)	Frivolous return penalty	
10.5(421)	Improper receipt of credit or refund	
		PENALTY FOR TAX PERIOD BEGINNING AFTER JANUARY 1, 1991
10.6(421)	Penalties	
10.7(421)	Waiver of penalty—definitions	
10.8(421)	Penalty exceptions	
10.9(421)	Notice of penalty exception for one late return in a three-year period	
10.10 to 10.19	Reserved	
		RETAIL SALES
10.20 to 10.29	Reserved	
		USE
10.30 to 10.39	Reserved	
		INDIVIDUAL INCOME
10.40 to 10.49	Reserved	
		WITHHOLDING
10.50 to 10.55	Reserved	
		CORPORATE
10.56 to 10.65	Reserved	
		FINANCIAL INSTITUTIONS
10.66 to 10.70	Reserved	
		MOTOR FUEL
10.71(452A)	Penalty and enforcement provisions	
10.72(452A)	Interest	
10.73 to 10.75	Reserved	
		CIGARETTES AND TOBACCO
10.76(453A)	Penalties	
10.77(453A)	Interest	
10.78	Reserved	
10.79(453A)	Request for statutory exception to penalty	
10.80 to 10.84	Reserved	
		INHERITANCE
10.85 to 10.89	Reserved	
		IOWA ESTATE
10.90 to 10.95	Reserved	
		GENERATION SKIPPING
10.96 to 10.100	Reserved	
		FIDUCIARY INCOME
10.101 to 10.109	Reserved	
		HOTEL AND MOTEL
10.110 to 10.114	Reserved	

ALL TAXES

- 10.115(421) Application of payments to penalty, interest, and then tax due for payments made on or after January 1, 1995, unless otherwise designated by the taxpayer

JEOPARDY ASSESSMENTS

- 10.116(422,453B) Jeopardy assessments
 10.117(422,453B) Procedure for posting bond
 10.118(422,453B) Time limits
 10.119(422,453B) Amount of bond
 10.120(422,453B) Posting of bond
 10.121(422,453B) Order
 10.122(422,453B) Director's order
 10.123(422,453B) Type of bond
 10.124(422,453B) Form of surety bond
 10.125(422,453B) Duration of the bond
 10.126(422,453B) Exoneration of the bond

TITLE II
EXCISECHAPTER 11
ADMINISTRATION

- 11.1(422,423) Definitions
 11.2(422,423) Statute of limitations
 11.3(422,423) Credentials and receipts
 11.4(422,423) Retailers required to keep records
 11.5(422,423) Audit of records
 11.6(422,423) Billings
 11.7(422,423) Collections
 11.8(422,423) No property exempt from distress and sale
 11.9(422,423) Information confidential
 11.10(423) Bonding procedure

CHAPTER 12

FILING RETURNS, PAYMENT OF TAX, PENALTY AND INTEREST

- 12.1(422) Returns and payment of tax
 12.2(422,423) Remittances
 12.3(422) Permits and negotiated rate agreements
 12.4(422) Nonpermit holders
 12.5(422,423) Regular permit holders responsible for collection of tax
 12.6(422,423) Sale of business
 12.7(422) Bankruptcy, insolvency or assignment for benefit of creditors
 12.8(422) Vending machines and other coin-operated devices
 12.9(422) Claim for refund of tax
 12.10(423) Audit limitation for certain services
 12.11 Reserved
 12.12(422) Extension of time for filing
 12.13(422) Determination of filing status
 12.14(422,423) Immediate successor liability for unpaid tax
 12.15(422,423) Officers and partners—personal liability for unpaid tax
 12.16(422) Show sponsor liability
 12.17(422) Purchaser liability for unpaid sales tax
 12.18(423) Biodiesel production refund
 12.19(15) Sales and use tax refund for eligible businesses

CHAPTER 13
PERMITS

13.1(422)	Retail sales tax permit required
13.2(422)	Application for permit
13.3(422)	Permit not transferable—sale of business
13.4(422)	Permit—consolidated return optional
13.5(422)	Retailers operating a temporary business
13.6(422)	Reinstatement of canceled permit
13.7(422)	Reinstatement of revoked permit
13.8(422)	Withdrawal of permit
13.9(422)	Loss or destruction of permit
13.10(422)	Change of location
13.11(422)	Change of ownership
13.12(422)	Permit posting
13.13(422)	Trustees, receivers, executors and administrators
13.14(422)	Vending machines and other coin-operated devices
13.15(422)	Other amusements
13.16(422)	Substantially delinquent tax—denial of permit
13.17(422)	Substantially delinquent tax—revocation of permit

CHAPTER 14
COMPUTATION OF TAX

14.1(422)	Tax not to be included in price
14.2(422,423,77GA, ch1130)	Retail bracket system for state sales and local option sales and service tax
14.3(422,423)	Taxation of transactions due to rate change

CHAPTER 15
DETERMINATION OF A SALE AND SALE PRICE

15.1(422)	Conditional sales to be included in gross sales
15.2(422,423)	Repossessed goods
15.3(422,423)	Exemption certificates, direct pay permits, fuel used in processing, and beer and wine wholesalers
15.4(422,423)	Bad debts
15.5(422,423)	Recovery of bad debts by collection agency or attorney
15.6(422,423)	Discounts, rebates and coupons
15.7	Reserved
15.8(422,423)	Returned merchandise
15.9(422)	Goods damaged in transit
15.10(422)	Consignment sales
15.11(422,423)	Leased departments
15.12(422,423)	Excise tax included in and excluded from gross receipts
15.13(422,423)	Freight, other transportation charges, and exclusions from the exemption applicable to these services
15.14(422,423)	Installation charges when tangible personal property is sold at retail
15.15(422)	Premiums and gifts
15.16(422)	Gift certificates
15.17(422,423)	Finance charge
15.18(422,423)	Coins and other currency exchanged at greater than face value
15.19(422,423)	Trade-ins
15.20(422,423)	Corporate mergers which do not involve taxable sales of tangible personal property or services

CHAPTER 16
TAXABLE SALES

16.1(422)	Tax imposed
16.2(422)	Used or secondhand tangible personal property
16.3(422,423)	Tangible personal property used or consumed by the manufacturer thereof
16.4(422,423)	Patterns, dies, jigs, tools, and manufacturing or printing aids
16.5(422,423)	Explosives used in mines, quarries and elsewhere
16.6(422,423)	Electrotypes, types, zinc etchings, halftones, stereotypes, color process plates and wood mounts
16.7	Reserved
16.8(422,423)	Wholesalers and jobbers selling at retail
16.9(422,423)	Materials and supplies sold to retail stores
16.10(422,423)	Sales to certain corporations organized under federal statutes
16.11(422,423)	Paper plates, paper cups, paper dishes, paper napkins, paper, wooden or plastic spoons and forks and straws
16.12(422)	Tangible personal property purchased for resale but incidentally consumed by the purchaser
16.13(422)	Property furnished without charge by employers to employees
16.14(422)	Sales in interstate commerce—goods delivered into this state
16.15(422)	Owners or operators of buildings
16.16(422,423)	Tangible personal property made to order
16.17(422,423)	Blacksmith and machine shops
16.18(422,423)	Sales of signs at retail
16.19(422,423)	Products sold by cooperatives to members or patrons
16.20(422,423)	Municipal utilities, investor-owned utilities, or municipal or rural electrification cooperatives or associations
16.21(422,423)	Sale of pets
16.22(422,423)	Sales on layaway
16.23(422)	Meal tickets, coupon books, and merchandise cards
16.24(422,423)	Truckers engaged in retail business
16.25(422,423)	Foreign truckers selling at retail in Iowa
16.26(422)	Admissions to amusements, athletic events, commercial amusement enterprises, fairs, and games
16.27 and 16.28	Reserved
16.29(422)	Rental of personal property in connection with the operation of amusements
16.30(422)	Commercial amusement enterprises—companies or persons which contract to furnish show for fixed fee
16.31	Reserved
16.32(422)	River steamboats
16.33(422)	Pawnbrokers
16.34(422,423)	Druggists and pharmacists
16.35(422,423)	Memorial stones
16.36(422)	Communication services furnished by hotel to its guests
16.37(422)	Private clubs
16.38	Reserved
16.39(422)	Athletic events
16.40(422,423)	Iowa dental laboratories
16.41(422,423)	Dental supply houses
16.42(422)	News distributors and magazine distributors
16.43(422,423)	Magazine subscriptions by independent dealers
16.44(422,423)	Sales by finance companies
16.45(422,423)	Sale of baling wire and baling twine

16.46(422,423)	Snowmobiles and motorboats
16.47(422)	Conditional sales contracts
16.48(422,423)	Carpeting and other floor coverings
16.49(422,423)	Bowling
16.50(422,423)	Various special problems relating to public utilities
16.51(422,423)	Sales of services treated as sales of tangible personal property
16.52(422,423)	Sales of prepaid merchandise cards

CHAPTER 17

EXEMPT SALES

17.1(422,423)	Gross receipts expended for educational, religious, and charitable purposes
17.2(422)	Fuel used in processing—when exempt
17.3(422,423)	Processing exemptions
17.4(422,423)	Commercial fertilizer and agricultural limestone
17.5(422,423)	Sales to the American Red Cross, the Coast Guard Auxiliary, Navy-Marine Corps Relief Society, and U.S.O
17.6(422,423)	Sales of vehicles subject to registration—new and used—by dealers
17.7(422,423)	Sales to certain federal corporations
17.8(422)	Sales in interstate commerce—goods transported or shipped from this state
17.9(422,423)	Sales of breeding livestock, fowl and certain other property used in agricultural production
17.10(422,423)	Materials used for seed inoculations
17.11(422,423)	Educational institution
17.12(422)	Coat or hat checkrooms
17.13(422,423)	Railroad rolling stock
17.14(422,423)	Chemicals, solvents, sorbents, or reagents used in processing
17.15(422,423)	Demurrage charges
17.16(422,423)	Sale of a draft horse
17.17(422,423)	Beverage container deposits
17.18(422,423)	Films, video tapes and other media, exempt rental and sale
17.19(422,423)	Gross receipts from the sale or rental of tangible personal property or from services performed, rendered, or furnished to certain nonprofit corporations exempt from tax
17.20(422)	Raffles
17.21(422)	Exempt sales of prizes
17.22(422,423)	Modular homes
17.23(422,423)	Sales to other states and their political subdivisions
17.24(422)	Nonprofit private museums
17.25(422,423)	Exempt sales by excursion boat licensees
17.26(422,423)	Bedding for agricultural livestock or fowl
17.27(422,423)	Statewide notification center service exemption
17.28(422,423)	State fair and fair societies
17.29(422,423)	Reciprocal shipment of wines
17.30(422,423)	Nonprofit organ procurement organizations
17.31(422,423)	Sale of electricity to water companies
17.32(422)	Food and beverages sold by certain organizations are exempt
17.33(422,423)	Sales of building materials, supplies and equipment to not-for-profit rural water districts
17.34(422,423)	Sales to hospices
17.35(422,423)	Sales of livestock ear tags
17.36(422,423)	Sale or rental of information services
17.37(422,423)	Temporary exemption from sales tax on certain utilities

17.38(422,423)	State sales tax phase-out on energies
17.39(422,423)	Art centers
17.40(422,423)	Community action agencies
17.41(422,423)	Legislative service bureau

CHAPTER 18

TAXABLE AND EXEMPT SALES DETERMINED BY METHOD
OF TRANSACTION OR USAGE

18.1(422,423)	Tangible personal property purchased from the United States government
18.2(422,423)	Sales of butane, propane and other like gases in cylinder drums, etc.
18.3(422,423)	Chemical compounds used to treat water
18.4(422)	Mortgages and trustees
18.5(422,423)	Sales to agencies or instrumentalities of federal, state, county and municipal government
18.6(422,423)	Relief agencies
18.7(422,423)	Containers, including packing cases, shipping cases, wrapping material and similar items
18.8(422)	Auctioneers
18.9(422)	Sales by farmers
18.10(422,423)	Florists
18.11(422,423)	Landscaping materials
18.12(422,423)	Hatcheries
18.13(422,423)	Sales by the state of Iowa, its agencies and instrumentalities
18.14(422,423)	Sales of livestock and poultry feeds
18.15(422,423)	Student fraternities and sororities
18.16(422,423)	Photographers and photostaters
18.17(422,423)	Gravel and stone
18.18(422,423)	Sale of ice
18.19(422,423)	Antiques, curios, old coins or collector's postage stamps
18.20(422,423)	Communication services
18.21(422,423)	Morticians or funeral directors
18.22(422,423)	Physicians, dentists, surgeons, ophthalmologists, oculists, optometrists, and opticians
18.23(422)	Veterinarians
18.24(422,423)	Hospitals, infirmaries and sanitariums
18.25(422,423)	Warranties and maintenance contracts
18.26(422)	Service charge and gratuity
18.27(422)	Advertising agencies, commercial artists, and designers
18.28(422,423)	Casual sales
18.29(422,423)	Processing, a definition of the word, its beginning and completion characterized with specific examples of processing
18.30(422)	Taxation of American Indians
18.31(422,423)	Tangible personal property purchased by one who is engaged in the performance of a service
18.32(422,423)	Sale, transfer or exchange of tangible personal property or taxable enumerated services between affiliated corporations
18.33(422,423)	Printers' and publishers' supplies exemption with retroactive effective date
18.34(422,423)	Automatic data processing
18.35(422,423)	Drainage tile
18.36(422,423)	True leases and purchases of tangible personal property by lessors
18.37(422,423)	Motor fuel, special fuel, aviation fuels and gasoline
18.38(422,423)	Urban transit systems

18.39(422,423)	Sales or services rendered, furnished, or performed by a county or city
18.40(422,423)	Renting of rooms
18.41(422,423)	Envelopes for advertising
18.42(422,423)	Newspapers, free newspapers and shoppers' guides
18.43(422,423)	Written contract
18.44(422,423)	Sale or rental of farm machinery and equipment
18.45(422,423)	Sale or rental of computers, industrial machinery and equipment; refund of and exemption from tax paid for periods prior to July 1, 1997
18.46(422,423)	Automotive fluids
18.47(422,423)	Maintenance or repair of fabric or clothing
18.48(422,423)	Sale or rental of farm machinery, equipment, replacement parts, and repairs used in livestock, dairy, or plant production
18.49(422,423)	Aircraft sales, rental, component parts, and services exemptions prior to, on, and after July 1, 1999
18.50(422,423)	Property used by a lending organization
18.51(422,423)	Sales to nonprofit legal aid organizations
18.52(422,423)	Irrigation equipment used in farming operations
18.53(422,423)	Sales to persons engaged in the consumer rental purchase business
18.54(422,423)	Sales of advertising material
18.55(422,423)	Drop shipment sales
18.56(422,423)	Wind energy conversion property
18.57(422,423)	Exemptions applicable to the production of flowering, ornamental, and vegetable plants
18.58(422,423)	Exempt sales or rentals of computers, industrial machinery and equipment, and exempt sales of fuel and electricity on and after July 1, 1997
18.59(422,423)	Exempt sales to nonprofit hospitals
18.60(422,423)	Exempt sales of gases used in the manufacturing process
18.61(422,423)	Exclusion from tax for property delivered by certain media

CHAPTER 19

SALES AND USE TAX ON CONSTRUCTION ACTIVITIES

19.1(422,423)	General information
19.2(422,423)	Contractors are consumers of building materials, supplies, and equipment by statute
19.3(422,423)	Sales of building materials, supplies, and equipment to contractors, subcontractors, builders or owners
19.4(422,423)	Contractors, subcontractors or builders who are retailers
19.5(422,423)	Building materials, supplies, and equipment used in the performance of construction contracts within and outside Iowa
19.6(422,423)	Prefabricated structures
19.7(422,423)	Types of construction contracts
19.8(422,423)	Machinery and equipment sales contracts with installation
19.9(422,423)	Construction contracts with equipment sales (mixed contracts)
19.10(422,423)	Distinguishing machinery and equipment from real property
19.11(422,423)	Tangible personal property which becomes structures
19.12(422,423)	Construction contracts with tax exempt entities
19.13(422,423)	Tax on enumerated services
19.14(422,423)	Transportation cost
19.15(422,423)	Start-up charges
19.16(422,423)	Liability of subcontractors
19.17(422,423)	Liability of sponsors
19.18(422,423)	Withholding

- 19.19(422,423) Resale certificates
- 19.20(423) Reporting for use tax

CHAPTER 20

FOODS FOR HUMAN CONSUMPTION, PRESCRIPTION DRUGS, INSULIN,
HYPODERMIC SYRINGES, DIABETIC TESTING MATERIALS, PROSTHETIC,
ORTHOTIC OR ORTHOPEDIC DEVICES

- 20.1(422,423) Foods for human consumption
- 20.2(422,423) Food coupon rules
- 20.3(422,423) Nonparticipating retailer in the food coupon program
- 20.4(422,423) Determination of eligible foods
- 20.5(422,423) Meals and prepared food
- 20.6(422,423) Vending machines
- 20.7(422,423) Prescription drugs and devices
- 20.8(422,423) Exempt sales of nonprescription medical devices, other than prosthetic devices
- 20.9(422,423) Prosthetic, orthotic and orthopedic devices
- 20.10(422,423) Sales and rentals covered by Medicaid and Medicare
- 20.11(422,423) Reporting
- 20.12(422,423) Exempt sales of clothing and footwear during two-day period in August

CHAPTERS 21 to 25

Reserved

TITLE III

SALES TAX ON SERVICES

CHAPTER 26

SALES AND USE TAX ON SERVICES

- 26.1(422) Definition and scope
- 26.2(422) Enumerated services exempt
- 26.3(422) Alteration and garment repair
- 26.4(422) Armored car
- 26.5(422) Vehicle repair
- 26.6(422) Battery, tire and allied
- 26.7(422) Investment counseling
- 26.8(422) Bank and financial institution service charges
- 26.9(422) Barber and beauty
- 26.10(422) Boat repair
- 26.11(422) Car and vehicle wash and wax
- 26.12(422) Carpentry
- 26.13(422) Roof, shingle and glass repair
- 26.14(422) Dance schools and dance studios
- 26.15(422) Dry cleaning, pressing, dyeing and laundering
- 26.16(422) Electrical and electronic repair and installation
- 26.17(422) Engraving, photography and retouching
- 26.18(422,423) Equipment and tangible personal property rental
- 26.19(422) Excavating and grading
- 26.20(422) Farm implement repair of all kinds
- 26.21(422) Flying service
- 26.22(422) Furniture, rug, upholstery, repair and cleaning
- 26.23(422) Fur storage and repair
- 26.24(422) Golf and country clubs and all commercial recreation
- 26.25(422) House and building moving
- 26.26(422) Household appliance, television and radio repair

26.27(422)	Jewelry and watch repair
26.28(422)	Machine operators
26.29(422)	Machine repair of all kinds
26.30(422)	Motor repair
26.31(422)	Motorcycle, scooter and bicycle repair
26.32(422)	Oilers and lubricators
26.33(422)	Office and business machine repair
26.34(422)	Painting, papering and interior decorating
26.35(422)	Parking facilities
26.36(422)	Pipe fitting and plumbing
26.37(422)	Wood preparation
26.38(422)	Private employment agency, executive search agency
26.39(422)	Printing and binding
26.40(422)	Sewing and stitching
26.41(422)	Shoe repair and shoeshine
26.42(422)	Storage warehousing, storage locker, and storage warehousing of raw agricultural products and household goods
26.43(422,423)	Telephone answering service
26.44(422)	Test laboratories
26.45(422)	Termite, bug, roach, and pest eradicators
26.46(422)	Tin and sheet metal repair
26.47(422)	Turkish baths, massage, and reducing salons
26.48(422)	Vulcanizing, recapping or retreading
26.49	Reserved
26.50(422)	Weighing
26.51(422)	Welding
26.52(422)	Well drilling
26.53(422)	Wrapping, packing and packaging of merchandise other than processed meat, fish, fowl and vegetables
26.54(422)	Wrecking service
26.55(422)	Wrecker and towing
26.56(422)	Cable and pay television
26.57(422)	Camera repair
26.58(422)	Campgrounds
26.59(422)	Gun repair
26.60(422)	Janitorial and building maintenance or cleaning
26.61(422)	Lawn care
26.62(422)	Landscaping
26.63(422)	Pet grooming
26.64(422)	Reflexology
26.65(422)	Tanning beds and tanning salons
26.66(422)	Tree trimming and removal
26.67(422)	Water conditioning and softening
26.68(422)	Motor vehicle, recreational vehicle and recreational boat rental
26.69(422)	Security and detective services
26.70	Reserved
26.71(422,423)	Solid waste collection and disposal services
26.72(422,423)	Sewage services
26.73	Reserved
26.74(422,423)	Aircraft rental
26.75(422,423)	Sign construction and installation
26.76(422,423)	Swimming pool cleaning and maintenance

26.77(422,423)	Taxidermy
26.78(422,423)	Mini-storage
26.79(422,423)	Dating services
26.80(422,423)	Limousine service
26.81(422)	Sales of bundled services contracts

CHAPTER 27

AUTOMOBILE RENTAL EXCISE TAX

27.1(422,422C,423)	Definitions and characterizations
27.2(422,422C,423)	Tax imposed upon rental of automobiles
27.3(422,422C,423)	Lessor's obligation to collect tax
27.4(422,422C,423)	Administration of tax

TITLE IV
USE

CHAPTER 28

DEFINITIONS

28.1(423)	Taxable use defined
28.2(423)	Processing of property defined
28.3(423)	Purchase price defined
28.4(423)	Retailer maintaining a place of business in this state defined

CHAPTER 29

CERTIFICATES

29.1(423)	Certificate of registration
29.2(423)	Cancellation of certificate of registration
29.3(423)	Certificates of resale, direct pay permits, or processing

CHAPTER 30

FILING RETURNS, PAYMENT OF TAX, PENALTY AND INTEREST

30.1(423)	Liability for use tax and denial and revocation of permit
30.2(423)	Measure of use tax
30.3(421,423)	Consumer's use tax return
30.4(423)	Retailer's use tax return
30.5(423)	Collection requirements of registered retailers
30.6(423)	Bracket system to be used by registered vendors
30.7(423)	Sales tax or use tax paid to another state
30.8(423)	Registered retailers selling tangible personal property on a conditional sale contract basis
30.9(423)	Registered vendors repossessing goods sold on a conditional sale contract basis
30.10(423)	Penalties for late filing of a monthly tax deposit or use tax returns
30.11(423)	Claim for refund of use tax
30.12(423)	Extension of time for filing

CHAPTER 31

RECEIPTS SUBJECT TO USE TAX

31.1(423)	Transactions consummated outside this state
31.2(423)	Goods coming into this state
31.3(423)	Sales by federal government or agencies to consumers
31.4(423)	Sales for lease of vehicles subject to registration—taxation and exemptions
31.5(423)	Motor vehicle use tax on long-term leases
31.6(423)	Sales of aircraft subject to registration
31.7(423)	Communication services

CHAPTER 32
RECEIPTS EXEMPT FROM USE TAX

- 32.1(423) Tangible personal property and taxable services subject to sales tax
- 32.2(423) Sales tax exemptions applicable to use tax
- 32.3(423) Mobile homes and manufactured housing
- 32.4(423) Exemption for vehicles used in interstate commerce
- 32.5(423) Exemption for transactions if sales tax paid
- 32.6(423) Exemption for ships, barges, and other waterborne vessels
- 32.7(423) Exemption for containers
- 32.8(423) Exemption for building materials used outside this state
- 32.9(423) Exemption for vehicles subject to registration
- 32.10(423) Exemption for vehicles operated under Iowa Code chapter 326
- 32.11(423) Exemption for vehicles purchased for rental or lease
- 32.12(423) Exemption for vehicles previously purchased for rental
- 32.13(423) Exempt use of aircraft on and after July 1, 1999

CHAPTER 33
RECEIPTS SUBJECT TO USE TAX DEPENDING ON
METHOD OF TRANSACTION

- 33.1 Reserved
- 33.2(423) Federal manufacturer's or retailer's excise tax
- 33.3(423) Fuel consumed in creating power, heat or steam for processing or generating electric current
- 33.4(423) Repair of tangible personal property outside the state of Iowa
- 33.5(423) Taxation of American Indians
- 33.6(422,423) Exemption for property used in Iowa only in interstate commerce
- 33.7(423) Property used to manufacture certain vehicles to be leased
- 33.8(423) Out-of-state rental of vehicles subject to registration subsequently used in Iowa
- 33.9(423) Sales of mobile homes, manufactured housing, and related property and services
- 33.10(423) Tax imposed on the use of manufactured housing as tangible personal property and as real estate

CHAPTER 34
VEHICLES SUBJECT TO REGISTRATION

- 34.1(422,423) Definitions
- 34.2(423) County treasurer shall collect tax
- 34.3(423) Returned vehicles and tax refunded by manufacturers
- 34.4(423) Use tax collections required
- 34.5(423) Exemptions
- 34.6(423) Vehicles subject to registration received as gifts or prizes
- 34.7(423) Titling of used foreign vehicles by dealers
- 34.8(423) Dealer's retail sales tax returns
- 34.9(423) Affidavit forms
- 34.10(423) Exempt and taxable purchases of vehicles for taxable rental
- 34.11(423) Manufacturer's refund of use tax to a consumer, lessor, or lessee of a defective motor vehicle
- 34.12(423) Government payments for a motor vehicle which do not involve government purchases of the same
- 34.13(423) Transfers of vehicles resulting from corporate mergers and other types of corporate transfers
- 34.14(423) Refund of use tax paid on the purchase of a motor vehicle
- 34.15(423) Registration by manufacturers

34.16(423)	Rebates
34.17(321,423)	Repossession of a vehicle
34.18(423)	Federal excise tax
34.19(423)	Claiming an exemption from Iowa tax
34.20(423)	Affidavit forms
34.21(423)	Insurance companies

CHAPTERS 35 and 36
Reserved

CHAPTER 37
UNDERGROUND STORAGE TANK RULES
INCORPORATED BY REFERENCE

37.1(424)	Rules incorporated
-----------	--------------------

TITLE V
INDIVIDUAL

CHAPTER 38
ADMINISTRATION

38.1(422)	Definitions
38.2(422)	Statute of limitations
38.3(422)	Retention of records
38.4(422)	Authority for deductions
38.5(422)	Jeopardy assessments
38.6(422)	Information deemed confidential
38.7(422)	Power of attorney
38.8(422)	Delegations to audit and examine
38.9(422)	Bonding procedure
38.10(422)	Indexation
38.11(422)	Appeals of notices of assessment and notices of denial of taxpayer's refund claims
38.12(422)	Indexation of the optional standard deduction for inflation
38.13(422)	Reciprocal tax agreements
38.14(422)	Information returns for reporting income payments to the department of revenue
38.15(422)	Relief of innocent spouse for substantial understatement of tax attributable to other spouse
38.16(422)	Preparation of taxpayers' returns by department employees
38.17(422)	Resident determination
38.18(422)	Tax treatment of income repaid in current tax year which had been reported on prior Iowa individual income tax return
38.19(422)	Indication of dependent child health care coverage on tax return

CHAPTER 39
FILING RETURN AND PAYMENT OF TAX

39.1(422)	Who must file
39.2(422)	Time and place for filing
39.3(422)	Form for filing
39.4(422)	Filing status
39.5(422)	Payment of tax
39.6(422)	Minimum tax
39.7(422)	Tax on lump-sum distributions
39.8(422)	State income tax limited to taxpayer's net worth immediately before the distressed sale
39.9(422)	Special tax computation for all low-income taxpayers except single taxpayers

39.10(422)	Election to report excess income from sale or exchange of livestock due to drought in the next tax year
39.11(422)	Forgiveness of tax for an individual whose federal income tax was forgiven because the individual was killed outside the United States due to military or terroristic action
39.12(422)	Tax benefits for persons in the armed forces deployed outside the United States
39.13	Reserved
39.14(422)	Tax benefits for persons serving in support of the Bosnia-Herzegovina hazardous duty area
39.15(422)	Special tax computation for taxpayers who are 65 years of age or older

CHAPTER 40

DETERMINATION OF NET INCOME

40.1(422)	Net income defined
40.2(422)	Interest and dividends from federal securities
40.3(422)	Interest and dividends from foreign securities and securities of state and other political subdivisions
40.4	Reserved
40.5(422)	Military pay
40.6(422)	Interest and dividend income
40.7(422)	Current year capital gains and losses
40.8(422)	Gains and losses on property acquired before January 1, 1934
40.9(422)	Work opportunity tax credit and alcohol and cellulosic biofuel fuels credit
40.10 and 40.11	Reserved
40.12(422)	Income from partnerships or limited liability companies
40.13(422)	Subchapter "S" income
40.14(422)	Contract sales
40.15(422)	Reporting of incomes by married taxpayers who file a joint federal return but elect to file separately for Iowa income tax purposes
40.16(422)	Income of nonresidents
40.17(422)	Income of part-year residents
40.18(422)	Net operating loss carrybacks and carryovers
40.19(422)	Casualty losses
40.20(422)	Adjustments to prior years
40.21(422)	Additional deduction for wages paid or accrued for work done in Iowa by certain individuals
40.22(422)	Disability income exclusion
40.23(422)	Social security benefits
40.24(99E)	Lottery prizes
40.25 and 40.26	Reserved
40.27(422)	Incomes from distressed sales of qualifying taxpayers
40.28	Reserved
40.29(422)	Intangible drilling costs
40.30(422)	Percentage depletion
40.31(422)	Away-from-home expenses of state legislators
40.32(422)	Interest and dividends from regulated investment companies which are exempt from federal income tax
40.33	Reserved
40.34(422)	Exemption of restitution payments for persons of Japanese ancestry
40.35(422)	Exemption of Agent Orange settlement proceeds received by disabled veterans or beneficiaries of disabled veterans

40.36(422)	Exemption of interest earned on bonds issued to finance beginning farmer loan program
40.37(422)	Exemption of interest from bonds issued by the Iowa comprehensive petroleum underground storage tank fund board
40.38(422)	Capital gain deduction or exclusion for certain types of net capital gains
40.39(422)	Exemption of interest from bonds or notes issued to fund the E911 emergency telephone system
40.40(422)	Exemption of active-duty military pay of national guard personnel and armed forces reserve personnel received for services related to operation desert shield
40.41	Reserved
40.42(422)	Depreciation of speculative shell buildings
40.43(422)	Retroactive exemption for payments received for providing unskilled in-home health care services to a relative
40.44(422,541A)	Individual development accounts
40.45(422)	Exemption for distributions from pensions, annuities, individual retirement accounts, or deferred compensation plans received by nonresidents of Iowa
40.46(422)	Taxation of compensation of nonresident members of professional athletic teams
40.47(422)	Partial exclusion of pensions and other retirement benefits for disabled individuals, individuals who are 55 years of age or older, surviving spouses, and survivors
40.48(422)	Health insurance premiums deduction
40.49(422)	Employer social security credit for tips
40.50(422)	Computing state taxable amounts of pension benefits from state pension plans
40.51(422)	Exemption of active-duty military pay of national guard personnel and armed forces military reserve personnel for overseas services pursuant to military orders for peacekeeping in the Bosnia-Herzegovina area
40.52(422)	Mutual funds
40.53(422)	Deduction for contributions by taxpayers to the Iowa educational savings plan trust and addition to income for refunds of contributions previously deducted
40.54(422)	Roth individual retirement accounts
40.55(422)	Exemption of income payments for victims of the Holocaust and heirs of victims
40.56(422)	Taxation of income from the sale of obligations of the state of Iowa and its political subdivisions
40.57(422)	Installment sales by taxpayers using the accrual method of accounting
40.58(422)	Exclusion of distributions from retirement plans by national guard members and members of military reserve forces of the United States
40.59	Reserved
40.60(422)	Additional first-year depreciation allowance
40.61(422)	Exclusion of active duty pay of national guard members and armed forces military reserve members for service under orders for Operation Iraqi Freedom, Operation Noble Eagle, Operation Enduring Freedom or Operation New Dawn
40.62(422)	Deduction for overnight expenses not reimbursed for travel away from home of more than 100 miles for performance of service as a member of the national guard or armed forces military reserve
40.63(422)	Exclusion of income from military student loan repayments
40.64(422)	Exclusion of death gratuity payable to an eligible survivor of a member of the armed forces, including a member of a reserve component of the armed forces who has died while on active duty
40.65(422)	Section 179 expensing
40.66(422)	Deduction for certain unreimbursed expenses relating to a human organ transplant
40.67(422)	Deduction for alternative motor vehicles
40.68(422)	Injured veterans grant program

40.69(422)	Exclusion of ordinary or capital gain income realized as a result of involuntary conversion of property due to eminent domain
40.70(422)	Exclusion of income from sale, rental or furnishing of tangible personal property or services directly related to production of film, television or video projects
40.71(422)	Exclusion for certain victim compensation payments
40.72(422)	Exclusion of Vietnam Conflict veterans bonus
40.73(422)	Exclusion for health care benefits of nonqualified tax dependents
40.74(422)	Exclusion for AmeriCorps Segal Education Award
40.75(422)	Exclusion of certain amounts received from Iowa veterans trust fund
40.76(422)	Exemption of active duty pay for armed forces, armed forces military reserve, or the national guard
40.77(422)	Exclusion of biodiesel production refund
40.78(422)	Allowance of certain deductions for 2008 tax year
40.79(422)	Special filing provisions related to 2010 tax changes
40.80(422)	Exemption for military retirement pay

CHAPTER 41

DETERMINATION OF TAXABLE INCOME

41.1(422)	Verification of deductions required
41.2(422)	Federal rulings and regulations
41.3(422)	Federal income tax deduction and federal refund
41.4(422)	Optional standard deduction
41.5(422)	Itemized deductions
41.6(422)	Itemized deductions—separate returns by spouses
41.7(422)	Itemized deductions—part-year residents
41.8(422)	Itemized deductions—nonresidents
41.9(422)	Annualizing income
41.10(422)	Income tax averaging
41.11(422)	Reduction in state itemized deductions for certain high-income taxpayers
41.12(422)	Deduction for home mortgage interest for taxpayers with mortgage interest credit
41.13(422)	Iowa income taxes and Iowa tax refund

CHAPTER 42

ADJUSTMENTS TO COMPUTED TAX AND TAX CREDITS

42.1(257,422)	School district surtax
42.2(422D)	Emergency medical services income surtax
42.3(422)	Exemption credits
42.4(422)	Tuition and textbook credit for expenses incurred for dependents attending grades kindergarten through 12 in Iowa
42.5(422)	Nonresident and part-year resident credit
42.6(422)	Out-of-state tax credits
42.7(422)	Out-of-state tax credit for minimum tax
42.8(422)	Withholding and estimated tax credits
42.9(422)	Motor fuel credit
42.10(422)	Alternative minimum tax credit for minimum tax paid in a prior tax year
42.11(15,422)	Research activities credit
42.12(422)	New jobs credit
42.13(422)	Earned income credit
42.14(15)	Investment tax credit—new jobs and income program and enterprise zone program
42.15(422)	Child and dependent care credit
42.16(422)	Franchise tax credit
42.17(15E)	Eligible housing business tax credit

42.18(422)	Assistive device tax credit
42.19(404A,422)	Historic preservation and cultural and entertainment district tax credit for projects with Part 2 applications approved and tax credits reserved prior to July 1, 2014
42.20(422)	Ethanol blended gasoline tax credit
42.21(15E)	Eligible development business investment tax credit
42.22(15E,422)	Venture capital credits
42.23(15)	New capital investment program tax credits
42.24(15E,422)	Endow Iowa tax credit
42.25(422)	Soy-based cutting tool oil tax credit
42.26(15I,422)	Wage-benefits tax credit
42.27(422,476B)	Wind energy production tax credit
42.28(422,476C)	Renewable energy tax credit
42.29(15)	High quality job creation program
42.30(15E,422)	Economic development region revolving fund tax credit
42.31(422)	Early childhood development tax credit
42.32(422)	School tuition organization tax credit
42.33(422)	E-85 gasoline promotion tax credit
42.34(422)	Biodiesel blended fuel tax credit
42.35(422)	Soy-based transformer fluid tax credit
42.36(16,422)	Agricultural assets transfer tax credit and custom farming contract tax credit
42.37(15,422)	Film qualified expenditure tax credit
42.38(15,422)	Film investment tax credit
42.39(422)	Ethanol promotion tax credit
42.40(422)	Charitable conservation contribution tax credit
42.41(15,422)	Redevelopment tax credit
42.42(15)	High quality jobs program
42.43(16,422)	Disaster recovery housing project tax credit
42.44(422)	Deduction of credits
42.45(15)	Aggregate tax credit limit for certain economic development programs
42.46(422)	E-15 plus gasoline promotion tax credit
42.47(422)	Geothermal heat pump tax credit
42.48(422)	Solar energy system tax credit
42.49(422)	Volunteer fire fighter, volunteer emergency medical services personnel and reserve peace officer tax credit
42.50(422)	Taxpayers trust fund tax credit
42.51(422,85GA,SF452)	From farm to food donation tax credit
42.52(422)	Adoption tax credit
42.53(15)	Workforce housing tax incentives program
42.54(404A,422)	Historic preservation and cultural and entertainment district tax credit for projects with Part 2 applications approved on or after July 1, 2014, and agreements entered into on or after July 1, 2014

CHAPTER 43

ASSESSMENTS AND REFUNDS

43.1(422)	Notice of discrepancies
43.2(422)	Notice of assessment, supplemental assessments and refund adjustments
43.3(422)	Overpayments of tax
43.4(68A,422,456A)	Optional designations of funds by taxpayer
43.5(422)	Abatement of tax
43.6 and 43.7	Reserved
43.8(422)	Livestock production credit refunds for corporate taxpayers and individual taxpayers

CHAPTER 44
PENALTY AND INTEREST

- 44.1(422) Penalty
- 44.2(422) Computation of interest on unpaid tax
- 44.3(422) Computation of interest on refunds resulting from net operating losses
- 44.4(422) Computation of interest on overpayments

CHAPTER 45
PARTNERSHIPS

- 45.1(422) General rule
- 45.2(422) Partnership returns
- 45.3(422) Contents of partnership return
- 45.4(422) Distribution and taxation of partnership income

CHAPTER 46
WITHHOLDING

- 46.1(422) Who must withhold
- 46.2(422) Computation of amount withheld
- 46.3(422) Forms, returns and reports
- 46.4(422) Withholding on nonresidents
- 46.5(422) Penalty and interest
- 46.6(422) Withholding tax credit to workforce development fund
- 46.7(422) ACE training program credits from withholding
- 46.8(260E) New job tax credit from withholding
- 46.9(15) Supplemental new jobs credit from withholding and alternative credit for housing assistance programs
- 46.10(403) Targeted jobs withholding tax credit

CHAPTER 47
Reserved

CHAPTER 48
COMPOSITE RETURNS

- 48.1(422) Composite returns
- 48.2(422) Definitions
- 48.3(422) Filing requirements
- 48.4 Reserved
- 48.5(422) Composite return required by director
- 48.6(422) Determination of composite Iowa income
- 48.7(422) Determination of composite Iowa tax
- 48.8(422) Estimated tax
- 48.9(422) Time and place for filing

CHAPTER 49
ESTIMATED INCOME TAX FOR INDIVIDUALS

- 49.1(422) Who must pay estimated income tax
- 49.2(422) Time for filing and payment of tax
- 49.3(422) Estimated tax for nonresidents
- 49.4(422) Special estimated tax periods
- 49.5(422) Reporting forms
- 49.6(422) Penalty—underpayment of estimated tax
- 49.7(422) Estimated tax carryforwards and how the carryforward amounts are affected under different circumstances

CHAPTER 50
 APPORTIONMENT OF INCOME FOR RESIDENT
 SHAREHOLDERS OF S CORPORATIONS

50.1(422)	Apportionment of income for resident shareholders of S corporations
50.2	Reserved
50.3(422)	Distributions
50.4(422)	Computation of net S corporation income
50.5(422)	Computation of federal tax on S corporation income
50.6(422)	Income allocable to Iowa
50.7(422)	Credit for taxes paid to another state
50.8 and 50.9	Reserved
50.10(422)	Example for tax periods beginning on or after January 1, 2002

TITLE VI
 CORPORATION

CHAPTER 51
 ADMINISTRATION

51.1(422)	Definitions
51.2(422)	Statutes of limitation
51.3(422)	Retention of records
51.4(422)	Cancellation of authority to do business
51.5(422)	Authority for deductions
51.6(422)	Jeopardy assessments
51.7(422)	Information confidential
51.8(422)	Power of attorney
51.9(422)	Delegation of authority to audit and examine

CHAPTER 52
 FILING RETURNS, PAYMENT OF TAX,
 PENALTY AND INTEREST, AND TAX CREDITS

52.1(422)	Who must file
52.2(422)	Time and place for filing return
52.3(422)	Form for filing
52.4(422)	Payment of tax
52.5(422)	Minimum tax
52.6(422)	Motor fuel credit
52.7(422)	Research activities credit
52.8(422)	New jobs credit
52.9	Reserved
52.10(15)	New jobs and income program tax credits
52.11(422)	Refunds and overpayments
52.12(422)	Deduction of credits
52.13(422)	Livestock production credits
52.14(15E)	Enterprise zone tax credits
52.15(15E)	Eligible housing business tax credit
52.16(422)	Franchise tax credit
52.17(422)	Assistive device tax credit
52.18(404A,422)	Historic preservation and cultural and entertainment district tax credit for projects with Part 2 applications approved and tax credits reserved prior to July 1, 2014
52.19(422)	Ethanol blended gasoline tax credit
52.20(15E)	Eligible development business investment tax credit
52.21(15E,422)	Venture capital credits

52.22(15)	New capital investment program tax credits
52.23(15E,422)	Endow Iowa tax credit
52.24(422)	Soy-based cutting tool oil tax credit
52.25(15I,422)	Wage-benefits tax credit
52.26(422,476B)	Wind energy production tax credit
52.27(422,476C)	Renewable energy tax credit
52.28(15)	High quality job creation program
52.29(15E,422)	Economic development region revolving fund tax credit
52.30(422)	E-85 gasoline promotion tax credit
52.31(422)	Biodiesel blended fuel tax credit
52.32(422)	Soy-based transformer fluid tax credit
52.33(16,422)	Agricultural assets transfer tax credit and custom farming contract tax credit
52.34(15,422)	Film qualified expenditure tax credit
52.35(15,422)	Film investment tax credit
52.36(422)	Ethanol promotion tax credit
52.37(422)	Charitable conservation contribution tax credit
52.38(422)	School tuition organization tax credit
52.39(15,422)	Redevelopment tax credit
52.40(15)	High quality jobs program
52.41(15)	Aggregate tax credit limit for certain economic development programs
52.42(16,422)	Disaster recovery housing project tax credit
52.43(422)	E-15 plus gasoline promotion tax credit
52.44(422)	Solar energy system tax credit
52.45(422,85GA,SF452)	From farm to food donation tax credit
52.46(15)	Workforce housing tax incentives program
52.47(404A,422)	Historic preservation and cultural and entertainment district tax credit for projects with Part 2 applications approved on or after July 1, 2014, and agreements entered into on or after July 1, 2014

CHAPTER 53

DETERMINATION OF NET INCOME

53.1(422)	Computation of net income for corporations
53.2(422)	Net operating loss carrybacks and carryovers
53.3(422)	Capital loss carryback
53.4(422)	Net operating and capital loss carrybacks and carryovers
53.5(422)	Interest and dividends from federal securities
53.6(422)	Interest and dividends from foreign securities, and securities of state and their political subdivisions
53.7(422)	Safe harbor leases
53.8(422)	Additions to federal taxable income
53.9(422)	Gains and losses on property acquired before January 1, 1934
53.10(422)	Work opportunity tax credit and alcohol and cellulosic biofuel fuels credit
53.11(422)	Additional deduction for wages paid or accrued for work done in Iowa by certain individuals
53.12(422)	Federal income tax deduction
53.13(422)	Iowa income taxes and Iowa tax refund
53.14(422)	Method of accounting, accounting period
53.15(422)	Consolidated returns
53.16(422)	Federal rulings and regulations
53.17(422)	Depreciation of speculative shell buildings
53.18(422)	Deduction of multipurpose vehicle registration fee
53.19(422)	Deduction of foreign dividends

- 53.20(422) Employer social security credit for tips
- 53.21(422) Deduction for contributions made to the endowment fund of the Iowa educational savings plan trust
- 53.22(422) Additional first-year depreciation allowance
- 53.23(422) Section 179 expensing
- 53.24(422) Exclusion of ordinary or capital gain income realized as a result of involuntary conversion of property due to eminent domain
- 53.25(422) Exclusion of income from sale, rental or furnishing of tangible personal property or services directly related to production of film, television, or video projects
- 53.26(422) Exclusion of biodiesel production refund

CHAPTER 54

ALLOCATION AND APPORTIONMENT

- 54.1(422) Basis of corporate tax
- 54.2(422) Allocation or apportionment of investment income
- 54.3(422) Application of related expense to allocable interest, dividends, rents and royalties—tax periods beginning on or after January 1, 1978
- 54.4(422) Net gains and losses from the sale of assets
- 54.5(422) Where income is derived from the manufacture or sale of tangible personal property
- 54.6(422) Apportionment of income derived from business other than the manufacture or sale of tangible personal property
- 54.7(422) Apportionment of income of transportation, communications, and certain public utilities corporations
- 54.8(422) Apportionment of income derived from more than one business activity carried on within a single corporate structure
- 54.9(422) Allocation and apportionment of income in special cases

CHAPTER 55

ASSESSMENTS, REFUNDS, APPEALS

- 55.1(422) Notice of discrepancies
- 55.2(422) Notice of assessment
- 55.3(422) Refund of overpaid tax
- 55.4(421) Abatement of tax
- 55.5(422) Protests

CHAPTER 56

ESTIMATED TAX FOR CORPORATIONS

- 56.1(422) Who must pay estimated tax
- 56.2(422) Time for filing and payment of tax
- 56.3(422) Special estimate periods
- 56.4(422) Reporting forms
- 56.5(422) Penalties
- 56.6(422) Overpayment of estimated tax

TITLE VII FRANCHISE

CHAPTER 57

ADMINISTRATION

- 57.1(422) Definitions
- 57.2(422) Statutes of limitation
- 57.3(422) Retention of records
- 57.4(422) Authority for deductions
- 57.5(422) Jeopardy assessments

- 57.6(422) Information deemed confidential
- 57.7(422) Power of attorney
- 57.8(422) Delegation to audit and examine

CHAPTER 58

FILING RETURNS, PAYMENT OF TAX, PENALTY AND INTEREST,
AND TAX CREDITS

- 58.1(422) Who must file
- 58.2(422) Time and place for filing return
- 58.3(422) Form for filing
- 58.4(422) Payment of tax
- 58.5(422) Minimum tax
- 58.6(422) Refunds and overpayments
- 58.7(422) Allocation of franchise tax revenues
- 58.8(15E) Eligible housing business tax credit
- 58.9(15E) Eligible development business investment tax credit
- 58.10(404A,422) Historic preservation and cultural and entertainment district tax credit
- 58.11(15E,422) Venture capital credits
- 58.12(15) New capital investment program tax credits
- 58.13(15E,422) Endow Iowa tax credit
- 58.14(15I,422) Wage-benefits tax credit
- 58.15(422,476B) Wind energy production tax credit
- 58.16(422,476C) Renewable energy tax credit
- 58.17(15) High quality job creation program
- 58.18(15E,422) Economic development region revolving fund tax credit
- 58.19(15,422) Film qualified expenditure tax credit
- 58.20(15,422) Film investment tax credit
- 58.21(15) High quality jobs program
- 58.22(422) Solar energy system tax credit
- 58.23(15) Workforce housing tax incentives program

CHAPTER 59

DETERMINATION OF NET INCOME

- 59.1(422) Computation of net income for financial institutions
- 59.2(422) Net operating loss carrybacks and carryovers
- 59.3(422) Capital loss carryback
- 59.4(422) Net operating and capital loss carrybacks and carryovers
- 59.5(422) Interest and dividends from federal securities
- 59.6(422) Interest and dividends from foreign securities and securities of states and other political subdivisions
- 59.7(422) Safe harbor leases
- 59.8(422) Additional deduction for wages paid or accrued for work done in Iowa by certain individuals
- 59.9(422) Work opportunity tax credit
- 59.10 Reserved
- 59.11(422) Gains and losses on property acquired before January 1, 1934
- 59.12(422) Federal income tax deduction
- 59.13(422) Iowa franchise taxes
- 59.14(422) Method of accounting, accounting period
- 59.15(422) Consolidated returns
- 59.16(422) Federal rulings and regulations
- 59.17(15E,422) Charitable contributions relating to the endow Iowa tax credit

- 59.18(422) Depreciation of speculative shell buildings
- 59.19(422) Deduction of multipurpose vehicle registration fee
- 59.20(422) Disallowance of expenses to carry an investment subsidiary for tax years which begin on or after January 1, 1995
- 59.21(422) S corporation and limited liability company financial institutions
- 59.22(422) Deduction for contributions made to the endowment fund of the Iowa educational savings plan trust
- 59.23(422) Additional first-year depreciation allowance
- 59.24(422) Section 179 expensing

ALLOCATION AND APPORTIONMENT

- 59.25(422) Basis of franchise tax
- 59.26(422) Allocation and apportionment
- 59.27(422) Net gains and losses from the sale of assets
- 59.28(422) Apportionment factor
- 59.29(422) Allocation and apportionment of income in special cases

CHAPTER 60

ASSESSMENTS, REFUNDS, APPEALS

- 60.1(422) Notice of discrepancies
- 60.2(422) Notice of assessment
- 60.3(422) Refund of overpaid tax
- 60.4(421) Abatement of tax
- 60.5(422) Protests

CHAPTER 61

ESTIMATED TAX FOR FINANCIAL INSTITUTIONS

- 61.1(422) Who must pay estimated tax
- 61.2(422) Time for filing and payment of tax
- 61.3(422) Special estimate periods
- 61.4(422) Reporting forms
- 61.5(422) Penalties
- 61.6(422) Overpayment of estimated tax

CHAPTERS 62 to 66

Reserved

TITLE VIII
MOTOR FUEL

CHAPTER 67

ADMINISTRATION

- 67.1(452A) Definitions
- 67.2(452A) Statute of limitations, supplemental assessments and refund adjustments
- 67.3(452A) Taxpayers required to keep records
- 67.4(452A) Audit—costs
- 67.5(452A) Estimate gallonage
- 67.6(452A) Timely filing of returns, reports, remittances, applications, or requests
- 67.7(452A) Extension of time to file
- 67.8(452A) Penalty and interest
- 67.9(452A) Penalty and enforcement provisions
- 67.10(452A) Application of remittance
- 67.11(452A) Reports, returns, records—variations
- 67.12(452A) Form of invoice
- 67.13(452A) Credit card invoices

67.14(452A)	Original invoice retained by purchaser—certified copy if lost
67.15(452A)	Taxes erroneously or illegally collected
67.16(452A)	Credentials and receipts
67.17(452A)	Information confidential
67.18(452A)	Delegation to audit and examine
67.19(452A)	Practice and procedure before the department of revenue
67.20(452A)	Time for filing protest
67.21(452A)	Bonding procedure
67.22(452A)	Tax refund offset
67.23(452A)	Supplier, restrictive supplier, importer, exporter, blender, dealer, or user licenses
67.24(452A)	Reinstatement of license canceled for cause
67.25(452A)	Fuel used in implements of husbandry
67.26(452A)	Excess tax collected
67.27(452A)	Retailer gallons report

CHAPTER 68

MOTOR FUEL AND UNDYED SPECIAL FUEL

68.1(452A)	Definitions
68.2(452A)	Tax rates—time tax attaches—responsible party
68.3(452A)	Exemption
68.4(452A)	Blended fuel taxation—nonterminal location
68.5(452A)	Tax returns—computations
68.6(452A)	Distribution allowance
68.7(452A)	Supplier credit—uncollectible account
68.8(452A)	Refunds
68.9(452A)	Claim for refund—payment of claim
68.10(452A)	Refund permit
68.11(452A)	Revocation of refund permit
68.12(452A)	Income tax credit in lieu of refund
68.13(452A)	Reduction of refund—sales and use tax
68.14(452A)	Terminal withdrawals—meters
68.15(452A)	Terminal and nonterminal storage facility reports and records
68.16(452A)	Method of reporting taxable gallonage
68.17(452A)	Transportation reports
68.18(452A)	Bill of lading or manifest requirements
68.19(452A)	Right of distributors and dealers to blend conventional blendstock for oxygenate blending, gasoline, or diesel fuel using a biofuel

CHAPTER 69

LIQUEFIED PETROLEUM GAS—

COMPRESSED NATURAL GAS—LIQUEFIED NATURAL GAS

69.1(452A)	Definitions
69.2(452A)	Tax rates—time tax attaches—responsible party—payment of the tax
69.3(452A)	Penalty and interest
69.4(452A)	Bonding procedure
69.5(452A)	Persons authorized to place L.P.G., L.N.G., or C.N.G. in the fuel supply tank of a motor vehicle
69.6(452A)	Requirements to be licensed
69.7(452A)	Licensed metered pumps
69.8(452A)	Single license for each location
69.9(452A)	Dealer's and user's license nonassignable
69.10(452A)	Separate storage—bulk sales—highway use

- 69.11(452A) Combined storage—bulk sales—highway sales or use
- 69.12(452A) Exemption certificates
- 69.13(452A) L.P.G. sold to the state of Iowa, its political subdivisions, contract carriers under contract with public schools to transport pupils or regional transit systems
- 69.14(452A) Refunds
- 69.15(452A) Notice of meter seal breakage
- 69.16(452A) Location of records—L.P.G. or C.N.G. users and dealers

TITLE IX
PROPERTY

CHAPTER 70
REPLACEMENT TAX AND STATEWIDE PROPERTY TAX

DIVISION I
REPLACEMENT TAX

- 70.1(437A) Who must file return
- 70.2(437A) Time and place for filing return
- 70.3(437A) Form for filing
- 70.4(437A) Payment of tax
- 70.5(437A) Statute of limitations
- 70.6(437A) Billings
- 70.7(437A) Refunds
- 70.8(437A) Abatement of tax
- 70.9(437A) Taxpayers required to keep records
- 70.10(437A) Credentials
- 70.11(437A) Audit of records
- 70.12(437A) Collections/reimbursements
- 70.13(437A) Information confidential

DIVISION II
STATEWIDE PROPERTY TAX

- 70.14(437A) Who must file return
- 70.15(437A) Time and place for filing return
- 70.16(437A) Form for filing
- 70.17(437A) Payment of tax
- 70.18(437A) Statute of limitations
- 70.19(437A) Billings
- 70.20(437A) Refunds
- 70.21(437A) Abatement of tax
- 70.22(437A) Taxpayers required to keep records
- 70.23(437A) Credentials
- 70.24(437A) Audit of records

CHAPTER 71
ASSESSMENT PRACTICES AND EQUALIZATION

- 71.1(405,427A,428,441,499B) Classification of real estate
- 71.2(421,428,441) Assessment and valuation of real estate
- 71.3(421,428,441) Valuation of agricultural real estate
- 71.4(421,428,441) Valuation of residential real estate
- 71.5(421,428,441) Valuation of commercial real estate
- 71.6(421,428,441) Valuation of industrial land and buildings
- 71.7(421,427A,428,441) Valuation of industrial machinery
- 71.8(428,441) Abstract of assessment
- 71.9(428,441) Reconciliation report

71.10(421)	Assessment/sales ratio study
71.11(441)	Equalization of assessments by class of property
71.12(441)	Determination of aggregate actual values
71.13(441)	Tentative equalization notices
71.14(441)	Hearings before the department
71.15(441)	Final equalization order and appeals
71.16(441)	Alternative method of implementing equalization orders
71.17(441)	Special session of boards of review
71.18(441)	Judgment of assessors and local boards of review
71.19(441)	Conference boards
71.20(441)	Board of review
71.21(421,17A)	Property assessment appeal board
71.22(428,441)	Assessors
71.23(421,428,441)	Valuation of multiresidential real estate
71.24(421,428,441)	Valuation of dual classification property
71.25(441,443)	Omitted assessments
71.26(441)	Assessor compliance

CHAPTER 72

EXAMINATION AND CERTIFICATION OF ASSESSORS AND DEPUTY ASSESSORS

72.1(441)	Application for examination
72.2(441)	Examinations
72.3(441)	Equivalent of high school diploma
72.4(441)	Appraisal-related experience
72.5(441)	Regular certification
72.6(441)	Temporary certification
72.7	Reserved
72.8(441)	Deputy assessors—regular certification
72.9	Reserved
72.10(441)	Appointment of deputy assessors
72.11(441)	Special examinations
72.12(441)	Register of eligible candidates
72.13(441)	Course of study for provisional appointees
72.14(441)	Examining board
72.15(441)	Appointment of assessor
72.16(441)	Reappointment of assessor
72.17(441)	Removal of assessor
72.18(421,441)	Courses offered by the department of revenue

CHAPTER 73

PROPERTY TAX CREDIT AND RENT REIMBURSEMENT

73.1(425)	Eligible claimants
73.2(425)	Separate homesteads—husband and wife property tax credit
73.3(425)	Dual claims
73.4(425)	Multipurpose building
73.5(425)	Multidwelling
73.6(425)	Income
73.7(425)	Joint tenancy
73.8(425)	Amended claim
73.9(425)	Simultaneous homesteads
73.10(425)	Confidential information
73.11(425)	Mobile, modular, and manufactured homes

73.12(425)	Totally disabled
73.13(425)	Nursing homes
73.14(425)	Household
73.15(425)	Homestead
73.16(425)	Household income
73.17(425)	Timely filing of claims
73.18(425)	Separate homestead—husband and wife rent reimbursements
73.19(425)	Gross rent/rent constituting property taxes paid
73.20(425)	Leased land
73.21(425)	Property: taxable status
73.22(425)	Special assessments
73.23(425)	Suspended, delinquent, or canceled taxes
73.24(425)	Income: spouse
73.25(425)	Common law marriage
73.26	Reserved
73.27(425)	Special assessment credit
73.28(425)	Credit applied
73.29(425)	Deceased claimant
73.30(425)	Audit of claim
73.31(425)	Extension of time for filing a claim
73.32(425)	Annual adjustment factor
73.33(425)	Proration of claims
73.34(425)	Unreasonable hardship

CHAPTER 74

MOBILE, MODULAR, AND MANUFACTURED HOME TAX

74.1(435)	Definitions
74.2(435)	Movement of home to another county
74.3(435)	Sale of home
74.4(435)	Reduced tax rate
74.5(435)	Taxation—real estate
74.6(435)	Taxation—square footage
74.7(435)	Audit by department of revenue
74.8(435)	Collection of tax

CHAPTER 75

PROPERTY TAX ADMINISTRATION

75.1(441)	Tax year
75.2(445)	Partial payment of tax
75.3(445)	When delinquent
75.4(446)	Payment of subsequent year taxes by purchaser
75.5(428,433,434,437,437A,438,85GA,SF451)	Central assessment confidentiality
75.6(446)	Tax sale
75.7(445)	Refund of tax
75.8(614)	Delinquent property taxes

CHAPTER 76

DETERMINATION OF VALUE OF RAILROAD COMPANIES

76.1(434)	Definitions of terms
76.2(434)	Filing of annual reports
76.3(434)	Comparable sales
76.4(434)	Stock and debt approach to unit value
76.5(434)	Income capitalization approach to unit value

76.6(434)	Cost approach to unit value
76.7(434)	Correlation
76.8(434)	Allocation of unit value to state
76.9(434)	Exclusions

CHAPTER 77

DETERMINATION OF VALUE OF UTILITY COMPANIES

77.1(428,433,437,438)	Definition of terms
77.2(428,433,437,438)	Filing of annual reports
77.3(428,433,437,438)	Comparable sales
77.4(428,433,437,438)	Stock and debt approach to unit value
77.5(428,433,437,438)	Income capitalization approach to unit value
77.6(428,433,437,438)	Cost approach to unit value
77.7(428,433,437,438)	Correlation
77.8(428,433,437,438)	Allocation of unit value to state

CHAPTER 78

REPLACEMENT TAX AND STATEWIDE PROPERTY TAX ON RATE-REGULATED WATER UTILITIES

REPLACEMENT TAX

78.1(85GA,SF451)	Who must file return
78.2(85GA,SF451)	Time and place for filing return
78.3(85GA,SF451)	Form for filing
78.4(85GA,SF451)	Payment of tax
78.5(85GA,SF451)	Statute of limitations
78.6(85GA,SF451)	Billings
78.7(85GA,SF451)	Refunds
78.8(85GA,SF451)	Abatement of tax
78.9(85GA,SF451)	Taxpayers required to keep records
78.10(85GA,SF451)	Credentials
78.11(85GA,SF451)	Audit of records
78.12(85GA,SF451)	Information confidential

STATEWIDE PROPERTY TAX

78.13(85GA,SF451)	Who must file return
78.14(85GA,SF451)	Time and place for filing return
78.15(85GA,SF451)	Form for filing
78.16(85GA,SF451)	Payment of tax
78.17(85GA,SF451)	Statute of limitations
78.18(85GA,SF451)	Billings
78.19(85GA,SF451)	Refunds
78.20(85GA,SF451)	Abatement of tax
78.21(85GA,SF451)	Taxpayers required to keep records
78.22(85GA,SF451)	Credentials
78.23(85GA,SF451)	Audit of records

CHAPTER 79

REAL ESTATE TRANSFER TAX AND DECLARATIONS OF VALUE

79.1(428A)	Real estate transfer tax: Responsibility of county recorders
79.2(428A)	Taxable status of real estate transfers
79.3(428A)	Declarations of value: Responsibility of county recorders and city and county assessors
79.4(428A)	Certain transfers of agricultural realty

- 79.5(428A) Form completion and filing requirements
- 79.6(428A) Public access to declarations of value

CHAPTER 80

PROPERTY TAX CREDITS AND EXEMPTIONS

- 80.1(425) Homestead tax credit
- 80.2(22,35,426A) Military service tax exemption
- 80.3(427) Pollution control and recycling property tax exemption
- 80.4(427) Low-rent housing for the elderly and persons with disabilities
- 80.5(427) Speculative shell buildings
- 80.6(427B) Industrial property tax exemption
- 80.7(427B) Assessment of computers and industrial machinery and equipment
- 80.8(404) Urban revitalization partial exemption
- 80.9(427C,441) Forest and fruit-tree reservations
- 80.10(427B) Underground storage tanks
- 80.11(425A) Family farm tax credit
- 80.12(427) Methane gas conversion property
- 80.13(427B,476B) Wind energy conversion property
- 80.14(427) Mobile home park storm shelter
- 80.15(427) Barn and one-room schoolhouse preservation
- 80.16(426) Agricultural land tax credit
- 80.17(427) Indian housing property
- 80.18(427) Property used in value-added agricultural product operations
- 80.19(427) Dwelling unit property within certain cities
- 80.20(427) Nursing facilities
- 80.21(368) Annexation of property by a city
- 80.22(427) Port authority
- 80.23(427A) Concrete batch plants and hot mix asphalt facilities
- 80.24(427) Airport property
- 80.25(427A) Car wash equipment
- 80.26(427) Web search portal and data center business property
- 80.27(427) Privately owned libraries and art galleries
- 80.28(404B) Disaster revitalization area
- 80.29(427) Geothermal heating and cooling systems installed on property classified as residential
- 80.30(426C) Business property tax credit
- 80.31(427) Broadband infrastructure
- 80.32 to 80.48 Reserved
- 80.49(441) Commercial and industrial property tax replacement—county replacement claims
- 80.50(427,441) Responsibility of local assessors
- 80.51(441) Responsibility of local boards of review
- 80.52(427) Responsibility of director of revenue
- 80.53(427) Application for exemption
- 80.54(427) Partial exemptions
- 80.55(427,441) Taxable status of property
- 80.56(427) Abatement of taxes

TITLE X
CIGARETTES AND TOBACCO

CHAPTER 81
ADMINISTRATION

81.1(453A)	Definitions
81.2(453A)	Credentials and receipts
81.3(453A)	Examination of records
81.4(453A)	Records
81.5(453A)	Form of invoice
81.6(453A)	Audit of records—cost, supplemental assessments and refund adjustments
81.7(453A)	Bonds
81.8(98)	Penalties
81.9(98)	Interest
81.10(98)	Waiver of penalty or interest
81.11(453A)	Appeal—practice and procedure before the department
81.12(453A)	Permit—license revocation
81.13(453A)	Permit applications and denials
81.14(453A)	Confidential information
81.15(98)	Request for waiver of penalty
81.16(453A)	Inventory tax

CHAPTER 82
CIGARETTE TAX

82.1(453A)	Permits required
82.2(453A)	Partial year permits—payment—refund—exchange
82.3(453A)	Bond requirements
82.4(453A)	Cigarette tax—attachment—exemption—exclusivity of tax
82.5(453A)	Cigarette tax stamps
82.6(453A)	Banks authorized to sell stamps—requirements—restrictions
82.7(453A)	Purchase of cigarette tax stamps—discount
82.8(453A)	Affixing stamps
82.9(453A)	Reports
82.10(453A)	Manufacturer's samples
82.11(453A)	Refund of tax—unused and destroyed stamps

CHAPTER 83
TOBACCO TAX

83.1(453A)	Licenses
83.2(453A)	Distributor bond
83.3(453A)	Tax on tobacco products
83.4(453A)	Tax on little cigars
83.5(453A)	Distributor discount
83.6(453A)	Distributor returns
83.7(453A)	Consumer's return
83.8(453A)	Transporter's report
83.9(453A)	Free samples
83.10(453A)	Credits and refunds of taxes
83.11(453A)	Sales exempt from tax
83.12(81GA, HF339)	Retail permits required
83.13(81GA, HF339)	Permit issuance fee
83.14(81GA, HF339)	Refunds of permit fee
83.15(81GA, HF339)	Application for permit

- 83.16(81GA,HF339) Records and reports
 83.17(81GA,HF339) Penalties

CHAPTER 84
 UNFAIR CIGARETTE SALES

- 84.1(421B) Definitions
 84.2(421B) Minimum price
 84.3(421B) Combination sales
 84.4(421B) Retail redemption of coupons
 84.5(421B) Exempt sales
 84.6(421B) Notification of manufacturer's price increase
 84.7(421B) Permit revocation

CHAPTER 85
 TOBACCO MASTER SETTLEMENT AGREEMENT

DIVISION I
 TOBACCO MASTER SETTLEMENT AGREEMENT

- 85.1(453C) National uniform tobacco settlement
 85.2(453C) Definitions
 85.3(453C) Report required
 85.4(453C) Report information
 85.5(453C) Record-keeping requirement
 85.6(453C) Confidentiality
 85.7 to 85.20 Reserved

DIVISION II
 TOBACCO PRODUCT MANUFACTURERS' OBLIGATIONS AND PROCEDURES

- 85.21(80GA,SF375) Definitions
 85.22(80GA,SF375) Directory of tobacco product manufacturers

TITLE XI
INHERITANCE, ESTATE, GENERATION SKIPPING, AND FIDUCIARY INCOME TAX

CHAPTER 86
 INHERITANCE TAX

- 86.1(450) Administration
 86.2(450) Inheritance tax returns and payment of tax
 86.3(450) Audits, assessments and refunds
 86.4(450) Appeals
 86.5(450) Gross estate
 86.6(450) The net estate
 86.7(450) Life estate, remainder and annuity tables—in general
 86.8(450B) Special use valuation
 86.9(450) Market value in the ordinary course of trade
 86.10(450) Alternate valuation date
 86.11(450) Valuation—special problem areas
 86.12(450) The inheritance tax clearance
 86.13(450) No lien on the surviving spouse's share of the estate
 86.14(450) Computation of shares
 86.15(450) Applicability

CHAPTER 87
 IOWA ESTATE TAX

- 87.1(451) Administration
 87.2(451) Confidential and nonconfidential information

87.3(451)	Tax imposed, tax returns, and tax due
87.4(451)	Audits, assessments and refunds
87.5(451)	Appeals
87.6(451)	Applicable rules

CHAPTER 88

GENERATION SKIPPING TRANSFER TAX

88.1(450A)	Administration
88.2(450A)	Confidential and nonconfidential information
88.3(450A)	Tax imposed, tax due and tax returns
88.4(450A)	Audits, assessments and refunds
88.5(450A)	Appeals
88.6(450A)	Generation skipping transfers prior to Public Law 99-514
88.7(421)	Applicability

CHAPTER 89

FIDUCIARY INCOME TAX

89.1(422)	Administration
89.2(422)	Confidentiality
89.3(422)	Situs of trusts
89.4(422)	Fiduciary returns and payment of the tax
89.5(422)	Extension of time to file and pay the tax
89.6(422)	Penalties
89.7(422)	Interest or refunds on net operating loss carrybacks
89.8(422)	Reportable income and deductions
89.9(422)	Audits, assessments and refunds
89.10(422)	The income tax certificate of acquittance
89.11(422)	Appeals to the director

CHAPTER 90

Reserved

TITLE XII

*MARIJUANA AND CONTROLLED
SUBSTANCES STAMP TAX*

CHAPTER 91

ADMINISTRATION OF MARIJUANA AND
CONTROLLED SUBSTANCES STAMP TAX

91.1(453B)	Marijuana and controlled substances stamp tax
91.2(453B)	Sales of stamps
91.3(453B)	Refunds pertaining to unused stamps

CHAPTERS 92 to 96

Reserved

TITLE XIII

CHAPTERS 97 to 101

Reserved

TITLE XIV

HOTEL AND MOTEL TAX

CHAPTER 102

Reserved

CHAPTER 103
STATE-IMPOSED AND LOCALLY IMPOSED HOTEL AND
MOTEL TAXES—ADMINISTRATION

103.1(423A)	Definitions, administration, and imposition
103.2(423A)	Statute of limitations, supplemental assessments and refund adjustments
103.3(423A)	Credentials and receipts
103.4(423A)	Retailers required to keep records
103.5(423A)	Audit of records
103.6(423A)	Billings
103.7(423A)	Collections
103.8(423A)	No property exempt from distress and sale
103.9(423A)	Information confidential
103.10(423A)	Bonding procedure
103.11(423A)	Sales tax
103.12(423A)	Judicial review
103.13(423A)	Registration
103.14(423A)	Notification
103.15(423A)	Certification of funds

CHAPTER 104
HOTEL AND MOTEL—
FILING RETURNS, PAYMENT OF TAX, PENALTY, AND INTEREST

104.1(423A)	Returns, time for filing
104.2(423A)	Remittances
104.3(423A)	Permits
104.4(423A)	Sale of business
104.5(423A)	Bankruptcy, insolvency or assignment for benefit of creditors
104.6(423A)	Claim for refund of tax
104.7(423A)	Application of payments
104.8(423A)	Interest and penalty
104.9(423A)	Request for waiver of penalty
104.10(423A)	Extension of time for filing
104.11(421,423A)	Personal liability of corporate officers and partners for unpaid tax
104.12(421,423A)	Good faith exception for successor liability

CHAPTER 105
LOCALLY IMPOSED HOTEL AND MOTEL TAX

105.1(423A)	Local option
105.2(423A)	Tax rate
105.3(423A)	Tax base
105.4(423A)	Imposition dates
105.5(423A)	Adding or absorbing tax
105.6(423A)	Termination dates

CHAPTER 106
Reserved

TITLE XV
LOCAL OPTION SALES AND
SERVICE TAX

CHAPTER 107
LOCAL OPTION SALES AND SERVICE TAX

- 107.1(422B) Definitions
- 107.2(422B) Local option sales and service tax
- 107.3(422B) Transactions subject to and excluded from local option sales tax
- 107.4(422B) Transactions subject to and excluded from local option service tax
- 107.5(422B) Single contracts for taxable services performed partly within and partly outside of an area of a county imposing the local option service tax
- 107.6(422B) Motor vehicle, recreational vehicle, and recreational boat rental subject to local option service tax
- 107.7(422B) Special rules regarding utility payments
- 107.8(423B) Contacts with county necessary to impose collection obligation upon a retailer
- 107.9(423B,423E) Sales not subject to local option tax, including transactions subject to Iowa use tax
- 107.10(422B) Local option sales and service tax payments to local governments
- 107.11(422B) Procedure if county of receipt's origins is unknown
- 107.12(422B) Computation of local option tax due from mixed sales on excursion boats
- 107.13(421,422B) Officers and partners, personal liability for unpaid tax
- 107.14(422B) Local option sales and service tax imposed by a city
- 107.15(422B) Application of payments
- 107.16(422B) Construction contractor refunds
- 107.17(422B,422E) Discretionary application of local option tax revenues

CHAPTER 108
LOCAL OPTION SCHOOL INFRASTRUCTURE
SALES AND SERVICE TAX

- 108.1(422E) Definitions
- 108.2(422E) Authorization, rate of tax, imposition, use of revenues, and administration
- 108.3(422E) Collection of the tax
- 108.4(422E) Similarities to the local option sales and service tax imposed in Iowa Code chapter 422B and 701—Chapter 107
- 108.5(422E) Sales not subject to local option tax, including transactions subject to Iowa use tax
- 108.6(422E) Deposits of receipts
- 108.7(422E) Local option school infrastructure sales and service tax payments to school districts
- 108.8(422E) Construction contract refunds
- 108.9(422E) 28E agreements

CHAPTER 109
NEW SCHOOL INFRASTRUCTURE LOCAL OPTION SALES AND SERVICES TAX—
EFFECTIVE ON OR AFTER APRIL 1, 2003, THROUGH FISCAL YEARS
ENDING DECEMBER 31, 2022

- 109.1(422E) Use of revenues and definitions
- 109.2(422E) Imposition of tax
- 109.3(422E) Application of law
- 109.4(422E) Collection of tax and distribution
- 109.5(422E) Insufficient funds
- 109.6(422E) Use of revenues by the school district
- 109.7(422E) Bonds
- 109.8(422E) 28E agreements

CHAPTERS 110 to 119

Reserved

TITLE XVI

REASSESSMENT EXPENSE FUND

CHAPTER 120

REASSESSMENT EXPENSE FUND

- 120.1(421) Reassessment expense fund
- 120.2(421) Application for loan
- 120.3(421) Criteria for granting loan

CHAPTER 121

Reserved

TITLE XVII

ASSESSOR CONTINUING EDUCATION

CHAPTER 122

ADMINISTRATION

- 122.1(441) Establishment
- 122.2(441) General operation
- 122.3(441) Location
- 122.4(441) Purpose

CHAPTER 123

CERTIFICATION

- 123.1(441) General
- 123.2(441) Confidentiality
- 123.3(441) Certification of assessors
- 123.4(441) Certification of deputy assessors
- 123.5(441) Type of credit
- 123.6(441) Retaking examination
- 123.7(441) Instructor credit
- 123.8(441) Conference board and assessor notification
- 123.9(441) Director of revenue notification

CHAPTER 124

COURSES

- 124.1(441) Course selection
- 124.2(441) Scheduling of courses
- 124.3(441) Petitioning to add, delete or modify courses
- 124.4(441) Course participation
- 124.5(441) Retaking a course
- 124.6(441) Continuing education program for assessors

CHAPTER 125

REVIEW OF AGENCY ACTION

- 125.1(441) Decisions final
- 125.2(441) Grievance and appeal procedures

CHAPTER 126

PROPERTY ASSESSMENT APPEAL BOARD

- 126.1(421,441) Applicability and definitions
- 126.2(421,441) Appeal and certification
- 126.3(421,441) Nonelectronic service on parties and filing with the board

126.4(421,441)	Electronic filing system
126.5(421,441)	Motions and settlements
126.6(421,441)	Hearing scheduling and discovery plan
126.7(421,441)	Discovery and evidence
126.8(421,441)	Hearings before the board
126.9(421,441)	Posthearing motions
126.10(17A,441)	Judicial review
126.11(22,421)	Records access

CHAPTERS 127 to 149

Reserved

TITLE XVIII DEBT COLLECTION

CHAPTER 150

FEDERAL OFFSET FOR IOWA INCOME TAX OBLIGATIONS

150.1(421,26USC6402)	Purpose and general application of offset of a federal tax overpayment to collect an Iowa income tax obligation
150.2(421,26USC6402)	Definitions
150.3(421,26USC6402)	Prerequisites for requesting a federal offset
150.4(421,26USC6402)	Procedure after submission of evidence
150.5(421,26USC6402)	Notice by Iowa to the Secretary to request federal offset
150.6(421,26USC6402)	Erroneous payments to Iowa
150.7(421,26USC6402)	Correcting and updating notice to the Secretary

CHAPTER 151

COLLECTION OF DEBTS OWED THE STATE OF IOWA OR A STATE AGENCY

151.1(421)	Definitions
151.2(421)	Scope and purpose
151.3(421)	Participation guidelines
151.4(421)	Duties of the agency
151.5(421)	Duties of the department—performance of collection
151.6(421)	Payment of collected amounts
151.7(421)	Reimbursement for collection of liabilities
151.8(421)	Confidentiality of information
151.9(421)	Subpoena of records from public or private utility companies

CHAPTER 152

DEBT COLLECTION AND SELLING OF PROPERTY TO COLLECT DELINQUENT DEBTS

152.1(421,422,626,642)	Definitions
152.2(421,422,626,642)	Sale of property
152.3(421,422,626,642)	Means of sale

CHAPTER 153

LICENSE SANCTIONS FOR COLLECTION OF DEBTS OWED THE STATE OF IOWA OR A STATE AGENCY

153.1(272D)	Definitions
153.2(272D)	Purpose and use
153.3(272D)	Challenge to issuance of certificate of noncompliance
153.4(272D)	Use of information
153.5(272D)	Notice to person of potential sanction of license

153.6(272D)	Conference
153.7(272D)	Issuance of certificate of noncompliance
153.8(272D)	Stay of certificate of noncompliance
153.9(272D)	Written agreements
153.10(272D)	Decision of the unit
153.11(272D)	Withdrawal of certificate of noncompliance
153.12(272D)	Certificate of noncompliance to licensing authority
153.13(272D)	Requirements of the licensing authority
153.14(272D)	District court hearing

CHAPTER 154

CHALLENGES TO ADMINISTRATIVE LEVIES AND
PUBLICATION OF NAMES OF DEBTORS

154.1(421)	Definitions
154.2(421)	Administrative levies
154.3(421)	Challenges to administrative levies
154.4(421)	Form and time of challenge
154.5(421)	Issues that may be raised
154.6(421)	Review of challenge
154.7(421)	Actions where there is a mistake of fact
154.8(421)	Action if there is not a mistake of fact
154.9 to 154.15	Reserved
154.16(421)	List for publication
154.17(421)	Names to be published
154.18(421)	Release of information

CHAPTERS 155 to 210

Reserved

TITLE XIX

STREAMLINED SALES AND USE TAX RULES

CHAPTER 211

DEFINITIONS

211.1(423)	Definitions
------------	-------------

CHAPTER 212

ELEMENTS INCLUDED IN AND EXCLUDED
FROM A TAXABLE SALE AND SALES PRICE

212.1(423)	Tax not to be included in price
212.2(423)	Finance charge
212.3(423)	Retailers' discounts, trade discounts, rebates and coupons
212.4(423)	Excise tax included in and excluded from sales price
212.5(423)	Trade-ins
212.6(423)	Installation charges when tangible personal property is sold at retail
212.7(423)	Service charge and gratuity
212.8(423)	Payment from a third party

CHAPTER 213

MISCELLANEOUS TAXABLE SALES

213.1(423)	Tax imposed
213.2(423)	Athletic events
213.3(423)	Conditional sales contracts

213.4(423)	The sales price of sales of butane, propane and other like gases in cylinder drums, etc.
213.5(423)	Antiques, curios, old coins, collector's postage stamps, and currency exchanged for greater than face value
213.6(423)	Communication services furnished by hotel to its guests
213.7(423)	Consignment sales
213.8(423)	Electrotypes, types, zinc etchings, halftones, stereotypes, color process plates, wood mounts and art productions
213.9(423)	Explosives used in mines, quarries and elsewhere
213.10(423)	Sales on layaway
213.11(423)	Memorial stones
213.12(423)	Creditors and trustees
213.13(423)	Sale of pets
213.14(423)	Redemption of meal tickets, coupon books and merchandise cards as a taxable sale
213.15(423)	Rental of personal property in connection with the operation of amusements
213.16(423)	Repossessed goods
213.17(423)	Sales of signs at retail
213.18(423)	Tangible personal property made to order
213.19(423)	Used or secondhand tangible personal property
213.20(423)	Carpeting and other floor coverings
213.21(423)	Goods damaged in transit
213.22(423)	Snowmobiles, motorboats, and certain other vehicles
213.23(423)	Photographers and photostaters
213.24(423)	Sale, transfer or exchange of tangible personal property or taxable enumerated services between affiliated corporations
213.25(423)	Urban transit systems

CHAPTER 214

MISCELLANEOUS NONTAXABLE TRANSACTIONS

214.1(423)	Corporate mergers which do not involve taxable sales of tangible personal property or services
214.2(423)	Sales of prepaid merchandise cards
214.3(423)	Demurrage charges
214.4(423)	Beverage container deposits
214.5(423)	Exempt sales by excursion boat licensees
214.6(423)	Advertising agencies, commercial artists and designers as an agent or as a nonagent of a client

CHAPTERS 215 to 218

Reserved

CHAPTER 219

SALES AND USE TAX ON CONSTRUCTION ACTIVITIES

219.1(423)	General information
219.2(423)	Contractors—consumers of building materials, supplies, and equipment by statute
219.3(423)	Sales of building materials, supplies, and equipment to contractors, subcontractors, builders or owners
219.4(423)	Contractors, subcontractors or builders who are retailers
219.5(423)	Building materials, supplies, and equipment used in the performance of construction contracts within and outside Iowa
219.6(423)	Tangible personal property used or consumed by the manufacturer thereof
219.7(423)	Prefabricated structures
219.8(423)	Types of construction contracts

219.9(423)	Machinery and equipment sales contracts with installation
219.10(423)	Construction contracts with equipment sales (mixed contracts)
219.11(423)	Distinguishing machinery and equipment from real property
219.12(423)	Tangible personal property which becomes structures
219.13(423)	Tax on enumerated services
219.14(423)	Transportation cost
219.15(423)	Start-up charges
219.16(423)	Liability of subcontractors
219.17(423)	Liability of sponsors
219.18(423)	Withholding
219.19(423)	Resale certificates
219.20(423)	Reporting for use tax
219.21(423)	Exempt sale, lease, or rental of equipment used by contractors, subcontractors, or builders

CHAPTERS 220 to 222

Reserved

CHAPTER 223

SOURCING OF TAXABLE SERVICES

223.1(423)	Definitions
223.2(423)	General sourcing rules for taxable services
223.3(423)	First use of services performed on tangible personal property
223.4(423)	Sourcing rules for personal care services

CHAPTER 224

TELECOMMUNICATION SERVICES

224.1(423)	Taxable telecommunication service and ancillary service
224.2(423)	Definitions
224.3(423)	Imposition of tax
224.4(423)	Exempt from the tax
224.5(423)	Bundled transactions in telecommunication service
224.6(423)	Sourcing telecommunication service
224.7(423)	General billing issues
224.8(34A)	Prepaid wireless E911 surcharge
224.9(423)	State sales tax exemption for central office equipment and transmission equipment

CHAPTER 225

RESALE AND PROCESSING EXEMPTIONS PRIMARILY
OF BENEFIT TO RETAILERS

225.1(423)	Paper or plastic plates, cups, and dishes, paper napkins, wooden or plastic spoons and forks, and straws
225.2(423)	A service purchased for resale
225.3(423)	Services used in the repair or reconditioning of certain tangible personal property
225.4(423)	Tangible personal property purchased by a person engaged in the performance of a service
225.5(423)	Maintenance or repair of fabric or clothing
225.6(423)	The sales price from the leasing of all tangible personal property subject to tax
225.7(423)	Certain inputs used in taxable vehicle wash and wax services

CHAPTER 226
AGRICULTURAL RULES

- 226.1(423) Sale or rental of farm machinery and equipment and items used in agricultural production that are attached to a self-propelled implement of husbandry
- 226.2(423) Packaging material used in agricultural production
- 226.3(423) Irrigation equipment used in agricultural production
- 226.4(423) Sale of a draft horse
- 226.5(423) Veterinary services
- 226.6(423) Commercial fertilizer and agricultural limestone
- 226.7(423) Sales of breeding livestock
- 226.8(423) Domesticated fowl
- 226.9(423) Agricultural health promotion items
- 226.10(423) Drainage tile
- 226.11(423) Materials used for seed inoculations
- 226.12(423) Fuel used in agricultural production
- 226.13(423) Water used in agricultural production
- 226.14(423) Bedding for agricultural livestock or fowl
- 226.15(423) Sales by farmers
- 226.16(423) Sales of livestock (including domesticated fowl) feeds
- 226.17(423) Farm machinery, equipment, and replacement parts used in livestock or dairy production
- 226.18(423) Machinery, equipment, and replacement parts used in the production of flowering, ornamental, and vegetable plants
- 226.19(423) Nonexclusive lists

CHAPTERS 227 to 229
Reserved

CHAPTER 230
EXEMPTIONS PRIMARILY BENEFITING MANUFACTURERS AND
OTHER PERSONS ENGAGED IN PROCESSING

- 230.1 Reserved
- 230.2(423) Carbon dioxide in a liquid, solid, or gaseous form, electricity, steam, and taxable services used in processing
- 230.3(423) Services used in processing
- 230.4(423) Chemicals, solvents, sorbents, or reagents used in processing
- 230.5(423) Exempt sales of gases used in the manufacturing process
- 230.6(423) Sale of electricity to water companies
- 230.7(423) Wind energy conversion property
- 230.8(423) Exempt sales or rentals of core making and mold making equipment, and sand handling equipment
- 230.9(423) Chemical compounds used to treat water
- 230.10(423) Exclusive web search portal business and its exemption
- 230.11(423) Web search portal business and its exemption
- 230.12(423) Large data center business exemption
- 230.13(423) Data center business sales and use tax refunds

CHAPTER 231
EXEMPTIONS PRIMARILY OF BENEFIT TO CONSUMERS

- 231.1(423) Newspapers, free newspapers and shoppers' guides
- 231.2(423) Motor fuel, special fuel, aviation fuels and gasoline
- 231.3(423) Sales of food and food ingredients
- 231.4(423) Sales of candy

231.5(423)	Sales of prepared food
231.6(423)	Prescription drugs, medical devices, oxygen, and insulin
231.7(423)	Exempt sales of other medical devices which are not prosthetic devices
231.8(423)	Prosthetic devices, durable medical equipment, and mobility enhancing equipment
231.9(423)	Raffles
231.10(423)	Exempt sales of prizes
231.11(423)	Modular homes
231.12(423)	Access to on-line computer service
231.13(423)	Sale or rental of information services
231.14(423)	Exclusion from tax for property delivered by certain media
231.15(423)	Exempt sales of clothing and footwear during two-day period in August
231.16(423)	State sales tax phase-out on energies

CHAPTERS 232 to 234

Reserved

CHAPTER 235

REBATE OF IOWA SALES TAX PAID

235.1(423)	Sanctioned automobile racetrack facilities
235.2(423)	Sanctioned baseball and softball tournament facility and movie site

CHAPTER 236

Reserved

CHAPTER 237

REINVESTMENT DISTRICTS PROGRAM

237.1(15J)	Purpose
237.2(15J)	Definitions
237.3(15J)	New state tax revenue calculations
237.4(15J)	State reinvestment district fund
237.5(15J)	Reinvestment project fund
237.6(15J)	End of deposits—district dissolution

CHAPTER 238

FLOOD MITIGATION PROGRAM

238.1(418)	Flood mitigation program
238.2(418)	Definitions
238.3(418)	Sales tax increment calculation
238.4(418)	Sales tax increment fund

CHAPTER 239

LOCAL OPTION SALES TAX URBAN RENEWAL PROJECTS

239.1(423B)	Urban renewal project
239.2(423B)	Definitions
239.3(423B)	Establishing sales and revenue growth
239.4(423B)	Requirements for cities adopting an ordinance
239.5(423B)	Identification of retail establishments
239.6(423B)	Calculation of base year taxable sales amount
239.7(423B)	Determination of tax growth increment amount
239.8(423B)	Distribution of tax base and growth increment amounts
239.9(423B)	Examples
239.10(423B)	Ordinance term

CHAPTER 240
RULES NECESSARY TO IMPLEMENT THE STREAMLINED SALES
AND USE TAX AGREEMENT

- 240.1(423) Allowing use of the lowest tax rate within a database area and use of the tax rate
 for a five-digit area when a nine-digit zip code cannot be used
- 240.2(423) Permissible categories of exemptions
- 240.3(423) Requirement of uniformity in the filing of returns and remittance of funds
- 240.4(423) Allocation of bad debts
- 240.5(423) Purchaser refund procedures
- 240.6(423) Relief from liability for reliance on taxability matrix
- 240.7(423) Effective dates of taxation rate increases or decreases when certain services are
 furnished
- 240.8(423) Prospective application of defining “retail sale” to include a lease or rental

CHAPTER 241
EXCISE TAXES NOT GOVERNED BY THE STREAMLINED SALES AND
USE TAX AGREEMENT

- 241.1(423A,423D) Purpose of the chapter
- 241.2(423A,423D) Director’s administration

DIVISION I
STATE-IMPOSED HOTEL AND MOTEL TAX

- 241.3(423A) Definitions
- 241.4(423A) Imposition of tax
- 241.5(423A) Exemptions

DIVISION II
EXCISE TAX ON SPECIFIC CONSTRUCTION MACHINERY AND EQUIPMENT

- 241.6(423D) Definitions
- 241.7(423D) Tax imposed
- 241.8(423D) Exemption

CHAPTER 1
STATE BOARD OF TAX REVIEW—ADMINISTRATION
[Prior to 12/17/86, Revenue Department[730]]
Rescinded **ARC 2657C**, IAB 8/3/16, effective 9/7/16

CHAPTER 2
STATE BOARD OF TAX REVIEW—CONDUCT OF APPEALS AND
RULES OF PRACTICE AND PROCEDURE
[Prior to 12/17/86, Revenue Department[730]]
Rescinded **ARC 2657C**, IAB 8/3/16, effective 9/7/16

TITLE I
ADMINISTRATION
CHAPTER 6
ORGANIZATION, PUBLIC INSPECTION
[Prior to 10/7/87, see Revenue Department[730] Ch 6]

701—6.1(17A) Establishment, organization, general course and method of operations, methods by which and location where the public may obtain information or make submissions or requests.

6.1(1) *Establishment of the department.* Iowa Code section 421.2 establishes a department of revenue to be administered by a director of revenue.

The department of revenue in recognizing its responsibilities has adopted the following creed to guide and lend direction to its endeavors:

“The Department of Revenue is dedicated to serving the citizens of Iowa and other public officials, while performing the following mission:

“To serve Iowans and to support government services in Iowa by collecting all taxes required by law, but no more.

“In carrying out this mission the department resolves to provide the best service possible in a cordial and helpful manner and to provide maximum opportunity and incentive for the professional growth and development of all our employees.”

The office of the department is maintained at the seat of government in the Hoover State Office Building, 1305 East Walnut Street, P.O. Box 10460, Des Moines, Iowa 50319.

6.1(2) *Organization of the department.* The department consists of the office of the director and the following divisions: property tax, tax policy and communications, internal services, tax management, and research and analysis. For ease of administration, the director has organized the department’s divisions in some instances into bureaus, sections, subsections, and units.

a. The office of the director. The essential functions of the office of the director include:

- (1) Overall management of the agency.
- (2) Review of protest and revocation cases on appeal.
- (3) Strategic planning and coordination of the future operations and goals of the department.
- (4) Provision of financial checks and balances within the department.
- (5) Facilitation of a working relationship between the public sector and the private sector.

b. Divisions.

(1) Property tax division. The property tax division provides technical assistance and training to local assessing jurisdictions, ensures equal assessment of property, and is responsible for determining valuation for centrally assessed property.

(2) Tax management division. The tax management division includes the processing services section, the compliance services section and the collection services section. The essential functions of the tax management division include:

1. Functions performed by the processing services section, which is responsible for registration of taxpayers, deposit of tax revenue, processing of tax returns, management of records, and provision of mail services;

2. Functions performed by the compliance services section, including office examination of returns, identification of nonfilers and underreporters of income, assessment, and review and approval of refund claims. The compliance services section also performs field audits and is responsible for audits for criminal prosecution; and

3. Functions performed by the collection services section, which is responsible for the timely collection of past-due tax liabilities, as well as collection activities for other state agencies and local governments.

(3) Tax policy and communications division. The tax policy and communications division consists of audit services, taxpayer services, and policy. The essential functions of the tax policy and communications division include:

1. Functions performed by the audit services section, which provides support for the compliance services section, and coordinates the administrative process of protests and protest resolution;

2. Functions performed by the taxpayer services section, which is responsible for responding to inquiries from the public and other agencies, drafting brochures and graphics, maintaining the department's online tax research library and Web site, and coordinating public education by the department; and

3. Functions performed by the tax policy section, which is responsible for interpreting state and federal law, developing and maintaining rules for the department and monitoring tax-related issues considered by the general assembly and the United States Congress. This section also drafts declaratory orders, offers technical advice and completes studies and reports.

(4) Internal services division. The essential functions of the internal services division include:

1. Functions performed by the central accounting team, which include operating budget development, maintenance, and reporting;

2. Functions performed by the employee resource team, which governs personnel activities, payroll, benefits, quality of the environment and customer service;

3. Functions performed by the application development section, including system analysis, programming, database administration and support, in coordination with the information technology enterprise of the department of administrative services; and

4. Functions performed by the technical planning and support section, including providing technical support to the department on software and hardware issues, in coordination with the information technology enterprise of the department of administrative services.

(5) Research and analysis division. The essential functions of the research and analysis division include:

1. Functions performed by the research and program analysis section, which provides research on tax issues, compiles statistical tax data, undertakes tax credit tracking and analysis, projects state receipts and refunds, and evaluates the fiscal impact of tax legislation and policies on the state budget; and

2. Functions performed by the performance analysis section, which develops and maintains performance measures for the department to align the department's resources, systems, and employees to meet strategic goals and priorities.

6.1(3) *Methods by which and location where the public may obtain information or make submissions or requests.* The department of revenue maintains its principal office in the Hoover State Office Building, 1305 East Walnut Street, P.O. Box 10460, Des Moines, Iowa 50306.

a. Principal office. Members of the public wishing to obtain information or make submissions or requests on any matters may do so at the department's principal office. Applications for permits or licenses may be obtained and submitted at the principal office, and any assistance needed in filling out the applications will be provided if the taxpayer so desires. Requests for confidential information should be submitted to the director, and the appropriate form will be provided and should be filled out and submitted to the director. Members of the public wishing to inspect information required to be made available to members of the public may do so in the director's office.

b. Regional offices. Regional offices do not have facilities for making available all matters that are available for public inspection under 701—6.2(17A). The regional offices and auditors do have copies of all rules and will make them available to the public. Members of the public needing forms or needing assistance in filling out forms are encouraged to contact the principal office.

This rule is intended to implement Iowa Code sections 421.1, 421.2, 421.9, 421.14, 421.17, 422.1 and 422.72.

[ARC 9875B, IAB 11/30/11, effective 1/4/12; ARC 1303C, IAB 2/5/14, effective 3/12/14; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—6.2(17A) Public inspection. Effective July 1, 1975, Iowa Code section 17A.3(1)“c” and “d” provides that the department shall index and make available for public inspection certain information. Pursuant to this requirement the department shall:

1. Make available for public inspection all rules;

2. Make available for public inspection and index by subject all written statements of law or policy, or interpretations formulated, adopted, or used by the department in the discharge of its functions;

3. Make available for public inspection and index by name and subject all final orders, decisions and opinions.

Section 17A.3(1) “c” and “d” also excepts certain matters from the public inspection requirement:

Except as provided by constitution or statute, or in the use of discovery or in criminal cases, the department shall not be required to make available for public inspection those portions of its staff manuals, instructions or other statements issued by the department which set forth criteria or guidelines to be used by its staff in auditing, in making inspections, in settling commercial disputes or negotiating commercial arrangements, or in the selection or handling of cases such as operational tactics or allowable tolerances or criteria for the defense, prosecution, or settlement of cases, when the disclosure of such statements would: (1) enable law violators to avoid detection; or (2) facilitate disregard of requirements imposed by law; or (3) give a clearly improper advantage to persons who are in an adverse position to the state.

Identifying details which would clearly warrant an invasion of personal privacy or trade secrets will be deleted from any final order, decision or opinion which is made available for public inspection upon a proper showing by the person requesting such deletion as provided in rule 701—7.9(17A).

Furthermore, the department shall not make available for public inspection or disclose information deemed confidential under Iowa Code sections 422.20 and 422.72.

Unless otherwise provided by statute, by rule or upon a showing of good cause by the person filing a document, all information contained in any petition or pleading shall be made available for public inspection.

All information accorded public inspection treatment shall be made available for inspection in the office of the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306, during established office hours.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 9875B, IAB 11/30/11, effective 1/4/12; ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—6.3(17A) Examination of records. Situations may occur that give rise to the need for state officials, other officers, agents or employees of the state, or other persons based on a court subpoena to review tax returns or information belonging to the department in order to fulfill duties and responsibilities or to assist in an investigation. However, there are guidelines that govern such reviews, which are as follows:

6.3(1) Upon the express written approval of the director of revenue or administrator of the compliance division, officers or employees of the state of Iowa may examine state tax returns and information belonging to the department to the extent required as part of their official duties and responsibilities. Written approval will be granted in those situations where the officers or employees of the state of Iowa have (1) statutory authority to obtain information from the department of revenue and (2) the information obtained is used for tax administration purposes. Where information is obtained from the department of revenue on a regular basis, the director of revenue may enter into a formal agreement with the state agency or state official who is requesting the information. The agreement will cover the conditions and procedures under which specific information will be released. The following persons do not need written approval from the director of revenue or the administrator of the compliance division to examine state information and returns:

1. Assistant attorneys general assigned to the department of revenue.
2. Local officials acting as representatives of the state in connection with the collection of taxes or in connection with legal proceedings relating to the enforcement of tax laws.
3. The child support recovery unit of the department of human services and other state agencies and subdivisions of the state that are set forth in Iowa Code section 422.17 as amended by 1999 Iowa Acts, chapter 152, section 1, to secure a taxpayer’s name and address per the terms of an interagency agreement. (Also see Iowa Code section 252B.9)
4. Workforce development department per the terms of an interagency agreement.

5. The legislative services agency regarding sample individual income tax information to be used for statistical purposes. (Also see Iowa Code section 422.72(1).)

6. The auditor of state, to the extent that the information is necessary to complete the annual audit of the department as required by Iowa Code section 11.2. (Also see Iowa Code section 422.72(1).)

Tax information and returns will not be released to officers and employees of the state who do not meet the requirements set forth above. (See Letter Opinions, November 25, 1981, Richards to Bair, Director of Revenue, and March 4, 1982, Richards to Johnson, Auditor, and Bair, Director of Revenue.)

The director may disclose state tax information, including return information, to tax officials of another state or the United States government for tax administration purposes provided that a reciprocal agreement exists which has laws that are as strict as the laws of Iowa protecting the confidentiality of returns and information.

6.3(2) The director of revenue must provide state tax returns and return information in response to a subpoena issued by the court based on Iowa R. Crim. P. 2.5 commanding the appearance before the attorney general or an assistant attorney general if the subpoena is accompanied by affidavits from such person and from a sworn peace officer member of the department of public safety affirming that the information is necessary for the investigation of a felony violation of Iowa Code chapter 124, "Controlled Substances," or 706B, "Money Laundering." Affidavits accompanying the subpoenas and the information provided by the director of revenue must remain a confidential record and may only be disseminated to a prosecutor, peace officer involved in the investigation, or to the taxpayer who filed the information. In addition, the court in connection with the filing of criminal charges or institution of a forfeiture action may also receive such confidential information.

A person who knowingly files a false affidavit with the director to secure information or who divulges information received under this rule in any manner prohibited by this rule commits a serious misdemeanor.

This rule is intended to implement Iowa Code sections 252B.9, 421.18, 421.19, 422.20, 422.72, and 452A.63.

701—6.4(17A) Copies of proposed rules. A trade or occupational association which has registered its name and address with the department of revenue may receive, by mail, copies of proposed rules. Registration of the association's name and address with the department is accomplished by written notification to the Administrator, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50306. In the written notification, the association must designate, by reference to rule 701—7.1(421,17A), the type of proposed rules and the number of copies of each rule it wishes to receive. If the association wishes to receive copies of proposed rules not enumerated in rule 701—7.1(421,17A), it may make a blanket written request at the time of registration or at any time prior to the adoption of such rules. A charge of 20 cents per single-sided page shall be charged to cover the actual cost of providing each copy of the proposed rule. In the event the actual cost exceeds 20 cents for a single-sided page, it will be billed accordingly.

This rule does not prevent an association which has registered with the department in accordance with this rule from changing its designation of types of proposed rules or number of copies of proposed rules which the association desires to receive. If an association makes such changed designation, it must do so by written notification to the Administrator, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50319.

This rule is intended to implement Iowa Code section 17A.4.

[ARC 9875B, IAB 11/30/11, effective 1/4/12; ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—6.5(17A) Regulatory analysis procedures. Any small business as defined in Iowa Code section 17A.4A or organization of small businesses which has registered its name and address with the department of revenue shall receive by mail a copy or copies of any proposed rule which may have an impact on small business. Registration of the business's or organization's name and address with the department is accomplished by written notification to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa

50306. In the written notification, the business or organization must state that it wishes to receive copies of rules which may have an impact on small business, the number of copies of each rule it wishes to receive, and must also designate, by reference to rule 701—7.1(421,17A), the types of proposed rules it wishes to receive. If the small business or organization of small businesses wishes to receive copies of proposed rules not enumerated in rule 701—7.1(421,17A), it may make a blanket written request at the time of registration or at any time prior to the adoption of the rules. A charge of 20 cents per single-sided page shall be imposed to cover the actual cost of providing each copy of the proposed rule. In the event the actual cost exceeds 20 cents for a single-sided page, it will be billed accordingly.

The administrative rules review committee, the administrative rules coordinator, at least 25 persons signing that request who qualify as a small business, or an organization representing at least 25 such persons may request issuance of a regulatory analysis by writing to the Policy Section, Policy and Communications Division, Department of Revenue, Hoover State Office Building, P.O. Box 10457, Des Moines, Iowa 50319. The request shall contain the following information: the name of the persons qualified as a small business and the name of the small business or the name of the organization as stated in its request for registration and an address; if a registered organization is requesting the analysis, a statement that the registered organization represents at least 25 persons; the proposed rule or portion of the proposed rule for which a regulatory analysis is requested; the factual situation which gives rise to the business's or organization's difficulties with the proposed rule; any of the methods for reducing the impact of the proposed rule on small business contained in Iowa Code section 17A.4A which may be particularly applicable to the circumstances; the name, address and telephone number of any person or persons knowledgeable regarding the difficulties which the proposed rule poses for small business and other information as the business or organization may deem relevant.

This rule is intended to implement Iowa Code section 17A.4A.
[ARC 9875B, IAB 11/30/11, effective 1/4/12; ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—6.6(422) Retention of records and returns by the department. The director may destroy any records, returns, reports or communications of a taxpayer after they have been in the custody of the department for three years, or at such later time when the statute of limitations for audit of the returns or reports has expired. The director may destroy any records, returns, reports or communications of a taxpayer before they have been in the custody of the department for three years provided that the amount of tax and penalty due has been finally determined.

This rule is intended to implement Iowa Code section 422.68.

701—6.7(68B) Consent to sell. In addition to being subject to any other restrictions in outside employment, self-employment or related activities imposed by law, an official of the department of revenue may only sell, either directly or indirectly, any goods or services to individuals, associations, or corporations subject to the authority of the department of revenue when granted permission subsequent to completion and approval of an Iowa department of revenue application to engage in outside employment. The application to engage in outside employment must be approved by the official's immediate supervisor, division administrator, and the administration division administrator. Approval to sell may only be granted when conditions listed in Iowa Code section 68B.4 are met.

This rule is intended to implement Iowa Code section 68B.4.

701—6.8(421) Tax return extension in disaster areas. If a natural disaster is declared by the governor in any area of the state, the director may extend for a period of up to one year the due date for the filing of any tax return and may suspend any associated penalty or interest that would accrue during that period of time for any affected taxpayer whose principal residence or business is located in the covered area if the director determines it necessary for the efficient administration of the tax laws of this state. The director will notify the public of any possible extensions of tax filings as well as possible suspensions of penalty and interest. Notification will be made through different means available to the director including, but not limited to, press releases, media information, and the department's Web site. Persons eligible for

extension shall notify the director that they qualify and shall include a notation of the reason for the extension request on the tax return.

This rule is intended to implement 2008 Iowa Acts, Senate File 2400.

[Filed July 1, 1975]

[Filed emergency 4/28/78—published 5/17/78, effective 4/28/78]

[Filed 5/9/80, Notice 4/2/80—published 5/28/80, effective 7/2/80]

[Filed 12/5/80, Notice 10/29/80—published 12/24/80, effective 1/28/81]

[Filed 4/23/81, Notice 3/18/81—published 5/13/81, effective 6/17/81]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 8/12/83, Notice 7/6/83—published 8/31/83, effective 10/5/83]

[Filed 4/5/85, Notice 2/27/85—published 4/24/85, effective 5/29/85]

[Filed 10/4/85, Notice 8/28/85—published 10/23/85, effective 11/27/85]

[Filed 9/18/87, Notice 8/12/87—published 10/7/87, effective 11/11/87]

[Filed 11/21/90, Notice 10/17/90—published 12/12/90, effective 1/16/91]

[Filed 9/27/91, Notice 8/21/91—published 10/21/91, effective 11/20/91]

[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]

[Filed 11/24/99, Notice 10/20/99—published 12/15/99, effective 1/19/00]

[Filed 3/26/04, Notice 2/18/04—published 4/14/04, effective 5/19/04]

[Filed 10/31/08, Notice 9/24/08—published 11/19/08, effective 12/24/08]

[Filed ARC 9875B (Notice ARC 9797B, IAB 10/5/11), IAB 11/30/11, effective 1/4/12]

[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]

[Filed ARC 1303C (Notice ARC 1231C, IAB 12/11/13), IAB 2/5/14, effective 3/12/14]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 7
PRACTICE AND PROCEDURE BEFORE THE DEPARTMENT OF REVENUE
[Prior to 12/17/86, Revenue Department[730]]

701—7.1(421,17A) Applicability and scope of rules. These rules pertain to practice and procedure and are designed to implement the requirements of the Act and aid in the effective and efficient administration and enforcement of the tax laws of this state and other activities of the department. These rules shall govern the practice, procedure and conduct of the informal proceedings, contested case proceedings, licensing, rule making, and declaratory orders involving taxation and other areas within the department's jurisdiction, which includes the following:

1. Sales and use tax—Iowa Code chapter 423;
2. Individual and fiduciary income tax—Iowa Code sections 422.4 to 422.31 and 422.110 to 422.112;
3. Franchise tax—Iowa Code sections 422.60 to 422.66;
4. Corporate income tax—Iowa Code sections 422.32 to 422.41 and 422.110 to 422.112;
5. Withholding tax—Iowa Code sections 422.16 and 422.17;
6. Estimated tax—Iowa Code sections 422.16, 422.17 and 422.85 to 422.92;
7. Motor fuel tax—Iowa Code chapter 452A;
8. Property tax—Iowa Code chapters 421, 425 to 428A and 433 to 441;
9. Cigarette and tobacco tax—Iowa Code chapters 421B and 453A;
10. Inheritance tax and qualified use inheritance tax—Iowa Code chapters 450 and 450B;
11. Local option taxes—Iowa Code chapter 423B;
12. Hotel and motel tax—Iowa Code chapter 423A;
13. Drug excise tax—Iowa Code chapter 453B;
14. Automobile rental excise tax—Iowa Code chapter 423C;
15. Environmental protection charge—Iowa Code chapter 424;
16. Replacement taxes—Iowa Code chapter 437A;
17. Statewide property tax—Iowa Code chapter 437A;
18. Equipment tax—Iowa Code chapter 423D;
19. Other taxes and activities as may be assigned to the department from time to time; and
20. The taxpayer's bill of rights—Iowa Code section 421.60.

As the purpose of these rules is to facilitate business and advance justice, any rule contained herein, pursuant to statutory authority, may be suspended or waived by the department to prevent undue hardship in any particular instance or to prevent surprise or injustice.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 1545C, IAB 7/23/14, effective 8/27/14]

701—7.2(421,17A) Definitions. These definitions apply to this chapter, unless the text otherwise states to the contrary:

“Act” means the Iowa administrative procedure Act.

“Affiliate or subsidiary of an entity dominant in its field of operation” means an entity which is at least 20 percent owned by an entity that is dominant in its field of operation, or by a partner, officer, director, majority stockholder or the equivalent, of an entity dominant in that field of operation.

“Agency” means each board, commission, department, officer, or other administrative office or unit of the state.

“Clerk of the hearings section” means the clerk of the hearings section of the department.

“Contested case” means a proceeding, including licensing, in which the legal rights, duties or privileges of a party are required by constitution or statute to be determined by an agency after an opportunity for an evidentiary hearing. This term also includes any matter defined as a no factual dispute contested case as provided in Iowa Code section 17A.10A.

“Declaratory order” means an order issued pursuant to Iowa Code section 17A.9.

“Department” means the Iowa department of revenue.

“Department of inspections and appeals” means the state department created by Iowa Code chapter 10A.

“Director” means the director of the department or the director’s authorized representative.

“Division of administrative hearings” means the division of the department of inspections and appeals responsible for holding contested case proceedings pursuant to Iowa Code chapter 10A.

“Dominant in its field of operation” means having more than 20 full-time equivalent positions and more than \$1 million in annual gross revenues.

“Entity” means any taxpayer other than an individual or sole proprietorship.

“Intervene” means to file with the department a petition requesting that the petitioner be allowed to intervene in the proceedings for a declaratory order currently under the department’s consideration.

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

“Last-known address” does not necessarily mean the taxpayer’s actual address but instead means the last address that the taxpayer makes known to the department by tax type. Thus, for instance, receipt by the department of a taxpayer’s change of address from a third person not authorized to act on behalf of the taxpayer (e.g., an employer who had filed a Form W-2 showing a new taxpayer address) is not notice to the department of a change of address of the taxpayer. However, the filing by the taxpayer of a tax return for a year subsequent to the year for which a notice is required would be notification to the department of a change of address, provided a reasonable amount of time is allowed to process such information and transfer it to the department’s central computer system. Taxpayers should be aware of their need to update their address with the department in order to receive refunds of tax and notices of assessments and denial of a claim for refund. When such a notice is sent to a “taxpayer’s last-known address,” the notice is legally effective even if the taxpayer never receives it.

“License” means the whole or a part of any permit, certificate, approval, registration, charter, or similar form of permission required by statute.

“Licensing” means the department process respecting the grant, denial, renewal, revocation, suspension, annulment, withdrawal, or amendment of a license.

“Motion” has the same meaning as the term is defined in Iowa R. Civ. P. 1.431.

“Party” means each person or agency named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party, including intervenors.

“Person” means any individual; estate; trust; fiduciary; partnership, including limited liability partnership; corporation, including limited liability corporation; association; governmental subdivision; or public or private organization of any character or any other person covered by the Act other than an agency.

“Petition” means application for declaratory order, request to intervene in a declaratory order under consideration, application for initiation of proceedings to adopt, amend or repeal a rule or document filed in licensing.

“Pleadings” means protest, answer, reply or other similar document filed in a contested case proceeding, including contested cases involving no factual dispute.

“Presiding officer” means the person designated to preside over a proceeding involving the department. A presiding officer of a contested case involving the department will be either the director or a qualified administrative law judge appointed, pursuant to Iowa Code chapter 17A, by the division of administrative hearings established pursuant to Iowa Code section 10A.801. In cases in which the department is not a party, at the director’s discretion, the presiding officer may be the director or the director’s designee. The presiding officer of an administrative appeal is the director of the department.

“Proceeding” means informal, formal and contested case proceedings.

“Proposed decision” means the presiding officer’s recommended findings of fact, conclusions of law, decision, and order in a contested case in which the director did not preside.

“Protester” means any person entitled to file a protest which may culminate in a contested case proceeding.

“Provision of law” means the whole or part of the Constitution of the United States of America or the Constitution of the State of Iowa, or of any federal or state statute, court rule, executive order of the governor, or rule of the department.

“Review unit” means the unit composed of department employees designated by the director and of the attorney general’s staff who have been assigned to review protests filed by taxpayers.

“Rule” means a department statement of general applicability that implements, interprets, or prescribes law or policy, or that describes the organization, procedure, or practice requirements of the department. Notwithstanding any other statute, the term includes an executive order or directive of the governor which creates an agency or establishes a program or which transfers a program between agencies established by statute or rule. The term includes the amendment or repeal of an existing rule, but does not include the excluded items set forth in Iowa Code section 17A.2(11).

“Small business” means any entity including, but not limited to, an individual, partnership, corporation, joint venture, association, or cooperative. A small business is not an affiliate of an entity dominant in its field of operation. A small business has either 20 or fewer full-time equivalent positions or less than \$1 million in annual gross revenues in the preceding fiscal year.

“Taxpayer interview” means any in-person contact between an employee of the department and a taxpayer or a taxpayer’s representative which has been initiated by a department employee.

“Taxpayer’s representative” or *“authorized taxpayer’s representative”* means an individual authorized to practice before the department under rule 701—7.6(17A); an individual who has been named as an authorized representative on a fiduciary return of income form filed under Iowa Code section 422.14, or a tax return filed under Iowa Code chapter 450, “Inheritance Tax,” or chapter 450B, “Qualified Inheritance Tax”; or for proceedings before the department, any other individual the taxpayer designates who is named on a valid power of attorney if appearing on behalf of another.

Unless otherwise specifically stated, the terms used in these rules promulgated by the department shall have the meanings defined by the Act.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 1545C, IAB 7/23/14, effective 8/27/14]

701—7.3(17A) Business hours. The principal office of the department in the Hoover State Office Building in Des Moines, Iowa, shall be open between the hours of 8 a.m. and 4:30 p.m. each weekday, except Saturdays, Sundays and legal holidays as prescribed in Iowa Code section 4.1(34), for the purpose of receiving protests, pleadings, petitions, motions, or requests for public information or copies of official documents or for the opportunity to inspect public records.

7.3(1) All documents or papers required to be filed with the department by these rules shall be filed with the designated clerk of the hearings section in the principal office of the department in the Hoover State Office Building, Des Moines, Iowa 50319. Requests for public information or copies of official documents or for the opportunity to inspect public records shall be made in the director’s office at the department’s principal office.

7.3(2) All documents or papers filed with an administrative law judge appointed by the division of administrative hearings to be a presiding officer shall be filed with the Department of Inspections and Appeals, Administrative Hearings Division, Third Floor, Wallace State Office Building, Des Moines, Iowa 50319.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.4(17A) Computation of time, filing of documents. In computing any period of time prescribed or allowed by these rules or by an applicable statute, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday or legal holiday. Legal holidays are prescribed in Iowa Code section 4.1(34).

7.4(1) All documents or papers required to be filed with the department shall be considered as timely filed if they are either received by the department’s principal office or are postmarked for delivery to

the department's principal office within time limits as prescribed by law or by rules or orders of the department.

7.4(2) In all cases where the time for the filing of a protest or the performance of any other act shall be fixed by law, the time so fixed by law shall prevail over the time fixed in these rules.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.5(17A) Form and style of papers. All pleadings, petitions, briefs and motions or other documents filed with the department shall be typewritten, shall have a proper caption, and shall have a signature and copies as herein provided or as specified in some other rule.

7.5(1) Papers shall be typed on only one side of plain white paper. Pleadings, petitions, motions, orders and any other papers allowed or required to be filed by these rules may be on any size paper. Citations should be underscored.

7.5(2) The proper caption shall be placed in full upon the first paper filed.

7.5(3) The signature of the petitioner, party, or authorized representative shall be subscribed in writing to the original of all pleadings, petitions, briefs or motions and shall be an individual's and not a firm's name except that the signature of a corporation shall be the name of the corporation by one of its active officers. The name and mailing address of the party or the party's representative actually signing shall be typed or printed immediately beneath the written signature. The signature shall constitute a certification that the signer has read the document; that to the best of the signer's knowledge, information and belief, every statement contained in the document is true and no such statement is misleading.

a. A taxpayer or the taxpayer's representative using e-mail or other electronic means to submit an income tax return, a sales tax or use tax return, a return for any other tax administered by the department, an application for a sales tax permit or other permit, a deposit form for remitting withholding tax or other taxes administered by the department, or any other document to the department may use an electronic signature or a signature designated by the department in lieu of a handwritten signature. To the extent that a taxpayer or the taxpayer's representative submits to the department a tax return, deposit document, application or other document by e-mail or other electronic means with an electronic signature or signature designated by the department, the taxpayer should include in the record of the document the taxpayer's federal identification number so that the taxpayer's identity is established. For purposes of this rule, "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a tax return, deposit document, or other document filed with the department and executed or adopted by a person with the intent to sign the return, deposit document, or other document filed with the department. For purposes of this rule, "signature designated by the department" means a symbol or other information that is provided by the department to the taxpayer or the taxpayer's representative and is to serve instead of the handwritten signature of the taxpayer.

b. In a situation where the taxpayer or the taxpayer's representative has submitted a return or other document to the department by e-mail, the taxpayer should include the taxpayer's e-mail address in the record of the document. However, notwithstanding the above information, a taxpayer may not submit a tax return or other document to the department with an electronic signature when a handwritten signature is required with the return or document by federal or state law.

7.5(4) Every pleading (other than protest) or motion or brief shall bear proof of service upon the opposing party as provided by the Iowa Rules of Civil Procedure.

7.5(5) Except as otherwise provided in these rules or ordered by the department, an original copy only of every pleading, brief, motion or petition shall be filed.

7.5(6) All copies shall be clear and legible but may be on any weight of paper.

7.5(7) Upon motion of an opposing party or on its own motion, the department may, in its discretion, if a person or party has failed to comply with this rule, require such person or party to follow the

provisions of this rule and may point out the defects and details needed to comply with the rule prior to the filing of the rule.

This rule is intended to implement Iowa Code chapters 17A and 554D and section 421.17.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.6(17A) Persons authorized to represent themselves or others. Due to the complex questions involved and the technical aspects of taxation, persons are encouraged to seek the aid, advice, assistance and counsel of practicing attorneys and certified public accountants.

7.6(1) The right to represent one's self or others in connection with any proceeding before the department or administrative hearings division shall be limited to the following classes of persons:

- a. Taxpayers who are natural persons representing themselves;
- b. Attorneys duly qualified and entitled to practice in the courts of the state of Iowa;
- c. Attorneys who are entitled to practice before the highest court of record of any other state and who have complied with Iowa Ct. R. 31.14;
- d. Accountants who are authorized, permitted, or licensed under Iowa Code chapter 542;
- e. Duly authorized directors or officers of corporations representing the corporation of which they are respectively a director or officer, excluding attorneys who are acting in the capacity of a director or officer of a corporation and who have not met the requirements of paragraph 7.6(1) "c" above;
- f. Partners representing their partnership;
- g. Fiduciaries;
- h. Government officials authorized by law; and
- i. Enrolled agents, currently enrolled under 31 CFR §10.6 for practice before the Internal Revenue Service, representing a taxpayer in proceedings under division II of Iowa Code chapter 422.

7.6(2) No person who has served as an official or employee of the department shall within a period of two years after the termination of such service or employment appear before the department or receive compensation for any services rendered on behalf of any person, firm, corporation, or association in relation to any case, proceeding, or application with respect to which the person was directly concerned and in which the person personally participated during the period of service or employment.

7.6(3) Any person appearing in any proceeding involving the department, regardless of whether the department is a party, must have on file with the department a valid Iowa power of attorney.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.7(17A) Resolution of tax liability. Unless a proper protest has been filed as provided hereinafter, persons interested in any tax liability, refund claim, licensing or any other tax matters shall discuss the resolution of such matters with appropriate personnel.

In the event that a proper protest has been filed as provided hereinafter, the appropriate department personnel, when authorized by the review unit, shall have the authority to discuss the resolution of any matter in the protest either with the protester or the protester's representative. The appropriate personnel shall report their activities in this regard to the review unit, and the unit shall be authorized to approve or reject any recommendations made by the appropriate personnel to resolve a protest.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.8(17A) Protest. Any person wishing to contest an assessment, denial of refund claim, or any other department action, except licensing, which may culminate in a contested case proceeding shall file a protest, in writing, with the department within the time prescribed by the applicable statute or rule for filing notice of application to the director for a hearing. The protest must either be delivered to the department by electronic means or by United States Postal Service or a common carrier, by ordinary, certified, or registered mail, directed to the attention of the clerk of the hearings section at P.O. Box 14457, Des Moines, Iowa 50306, or be personally delivered to the clerk of the hearings section or served on the clerk of the hearings section by personal service during business hours. For the purpose of mailing, a protest is considered filed on the date of the postmark. If a postmark date is not present on the mailed

article, then the date of receipt of protest will be considered the date of mailing. Any document, including a protest, is considered filed on the date personal service or personal delivery to the office of the clerk of the hearings section for the department is made. See Iowa Code section 622.105 for the evidence necessary to establish proof of mailing.

7.8(1) The period for appealing department action relating to refund claims is the same statutory period as that for contesting an assessment. Failure to timely file a written protest will be construed as a waiver of opposition to the matter involved unless, on the director's own motion, pursuant to statutory authority, the powers of abatement or settlement are exercised. The review unit created within the department by the director to review protests as provided in rule 701—7.11(17A) may seek dismissal of protests which are not in the proper form as provided by this rule. See subrule 7.11(2) for dismissals.

7.8(2) If the department has not granted or denied a filed refund claim within six months of the filing of the claim, the refund claimant may file a protest. Even though a protest is so filed, the department is entitled to examine and inspect the refund claimant's records to verify the refund claim.

7.8(3) Notwithstanding the above, the taxpayer who fails to timely protest an assessment may contest the assessment by paying the whole assessed tax, interest, and penalty and by filing a refund claim within the time period provided by law for filing such claim. However, in the event that such assessment involves divisible taxes which are not timely protested, namely, an assessment which is divisible into a tax on each transaction or event, the taxpayer may contest the assessment by paying a portion of the assessment and filing a refund claim within the time period provided by law. In this latter instance, the portion paid must represent any undisputed portion of the assessment and must also represent the liability on a transaction or event for which, if the taxpayer is successful in contesting the portion paid, the unpaid portion of the assessment would be canceled. *Flora v. United States*, 362 U.S. 145, 4 L.Ed. 2d 623, 80 S.Ct.630 (1960); *Higginbotham v. United States*, 556 F.2d 1173 (4th Cir. 1977); *Steele v. United States*, 280 F.2d 89 (8th Cir. 1960); *Stern v. United States*, 563 F. Supp. 484 (D. Nev. 1983); *Drake v. United States*, 355 F. Supp. 710 (E.D. Mo. 1973). Any such protest filed is limited to the issues covered by the amounts paid for which a refund was requested and denied by the department. Thereafter, if the department does not grant or deny the refund within six months of the filing of the refund claim or if the department denies the refund, the taxpayer may file a protest as authorized by this rule.

7.8(4) All of the taxes administered and collected by the department can be divisible taxes, except individual income tax, fiduciary income tax, corporation income tax, franchise tax, and statewide property tax. The following noninclusive examples illustrate the application of the divisible tax concept.

EXAMPLE A. As a responsible party, X is assessed withholding income taxes, penalty and interest on eight employees. X fails to timely protest the assessment. X contends that X is not a responsible party. If X is a responsible party, X is required to make monthly deposits of the withholding taxes. In this situation, the withholding taxes are divisible. Therefore, X may pay an amount of tax, penalty and interest attributable to one employee for one month and file a refund claim within the time period provided by law since, if X is successful on the refund claim, the remaining unpaid portion of the assessment would be canceled.

EXAMPLE B. Y is assessed sales tax, interest, and penalty for electricity purchased and used to power a piece of machinery in Y's manufacturing plant. Y fails to timely protest the assessment. Y was billed monthly for electricity by the power company to which Y had given an exemption certificate. Y contends that the particular piece of machinery is used directly in processing tangible personal property for sale and that, therefore, all of the electricity is exempt from sales tax. In this situation, the sales tax is divisible. Therefore, Y may pay an amount of tax, penalty and interest attributable to one month's electrical usage in that machinery and file a refund claim within the time period provided by law since, if Y is successful on the refund claim, the remaining unpaid portion of the assessment would be canceled.

7.8(5) The protest shall be brought by and in the name of the interested or affected person or by and in the full descriptive name of the fiduciary legally entitled to institute a proceeding on behalf of the person or by an intervenor in contested case proceedings. In the event of a variance in the name set forth in the protest and the correct name, a statement of the reason for the discrepancy shall be set forth in the protest.

7.8(6) The protest shall contain a caption in the following form:

BEFORE THE DEPARTMENT OF REVENUE
HOOVER STATE OFFICE BUILDING
DES MOINES, IOWA

IN THE MATTER OF _____	*	
(state taxpayer's name and address and	*	PROTEST
designate type of proceeding, e.g.,	*	Docket No. _____
income tax refund claim)	*	(filled in by Department)

7.8(7) The protest shall substantially state in separate numbered paragraphs the following:

- a. Proper allegations showing:
 - (1) Date of department action, such as the assessment notice, refund denial, etc.;
 - (2) Whether the protester failed to timely appeal the assessment and, if so, the date of payment and the date of filing of the refund claim;
 - (3) Whether the protest involves the appeal of a refund claim after six months from the date of filing the refund claim because the department failed to deny the claim;
 - (4) Copies of the documented department action, such as the assessment notice, refund claim, and refund denial letter;
 - (5) Other items that the protester wishes to bring to the attention of the department; and
 - (6) A request for attorney fees, if applicable.
- b. The type of tax, the taxable period or periods involved and the amount in controversy.
- c. Each error alleged to have been committed, listed in a separate paragraph. For each error listed, an explanation of the error and all relevant facts related to the error shall be provided.
- d. Reference to any particular statute or statutes and any rule or rules involved, if known.
- e. Description of records or documents that were not available or were not presented to department personnel prior to the filing of the protest, if any. Copies of any records or documents that were not previously presented to the department shall be provided.
- f. Any other matters deemed relevant and not covered in the above paragraphs.
- g. The desire of the protester to waive informal or contested case proceedings if waiver is desired. Unless the protester so indicates a waiver, informal procedures will be initiated.
- h. A statement setting forth the relief sought by the protester.
- i. The signature of the protester or that of the protester's representative, the addresses of the protester and of the protester's representative, and the telephone number of the protester or the protester's representative. A copy of the power of attorney for the protester's representative shall be attached.

7.8(8) An original and two copies of the protest shall be filed with the clerk of the hearings section. Upon receipt of the protest, the clerk of the hearings section shall register receipt of the protest, docket the protest, and assign a number to the case. The assigned number shall be placed on all subsequent pleadings filed in the case.

7.8(9) The protester may amend the protest at any time prior to the commencement of the evidentiary hearing. The department may request that the protester amend the protest for purposes of clarification.

7.8(10) Upon the filing of an answer or if a demand for contested case is made by the protester, the clerk of the hearings section will transfer the protest file to the division of administrative hearings within 30 days of the date of the filing of the answer or the demand for contested case, unless the director determines not to transfer the case. If a party objects to a determination under rule 701—7.17(17A), the transfer, if any, would be made after the director makes a ruling on the objection.

7.8(11) Denial of renewal of vehicle registration or denial of issuance or renewal, or suspension, of a driver's license.

- a. A person who has had an application for renewal of vehicle registration denied, has been denied the issuance of a driver's license or the renewal of a driver's license, or has had a driver's license

suspended may file a protest with the clerk of the hearings section if the denial of the issuance or renewal or the suspension is because the person owes delinquent taxes.

b. The issues raised in a protest by the person, which are limited to a mistake of fact, may include but are not limited to:

- (1) The person has the same name as the obligor but is not the correct obligor;
- (2) The amount in question has been paid; or
- (3) The person has made arrangements with the department to pay the amount.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 1303C, IAB 2/5/14, effective 3/12/14; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—7.9(17A) Identifying details.

7.9(1) Any person may file a motion to delete identifying details concerning the person from any document relating to any proceeding as defined in rule 701—7.2(421,17A) prior to disclosure to members of the public. Such a motion must be filed with the clerk of the hearings section if the motion is filed prior to the commencement of a contested case, which is before the notice for hearing is issued. If the motion is filed during a contested case proceeding pending before an administrative law judge and before the administrative law judge has entered a proposed decision on the case or has entered a closing order, the motion must be filed with and ruled upon by the administrative law judge. Otherwise, the motion must be filed with the clerk of the hearings section and ruled upon by the director. The motion shall be filed simultaneously with the presentation of the privacy or trade secret information under circumstances whereby the information may be disclosed to the public and before the issuance of any opinion, order or decision.

7.9(2) If the motion concerns information which is not a part of a contested case, the motion shall be in the form of a request to delete identifying details; if part of a contested case, the motion shall be in the form of a motion to delete identifying details. All motions to delete identifying details shall conform to subrule 7.17(5).

a. The motion shall contain the following:

(1) The name of the person requesting deletion and the docket number of the proceeding, if applicable;

(2) The legal basis for the motion for deletion, which is either that release of the material would be a clearly unwarranted invasion of personal privacy or the material is a trade secret. A corporation may not claim an unwarranted invasion of privacy;

(3) A precise description of the document, report, or other material in the possession of the department from which the deletion is sought and a precise description of the information to be deleted. If deletion is sought from more than one document, each document and the materials sought to be deleted from it shall be listed in separate paragraphs. Also contained in each separate paragraph shall be a statement of the legal basis for the deletion requested in that paragraph, which is that release of the material sought to be deleted is a clearly unwarranted invasion of privacy or the material is a trade secret and the material serves no public purpose.

b. An affidavit in support of deletion must accompany each motion. The affidavit must be sworn to by a person familiar with the facts asserted within it and shall contain a clear and concise explanation of the facts justifying deletion, not merely the legal basis for deletion or conclusionary allegations.

c. All affidavits shall contain a general and truthful statement that the information sought to be deleted is not available to the public from any source or combination of sources, direct or indirect, and a general statement that the release would serve no public purpose.

d. The burden of showing that deletion is justified shall be on the movant. The burden is not carried by mere conclusionary statements or allegations, for example, that the release of the material would be a clearly unwarranted invasion of personal privacy or that the material is a trade secret.

e. That the matter sought to be deleted is part of the pleadings, motions, evidence, and the record in a contested case proceeding otherwise open for public inspection and that the matter would otherwise constitute confidential tax information shall not be grounds for deletion (1992 Op. IA Att’y Gen. 1).

f. The ruling on the motion shall be strictly limited to the facts and legal bases presented by the movant, and the ruling shall not be based upon any facts or legal bases not presented by the movant.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.10(17A) Docket. The clerk of the hearings section shall maintain a docket of all proceedings, and each of the proceedings shall be assigned a number. Every matter coming within the purview of these rules shall be assigned a docket number which shall be the official number for the purposes of identification. Upon receipt of a protest, a petition for declaratory order or a petition to initiate rule-making proceedings, the proceeding will be docketed and assigned a number, and the parties notified thereof. The number shall be placed by the parties on all papers thereafter filed in the proceeding. After the transfer of a case to the division of administrative hearings for contested case proceedings, that division may assign a docket number to the case and, in that event, the docket number shall be placed by the parties on all papers thereafter filed in the proceeding.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.11(17A) Informal procedures and dismissals of protests.

7.11(1) Informal procedures. Persons are encouraged to utilize the informal procedures provided herein so that a settlement may be reached between the parties without the necessity of initiating contested case proceedings. Therefore, unless the protester indicates a desire to waive the informal procedures in the protest or the department waives informal procedures upon notification to the protester, such informal procedures will be initiated as herein provided upon the filing of a proper protest.

a. Review unit. A review unit is created within the department and, subject to the control of the director, the unit will:

- (1) Review and evaluate the validity of all protests made by taxpayers from the department action.
- (2) Determine the correct amount of tax owing or refund due.
- (3) Determine the best method of resolving the dispute between the protester and the department.
- (4) Take further action regarding the protest, including any additions and deletions to the audit, as may be warranted by the circumstances to resolve the protest, including a request for an informal conference.

(5) Determine whether the protest complies with rule 701—7.8(17A) and request any amendments to the protest or additional information.

b. The review unit may concede any items contained in the protest which it determines should not be controverted by the department. If the protester has not waived informal procedures, the review unit may request that the protester and the protester's representative, if any, attend an informal conference with the review unit to explore the possibility of reaching a settlement without the necessity of initiating contested case proceedings or of narrowing the issues presented in the protest if no settlement can be made. The review unit may request clarification of the issues from the protester or further information from the protester or third persons.

c. Findings dealing with the issues raised in the protest may be issued unless the issues may be more expeditiously determined in another manner or it is determined that findings are unnecessary. The protester will be notified of the decision on the issues in controversy.

d. Nothing herein will prevent the review unit and the protester from mutually agreeing on the manner in which the protest will be informally reviewed.

e. Settlements. If a settlement is reached during informal procedures, the clerk of the hearings section must be notified. A closing order stating that a settlement was reached by the parties and that the case is terminated shall be issued by the director and served upon all parties.

7.11(2) Dismissal of protests.

a. Whether informal procedures have been waived or not, the failure of the protester to timely file a protest or to pursue the protest may be grounds for dismissal of the protest by the director or the director's designee. If the protest is so dismissed, the protester may file an application for reinstatement of the protest for good cause as provided in paragraph 7.11(2) "c." Such application must be filed within

30 days of the date of the dismissal notice. Thereafter, the procedure in paragraph 7.11(2) “c” should be followed. If informal procedures have not been waived, the failure of the protester to present evidence or information requested by the review unit shall constitute grounds for the director or the director’s designee to dismiss the protest. For purposes of this subrule, an evasive or incomplete response will be treated as a failure to present evidence or information. The failure of the protester to file a protest in the format required by rule 701—7.8(17A) may be grounds for dismissal of the protest by the director or the director’s designee.

b. If the department seeks to have the protest dismissed, the review unit shall file a motion to dismiss with the clerk of the hearings section and serve a copy of the motion on the protester. The protester may file a resistance to the motion within 20 days of the date of service of the motion. If no resistance is so filed, the director or the director’s designee shall immediately enter an order dismissing the protest. If a resistance is filed, the review unit has 10 days from the date of the filing of the resistance to decide whether to withdraw its motion and so notify the protester and the clerk of the hearings section. If no such notice is issued by the review unit within the 10-day period, the protest file will be transferred to the division of administrative hearings, which shall issue a notice for a contested case proceeding on the motion as prescribed by rule 701—7.14(17A), except that the issue of the contested case proceeding shall be limited to the question of whether the protest shall be dismissed. Thereafter, rule 701—7.17(17A) pertaining to contested case proceedings shall apply in such dismissal proceedings.

c. If a motion to dismiss is filed and is unresisted, a protest so dismissed may be reinstated by the director or the director’s designee for good cause as interpreted by the Iowa supreme court in the case of *Purethane, Inc. v. Iowa State Board of Tax Review*, 498 N.W.2d 706 (Iowa 1993) if an application for reinstatement is filed with the clerk of the hearings section within 30 days of the date the protest was dismissed. The application shall set forth all reasons and facts upon which the protester relies in seeking reinstatement of the protest. The review unit shall review the application and notify the protester whether the application is granted or denied. If the review unit denies the application to reinstate the protest, the protester has 30 days from the date the application for reinstatement was denied in which to request, in writing, a formal hearing on the reinstatement. When a written request for formal hearing is received, the protest file will be transferred to the division of administrative hearings, which shall issue a notice as prescribed in rule 701—7.14(17A), except that the issue of the contested case proceeding shall be limited to the question of whether the protest shall be reinstated. Thereafter, rule 701—7.17(17A) pertaining to contested case proceedings shall apply in such reinstatement proceedings.

d. Once contested case proceedings have been commenced, whether informal proceedings have been waived or not, it shall be grounds for a motion to dismiss that a protester has either failed to diligently pursue the protest or refuses to comply with requests for discovery set forth in rule 701—7.15(17A). Such a motion must be filed with the presiding officer.

e. Notwithstanding other provisions of this subrule, if the director finds that a protest is not timely filed, including a failure within a reasonable time to file a protest in proper form after notice to the protester by the hearings section, the director, without the filing of a motion to dismiss, may dismiss the protest and shall notify the protester that the protest has been dismissed. With respect to a protest so dismissed, thereafter the provisions of paragraph 7.11(2) “c” shall apply.

This rule is intended to implement Iowa Code section 17A.10.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.12(17A) Answer. The department may, in lieu of findings, file an answer to the protest. When findings are issued, the department will file an answer within 30 days of receipt of written notification from the protester stating disagreement with the findings. The answer shall be filed with the clerk of the hearings section.

7.12(1) In the event that the protester does not so respond in writing to the findings issued on matters covered by paragraph 7.11(1) “c” within 30 days after being notified, the department may seek dismissal of the protest pursuant to subrule 7.11(2).

7.12(2) The answer of the department shall be drawn in a manner as provided by the Iowa Rules of Civil Procedure for answers filed in Iowa district courts.

7.12(3) Each paragraph contained in the answer shall be numbered or lettered to correspond, where possible, with the paragraphs of the protest. An original copy only of the answer shall be filed with the clerk of the hearings section for the department and shall be signed by the department's counsel or representative.

7.12(4) The department shall forthwith serve a copy of the answer upon the representative of record or, if there is no representative of record, then upon the protester and shall file proof of service with the clerk of the hearings section at the time of filing of the answer. The department may amend its answer at any time prior to the commencement of the evidentiary hearing.

7.12(5) The provisions of rule 701—7.12(17A) shall be considered as a part of the informal procedures since a contested case proceeding, at the time of the filing of the answer, has not yet commenced. However, an answer shall be filed pursuant to this rule whether or not informal procedures have been waived by the protester or the department.

7.12(6) Notwithstanding subrules 7.12(1) through 7.12(5), if a taxpayer makes a written demand for a contested case proceeding, as authorized by rule 701—7.14(17A), after a period of six months from the filing of a proper protest, the department shall file its answer within 30 days after receipt of the demand. If the department fails to file its answer within this 30-day period, interest shall be suspended, if the protest involves an assessment, from the time that the department was required to answer until the date that the department files its answer and, if the protest involves a refund, interest shall accrue on the refund at double the rate from the time the department was required to answer until the date that the department files its answer.

7.12(7) The department's answer may contain a statement setting forth whether the case should be transferred to the division of administrative hearings or the director should retain the case for hearing.

7.12(8) The department's answer should set forth the basis for retention of the case by the director as provided in subrule 7.17(1). If the answer fails to allege that the case should be retained by the director, the case should be transferred to the division of administrative hearings for contested case proceedings, unless the director determines on the director's own motion that the case should be retained by the director.

This rule is intended to implement Iowa Code chapter 17A and section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.13(17A) Subpoenas. Prior to the commencement of a contested case, the department shall have the authority to subpoena books, papers, and records and shall have all other subpoena powers conferred upon it by law. Subpoenas in this case shall be issued by the director or the director's designee. Once a contested case is commenced, subpoenas must be issued by the presiding officer.

This rule is intended to implement Iowa Code section 17A.13.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.14(17A) Commencement of contested case proceedings. A demand or request by the protester for the commencement of contested case proceedings must be in writing and filed with the clerk of the hearings section by electronic means, by mail via the United States Postal Service or common carrier by ordinary, certified, or registered mail in care of the clerk of the hearings section, or by personal service on the office of the clerk of the hearings section during business hours. The demand or request is considered filed on the date of the postmark. If the demand or request does not indicate a postmark date, then the date of receipt or the date personal service is made is considered the date of filing. See Iowa Code section 622.105 for the evidence necessary to establish proof of mailing.

7.14(1) At the request of a party or the presiding officer made prior to the issuance of the hearing notice, the presiding officer shall hold a telephone conference with the parties for the purpose of selecting a mutually agreeable hearing date, which date shall be the hearing date contained in the hearing notice. The notice shall be issued within one week after the mutually agreeable hearing date is selected.

7.14(2) Contested case proceedings will be commenced by the presiding officer by delivery of notice by ordinary mail directed to the parties after a demand or request is made (a) by the protester and the filing of the answer, if one is required, which demand or request may include a date to be set for the

hearing, or (b) upon filing of the answer, if a request or demand for contested case proceedings has not been made by the protester. The notice will be given by the presiding officer.

7.14(3) The presiding officer may grant a continuance of the hearing. Any change in the date of the hearing shall be set by the presiding officer. Either party may apply to the presiding officer for a specific date for the hearing. The notice shall include:

- a.* A statement of the time (which shall allow for a reasonable time to conduct discovery), place and nature of the hearing;
- b.* A statement of the legal authority and jurisdiction under which the hearing is held;
- c.* A reference to the particular sections of the statutes and rules involved; and
- d.* A short and plain statement of the matters asserted, including the issues.

7.14(4) After the delivery of the notice commencing the contested case proceedings, the parties may file further pleadings or amendments to pleadings as they desire. However, any pleading or amendment thereto which is filed within seven days prior to the date scheduled for the hearing or filed on the date of the hearing shall constitute good cause for the party adversely affected by the pleading or amendment to seek and obtain a continuance.

This rule is intended to implement Iowa Code section 17A.12.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.15(17A) Discovery. The rules of the supreme court of the state of Iowa applicable in civil proceedings with respect to depositions upon oral examination or written questions; written interrogatories; production of documents or things or permission to enter upon land or other property, for inspection and other purposes; physical and mental examinations; and requests for admission shall apply to discovery procedures in contested case proceedings. Disputes concerning discovery shall be resolved by the presiding officer. If necessary a hearing shall be scheduled, with reasonable notice to the parties, and, upon hearing, an appropriate order shall be issued by the presiding officer.

7.15(1) When the department relies on a witness in a contested case, whether or not the witness is a departmental employee, who has made prior statements or reports with respect to the subject matter of the witness' testimony, the department shall, on request, make such statements or reports available to a party for use on cross-examination unless those statements or reports are otherwise expressly exempt from disclosure by constitution or statute. Identifiable departmental records that are relevant to disputed material facts involved in a contested case shall, upon request, promptly be made available to the party unless the requested records are expressly exempt from disclosure by constitution or statute.

7.15(2) Evidence obtained in such discovery may be used in contested case proceedings if that evidence would otherwise be admissible in the contested case proceeding.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.16(17A) Prehearing conference.

7.16(1) Upon the motion of the presiding officer, or upon the written request of a party, the presiding officer shall direct the parties to appear at a specified time and place before the presiding officer for a prehearing conference to consider:

- a.* The possibility or desirability of waiving any provisions of the Act relating to contested case proceedings by written stipulation representing an informed mutual consent;
- b.* The necessity or desirability of setting a new date for hearing;
- c.* The simplification of issues;
- d.* The necessity or desirability of amending the pleadings either for the purpose of clarification, amplification or limitation;
- e.* The possibility of agreeing to the admission of facts, documents or records not controverted, to avoid unnecessary introduction of proof;
- f.* The procedure at the hearing;
- g.* Limiting the number of witnesses;
- h.* The names and identification of witnesses and the facts each party will attempt to prove at the hearing;

- i.* Conduct or schedule of discovery; and
- j.* Such other matters as may aid, expedite or simplify the disposition of the proceeding.

7.16(2) Any action taken at the prehearing conference shall be recorded in an appropriate order, unless the parties enter upon a written stipulation as to such matters or agree to a statement thereof made on the record by the presiding officer.

7.16(3) When an order is issued at the termination of the prehearing conference, a reasonable time shall be allowed for the parties to present objections on the grounds that the order does not fully or correctly embody the agreements at such conference. Thereafter, the terms of the order or modification thereof shall determine the subsequent course of the proceedings relative to matters the order includes, unless modified to prevent manifest injustice.

7.16(4) If either party to the contested case proceeding fails to appear at the prehearing conference, fails to request a continuance, or fails to submit evidence or arguments which the party wishes to be considered in lieu of appearance, the opposing party may move for dismissal. The motion shall be made in accordance with subrule 7.17(5).

This rule is intended to implement Iowa Code section 17A.12.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.17(17A) Contested case proceedings.

7.17(1) *Evidentiary hearing.* Unless the parties to a contested case proceeding have, by written stipulation representing an informed mutual consent, waived the provisions of the Act relating to such proceedings, contested case proceedings shall be initiated and culminate in an evidentiary hearing open to the public.

a. Evidentiary hearings in which the presiding officer is an administrative law judge employed by the division of administrative hearings shall be held at the location designated in the notice of evidentiary hearing. Generally, the location for evidentiary hearings in such cases will be at the principal office of the Department of Inspections and Appeals, Administrative Hearings Division, Third Floor, Wallace State Office Building, Des Moines, Iowa 50319.

b. If the director retains a contested case, the location for the evidentiary hearing will generally be at the main office of the department at the Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50309. However, the department retains the discretion to change the location of the evidentiary hearing if necessary. The location of the evidentiary hearing will be designated in the notice of hearing issued by the director.

7.17(2) *Determination of presiding officer.* If the director retains a contested case for evidentiary hearing and the department is a party, the initial presiding officer will be the director. If the department is not a party to the contested case retained by the director, the presiding officer may be the director or the director's designee. Upon determining that a case will be retained and not transferred to the division of administrative hearings, the director shall issue to the parties written notification of the determination which states the basis for retaining the case for evidentiary hearing.

a. The director may determine to retain a contested case for evidentiary hearing and decision upon the filing by the department of its answer under rule 701—7.12(17A). If the answer failed to allege that the case should be retained by the director and the case was transferred to the division of administrative hearings for contested case proceedings, either party may, within a reasonable time after the issuance of the hearing notice provided in rule 701—7.14(17A), make application to the director to recall and retain the case for hearing and decision. Any such application shall be served upon the assigned administrative law judge or presiding officer.

b. A protester may file a written objection to the director's determination to retain the case for evidentiary hearing and may request that the contested case be heard by an administrative law judge or presiding officer and request a hearing on the objection. Such an objection must be filed with the clerk of the hearings section within 20 days of the notice issued by the director of the director's determination to retain the case. The director may retain the case only upon a finding that one or more of the following apply:

- (1) There is a compelling need to expedite issuance of a final decision in order to protect the public health, safety and welfare;
- (2) A qualified administrative law judge is unavailable to hear the case within a reasonable time;
- (3) The case involves significant policy issues of first impression that are inextricably intertwined with the factual issues presented;
- (4) The demeanor of the witnesses is likely to be dispositive in resolving the disputed factual issues;
- (5) The case involves an issue or issues the resolution of which would create important precedent;
- (6) The case involves complex or extraordinary questions of law or fact;
- (7) The case involves issues or questions of law or fact that, based on the director's discretion, should be retained by the director;
- (8) Funds are unavailable to pay the costs of an administrative law judge and an interagency appeal;
- (9) The request was not timely filed;
- (10) The request is not consistent with a specified statute; and
- (11) Assignment of an administrative law judge will result in lengthening the time for issuance of a proposed decision, after the case is submitted, beyond a reasonable time as provided in subrule 7.17(8).

In making this determination, the director shall consider whether the assigned administrative law judge has a current backlog of submitted cases for which decisions have not been issued for one year after submission.

c. The director shall issue a written ruling specifying the grounds for the decision within 20 days after a request for an administrative law judge is filed. If a party objects to the director's determination to retain a case for evidentiary hearing, transfer of the protest file, if any, will be made after the director makes a final determination on the objection. If the ruling is contingent upon the availability of a qualified administrative law judge, the parties shall be notified at least ten days prior to the hearing whether a qualified administrative law judge will be available.

d. If there is no factual conflict or credibility of evidence offered in issue, either party, after the contested case has been heard and a proposed decision is pending with a presiding officer other than the director for at least one year, may make application to the director to transfer the case to the director for decision. In addition, if the aforementioned criteria exist, the director, on the director's own motion, may issue a notice to the parties of the director's intention to transfer the case to the director for decision. The opposing party may file, within 20 days after service of such application or notice by the director, a resistance setting forth in detail why the case should not be transferred. If the director approves the transfer of the case, the director shall issue a final contested case decision. The director or a party may request that the parties be allowed to submit proposed findings of fact and conclusions of law.

e. The director has the right to require that any presiding officer, other than the director, be a licensed attorney in the state of Iowa, unless the contested case only involves licensing. In addition, any presiding officer must possess, upon determination by the director, sufficient technical expertise and experience in the areas of taxation and presiding over proceedings to effectively determine the issues involved in the proceeding.

f. Except as provided otherwise by another provision of law, all rulings by an administrative law judge acting as presiding officer are subject to appeal to the director.

7.17(3) Conduct of proceedings.

a. A proceeding shall be conducted by a presiding officer who shall:

- (1) Open the record and receive appearances;
- (2) Administer oaths and issue subpoenas;
- (3) Enter the notice of hearing into the record;
- (4) Receive testimony and exhibits presented by the parties;
- (5) In the presiding officer's discretion, interrogate witnesses;
- (6) Rule on objections and motions;
- (7) Close the hearing; and
- (8) Issue an order containing findings of fact and conclusions of law.

b. The presiding officer may resolve preliminary procedural motions by telephone conference in which all parties have an opportunity to participate. Other telephone proceedings may be held with the

consent of all parties. The presiding officer will determine the location of the parties and witnesses for telephone hearing. The convenience of the witnesses or parties, as well as the nature of the case, will be considered when location is chosen. Parties shall be notified at least 30 days in advance of the date and place of the hearing.

c. Evidentiary proceedings shall be oral and open to the public and shall be recorded either by electronic means or by certified shorthand reporters. Parties requesting that the hearing be recorded by certified shorthand reporters shall bear the appropriate costs. The record of the oral proceedings or the transcription thereof shall be filed with and maintained by the department for at least five years from the date of the decision. An opportunity shall be afforded to the parties to respond and present evidence and argument on all issues involved and to be represented by counsel at their own expense. Unless otherwise directed by the presiding officer, evidence will be received in the following order: (1) protester, (2) intervenor (if applicable), (3) department, (4) rebuttal by protester, (5) oral argument by parties (if necessary).

d. If the protester or the department appears without counsel or other representative who can reasonably be expected to be familiar with these rules, the presiding officer shall explain to the parties the rules of practice and procedure and generally conduct a hearing in a less formal manner than that used when the parties have such representatives appearing upon the parties' behalf. It should be the purpose of the presiding officer to assist any party appearing without such representative to the extent necessary to allow the party to fairly present evidence, testimony, and arguments on the issues. The presiding officer shall take whatever steps may be necessary and proper to ensure that all evidence having probative value is presented and that each party is accorded a fair hearing.

e. If the parties have mutually agreed to waive the provisions of the Act in regard to contested case proceedings, the hearing will be conducted in a less formal manner than when an evidentiary hearing is conducted.

f. If a party fails to appear in a contested case proceeding after proper service of notice, the presiding officer may, upon the presiding officer's own motion or upon the motion of the party who has appeared, adjourn the hearing, enter a default decision, or proceed with the hearing and make a decision on the merits in the absence of the party.

g. Contemptuous conduct by any person appearing at a hearing shall be grounds for the person's exclusion from the hearing by the presiding officer.

h. A stipulation by the parties of the issues or a statement of the issues in the notice commencing the contested case cannot be changed by the presiding officer without the consent of the parties. The presiding officer shall not, on the presiding officer's own motion, change or modify the issues agreed upon by the parties. Notwithstanding the provisions of this paragraph, a party, within a reasonable time prior to the hearing, may request that a new issue be addressed in the proceedings, except that the request cannot be made after the parties have stipulated to the issues.

7.17(4) Rules of evidence. In evaluating evidence, the department's experience, technical competence, and specialized knowledge may be utilized.

a. *Oath.* All testimony presented before the presiding officer shall be given under oath, which the presiding officer has authority to administer.

b. *Production of evidence and testimony.* The presiding officer may issue subpoenas to a party on request, as permitted by law, compelling the attendance of witnesses and the production of books, papers, records, or other real evidence.

c. *Subpoena.* When a subpoena is desired after the commencement of a contested case proceeding, the proper party shall indicate to the presiding officer the name of the case, the docket number, and the last-known addresses of the witnesses to be called. If evidence other than oral testimony is required, each item to be produced must be adequately described. When properly prepared by the presiding officer, the subpoena will be returned to the requesting party for service. Service may be made in any manner allowed by law before the hearing date of the case which the witness is required to attend. No costs for serving a subpoena will be allowed if the subpoena is served by any person other than the sheriff. Subpoenas requested for discovery purposes shall be issued by the presiding officer.

d. *Admissibility of evidence.*

(1) Evidence having probative value. Although the presiding officer is not bound to follow the technical common law rules of evidence, a finding shall be based upon the kind of evidence on which reasonably prudent persons are accustomed to rely for the conduct of their serious affairs, and may be based upon such evidence even if it would be inadmissible in a jury trial. Therefore, the presiding officer may admit and give probative effect to evidence on which reasonably prudent persons are accustomed to rely for the conduct of their serious affairs. Irrelevant, immaterial, or unduly repetitious evidence shall be excluded. The presiding officer shall give effect to the rules of privilege recognized by law. Evidence not provided to a requesting party through discovery shall not be admissible at the hearing. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced, substantially any part of the evidence may be required to be submitted in verified written form by the presiding officer.

Objections to evidentiary offers may be made at the hearing, and the presiding officer's ruling thereon shall be noted in the record.

(2) Evidence of a federal determination. Evidence of a federal determination such as a treasury department ruling, regulation or determination letter, a federal court decision or an Internal Revenue Service assessment relating to issues raised in the proceeding shall be admissible, and the protester shall be presumed to have conceded the accuracy of the federal determination unless the protester specifically states wherein it is erroneous.

(3) Copies of evidence. A copy of any book, record, paper or document may be offered directly in evidence in lieu of the original, if the original is not readily available or if there is no objection. Upon request, the parties shall be given an opportunity to compare the copy with the original, if available.

(4) Stipulations. Approval of the presiding officer is not required for stipulations of the parties to be used in contested case proceedings. In the event the parties file a stipulation in the proceedings, the stipulation shall be binding on the parties and the presiding officer.

e. Exhibits.

(1) Identification of exhibits. Exhibits which are offered by protesters and attached to a stipulation or entered in evidence shall be numbered serially, i.e., 1, 2, 3, etc.; whereas, exhibits offered by the department shall be lettered serially, i.e., A, B, C, etc.; and those offered jointly shall be numbered and lettered, i.e., 1-A, 2-B, 3-C, etc.

(2) Disposition of exhibits. After an order has become final, either party desiring the return, at the party's expense, of any exhibit belonging to the party shall make application in writing to the clerk of the hearings section within 30 days suggesting a practical manner of delivery; otherwise, exhibits may be disposed of as the clerk of the hearings section deems advisable.

f. Official notice. The presiding officer may take official notice of all facts of which judicial notice may be taken. Parties shall be notified at the earliest practicable time, either before or during the hearing, or by reference in preliminary reports, preliminary decisions or otherwise, of the facts proposed to be noticed and their source, including any staff memoranda or data. The parties shall be afforded an opportunity to contest such facts prior to the issuance of the decision in the contested case proceeding unless the presiding officer determines as a part of the record or decision that fairness to the parties does not require an opportunity to contest such facts.

g. Evidence outside the record. Except as provided by these rules, the presiding officer shall not consider factual information or evidence in the determination of any proceeding unless the same shall have been offered and made a part of the record in the proceeding.

h. Presentation of evidence and testimony. In any hearing, each party thereto shall have the right to present evidence and testimony of witnesses and to cross-examine any witness who testifies on behalf of an adverse party. A person whose testimony has been submitted in written form shall, if available, also be subject to cross-examination by an adverse party. Opportunity shall be afforded each party for re-direct examination and re-cross-examination and to present evidence and testimony as rebuttal to evidence presented by another party, except that unduly repetitious evidence shall be excluded.

i. Offer of proof. An offer of proof may be made through the witness or by statement of counsel. The party objecting may cross-examine the witness without waiving any objection.

7.17(5) Motions.

a. After commencement of contested case proceedings, appropriate motions may be filed by any party with the presiding officer when facts requiring such motion come to the knowledge of the party. All motions shall state the relief sought and the grounds upon which the motions are based.

b. Motions made prior to a hearing shall be in writing and a copy thereof served on all parties and attorneys of record. Such motions shall be ruled on by the presiding officer. The presiding officer shall rule on the motion by issuing an order. A copy of the order containing the ruling on the motion shall be mailed to the parties and authorized representatives. A motion may be made orally during the course of a hearing; however, the presiding officer may request that the motion be reduced to writing and filed with the presiding officer.

c. To avoid a hearing on a motion, it is advisable to secure the consent of the opposing party prior to filing the motion. If consent of the opposing party to the motion is not obtained, a hearing on the motion may be scheduled and the parties notified. The burden will be on the party filing the motion to show good cause why the motion should be granted.

d. The party making the motion may affix thereto such affidavits as are deemed essential to the disposition of the motion, which shall be served with the motion and to which the opposing party may reply with counter affidavits.

e. Types of motions. Types of motions include, but are not limited to:

(1) Motion for continuance. Motions for continuance should be filed no later than ten days before the scheduled date of the contested case hearing unless the grounds for the motion are first known to the moving party within ten days of the hearing, in which case the motion shall be promptly filed and shall set forth why it could not be filed at least ten days prior to the hearing. Grounds for motion for continuance include, but are not limited to, the unavailability of a party, a party's representative or a witness, the incompleteness of discovery, and the possibility of settlement of the case.

(2) Motion for dismissal.

(3) Motion for summary judgment.

(4) Motion to delete identifying details in the decision.

(5) Motion for default.

(6) Motion to vacate default.

f. Hearing on motions. Motions subsequent to the commencement of a contested case proceeding shall be determined by the presiding officer.

g. Summary judgment procedure. Summary judgment may be obtained under the following conditions and circumstances:

(1) A party may, after a reasonable time to complete discovery, after completion of discovery, or by agreement of the parties, move, with or without supporting affidavits, for a summary judgment in the party's favor upon all or any part of a party's claim or defense.

(2) The motion shall be filed not less than 45 days prior to the date the case is set for hearing, unless otherwise ordered by the presiding officer. Any party resisting the motion shall file within 30 days from the time of service of the motion a resistance; statement of disputed facts, if any; and memorandum of authorities supporting the resistance. If affidavits supporting the resistance are filed, they must be filed with the resistance. The time fixed for hearing or normal submission on the motion shall be not less than 35 days after the filing of the motion, unless another time is ordered by the presiding officer. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

(3) Upon any motion for summary judgment pursuant to this rule, there shall be affixed to the motion a separate, short, and concise statement of the material facts as to which the moving party contends there is no genuine issue to be tried, including specific reference to those parts of the pleadings, depositions, answers to interrogatories, admissions on file, and affidavits which support such contentions and a memorandum of authorities.

(4) Supporting and opposing affidavits shall set forth such facts as would be admissible in evidence and shall show affirmatively that the affiant is competent to testify to the matters stated therein. The presiding officer may permit affidavits to be supplemented or opposed by depositions, answers to

interrogatories, further affidavits, or oral testimony. When a motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of the party's pleading, but the party's response must set forth specific facts, by affidavits or as otherwise provided in this rule, showing that there is a genuine issue for hearing. If the party does not so respond, summary judgment, if appropriate, shall be entered against the party.

(5) If, on motion under this rule, judgment is not rendered upon the whole case or for all the relief asked and a hearing is necessary, the presiding officer at the hearing of the motion, by examining the pleadings and the evidence before the presiding officer and by interrogating counsel, shall, if practicable, ascertain what material facts exist without substantial controversy and what material facts are actually, and in good faith, controverted. The presiding officer shall thereupon make an order specifying the facts that appear without substantial controversy, including the extent to which the amount or other relief is not in controversy, and directing such further proceedings in the action as are just. Upon the hearing of the contested case, the facts so specified shall be deemed established, and the hearing shall be conducted accordingly.

(6) Should it appear from the affidavits of a party opposing the motion that the party cannot for reasons stated present, by affidavit, facts essential to justify the party's opposition, the presiding officer may refuse the application for judgment, may order a continuance to permit affidavits to be obtained, may order depositions be taken or discovery be completed, or may make any other order appropriate.

(7) An order on summary judgment that disposes of less than the entire case is appealable to the director at the same time that the proposed order is appealable pursuant to subrule 7.17(8).

7.17(6) Briefs and oral argument.

a. At any time, upon the request of any party or in the presiding officer's discretion, the presiding officer may require the filing of briefs on any of the issues before the presiding officer prior to or at the time of hearing, or at a subsequent time. At the hearing, the parties should be prepared to make oral arguments as to the facts and law at the conclusion of the hearing if the presiding officer so directs.

b. An original copy only of all briefs shall be filed. Filed briefs shall conform to the requirements of rule 701—7.5(17A).

c. If the parties agree on a schedule for submission of briefs, the schedule shall be binding on the parties and the presiding officer except that, for good cause shown, the time may be extended upon application of a party.

7.17(7) Defaults. If a party fails to appear or participate in a contested case proceeding after proper service of notice, the presiding officer may, if no adjournment is granted, enter a default decision or proceed with the hearing and render a decision in the absence of the party.

a. Where appropriate and not contrary to law, any party may move for default against a party who has failed to file a required pleading or has failed to appear after proper service.

b. A default decision or a decision rendered on the merits after a party failed to appear or participate in a contested case proceeding becomes a final department action unless, within 15 days after the date of notification or mailing of the decision, a motion to vacate is filed and served on all parties or an appeal of a decision on the merits is timely initiated within the time provided in subrule 7.17(8). A motion to vacate must state all facts relied upon by the moving party which establish that good cause existed for that party's failure to appear or participate at the contested case proceeding. Each fact so stated must be substantiated by at least one sworn affidavit of a person with personal knowledge of each such fact, and such affidavit(s) must be attached to the motion.

c. The time for further appeal of a decision for which a timely motion to vacate has been filed is stayed pending a decision on the motion to vacate.

d. Properly substantiated and timely filed motions to vacate shall be granted only for good cause shown. The burden of proof as to good cause is on the moving party. Adverse parties shall have ten days to respond to a motion to vacate. Adverse parties shall be allowed to conduct discovery as to the issue of good cause and to present evidence on the issue prior to a decision on the motion, if a request to do so is included in that party's response.

e. “Good cause” for purposes of this rule shall have the same meaning as “good cause” as interpreted in the case of *Purethane, Inc. v. Iowa State Board of Tax Review*, 498 N.W.2d 706 (Iowa 1993).

f. A decision denying a motion to vacate is subject to further appeal within the time limit allowed for further appeal of a decision on the merits in the contested case proceeding. A decision granting a motion to vacate is subject to interlocutory appeal by the adverse party as provided in subrule 7.17(13).

g. If a motion to vacate is granted and no timely interlocutory appeal has been taken, the presiding officer shall issue another notice of hearing and the contested case shall proceed accordingly.

h. A default decision may award any relief consistent with the request for relief by the party in whose favor the default decision is made and embraced in the contested case issues; but unless the defaulting party has appeared, the relief awarded cannot exceed the relief demanded.

i. A default decision may provide either that the default decision is to be stayed pending a timely motion to vacate or that the default decision is to take effect immediately, subject to a request for a stay.

7.17(8) Orders.

a. At the conclusion of the hearing, the presiding officer, in the presiding officer’s discretion, may request the parties to submit proposed findings of fact and conclusions of law. Upon the request of any party, the presiding officer shall allow the parties an opportunity to submit proposed findings of fact and conclusions of law. In addition to or in lieu of the filing of briefs, upon the request of all of the parties waiving any contrary contested case provisions of law or of these rules, the presiding officer shall allow the parties to submit proposed findings of fact and conclusions of law, and the presiding officer may sign and adopt as the decision or proposed decision one of such proposed findings of fact and conclusions of law without any changes.

b. The decision in a contested case is an order which shall be in writing or stated in the record. The order shall include findings of fact prepared by the person presiding at the hearing, unless the person is unavailable, and based solely on the evidence in the record and on matters officially noticed in the record, and shall include conclusions of law. The findings of fact and conclusions of law shall be separately stated. If a party has submitted proposed findings of fact, the order shall include a ruling upon each proposed finding. Each conclusion of law shall be supported by cited authority or by a reasoned opinion. The decision must include an explanation of why the relevant evidence in the record supports each material finding of fact. If the issue of reasonable litigation costs was held in abeyance pending the outcome of the substantive issues in the contested case and the proposed order decides substantive issues in favor of the protester, the proposed order shall include a notice of time and place for a hearing on the issue of whether reasonable litigation costs shall be awarded and on the issue of the amount of such award, unless the parties agree otherwise. All decisions and orders in a contested case proceeding shall be based solely on the legal bases and arguments presented by the parties. In the event that the presiding officer believes that a legal basis or argument for a decision or order exists, but has not been presented by the parties, the presiding officer shall notify the parties and give them an opportunity to file a brief that addresses such legal basis or argument.

c. When a motion has been made to delete identifying details in an order on the basis of personal privacy or trade secrets, the justification for such deletion or refusal to delete shall be made by the moving party and shall appear in the order.

d. When the director initially presides at a hearing or considers decisions on appeal from or review of a proposed decision by the presiding officer other than the director, the order becomes the final order of the department for purposes of judicial review or rehearing unless there is an appeal to or review on motion of a second agency within the time provided by statute or rule. When a presiding officer other than the director presides at the hearing, the order becomes the final order of the department for purposes of judicial review or rehearing unless there is an appeal to or review on motion of the director within 30 days of the date of the order, including Saturdays, Sundays, and legal holidays, or 10 days, excluding Saturdays, Sundays, and legal holidays, for a revocation order pursuant to rule 701—7.23(17A). However, if the contested case proceeding involves a question of an award of reasonable litigation costs, the proposed order on the substantive issues shall not be appealable to or reviewable by the director on the director’s motion until the issuance of a proposed order on the

reasonable litigation costs. If there is no such appeal or review within 30 days or 10 days, whichever is applicable, from the date of the proposed order on reasonable litigation costs, both the proposed order on the substantive issues and the proposed order on the reasonable litigation costs become the final orders of the department for purposes of judicial review or rehearing. On an appeal from, review of, or application for rehearing concerning the presiding officer's order, the director has all the power which the director would initially have had in making the decision; however, the director will consider only those issues or selected issues presented at the hearing before the presiding officer or any issues of fact or law raised independently by the presiding officer, including the propriety of and the authority for raising issues. The parties will be notified of those issues which will be considered by the director.

e. Notwithstanding the provisions of this rule, where a presiding officer other than the director issues an interlocutory decision or ruling which does not dispose of all the issues, except reasonable litigation costs, in the contested case proceeding, the party adversely affected by the interlocutory decision or ruling may apply to the director within 20 days (10 days for a revocation proceeding) of the date of issuance of the interlocutory decision or ruling to grant an appeal in advance of the proposed decision. The application shall be served on the parties and the presiding officer. The party opposing the application shall file any resistance within 15 days of the service of the application unless, for good cause, the director extends the time for such filing. The director, in the exercise of discretion, may grant the application on finding that such interlocutory decision or ruling involves substantial rights and will materially affect the proposed decision and that a determination of its correctness before hearing on the merits will better serve the interests of justice. The order of the director granting the appeal may be on terms setting forth the course of proceedings on appeal, including advancing the appeal for prompt submission, and the order shall stay further proceedings below. The presiding officer, at the request of the director, shall promptly forward to the director all or a portion of the file or record in the contested case proceeding.

f. In the event of an appeal to or review of the proposed order by the director, the administrative hearings division shall be promptly notified of the appeal or review by the director. The administrative hearings division shall, upon such notice, promptly forward the record of the contested case proceeding and all other papers associated with the case to the director.

g. A decision by the director may reverse or modify any finding of fact if a preponderance of the evidence will support a determination to reverse or modify such a finding of fact, or may reverse or modify any conclusion of law that the director finds to be in error.

h. Orders will be issued within a reasonable time after termination of the hearing. Parties shall be promptly notified of each order by delivery to them of a copy of the order by personal service, regular mail, certified mail, return receipt requested, or any other method to which the parties may agree. For example, a copy of the order can be submitted by electronic mail if both parties agree.

i. A cross-appeal may be taken within the 30-day period for taking an appeal to the director or in any event within 5 days after the appeal to the director is taken. If a cross-appeal is taken from a revocation order pursuant to rule 701—7.23(17A), the cross-appeal may be taken within the 10-day period for taking an appeal to the director or in any event within 5 days after the appeal to the director is taken.

j. Upon issuance of a closing order or the proposed decision by a presiding officer other than the director, such presiding officer no longer has jurisdiction over the contested case. Thereafter, any further proceedings associated with or related to the contested case must occur before the director.

7.17(9) Stays.

a. During the pendency of judicial review of the final contested case order of the department, the party seeking judicial review may file with the director an application for a stay. The application shall set forth in detail the reasons why the applicant is entitled to a stay and shall specifically address the following four factors:

- (1) The extent to which the applicant is likely to prevail when the court finally disposes of the matter;
- (2) The extent to which the applicant will suffer irreparable injury if the stay is not granted;

(3) The extent to which the granting of a stay to the applicant will substantially harm the other parties to the proceedings; and

(4) The extent to which the public interest relied on by the department is sufficient to justify the department's actions in the circumstances.

b. The director shall consider and balance the previously mentioned four factors and may consult with department personnel and the department's representatives in the judicial review proceeding. The director shall expeditiously grant or deny the stay.

7.17(10) Expedited cases—when applicable. In case a protest is filed where the case is not of precedential value and the parties desire a prompt resolution of the dispute, the department and the protester may agree to have the case designated as an expedited case.

a. Agreement. The department and the protester shall execute an agreement to have the case treated as an expedited case. In this case, discovery is waived. The provisions of this agreement shall constitute a waiver of the rights set forth in Iowa Code chapter 17A for contested case proceedings. Within 30 days of written notice to the clerk of the hearings section sent by the parties stating that an agreement to expedite the case has been executed, the clerk of the hearings section must transfer the protest file to the division of administrative hearings.

b. Finality of decision. A decision entered in an expedited case proceeding shall not be reviewed by the director or any other court and shall not be treated as a precedent for any other case.

c. Discontinuance of proceedings. Any time prior to a decision's being rendered, the taxpayer or the department may request that expedited case proceedings be discontinued if there are reasonable grounds to believe that the issues in dispute would be of precedential value.

d. Procedure. Upon return of an executed agreement for this procedure, the department shall within 14 days file its answer to the protest. The case shall be docketed for hearing as promptly as the presiding officer can reasonably hear the matter.

7.17(11) Burden of proof. The burden of proof with respect to assessments or denials of refunds in contested case proceedings is as follows:

a. The department must carry the burden of proof by clear and convincing evidence as to the issue of fraud with intent to evade tax.

b. The burden of proof is on the department for any tax periods for which the assessment was not made within six years after the return became due, excluding any extension of time for filing such return, except where the department's assessment is the result of the final disposition of a matter between the taxpayer and the Internal Revenue Service or where the taxpayer and the department signed a waiver of the statute of limitations to assess.

c. The burden of proof is on the department as to any new matter or affirmative defense raised by the department. "New matter" means an adjustment not set forth in the computation of the tax in the assessment or refund denial, as distinguished from a new reason for the assessment or refund denial. "Affirmative defense" is a defense resting on facts not necessary to support the taxpayer's case.

d. In all instances where the burden of proof is not expressly placed upon the department by this subrule, the burden of proof is upon the protester.

7.17(12) Costs.

a. A prevailing taxpayer in a contested case proceeding related to the determination, collection, or refund of a tax, penalty, or interest may be awarded by the department reasonable litigation costs incurred subsequent to the issuance of the notice of assessment or refund denial that are based upon the following:

(1) The reasonable expenses of expert witnesses.

(2) The reasonable costs of studies, reports, and tests.

(3) The reasonable fees of independent attorneys or independent accountants retained by the taxpayer. No such award is authorized for accountants or attorneys who represent themselves or who are employees of the taxpayer.

b. An award for reasonable litigation costs shall not exceed \$25,000 per case.

c. No award shall be made for any portion of the proceeding which has been unreasonably protracted by the taxpayer.

d. For purposes of this subrule, “prevailing taxpayer” means a taxpayer who establishes that the position of the department in the contested case proceeding was not substantially justified and who has substantially prevailed with respect to the amount in controversy, or has substantially prevailed with respect to the most significant issue or set of issues presented. If the position of the department in issuance of the assessment or refund denial was not substantially justified and if the matter is resolved or conceded before the contested case proceeding is commenced, there cannot be an award for reasonable litigation costs.

e. The definition of “prevailing taxpayer” is taken from the definition of “prevailing party” in 26 U.S.C. §7430. Therefore, federal cases determining whether the Internal Revenue Service’s position was substantially justified will be considered in the determination of whether a taxpayer is entitled to an award of reasonable litigation costs to the extent that 26 U.S.C. §7430 is consistent with Iowa Code section 421.60(4).

f. The taxpayer has the burden of establishing the unreasonableness of the department’s position.

g. Once a contested case has commenced, a concession by the department of its position or a settlement of the case either prior to the evidentiary hearing or any order issued does not, per se, either authorize an award of reasonable litigation costs or preclude such award.

h. If the department relied upon information provided or action conducted by federal, state, or local officials or law enforcement agencies with respect to the tax imposed by Iowa Code chapter 453B, an award for reasonable litigation costs shall not be made in a contested case proceeding involving the determination, collection, or refund of that tax.

i. The taxpayer who seeks an award of reasonable litigation costs must specifically request such award in the protest, or the request for award will not be considered.

j. A request for an award of reasonable litigation costs shall be held in abeyance until the concession or settlement of the contested case proceeding, or the issuance of a proposed order in the contested case proceeding, unless the parties agree otherwise.

k. At the hearing held for the purpose of deciding whether an award for reasonable litigation costs should be awarded, consideration shall be given to the following points:

- (1) Whether the department’s position was substantially justified;
- (2) Whether the protester is the prevailing taxpayer;
- (3) The burden is upon the protester to establish how the alleged reasonable litigation costs were incurred. This requires a detailed accounting of the nature of each cost, the amount of each cost, and to whom the cost was paid or owed;
- (4) Whether alleged litigation costs are reasonable or necessary;
- (5) Whether the protester has met the protester’s burden of demonstrating all of these points.

7.17(13) *Interlocutory appeals.*

a. Upon written request of a party or on the director’s own motion, the director may review an interlocutory order of the presiding officer. In determining whether to do so, the director shall weigh the extent to which granting the interlocutory appeal would expedite final resolution of the case and the extent to which review of that interlocutory order by the director at the time of the review of the proposed decision of the presiding officer would provide an adequate remedy. Any request for interlocutory review must be filed within 14 days of issuance of the challenged order, but no later than the time for compliance with the order or the date of hearing, whichever is first.

b. Interlocutory appeals do not apply to licensing.

7.17(14) *Consolidation and severance.*

a. Consolidation. The presiding officer may consolidate any or all matters at issue in two or more contested case proceedings where:

- (1) The matters at issue involve common parties or common questions of fact or law;
- (2) Consolidation would expedite and simplify consideration of the issues involved; and
- (3) Consolidation would not adversely affect the rights of any of the parties to those proceedings.

b. Severance. The presiding officer may, for good cause shown, order any contested case proceedings or portions thereof severed.

c. Since stipulations are encouraged, it is expected and anticipated that the parties proceeding to a hearing will stipulate to evidence to the fullest extent to which complete or qualified agreement can be reached including all material facts that are not, or should not be, fairly in dispute.

d. Without the necessity of proceeding to an evidentiary hearing in a contested case, the parties may agree in writing to informally dispose of the case by stipulation, agreed settlement, or consent order or by another method agreed upon. If such informal disposition is utilized, the parties shall so indicate to the presiding officer that the case has been settled. Upon request, the presiding officer shall issue a closing order to reflect such a disposition. The contested case is terminated upon issuance of a closing order.

e. Unless otherwise precluded by law, the parties in a contested case proceeding may mutually agree to waive any provision under this rule governing contested case proceedings.

This rule is intended to implement Iowa Code sections 17A.12, 17A.14, 17A.15, 421.60 and 452A.68.

[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 1303C, IAB 2/5/14, effective 3/12/14; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—7.18(17A) Interventions. Interventions shall be governed by the Iowa rules of civil procedure.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.19(17A) Record and transcript.

7.19(1) The record in a contested case shall include:

- a.* All pleadings, motions and rulings;
- b.* All evidence received or considered and all other submissions;
- c.* A statement of all matters officially noticed;
- d.* All questions and offers of proof, objections, and rulings thereon;
- e.* All proposed findings and exceptions;
- f.* All orders of the presiding officer; and
- g.* The order of the director on appeal or review.

7.19(2) Oral hearings regarding proceedings on appeal to or considered on motion of the director which are recorded by electronic means shall not be transcribed for the record of such appeal or review unless a party, by written notice, or the director, orally or in writing, requests such transcription. Such a request must be filed with the clerk of the hearings section who will be responsible for making the transcript. A transcription will be made only of that portion of the oral hearing relevant to the appeal or review, if so requested and if no objection is made by any other party to the proceeding or the director. Upon request, the department shall provide a copy of the whole record or any portion of the record at cost. The cost of preparing a copy of the record or of transcribing the hearing record shall be paid by the requesting party.

7.19(3) Parties who request that a hearing be recorded by certified shorthand reporters rather than by electronic means shall bear the cost of that recordation, unless otherwise provided by law.

7.19(4) Upon issuance of a proposed decision which leaves no issues open for further consideration or upon issuance of a closing order, the administrative hearings division shall promptly forward the record of a contested case proceeding to the director. However, the administrative hearings division may keep the tapes of any evidentiary proceeding in case a transcript of the proceeding is required and, if one is required, the administrative hearings division shall make the transcription and promptly forward the tapes and the transcription to the director.

This rule is intended to implement Iowa Code section 17A.12.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.20(17A) Application for rehearing. Any party to a contested case may file an application with the director for a rehearing in the contested case, stating the specific grounds therefor and the relief sought. The application must be filed within 20 days after the final order is issued. See subrule 7.17(8) as to when a proposed order becomes a final order. A copy of such application shall be timely mailed by the applicant to all parties in conformity with rule 701—7.21(17A). The director shall have 20 days

from the filing of the application for rehearing to grant or deny the application. If the application for rehearing is granted, a notice will be served on the parties stating the time and place of the rehearing. An application for rehearing shall be deemed denied if not granted by the director within 20 days after filing.

7.20(1) The application for rehearing shall contain a caption in the following form:

BEFORE THE DEPARTMENT OF REVENUE
HOOVER STATE OFFICE BUILDING
DES MOINES, IOWA

IN THE MATTER OF _____	*	
(state taxpayer's name and address and	*	APPLICATION FOR REHEARING
designate type of proceeding, e.g., income tax	*	Docket No. _____
refund claim)	*	
	*	

7.20(2) The application for rehearing shall substantially state in separate numbered paragraphs the following:

- a. Clear and concise statements of the reasons for requesting a rehearing and each and every error which the party alleges to have been committed during the contested case proceedings;
- b. Clear and concise statements of all relevant facts upon which the party relies;
- c. Reference to any particular statute or statutes and any rule or rules involved;
- d. The signature of the party or that of the party's representative, the address of the party or of the party's representative, and the telephone number of the party or the party's representative.

7.20(3) No applications for rehearing shall be filed with or entertained by an administrative law judge.

This rule is intended to implement Iowa Code section 17A.16.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.21(17A) Service. All papers or documents required by this chapter to be filed with the department or the presiding officer and served upon the opposing party or other person shall be served by ordinary mail unless another rule specifically refers to another method. All notices required by this chapter to be served on parties or persons by the department or presiding officer shall be served by ordinary mail unless another rule specifically refers to another method.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.22(17A) Ex parte communications and disqualification.

7.22(1) Ex parte communication. A party that has knowledge of a prohibited communication by any party or presiding officer should file a copy of the written prohibited communication or a written summary of the prohibited oral communication with the clerk of the hearings section. The clerk of the hearings section will transfer to the presiding officer the filed copy of the prohibited communication.

- a. *Prohibited communications.* Unless required for the disposition of ex parte matters specifically authorized by statute, following issuance of the notice of hearing, there shall be no communication, directly or indirectly, between the presiding officer and any party or representative of any party or any other person with a direct or indirect interest in such case in connection with any issue of fact or law in the case except upon notice and opportunity for all parties to participate. This does not prohibit persons jointly assigned such tasks from communicating with each other. Nothing in this provision is intended to preclude the presiding officer from communicating with members of the department or seeking the advice or help of persons other than those with a personal interest in, or those engaged in personally investigating as defined in this rule, prosecuting, or advocating in, either the case under consideration or a pending factually related case involving the same parties as long as those persons do not directly or indirectly communicate to the presiding officer any ex parte communications they have received of

a type that the presiding officer would be prohibited from receiving or that furnish, augment, diminish, or modify the evidence in the record. Prohibitions on ex parte communications commence with the issuance of the notice of hearing in a contested case and continue for as long as the case is pending.

b. *“Ex parte” communication defined.* Written, oral or other forms of communication are “ex parte” if made without notice and opportunity for all parties to participate.

c. *How to avoid prohibited communications.* To avoid prohibited ex parte communications, notice must be given in a manner reasonably calculated to give all parties a fair opportunity to participate. Notice of written communications shall be provided in compliance with this chapter and may be supplemented by telephone, facsimile, electronic mail or other means of notification. Where permitted, oral communications may be initiated through conference telephone calls including all parties or their representatives.

d. *Joint presiding officers.* Persons who jointly act as presiding officer in a pending contested case may communicate with each other without notice or opportunity for parties to participate.

e. *Advice to presiding officer.* Persons may be present in deliberations or otherwise advise the presiding officer without notice or opportunity for parties to participate as long as the parties are not disqualified from participating in the making of a proposed or final decision under any provision of law and the parties comply with these rules.

f. *Procedural communications.* Communications with the presiding officer involving uncontested scheduling or procedural matters do not require notice or opportunity for parties to participate. Parties should notify other parties prior to initiating such contact with the presiding officer when feasible and shall notify other parties when seeking to continue hearings or other deadlines.

g. *Disclosure of prohibited communications.* A presiding officer who receives a prohibited ex parte communication during the pendency of a contested case must initially determine if the effect of the communication is so prejudicial that the presiding officer should be disqualified. If the presiding officer determines that disqualification is warranted, a copy of any prohibited written communication, all written responses to the communication, a written summary stating the substance of any prohibited oral or other communication not available in written form for disclosure, all responses made, and the identity of each person from whom the presiding officer received a prohibited ex parte communication, shall be submitted for inclusion in the record under seal by protective order. If the presiding officer determines that disqualification is not warranted, such documents shall be submitted for inclusion in the record and served on all parties. Any party desiring to rebut the prohibited communication must be allowed the opportunity to do so upon written request filed within ten days after notice of the communication.

h. *Disclosure by presiding officer.* Promptly after being assigned to serve as presiding officer at any stage in a contested case proceeding, a presiding officer shall disclose to all parties material factual information received through ex parte communication prior to such assignment unless the factual information has already been or shortly will be disclosed pursuant to Iowa Code section 17A.13(2) or through discovery. Factual information contained in an investigative report or similar document need not be separately disclosed by the presiding officer as long as such documents have been or will shortly be provided to the parties.

i. *Sanction.* The presiding officer may render a proposed or final decision imposing appropriate sanctions for violations of this rule, including default, a decision against the offending party, censure, suspension, or revocation of the privilege to practice before the department or the administrative hearings division. Violation of ex parte communication prohibitions by department personnel or their representatives shall be reported to the clerk of the hearings section for possible sanctions including censure, suspension, dismissal, or other disciplinary action.

7.22(2) Disqualification of a presiding officer. Request for disqualification of a presiding officer must be filed in the form of a motion supported by an affidavit asserting an appropriate ground for disqualification. A substitute presiding officer may be appointed by the division of administrative hearings if the disqualified presiding officer is an administrative law judge. If the disqualified presiding officer is the director, the governor must appoint a substitute presiding officer.

a. *Grounds for disqualification.* A presiding officer or other person shall withdraw from participation in the making of any proposed or final decision in a contested case if that person:

- (1) Has a personal bias or prejudice concerning a party or a representative of a party;
- (2) Has personally investigated, prosecuted or advocated in connection with that case the specific controversy underlying that case, another pending factually related contested case, or a pending factually related controversy that may culminate in a contested case involving the same parties;
- (3) Is subject to the authority, direction or discretion of any person who has personally investigated, prosecuted or advocated in connection with that contested case the specific controversy underlying that contested case or a pending factually related contested case or controversy involving the same parties;
- (4) Has acted as counsel to any person who is a private party to that proceeding within the past two years;
- (5) Has a personal financial interest in the outcome of the case or any other significant personal interest that could be substantially affected by the outcome of the case;
- (6) Has a spouse or relative within the third degree of relationship that:
 1. Is a party to the case or an officer, director or trustee of a party to the case;
 2. Is a lawyer in the case;
 3. Is known to have an interest that could be substantially affected by the outcome of the case; or
 4. Is likely to be a material witness in the case; or
- (7) Has any other legally sufficient cause to withdraw from participation in the decision making in that case.

b. “Personally investigated” means taking affirmative steps to interview witnesses directly or to obtain documents or other information directly. The term “personally investigated” does not include general direction and supervision of assigned investigators, unsolicited receipt of information which is relayed to assigned investigators, review of another person’s investigative work product in the course of determining whether there is probable cause to initiate a proceeding, or exposure to factual information while performing other department functions, including fact gathering for purposes other than investigation of the matter which culminates in a contested case. Factual information relevant to the merits of a contested case received by a person who later serves as presiding officer in that case shall be disclosed if required by Iowa Code section 17A.17 and these rules.

c. Disqualification and the record. In a situation where a presiding officer or other person knows of information which might reasonably be deemed to be a basis for disqualification and decides voluntary withdrawal is unnecessary, that person shall submit the relevant information for the record by affidavit and shall provide for the record a statement of the reasons for the determination that withdrawal is unnecessary.

d. Motion asserting disqualification.

(1) If a party asserts disqualification on any appropriate ground, the party shall file a motion supported by an affidavit pursuant to Iowa Code section 17A.17. The motion must be filed as soon as practicable after the reason alleged in the motion becomes known to the party. If, during the course of the hearing, a party first becomes aware of evidence of bias or other grounds for disqualification, the party may move for disqualification but must establish the grounds by the introduction of evidence into the record.

(2) If the presiding officer determines that disqualification is appropriate, the presiding officer or other person shall withdraw. If the presiding officer determines that withdrawal is not required, the presiding officer shall enter an order to that effect. A party asserting disqualification may seek an interlocutory appeal and seek a stay as provided under this chapter.

This rule is intended to implement Iowa Code section 17A.17.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.23(17A) Licenses.

7.23(1) *Denial of license; refusal to renew license.*

a. When the department is required by constitution or statute to provide notice and an opportunity for an evidentiary hearing prior to the refusal or denial of a license, a notice, as prescribed in rule 701—7.14(17A), shall be served by the department upon the licensee or applicant. Prior to the refusal or denial of a license, the department shall give 30 days’ written notice to the applicant or licensee in

which to appear at a hearing to show cause why a license should not be refused or denied. In addition to the requirements of rule 701—7.14(17A), the notice shall contain a statement of facts or conduct and the provisions of law which warrant the denial of the license or the refusal to renew a license. If the licensee so desires, the licensee may file a petition as provided in subrule 7.23(3) with the presiding officer within 30 days prior to the hearing. The department may, in its discretion, file an answer to a petition filed by the licensee prior to the hearing. Thereafter, rule 701—7.17(17A) governing contested case proceedings shall apply.

b. When a licensee has made timely and sufficient application for the renewal of a license or a new license with reference to any activity of a continuing nature, the existing license does not expire until the application has been finally determined by the department, and in case the application is denied or the terms of the new license limited, until the last date for seeking judicial review of the department’s order or a later date fixed by order of the department or the reviewing court. See rule 481—100.2(99B) regarding gambling license applications.

7.23(2) Revocation of license.

a. The department shall not revoke, suspend, annul or withdraw any license until written notice is served by personal service or restricted certified mail pursuant to rule 701—7.14(17A) within the time prescribed by the applicable statute and the licensee whose license is to be revoked, suspended, annulled, or withdrawn, is given an opportunity to show at an evidentiary hearing conducted pursuant to rule 701—7.17(17A) compliance with all lawful requirements for the retention of the license. However, in the case of the revocation, suspension, annulment, or withdrawal of a sales or use tax permit, written notice will be served pursuant to rule 701—7.14(17A) only if the permit holder requests that this be done following notification, by ordinary mail, of the director’s intent to revoke, suspend, annul, or withdraw the permit. In addition to the requirements of rule 701—7.14(17A), the notice shall contain a statement of facts or conduct and the provisions of law which warrant the revocation, suspension, annulment, or withdrawal of the license. A licensee whose license may be revoked, suspended, annulled, or withdrawn, may file a petition as provided in subrule 7.23(3) with the clerk of the hearings section prior to the hearing. The department may, in its discretion, file an answer to a petition filed by the licensee prior to the hearing. Thereafter, rule 701—7.17(17A) governing contested case proceedings shall apply.

b. Notwithstanding paragraph 7.23(2)“a,” if the department finds that public health, safety, or welfare imperatively requires emergency action and the department incorporates a finding to that effect in an order to the licensee, summary suspension of a license shall be ordered pending proceedings for revocation as provided herein. These proceedings shall be promptly instituted and determined. When a summary suspension as provided herein is ordered, a notice of the time, place and nature of the evidentiary hearing shall be attached to the order.

7.23(3) Petition. When a person desires to file a petition as provided in subrules 7.23(1) and 7.23(2), the petition to be filed shall contain a caption in the following form:

BEFORE THE DEPARTMENT OF REVENUE
HOOVER STATE OFFICE BUILDING
DES MOINES, IOWA

IN THE MATTER OF _____ (state taxpayer’s name and address, and type of license)	* * * *	PETITION Docket No. _____ (filled in by Department)
---	------------------	---

The petition shall substantially state in separate numbered paragraphs the following:

- a.* The full name and address of the petitioner;
- b.* Reference to the type of license and the relevant statutory authority;

- c. Clear, concise and complete statements of all relevant facts showing why petitioner’s license should not be revoked, refused, or denied;
- d. Whether a similar license has previously been issued to or held by petitioner or revoked and if revoked the reasons therefor; and
- e. The signature of the petitioner or petitioner’s representative, the address of petitioner and of the petitioner’s representative, and the telephone number of petitioner or petitioner’s representative.

This rule is intended to implement Iowa Code section 17A.18.
 [ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.24(17A) Declaratory order—in general. Any oral or written advice or opinion rendered to members of the public by department personnel not pursuant to a petition for declaratory order is not binding upon the department. However, department personnel, including field personnel, ordinarily will discuss substantive tax issues with members of the public or their representatives prior to the receipt of a petition for a declaratory order, but such oral or written opinions or advice are not binding on the department. This should not be construed as preventing members of the public or their representatives from inquiring whether the department will issue a declaratory order on a particular question. In these cases, however, the name of the taxpayer shall be disclosed. The department will also discuss questions relating to certain procedural matters such as, for example, submittal of a request for a declaratory order or submittal of a petition to initiate rule-making procedures. Members of the public may, of course, seek oral technical assistance from a departmental employee in regard to the proper preparation of a return or report required to be filed with the department. Such oral advice is advisory only, and the department is not bound to recognize the advice in the examination of the return, report or records.

7.24(1) Petition for declaratory order.

a. Any person may file with the Clerk of the Hearings Section, Department of Revenue, Fourth Floor, Hoover State Office Building, Des Moines, Iowa 50319, a petition seeking a declaratory order as to the applicability to specified circumstances of a statute, rule, or order within the primary jurisdiction of the department. A petition is deemed filed when it is received by the clerk of the hearings section. The clerk of the hearings section shall provide the petitioner with a file-stamped copy of the petition if the petitioner provides the clerk of the hearings section an extra copy for this purpose. The petition must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

DEPARTMENT OF REVENUE

Petition by (Name of Petitioner)	*	PETITION FOR
for a Declaratory Order on (Cite	*	DECLARATORY ORDER
provisions of law involved).	*	Docket No. _____
	*	

- b. The petition must provide the following information:
- (1) A clear and concise statement of all relevant facts on which the order is requested;
 - (2) A citation and the relevant language of the specific statutes, rules, policies, decisions, or orders, whose applicability is questioned, and any other relevant law;
 - (3) The questions the petitioner wants answered, stated clearly and concisely;
 - (4) The answers to the questions desired by the petitioner and a summary of the reasons urged by the petitioner in support of those answers;
 - (5) The reasons for requesting the declaratory order and disclosure of the petitioner’s interest in the outcome;
 - (6) A statement indicating whether the petitioner is currently a party to another proceeding involving the questions at issue and whether, to the petitioner’s knowledge, those questions have been decided by, are pending determination by, or are under investigation by, any governmental entity;
 - (7) The names and addresses of other persons, or a description of any class of persons, known by petitioner to be affected by, or interested in, the questions presented in the petition;

- (8) Any request by petitioner for a meeting provided for by this rule; and
- (9) Whether the petitioner is presently under audit by the department.

c. The petition must be dated and signed by the petitioner or the petitioner’s representative. It must also include the name, mailing address, and telephone number of the petitioner and of the petitioner’s representative and a statement indicating the person to whom communications concerning the petition should be directed.

7.24(2) Notice of petition. Within 15 days after receipt of a petition for a declaratory order, the clerk of the hearings section shall give notice of the petition to all persons not served by the petitioner to whom notice is required by any provision of law. The clerk of the hearings section may also give notice to any other persons.

7.24(3) Intervention.

a. Persons who qualify under any applicable provision of law as an intervenor and who file a petition for intervention within 20 days of the filing of a petition for declaratory order, shall be allowed to intervene in a proceeding for a declaratory order.

b. Any person who files a petition for intervention at any time prior to the issuance of an order may be allowed to intervene in a proceeding for a declaratory order at the discretion of the department.

c. A petition for intervention shall be filed with the Clerk of the Hearings Section, Department of Revenue, Fourth Floor, Hoover State Office Building, Des Moines, Iowa 50319. Such a petition is deemed filed when it is received by the clerk of the hearings section. The clerk of the hearings section will provide the petitioner with a file-stamped copy of the petition for intervention if the petitioner provides an extra copy for this purpose. A petition for intervention must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

DEPARTMENT OF REVENUE

Petition by (Name of Original	*	PETITION FOR
Petitioner) for a Declaratory Order	*	INTERVENTION
on (Cite provisions of law cited in	*	Docket No. _____
original Petition).	*	

d. The petition for intervention must provide the following information:

- (1) Facts supporting the intervenor’s standing and qualifications for intervention;
- (2) The answers urged by the intervenor to the question or questions presented and a summary of the reasons urged in support of those answers;
- (3) Reasons for requesting intervention and disclosure of the intervenor’s interest in the outcome;
- (4) A statement indicating whether the intervenor is currently a party to any proceeding involving the questions at issue and whether, to the intervenor’s knowledge, those questions have been decided by, are pending determination by, or are under investigation by, any governmental entity;
- (5) The names and addresses of any additional persons, or a description of any additional class of persons, known by the intervenor to be affected by, or interested in, the questions presented;
- (6) Whether the intervenor consents to be bound by the determination of the matters presented in the declaratory order proceeding;
- (7) Whether the intervenor is presently under audit by the department; and
- (8) Consent of the intervenor to be bound by the declaratory order.

e. The petition must be dated and signed by the intervenor or the intervenor’s representative. It must also include the name, mailing address, and telephone number of the intervenor and of the intervenor’s representative and a statement indicating the person to whom communications should be directed.

f. For a petition for intervention to be allowed, the petitioner must have consented to be bound by the declaratory order and the petitioner must have standing regarding the issues raised in the petition for declaratory order. The petition for intervention must not correct facts that are in the petition for

declaratory order or raise any additional facts. To have standing, the intervenor must have a legally protectible and tangible interest at stake in the petition for declaratory order under consideration by the director for which the party wishes to petition to intervene. Black's Law Dictionary, Centennial Edition, p. 1405, citing *Guidry v. Roberts*, 331 So. 44, 50 (La.App.). Based on Iowa case law, the department may refuse to entertain a petition from one whose rights will not be invaded or infringed. *Bowers v. Bailey*, 237 Iowa 295, 21 N.W.2d 773 (1946). The department may, by rule, impose a requirement of standing upon those that seek a declaratory order at least to the extent of requiring that they be potentially aggrieved or adversely affected by the department action or failure to act. Bonfield, "The Iowa Administrative Procedure Act, Background, Construction, Applicability and Public Access to Agency Law, The Rule-making Process," 60 Iowa Law Review 731, 805 (1975). The department adopts this requirement of standing for those seeking a petition for a declaratory order and those seeking to intervene in a petition for a declaratory order.

g. An association or a representative group is not considered to be an entity qualifying for filing a petition requesting a declaratory order on behalf of all of the association or group members. Each member of an association may not be similarly situated or represented by the factual scenario set forth in such a petition.

h. If a party seeks to have an issue determined by declaratory order, but the facts are different from those in a petition for declaratory order that is currently under consideration by the director, the interested party should not petition as an intervenor in the petition for declaratory order currently under the director's consideration. Instead, the party should file a separate petition for a declaratory order, and the petition should include all of the relevant facts. The director may deny a petition for intervention without denying the underlying petition for declaratory order that is involved.

7.24(4) Briefs. The petitioner or any intervenor may file a brief in support of the position urged. The department may request a brief from the petitioner, any intervenor, or any other person concerning the questions raised in the petition.

7.24(5) Inquiries. Inquiries concerning the status of a declaratory order proceeding may be made to the Policy and Communications Division, Department of Revenue, Fourth Floor, Hoover State Office Building, Des Moines, Iowa 50319.

7.24(6) Service and filing of petitions and other papers.

a. When service required. Except where otherwise provided by law, every petition for declaratory order, petition for intervention, brief, or other paper filed in a proceeding for a declaratory order shall be served upon each of the parties of record to the proceeding, and on all other persons identified in the petition for declaratory order or petition for intervention as affected by or interested in the questions presented, simultaneously with its filing. The party filing a document is responsible for service on all parties and other affected or interested persons.

b. Filing—when required. All petitions for declaratory orders, petitions for intervention, briefs, or other papers in a proceeding for a declaratory order shall be filed with the Clerk of the Hearings Section, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319. All petitions, briefs, or other papers that are required to be served upon a party shall be filed simultaneously with the department.

c. Method of service, time of filing, and proof of mailing. Method of service, time of filing, and proof of mailing shall be as provided in rules 701—7.8(17A) and 701—7.21(17A).

7.24(7) Department consideration. Upon request by petitioner in the petition, the department may schedule a brief and informal meeting between the original petitioner, all intervenors, and the department, a member of the department, or a member of the staff of the department to discuss the questions raised. The department may solicit comments or information from any person on the questions raised. Also, comments or information on the questions raised may be submitted to the department by any person.

7.24(8) Action on petition.

a. Within 30 days after receipt of a petition for a declaratory order, the director shall take action on the petition.

b. The date of issuance of an order or of a refusal to issue an order is as defined in rule 701—7.2(17A).

7.24(9) Refusal to issue order.

a. The department shall not issue a declaratory order where prohibited by Iowa Code section 17A.9 and may refuse to issue a declaratory order on some or all questions raised for the following reasons:

- (1) The petition does not substantially comply with the required form;
- (2) The petition does not contain facts sufficient to demonstrate that the petitioner will be aggrieved or adversely affected by the failure of the department to issue an order;
- (3) The department does not have jurisdiction over the questions presented in the petition;
- (4) The questions presented by the petition are also presented in a current rule making, contested case, or other department or judicial proceeding that may definitively resolve them;
- (5) The questions presented by the petition would more properly be resolved in a different type of proceeding or by another body with jurisdiction over the matter;
- (6) The facts or questions presented in the petition are unclear, overbroad, insufficient, or otherwise inappropriate as a basis upon which to issue an order;
- (7) There is no need to issue an order because the questions raised in the petition have been settled due to a change in circumstances;
- (8) The petition is not based upon facts calculated to aid in the planning of future conduct but is, instead, based solely upon prior conduct, in an effort to establish the effect of that conduct or to challenge a department decision already made;
- (9) The petition requests a declaratory order that would necessarily determine the legal rights, duties, or responsibilities of other persons who have not joined in the petition, intervened separately, or filed a similar petition and whose position on the questions presented may fairly be presumed to be adverse to that of petitioner;
- (10) The petitioner requests the department to determine whether a statute is unconstitutional on its face; or
- (11) The petition requests a declaratory order on an issue presently under investigation or audit or in rule-making proceedings or in litigation in a contested case or court proceedings.

b. A refusal to issue a declaratory order must indicate the specific grounds for the refusal and constitutes final department action on the petition.

c. Refusal to issue a declaratory order pursuant to this rule does not preclude the filing of a new petition that seeks to eliminate the grounds for the department's refusal to issue an order.

7.24(10) Contents of declaratory order; effective date.

a. In addition to the order itself, a declaratory order must contain the date of its issuance, the name of petitioner and all intervenors, the specific statutes, rules, policies, decisions, or orders involved, the particular facts upon which it is based, and the reasons for its conclusion.

b. A declaratory order is effective on the date of issuance.

7.24(11) Copies of orders. A copy of all orders issued in response to a petition for a declaratory order shall be mailed promptly to the original petitioner and all intervenors.

7.24(12) Effect of a declaratory order. A declaratory order has the same status and binding effect as a final order issued in a contested case proceeding. A declaratory order is binding on the department, the petitioner, and any intervenors. As to all other persons, a declaratory order serves only as precedent and is not binding on the department. The issuance of a declaratory order constitutes final department action on the petition. A declaratory order, once issued, will not be withdrawn at the request of the petitioner.

7.24(13) Prejudice or no consent. The department will not issue a declaratory order that would substantially prejudice the rights of a person who would be a necessary party and who does not consent in writing to the determination of the matter by a declaratory order proceeding.

This rule is intended to implement Iowa Code section 17A.9.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.25(17A) Department procedure for rule making.

7.25(1) The department hereby adopts and incorporates by reference the following Uniform Rules on Agency Procedure for Rule Making, which may be found on the general assembly's Web site at <https://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf> and which are printed in the first volume of the Iowa Administrative Code, with the additions, changes, and deletions to those rules listed below:

X.2(17A) Advice on possible rules before notice of proposed rule adoption.

X.4(1) Notice of proposed rule making—contents.

X.4(3) Copies of notices. In addition to the text of this subrule, the department adds that the payment for the subscription and the subscription term is one year.

X.5(17A) Public participation. In addition to the text of this rule, the department adds that written submissions should be submitted to the Administrator of the Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319. Also, any requests for special requirements concerning accessibility are to be made to the Clerk of the Hearings Section, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319; telephone (515)281-3204.

X.6(17A) Regulatory analysis. In addition to the text of this rule, the department adds that small businesses or organizations of small businesses may register on the department's small business impact list by making a written application to the Administrator of the Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319.

X.7(17A,25B) Fiscal impact statement.

X.8(17A) Time and manner of rule adoption.

X.9(17A) Variance between adopted rule and published notice of proposed rule adoption.

X.10(17A) Exemptions from public rule-making procedures. In addition to the text of this rule, the department adds that exempt categories are generally limited to rules for nonsubstantive changes to a rule, such as rules for correcting grammar, spelling or punctuation in an existing or proposed rule.

X.11(17A) Concise statement of reasons. In addition to the text of this rule, the department adds that a request for a concise statement of reasons for a rule must be submitted to the Administrator of the Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319.

X.12(1) Contents, style, and form of rule—contents.

X.12(4) Contents, style, and form of rule—style and form.

X.14(17A) Filing of rules.

X.15(17A) Effectiveness of rules prior to publication.

X.16(17A) General statement of policy.

X.17(17A) Review by agency of rules.

7.25(2) The department hereby states that the following cited Uniform Rules on Agency Procedure for Rule Making are not adopted by the department:

X.1(17A) Applicability.

X.3(17A) Public rule-making docket.

X.4(2) Notice of proposed rule making—incorporation by reference.

X.12(2) Contents, style, and form of rule—incorporation by reference.

X.12(3) Contents, style, and form of rule—references to materials not published in full.

X.13(17A) Agency rule-making record.

This rule is intended to implement Iowa Code chapter 17A.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.26(17A) Public inquiries on rule making and the rule-making records. The department maintains records of information obtained and all actions taken and criticisms received regarding any rule within the past five years. The department also keeps a record of the status of every rule within the rule-making procedure. Inquiries concerning the status of rule making may be made by contacting the Administrator of the Policy and Communications Division, Department of Revenue, Hoover State

Office Building, Fourth Floor, Des Moines, Iowa 50319. For additional information regarding criticism of rules, see rule 701—7.27(17A).

This rule is intended to implement Iowa Code section 17A.3.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.27(17A) Criticism of rules. The Administrator of the Policy and Communications Division, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319, is designated as the office where interested persons may submit by electronic means or by mail criticisms, requests for waivers, or comments regarding a rule. A criticism of a specific rule must be more than a mere lack of understanding of a rule or a dislike of the rule. To constitute a criticism of a rule, the criticism must be in writing, indicate it is a criticism of a specific rule, and have a valid legal basis for support. All requests for waivers, comments, or criticisms received on any rule will be kept in a separate record for a period of five years by the department.

This rule is intended to implement Iowa Code sections 17A.7 and 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.28(17A) Waiver or variance of certain department rules. All discretionary rules or discretionary provisions in a rule over which the department has jurisdiction, in whole or in part, may be subject to waiver or variance. See subrules 7.28(3) and 7.28(4).

7.28(1) Definitions. The following terms apply to the interpretation and application of this rule:

“Discretionary rule” or *“discretionary provisions in a rule”* means rules or provisions in rules resulting from a delegation by the legislature to the department to create a binding rule to govern a given issue or area. The department is not interpreting any statutory provision of the law promulgated by the legislature in a discretionary rule. Instead, a discretionary rule is authorized by the legislature when the legislature has delegated the creation of binding rules to the department and the contents of such rules are at the discretion of the department. A rule that contains both discretionary and interpretive provisions is deemed to be a discretionary rule to the extent of the discretionary provisions in the rule.

“Interpretive rules” or *“interpretive provisions in rules”* means rules or provisions in rules which define the meaning of a statute or other provision of law or precedent where the department does not possess the delegated authority to bind the courts to any extent with its definition.

“Waiver or variance” means an agency action which suspends, in whole or in part, the requirements or provisions of a rule as applied to an identified person on the basis of the particular circumstances of that person.

7.28(2) Scope of rule.

a. This rule creates generally applicable standards and a generally applicable process for granting individual waivers or variances from the discretionary rules or discretionary provisions in rules adopted by the department in situations where no other specifically applicable law provides for waivers or variances. To the extent another more specific provision of law purports to govern the issuance of a waiver or variance from a particular rule, the more specific waiver or variance provision shall supersede this rule with respect to any waiver or variance from that rule.

b. The waiver or variance provisions set forth in this rule do not apply to rules over which the department does not have jurisdiction or when issuance of the waiver or variance would be inconsistent with any applicable statute, constitutional provision or other provision of law.

7.28(3) Applicability of this rule.

a. This rule applies only to waiver or variance of those departmental rules that are within the exclusive rule-making authority of the department. This rule shall not apply to interpretive rules that merely interpret or construe the meaning of a statute, or other provision of law or precedent, if the department does not possess statutory authority to bind a court, to any extent, with its interpretation or construction. Thus, this waiver or variance rule applies to discretionary rules and discretionary provisions in rules, and not to interpretive rules.

b. The application of this rule is strictly limited to petitions for waiver or variance filed outside of a contested case proceeding. Petitions for waiver or variance from a discretionary rule or discretionary provisions in a rule filed after the commencement of a contested case as provided in rule 701—7.14(17A)

will be treated as an issue of the contested case to be determined by the presiding officer of the contested case.

7.28(4) Authority to grant a waiver or variance. The director may not issue a waiver or variance under this rule unless:

- a. The legislature has delegated authority sufficient to justify the action; and
- b. The waiver or variance is consistent with statutes and other provisions of law. No waiver or variance from any mandatory requirement imposed by statute may be granted under this rule.

7.28(5) Criteria for waiver or variance. In response to a petition, the director may, in the director's sole discretion, issue an order granting a waiver or variance from a discretionary rule or a discretionary provision in a rule adopted by the department, in whole or in part, as applied to the circumstances of a specified person, if the director finds that the waiver or variance is consistent with subrules 7.28(3) and 7.28(4) and if all of the following criteria are also met:

- a. The waiver or variance would not prejudice the substantial legal rights of any person;
- b. The rule or provisions of the rule are not specifically mandated by statute or another provision of law;
- c. The application of the rule or rule provision would result in an undue hardship or injustice to the petitioner; and
- d. Substantially equal protection of public health, safety, and welfare will be afforded by means other than that prescribed in the rule or rule provision for which the waiver or variance is requested.

7.28(6) Director's discretion. The final decision to grant or deny a waiver or variance shall be vested in the director. This decision shall be made at the sole discretion of the director based upon consideration of relevant facts.

7.28(7) Burden of persuasion. The burden of persuasion shall be on the petitioner to demonstrate by clear and convincing evidence that the director should exercise discretion to grant the petitioner a waiver or variance based upon the criteria contained in subrule 7.28(5).

7.28(8) Contents of petition.

- a. A petition for waiver or variance must be in the following format:

IOWA DEPARTMENT OF REVENUE		
Name of Petitioner	*	PETITION FOR
Address of Petitioner	*	WAIVER
Type of Tax at Issue	*	Docket No. _____
	*	

- b. A petition for waiver or variance must contain all of the following, where applicable and known to the petitioner:

- (1) The name, address, telephone number, and case number or state identification number of the entity or person for whom a waiver or variance is being requested;
- (2) A description and citation of the specific rule or rule provisions from which a waiver or variance is being requested;
- (3) The specific waiver or variance requested, including a description of the precise scope and operative period for which the petitioner wants the waiver or variance to extend;
- (4) The relevant facts that the petitioner believes would justify a waiver or variance. This statement shall include a signed statement from the petitioner attesting to the accuracy of the facts represented in the petition, and a statement of reasons that the petitioner believes will justify a waiver or variance;
- (5) A complete history of any prior contacts between the petitioner and the department relating to the activity affected by the proposed waiver or variance, including audits, notices of assessment, refund claims, contested case hearings, or investigative reports relating to the activity within the last five years;
- (6) Any information known to the petitioner relating to the department's treatment of similar cases;

(7) The name, address, and telephone number of any public agency or political subdivision which might be affected by the granting of a waiver or variance;

(8) The name, address, and telephone number of any person or entity that would be adversely affected by the granting of the waiver or variance;

(9) The name, address, and telephone number of any person with knowledge of the relevant facts relating to the proposed waiver or variance;

(10) Signed releases of information authorizing persons with knowledge of relevant facts to furnish the department with information relating to the waiver or variance;

(11) If the petitioner seeks to have identifying details deleted, which deletion is authorized by statute, such details must be listed with the statutory authority for the deletion; and

(12) Signature by the petitioner at the conclusion of the petition attesting to the accuracy and truthfulness of the information set forth in the petition.

7.28(9) *Filing of petition.* A petition for waiver or variance must be filed with the Clerk of the Hearings Section, Department of Revenue, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319.

7.28(10) *Additional information.* Prior to issuing an order granting or denying a waiver or variance, the director may request additional information from the petitioner relating to the petition and surrounding circumstances. The director may, on the director's own motion, or at the petitioner's request, schedule a telephonic or in-person meeting between the petitioner or the petitioner's representative, or both, and the director to discuss the petition and surrounding circumstances.

7.28(11) *Notice of petition for waiver or variance.* The petitioner shall provide, within 30 days of filing the petition for waiver or variance, a notice consisting of a concise summary of the contents of the petition for waiver or variance and stating that the petition is pending. Such notice shall be mailed by the petitioner to all persons entitled to such notice. Such persons to whom notice must be mailed include, but are not limited to, the director and all parties to the petition for waiver or variance, or the parties' representatives. The petitioner must then file written notice with the clerk of the hearings section (address indicated above) attesting that the notice has been mailed. The names, addresses and telephone numbers of the persons to whom the notices were mailed shall be included in the filed written notice. The department has the discretion to give such notice to persons other than those persons notified by the petitioner.

7.28(12) *Ruling on a petition for waiver or variance.* An order granting or denying a waiver or variance must conform to the following:

a. An order granting or denying a waiver or variance shall be in writing and shall contain a reference to the particular person and rule or rule provision to which the order pertains, a statement of the relevant facts and reasons upon which the action is based, and a description of the narrow and precise scope and operative time period of a waiver or variance, if one is issued.

b. If a petition requested the deletion of identifying details, then the order must either redact the details prior to the placement of the order in the public record file referenced in subrule 7.28(17) or set forth the grounds for denying the deletion of identifying details as requested.

c. Conditions. The director may condition the grant of a waiver or variance on any conditions which the director deems to be reasonable and appropriate in order to protect the public health, safety and welfare.

7.28(13) *Time period for waiver or variance; extension.* Unless otherwise provided, an order granting a petition for waiver or variance will be effective for 12 months from the date the order granting the waiver or variance is issued. Renewal of a granted waiver or variance is not automatic. To renew the waiver or variance beyond the 12-month period, the petitioner must file a new petition requesting a waiver or variance. The renewal petition will be governed by the provisions in this rule and must be filed prior to the expiration date of the previously issued waiver or variance or extension of waiver or variance. Even if the order granting the waiver or variance was issued in a contested case proceeding, any request for an extension shall be filed with and acted upon by the director. However, renewal petitions must request an extension of a previously issued waiver or variance. Granting the

extension of the waiver or variance is at the director's sole discretion and must be based upon whether the factors set out in subrules 7.28(4) and 7.28(5) remain valid.

7.28(14) *Time for ruling.* The director shall grant or deny a petition for waiver or variance as soon as practicable but, in any event, shall do so within 120 days of its receipt, unless the petitioner agrees in writing to a later date or the director indicates in a written order that it is impracticable to issue the order within the 120-day period.

7.28(15) *When deemed denied.* Failure of the director to grant or deny a waiver or variance within the 120-day or the extended time period shall be deemed a denial of that petition.

7.28(16) *Service of orders.* Within seven days of its issuance, any order issued under this rule shall be transmitted to the petitioner or the person to whom the order pertains and to any other person entitled to such notice by any provision of law.

7.28(17) *Record keeping.* The department is required to maintain a record of all petitions for waiver or variance and rulings granting or denying petitions for waiver or variance.

a. Petitions for waiver or variance. The department shall maintain a record of all petitions for waiver or variance available for public inspection. Such records will be indexed and filed and made available for public inspection at the office of the clerk of the hearings section at the address set forth in subrule 7.28(9).

b. Report of orders granting or denying a waiver or variance. All orders granting or denying a waiver or variance shall be summarized in a semiannual report to be drafted by the department and submitted to the administrative rules coordinator and the administrative rules review committee.

7.28(18) *Cancellation of waiver or variance.* A waiver or variance issued pursuant to this rule may be withdrawn, canceled, or modified if, after appropriate notice, the director issues an order finding any of the following:

a. The person who obtained the waiver or variance order withheld or misrepresented material facts relevant to the propriety or desirability of the waiver or variance; or

b. The alternative means for ensuring that public health, safety, and welfare will be adequately protected after issuance of the waiver or variance order have been demonstrated to be insufficient, and no other means exist to protect the substantial legal rights of any person; or

c. The person who obtained the waiver or variance has failed to comply with all of the conditions in the waiver or variance order.

7.28(19) *Violations.* A violation of a condition in a waiver or variance order shall be treated as a violation of the particular rule or rule provision for which the waiver or variance was granted. As a result, the recipient of a waiver or variance under this rule who violates a condition of the waiver or variance may be subject to the same remedies or penalties as a person who violates the rule or rule provision at issue.

7.28(20) *Defense.* After an order granting a waiver or variance is issued, the order shall constitute a defense, within the terms and the specific facts indicated therein, for the person to whom the order pertains in any proceeding in which the rule in question is sought to be invoked, unless subrules 7.28(18) and 7.28(19) are applicable.

7.28(21) *Hearing and appeals.*

a. Appeals from a decision granting or denying a waiver or variance in a contested case proceeding shall be in accordance with the rules governing hearings and appeals from decisions in contested cases. These appeals shall be taken within 30 days of the issuance of the ruling granting or denying the waiver or variance request, unless a different time is provided by rule or statute, such as provided in the area of license revocation (see rule 701—7.23(17A)).

b. The provisions of Iowa Code sections 17A.10 to 17A.18A and rule 701—7.17(17A) regarding contested case proceedings shall apply to any petition for waiver or variance of a rule or provisions in a rule filed within a contested case proceeding. A petition for waiver or variance of a provision in a rule outside of a contested case proceeding will not be considered under the statutes or rule 701—7.17(17A).

Instead, the director's decision on the petition for waiver or variance is considered to be "other agency action."

This rule is intended to implement Iowa Code section 17A.9A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.29(17A) Petition for rule making.

7.29(1) Form of petition.

a. Any person or agency may file a petition for rule making at the Office of the Director, Department of Revenue, Hoover State Office Building, Fourth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319. A petition is deemed filed when it is received by the director. The department will provide the petitioner with a file-stamped copy of the petition if the petitioner provides the department an extra copy for this purpose. The petition must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

DEPARTMENT OF REVENUE

Petition by (Name of Petitioner)	*	PETITION FOR
for the (adoption, amendment, or	*	RULE MAKING
repeal) of rules relating to (state	*	
subject matter).	*	

b. The petition must provide the following information:

(1) A statement of the specific rule-making action sought by the petitioner including the text or a summary of the contents of the proposed rule or amendment to a rule and, if it is a petition to amend or repeal a rule, a citation and the relevant language to the particular portion or portions of the rule proposed to be amended or repealed.

(2) A citation to any law deemed relevant to the department's authority to take the action urged or to the desirability of that action.

(3) A brief summary of the petitioner's arguments in support of the action urged in the petition.

(4) A brief summary of any data supporting the action urged in the petition.

(5) The names and addresses of other persons, or a description of any class of persons, known by the petitioner to be affected by or interested in the proposed action which is the subject of the petition.

(6) Any request by the petitioner for a meeting.

(7) Any other matters deemed relevant that are not covered by the above requirements.

7.29(2) Form signed and dated. The petition must be signed and dated by the petitioner or the petitioner's representative. It must also include the name, mailing address, telephone number and, if requested, the e-mail address of the petitioner and of the petitioner's representative and a statement indicating the person to whom communications concerning the petition should be directed.

7.29(3) Denial by department. The department may deny a petition because it does not substantially conform to the required form or because all the required information has not been provided.

7.29(4) Briefs. The petitioner may attach a brief to the petition in support of the action urged in the petition. The department may request a brief from the petitioner or from any other person concerning the substance of the petition.

7.29(5) Status of petition. Inquiries concerning the status of a petition for rule making may be made to the Office of the Director, Department of Revenue, Hoover State Office Building, Fourth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319.

7.29(6) Informal meeting. If requested in the petition by the petitioner, the department may schedule an informal meeting between the petitioner and the department, or a member of the staff of the department, to discuss the petition. The department may request that the petitioner submit additional information or argument concerning the petition. The department may also solicit comments from any person on the substance of the petition. Also, comments on the substance of the petition may be submitted to the department by any person.

7.29(7) Action required. Within 60 days after the filing of the petition, or within an extended period as agreed to by the petitioner, the department must, in writing, either: (a) deny the petition and notify the petitioner of the department's action and the specific grounds for the denial; or (b) grant the petition and notify the petitioner that the department has instituted rule-making proceedings on the subject of the petition. The petitioner shall be deemed notified of the denial of the petition or the granting of the petition on the date that the department mails or delivers the required notification to the petitioner.

7.29(8) New petition. Denial of a petition because the petition does not substantially conform to the required form does not preclude the filing of a new petition on the same subject when the new petition contains the required information that was the basis for the original denial.

This rule is intended to implement Iowa Code chapter 17A.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.30(9C,91C) Procedure for nonlocal business entity bond forfeitures. Upon the failure of a transient merchant or an out-of-state contractor to pay any taxes payable, the amount of bond posted with the secretary of state by the transient merchant or out-of-state contractor necessary to pay the tax shall be forfeited. The following subrules shall govern the procedure for that forfeiture.

7.30(1) Definitions.

a. "Nonlocal business entity" is either an out-of-state contractor or a transient merchant as those terms are defined in paragraphs 7.30(1)"b" and "f."

b. "Out-of-state contractor" means a general contractor, subcontractor, architect, engineer, or other person who contracts to perform in this state construction or installation of structures or other buildings or any other work covered by Iowa Code chapter 103A and whose principal place of business is outside Iowa.

c. "Taxes payable by a transient merchant" refers to all taxes administered by the department, and penalties, interest, and fees which the department has previously determined to be due by assessment or due as a result of an appeal from an assessment.

d. "Taxes payable by an out-of-state contractor" means tax, penalty, interest, and fees which the department, another state agency, or a subdivision of the state, has determined to be due by assessment or due as a result of an appeal from an assessment. The tax assessed must accrue as the result of a contract to perform work covered by Iowa Code chapter 103A.

e. "Taxes payable" means any amount referred to in paragraphs 7.30(1)"c" and "d" above.

f. "Transient merchant" shall be defined, for the purposes of this rule, as that term is defined in Iowa Code section 9C.1.

7.30(2) Increases in existing bonds. If an out-of-state contractor has on file with the secretary of state a bond for any particular contract and for that particular contract the contractor has tax due and owing but unpaid and this tax is greater than the amount of the bond, the department shall require the out-of-state contractor to increase the bond on file with the secretary of state in an amount sufficient to pay tax liabilities which will become due and owing under the contract in the future.

7.30(3) Responsibility for notification. Concerning taxes which are payable by an out-of-state contractor but which are not administered by the department of revenue, it shall be the duty of the department or subdivision of Iowa state government to which the taxes are owed to notify the department of revenue of the taxes payable by the out-of-state contractor in order to institute bond forfeiture proceedings or an increase in the amount of the bond which the out-of-state contractor must post.

7.30(4) Initial notification. After it is determined that a bond ought to be forfeited, notice of this intent shall be sent to the nonlocal business entity and its surety of record, if any. Notice sent to the nonlocal business entity or its surety shall be sent to the last-known address as reflected in the records of the secretary of state. The notice sent to an out-of-state contractor shall also be mailed to the contractor's registered agent for service of process, if any, within Iowa. This notice may be sent by ordinary mail. The notice shall state the intent to demand forfeiture of the nonlocal business entity's bond, the amount of bond to be forfeited, the nature of the taxes alleged to be payable, the period for which these taxes are due, and the department or subdivision of Iowa to which the taxes are payable. The notice shall also state the statutory authority for the forfeiture and the right to a hearing upon timely application.

7.30(5) *Protest of bond forfeiture.* The application of a nonlocal business entity for a hearing shall be written and substantially in the form set out for protests of other departmental action in rule 701—7.8(17A). The caption of the application shall be basically in the form set out in subrule 7.8(6) except the type of proceeding shall be designated as a bond forfeiture collection. The body of the application for hearing must substantially resemble the body of the protest described in subrule 7.8(7). However, referring to paragraph 7.8(7)“a,” the nonlocal business entity shall state the date of the notice described in subrule 7.30(4). With regard to paragraph 7.8(7)“c,” in the case of a tax payable which is not administered by the department, the errors alleged may be errors on the part of other departments or subdivisions of the state of Iowa. The application for hearing shall be filed with the department’s administrative law judge in the manner described in rule 701—7.8(17A). The docketing of an application for hearing shall follow the procedure for the docketing of a protest under that rule.

7.30(6) *Prehearing, hearing and rehearing procedures.* The following rules are applicable to preliminary and contested case proceedings under this rule: 701—7.3(17A) to 701—7.7(17A), 701—7.9(17A) to 701—7.13(17A), and 701—7.15(17A) to 701—7.22(17A).

7.30(7) *Sureties and state departments other than revenue.*

a. A surety shall not have standing to contest the amount of any tax payable.

b. If there exist taxes payable by an out-of-state contractor and these taxes are payable to a department or subdivision of state government other than the department of revenue, that department or subdivision shall be the real party in interest to any proceeding conducted under this rule, and it shall be the responsibility of that department or subdivision to provide its own representation and otherwise bear the expenses of representation.

This rule is intended to implement Iowa Code sections 9C.4 and 91C.7.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.31(421) *Abatement of unpaid tax.* For assessment notices issued on or after January 1, 1995, if the statutory period for appeal has expired, the director may abate any portion of unpaid tax, penalties or interest which the director determines is erroneous, illegal, or excessive. The authority of the director to settle doubtful and disputed claims for taxes or tax refunds or tax liability of doubtful collectability is not covered by this rule.

7.31(1) *Assessments qualifying for abatement.* To be subject to an abatement, an assessment or a portion of an assessment for which abatement is sought must not have been paid and must have exceeded the amount due as provided by the Iowa Code and the administrative rules issued by the department interpreting the Iowa Code. If a taxpayer fails to timely appeal an assessment that is based on the Iowa Code or the department’s administrative rules interpreting the Iowa Code within the statutory period, then the taxpayer cannot request an abatement of the assessment or a portion thereof.

7.31(2) *Procedures for requesting abatement.* The taxpayer must make a written request to the director for abatement of that portion of the assessment that is alleged to be erroneous, illegal, or excessive. A request for abatement must contain:

a. The taxpayer’s name and address, social security number, federal identification number, or any permit number issued by the department;

b. A statement on the type of proceeding, e.g., individual income tax or request for abatement; and

c. The following information:

(1) The type of tax, the taxable period or periods involved, and the amount of tax that was excessive or erroneously or illegally assessed;

(2) Clear and concise statements of each and every error which the taxpayer alleges to have been committed by the director in the notice of assessment and which causes the assessment to be erroneous, illegal, or excessive. Each assignment of error must be separately numbered;

(3) Clear and concise statements of all relevant facts upon which the taxpayer relies (documents verifying the correct amount of tax liability must be attached to the request);

(4) Reference to any particular statute or statutes and any rule or rules involved, if known;

(5) The signature of the taxpayer or that of the taxpayer's representative and the addresses of the taxpayer and the taxpayer's representative;

(6) Description of records or documents which were not available or were not presented to department personnel prior to the filing of this request, if any (copies of any records or documents that were not previously presented to the department must be provided with the request); and

(7) Any other matters deemed relevant and not covered in the above subparagraphs.

This rule is intended to implement Iowa Code section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.32(421) Time and place of taxpayer interviews. The time and place of taxpayer interviews are to be fixed by an employee of the department, and employees of the department are to endeavor to schedule a time and place that are reasonable under the circumstances.

7.32(1) Time of taxpayer interviews. The department will schedule the day(s) for a taxpayer interview during a normally scheduled workday(s) of the department, during the department's normal business hours. The department will schedule taxpayer interviews throughout the year without regard to seasonal fluctuations in the business of particular taxpayers or their representatives. The department will, however, work with taxpayers or their representatives to try to minimize any adverse effects in scheduling the date and time of a taxpayer interview.

7.32(2) Type of taxpayer interview.

a. The department will determine whether a taxpayer interview will be an office interview (i.e., an interview conducted at a department office) or a field interview (i.e., an interview conducted at the taxpayer's place of business or residence, or some other location that is not a department office) based on which form of interview will be more conducive to effective and efficient tax administration.

b. The department will grant a request to hold an office interview at a location other than a department office in case of a clear need, such as when it would be unreasonably difficult for the taxpayer to travel to a department office because of the taxpayer's advanced age or infirm physical condition or when the taxpayer's books, records, and source documents are too cumbersome for the taxpayer to bring to a department office.

7.32(3) Place of taxpayer interview. The department will make an initial determination of the place for an interview, including the department regional office to which an interview will be assigned, based on the address shown on the return for the tax period to be examined. Requests by taxpayers to transfer the place of interview will be resolved on a case-by-case basis, using the criteria set forth in paragraph 7.32(3) "c."

a. Office taxpayer interviews. An office interview of an individual or sole proprietorship generally is based on the residence of the individual taxpayer. An office interview of a taxpayer which is an entity generally is based on the location where the taxpayer entity's original books, records, and source documents are maintained.

b. Field taxpayer interviews. A field interview generally will take place at the location where the taxpayer's original books, records, and source documents pertinent to the interview are maintained. In the case of a sole proprietorship or taxpayer entity, this usually will be the taxpayer's principal place of business. If an interview is scheduled by the department at the taxpayer's place of business, which is a small business and the taxpayer represents to the department in writing that conducting the interview at the place of business would essentially require the business to close or would unduly disrupt business operations, the department upon verification will change the place of interview.

c. Requests by taxpayers to change place of interview. The department will consider, on a case-by-case basis, written requests by taxpayers or their representatives to change the place that the department has set for an interview. In considering these requests, the department will take into account the following factors:

- (1) The location of the taxpayer's current residence;
- (2) The location of the taxpayer's current principal place of business;
- (3) The location where the taxpayer's books, records, and source documents are maintained;
- (4) The location at which the department can perform the interview most efficiently;

(5) The department resources available at the location to which the taxpayer has requested a transfer; and

(6) Other factors which indicate that conducting the interview at a particular location could pose undue inconvenience to the taxpayer.

d. Granting of requests to change place of interview. A request by a taxpayer to transfer the place of interview generally will be granted under the following circumstances:

(1) If the current residence of the taxpayer in the case of an individual or sole proprietorship, or the location where the taxpayer's books, records, and source documents are maintained, in the case of a taxpayer entity, is closer to a different department office than the office where the interview has been scheduled, the department normally will agree to transfer the interview to the closer department office.

(2) If a taxpayer does not reside at the residence where an interview has been scheduled, the department will agree to transfer the examination to the taxpayer's current residence.

(3) If, in the case of an individual, a sole proprietorship, or a taxpayer entity, the taxpayer's books, records, and source documents are maintained at a location other than the location where the interview has been scheduled, the department will agree to transfer the interview to the location where the taxpayer's books, records, and source documents are maintained.

(4) The location of the place of business of a taxpayer's representative generally will not be considered in determining the place for an interview. However, the department in its sole discretion may determine, based on the factors described in paragraph 7.32(3) "c," to transfer the place of interview to the representative's office.

(5) If any applicable period of limitations of assessment and collection provided in the Iowa Code will expire within 13 months from the date of a taxpayer's request to transfer the place of interview, the department may require, as a condition to the transfer, that the taxpayer agree in writing to extend the limitations period up to one year.

(6) The department is not required to transfer an interview to an office that does not have adequate resources to conduct the interview.

(7) Notwithstanding any other provision of this rule, employees of the department may decline to conduct an interview at a particular location if it appears that the possibility of physical danger may exist at that location. In these circumstances, the department may transfer an interview to a department office and take any other steps reasonably necessary to protect its employees.

(8) Nothing in this rule shall be interpreted as precluding the department from initiating the transfer of an interview if the transfer would promote the effective and efficient conduct of the interview. Should a taxpayer request that such a transfer not be made, the department will consider the request according to the principles and criteria set forth in paragraph 7.32(3) "c."

(9) Regardless of where an examination takes place, the department may visit the taxpayer's place of business or residence to establish facts that can only be established by direct visit, such as inventory or asset verification. The department generally will visit for these purposes on a normal workday of the department during the department's normal business hours.

7.32(4) Audio recordings of taxpayer interviews.

a. A taxpayer is permitted, upon advance notice to the department, to make an audio recording of any interview of the taxpayer by the department relating to the determination or collection of any tax. The recording of the interview is at the taxpayer's own expense and must be with the taxpayer's own equipment.

b. Requests by taxpayers to make audio recordings must be addressed to the department employee who is conducting the interview and must be received by no later than ten calendar days before the interview. If ten calendar days' advance notice is not given, the department may, in its discretion, conduct the interview as scheduled or set a new date.

c. The department employee conducting the interview will approve the request to record the interview if:

- (1) The taxpayer (or representative) supplies the recording equipment;
- (2) The department may produce its own recording of the proceedings;
- (3) The recording takes place in a suitable location; and

(4) All participants in the proceedings other than department personnel consent to the making of the audio recording, and all participants identify themselves and their role in the proceedings.

d. A department employee is also authorized to record any taxpayer interview, if the taxpayer receives prior notice of the recording and is provided with a transcript or a copy of the recording upon the taxpayer's request.

e. Requests by taxpayers (or their representatives) for a copy or transcript of an audio recording produced by the department must be addressed to the employee conducting the interview and must be received by the department no later than 30 calendar days after the date of the recording. The taxpayer must pay the costs of duplication or transcription.

f. At the beginning of the recording of an interview, the department employee conducting the interview must state the employee's name, the date, the time, the place, and the purpose of the interview. At the end of the interview, the department employee will state that the interview has been completed and that the recording has ended.

g. When written records are presented or discussed during the interview being recorded, they must be described in sufficient detail to make the audio recording a meaningful record when matched with the other documentation contained in the case file.

This rule is intended to implement Iowa Code section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.33(421) Mailing to the last-known address.

7.33(1) If the department fails to mail a notice of assessment to the taxpayer's last-known address or fails to personally deliver the notice to the taxpayer, interest is waived for the month the failure occurs through the month of correct mailing or personal delivery.

a. In addition, if the department fails to mail a notice of assessment or denial of a claim for refund to the taxpayer's last-known address or fails to personally deliver the notice to a taxpayer and, if applicable, to the taxpayer's authorized representative, the time period to appeal the notice of assessment or a denial of a claim for refund is suspended until the notice or claim denial is correctly mailed or personally delivered or for a period not to exceed one year, whichever is the lesser period.

b. Collection activities, except when a jeopardy situation exists, shall be suspended and the statute of limitations for assessment and collection of the tax shall be tolled during the period in which interest is waived.

7.33(2) The department will make the determination of the taxpayer's last-known address on a tax-type-by-tax-type basis. However, a notice of assessment or refund claim denial will be considered to be mailed to the last-known address if it is mailed to an address used for another tax type. A notice of assessment mailed to one of two addresses used by a taxpayer was sufficient. Langdon P. Marvin, Jr., 40 TC 982; Jack Massengale, TC Memo 1968-64.

7.33(3) The last-known address is the address used on the most recent filed and processed return. The following principles, established by case law, for the Internal Revenue Service (IRS) also will be applied in determining the taxpayer's last-known address for purposes of this rule.

a. Although the taxpayer filed a tax return showing a new address, the IRS had not processed the return sufficiently for the new address to be available by computer to the IRS agent who sent the notice of deficiency. Before a change of address is considered available, a reasonable amount of time must be allowed to process and transfer information to the IRS's central computer system. *Diane Williams v. Commissioner of Internal Revenue*, U.S. Court of Appeals, 9th Circuit; 935 F. 2d 1066.

b. If the department knows the taxpayer has moved but does not know the new mailing address, the prior mailing address is the proper place to send a deficiency notice. *Kaestner v. Schmidt*, 473 F. 2d 1294; *Kohn vs. U.S. et al.*, 56 AFTR 2d 85-6147.

c. Knowledge acquired by a collection agent regarding the taxpayer's address in an unrelated investigation was not required to be imputed to the examination division responsible for mailing a notice of deficiency. *Wise v. Commissioner*, 688 F. Supp. 1164.

d. However, information acquired by the department in a related investigation of the taxpayer is binding upon the department, e.g., where the taxpayer files a power of attorney showing a change of address.

7.33(4) Procedures for notifying the department of a change in taxpayer's address. The department generally will use the address on the most recent filed and properly processed return by tax type as the address of record for all notices of assessment and denial of claims for refund. If a taxpayer no longer wishes the address of record to be the address on the most recently filed return, the taxpayer must give clear and concise written notification of a change in address to the department. Notifications of a change in address should be addressed to: Changes in Name or Address, Iowa Department of Revenue, P.O. Box 10465, Des Moines, Iowa 50306.

a. If after a joint return or married filing separately on a combined return is filed either taxpayer establishes a separate residence, each taxpayer should send clear and concise written notification of a current address to the department.

b. If a department employee contacts a taxpayer in connection with the filing of a return or an adjustment to a taxpayer's return, the taxpayer may provide clear and concise written notification of a change of address to the department employee who initiated the contact.

c. A taxpayer should notify the U.S. Postal Service facility serving the taxpayer's old address of the taxpayer's new address in order that mail from the department can be forwarded to the new address. However, notification to the U.S. Postal Service does not constitute the clear and concise written notification that is required to change a taxpayer's address of record with the department.

This rule is intended to implement Iowa Code section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—7.34(421) Power of attorney. No attorney, accountant, or other representative will be recognized as representing any taxpayer in regard to any claim, appeal, or other matter relating to the tax liability of such taxpayer in any hearing before or conference with the department, or any member or agent thereof, unless there is first filed with the department a written authorization.

7.34(1) A power of attorney is required by the department when the taxpayer wishes to authorize an individual to perform one or more of the following acts on behalf of the taxpayer:

a. To receive copies of any notices or documents sent by the department, its representatives or its attorneys.

b. To receive, but not to endorse and collect, checks in payment of any refund of Iowa taxes, penalties, or interest.

c. To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.

d. To execute consents extending the statutory period for assessment or collection of taxes.

e. To fully represent the taxpayer(s) in any hearing, determination, final or otherwise, or appeal.

f. To enter into any compromise with the director's office.

g. To execute any release from liability required by the department prerequisite to divulging otherwise confidential information concerning the taxpayer(s).

h. Other acts as stipulated by the taxpayer.

7.34(2) A power of attorney or any supplemental notification intended to be utilized as a power of attorney must contain the following information to be valid:

a. Name and address of the taxpayer;

b. Identification number of the taxpayer (i.e., social security number, federal identification number, or any state-issued tax identification number relative to matters covered by the power of attorney);

c. Name, mailing address, and PTIN (preparer's tax identification number), FEIN (federal employer identification number) or SSN (social security number) of the representative;

d. Description of the matter(s) for which representation is authorized which, if applicable, must include:

(1) The type of tax(es) involved;

(2) The specific year(s) or period(s) involved; and

(3) In estate matters, decedent's date of death; and

e. A clear expression of the taxpayer's intention concerning the scope of authority granted to the recognized representative(s) as provided in subrule 7.34(1).

7.34(3) A power of attorney may not be used for tax periods that end more than three years after the date on which the power of attorney is received by the department. A power of attorney may concern an unlimited number of tax periods which have ended prior to the date on which the power of attorney is received by the department; however, each tax period must be separately stated.

7.34(4) The individual who must execute a power of attorney depends on the type of taxpayer involved as follows:

a. *Individual taxpayer.* In matters involving an individual taxpayer, a power of attorney must be signed by the individual.

b. *Husband and wife.* In matters involving a joint return or married taxpayers who have elected to file separately on a combined return in which both husband and wife are to be represented by the same representative(s), the power of attorney must be executed by both husband and wife. In any matters concerning a joint return or married taxpayers who have elected to file separately on a combined return in which both husband and wife are not to be represented by the same representative(s), the power of attorney must be executed by the spouse who is to be represented. However, the recognized representative of such spouse cannot perform any act with respect to a tax matter that the spouse represented cannot perform alone.

c. *Corporation.* In the case of a corporation, a power of attorney must be executed by an officer of the corporation having authority to legally bind the corporation, which must certify that the officer has such authority.

d. *Association.* In the case of an association, a power of attorney must be executed by an officer of the association having authority to legally bind the association, which must certify that the officer has such authority.

e. *Partnership.* In the case of a partnership, a power of attorney must be executed by all partners, or if executed in the name of the partnership, by the partner or partners duly authorized to act for the partnership, which must certify that the partner(s) has such authority.

7.34(5) A power of attorney is not needed for individuals who have been named as an authorized representative on a fiduciary return of income filed under Iowa Code section 422.14 or a tax return filed under Iowa Code chapter 450.

7.34(6) A new power of attorney for a particular tax type(s) and tax period(s) revokes a prior power of attorney for that tax type(s) and tax period(s) unless the taxpayer has indicated on the power of attorney form that a prior power of attorney is to remain in effect. For a previously designated representative to remain as the taxpayer's representative when a subsequent power of attorney form is filed, the taxpayer must attach a copy of the previously submitted power of attorney form which designates the representative that the taxpayer wishes to retain. To revoke a designated power of attorney without appointing a new power of attorney, see subrule 7.34(7).

EXAMPLE A. A taxpayer executes a power of attorney for the taxpayer's accountant to represent the taxpayer during an audit of the taxpayer's books and records. After the department issues a notice of assessment, the taxpayer wishes to have the taxpayer's attorney-at-law as an authorized representative in addition to the taxpayer's accountant. The taxpayer may use one of two options to designate the accountant and the attorney-at-law as the taxpayer's representatives: (1) The taxpayer may complete and submit to the department a new power of attorney, Form IA2848 or federal Form 2848, designating both the accountant and the attorney-at-law as the taxpayer's authorized representatives (by submittal of a new power of attorney form, the prior power of attorney designations are revoked, leaving only the subsequent new power of attorney form effective); or (2) the taxpayer may properly complete a new power of attorney form by including the designated attorney-at-law's name, address, PTIN, FEIN or SSN, tax type(s) and tax period(s) on the first page and checking the appropriate box on page 2 of Form IA2848 or page 2 of federal Form 2848. In addition, to retain the accountant as the taxpayer's

representative, the taxpayer must also attach to the new completed power of attorney form a copy of the previously submitted power of attorney form designating the accountant as the taxpayer's representative.

EXAMPLE B. A taxpayer wishes to designate an additional power of attorney and retain a prior power of attorney. However, the taxpayer does not wish to utilize a Form IA2848 or a federal Form 2848. In this situation, the taxpayer must send written notification to the department designating the new power of attorney's name, address, PTIN, SSN or FEIN, the tax type(s), the tax period(s) of representation and the name, address, and PTIN, SSN or FEIN of the previously designated power of attorney that the taxpayer seeks to retain for that tax period.

In each of the foregoing examples, the original power of attorney will continue to automatically receive the notices concerning the specified tax matter, unless such authority is explicitly revoked by the taxpayer. Also see subrule 7.34(13) regarding notices.

7.34(7) By filing a statement of revocation with the department, a taxpayer may revoke a power of attorney without authorizing a new representative. The statement of revocation must indicate that the authority of the previous power of attorney is revoked and must be signed by the taxpayer. Also, the name and address of each representative whose authority is revoked must be listed (or a copy of the power of attorney must be attached).

7.34(8) By filing a statement with the department, a representative may withdraw from representation in a matter in which a power of attorney has been filed. The statement must be signed by the representative and must identify the name and address of the taxpayer(s) and the matter(s) from which the representative is withdrawing.

7.34(9) A properly completed Iowa power of attorney, Form IA2848, or a properly designated federal form as described in this subrule, satisfies the requirements of this rule. In addition to the Iowa power of attorney, Form IA2848, the department can accept Internal Revenue Service Form 2848, if references to the "Internal Revenue Service" are crossed out and "Iowa Department of Revenue" is inserted in lieu thereof, as long as such a form contains specific designation by the taxpayer for the state-related taxes at issue. Designation must include, but is not limited to, name, address, PTIN, SSN or FEIN of the representative, the tax type(s) and tax period(s). In addition, the department will accept any other document which satisfies the requirements of this rule.

7.34(10) The department will not recognize as a valid power of attorney a power of attorney form attached to a tax return filed with the department except in the instance of a form attached to a fiduciary return of income form or an inheritance tax return.

7.34(11) The department will accept either the original, an electronically scanned and transmitted power of attorney form, or a copy of a power of attorney. A copy of a power of attorney received by facsimile transmission (fax) will be accepted. All copies, facsimiles and electronically scanned and transmitted power of attorney forms must include a valid signature of the taxpayer to be represented.

7.34(12) If an individual desires to represent a taxpayer through correspondence with the department, the individual must submit a power of attorney even though no personal appearance is contemplated.

7.34(13) Any notice or other written communication (or copy thereof) required or permitted to be given to the taxpayer in any matter before the department must be given to the taxpayer and, unless restricted by the taxpayer, to the taxpayer's first designated power of attorney who is representing the taxpayer for the tax type(s) and tax period(s) contained in the notice. Due to limitations of the department's automated systems, it is the general practice of the department to limit distribution of copies of documents by the department to the taxpayer's first designated power of attorney. Determination of the first designated power of attorney will be based on the earliest execution date of the power of attorney and the first name designated on a power of attorney form listing more than one designated representative.

7.34(14) Information from power of attorney forms, including the representative's PTIN, SSN or FEIN, is utilized by department personnel to:

- a.* Determine whether a representative is authorized to receive or inspect confidential tax information;
- b.* Determine whether the representative is authorized to perform the acts set forth in subrule 7.34(1);

c. Send copies of computer-generated notices and communications to the representative as authorized by the taxpayer; and

d. Ensure that the taxpayer's representative receives all notices and communications authorized by the taxpayer, but that notices and communications are not sent to a representative with the same or similar name.

This rule is intended to implement Iowa Code section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 1545C, IAB 7/23/14, effective 8/27/14]

701—7.35(421) Taxpayer designation of tax type and period to which voluntary payments are to be applied.

7.35(1) A taxpayer may designate in separate written instructions accompanying the payment the type of tax and tax periods to which any voluntary payment is to be applied. The taxpayer may not designate the application of payments which are the result of enforced collection.

7.35(2) Enforced collection includes, but is not limited to, garnishment of wages, bank accounts, or payments due the taxpayer, or seizure of assets.

This rule is intended to implement Iowa Code section 421.60.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

[Filed 7/1/75]

[Filed emergency 7/16/76—published 8/9/76, effective 7/16/76]
[Filed 4/29/77, Notice 3/23/77—published 5/18/77, effective 6/22/77]
[Filed 1/20/78, Notice 12/14/77—published 2/8/78, effective 3/17/78]
[Filed 9/1/78, Notice 7/26/78—published 9/20/78, effective 10/25/78]
[Filed emergency 3/2/79—published 3/21/79, effective 3/2/79]
[Filed 3/15/79, Notice 2/7/79—published 4/4/79, effective 5/9/79]
[Filed 5/25/79, Notice 4/18/79—published 6/13/79, effective 7/18/79]
[Filed 8/3/79, Notice 6/27/79—published 8/22/79, effective 9/26/79]
[Filed 9/14/79, Notice 8/8/79—published 10/3/79, effective 11/7/79]
[Filed 10/12/79, Notice 9/5/79—published 10/31/79, effective 12/5/79]
[Filed 9/12/80, Notice 8/6/80—published 10/1/80, effective 11/5/80]
[Filed 12/19/80, Notice 11/12/80—published 1/7/81, effective 2/11/81]
[Filed 3/12/82, Notice 2/3/82—published 3/31/82, effective 5/5/82]
[Filed 9/23/82, Notice 8/18/82—published 10/13/82, effective 11/17/82]
[Filed 11/19/82, Notice 9/29/82—published 12/8/82, effective 1/12/83]
[Filed 2/10/83, Notice 1/5/83—published 3/2/83, effective 4/6/83]
[Filed 11/4/83, Notice 9/28/83—published 11/23/83, effective 12/28/83]
[Filed 1/25/85, Notice 12/19/84—published 2/13/85, effective 3/20/85]
[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]
[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]
[Filed 4/3/87, Notice 2/25/87—published 4/22/87, effective 5/27/87]
[Filed 6/12/87, Notice 5/6/87—published 7/1/87, effective 8/5/87]
[Filed 3/3/88, Notice 1/13/88—published 3/23/88, effective 4/27/88]
[Filed 4/1/88, Notice 2/24/88—published 4/20/88, effective 5/25/88]
[Filed 10/28/88, Notice 9/7/88—published 11/16/88, effective 12/21/88]
[Filed 3/3/89, Notice 1/25/89—published 3/22/89, effective 4/26/89]
[Filed 7/3/90, Notice 5/30/90—published 7/25/90, effective 8/29/90]
[Filed 12/20/90, Notice 11/14/90—published 1/9/91, effective 2/13/91]
[Filed 3/15/91, Notice 2/6/91—published 4/3/91, effective 5/8/91]
[Filed 9/24/93, Notice 8/18/93—published 10/13/93, effective 11/17/93]
[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]
[Filed 3/24/95, Notice 2/15/95—published 4/12/95, effective 5/17/95]
[Filed 3/22/96, Notice 2/14/96—published 4/10/96, effective 5/15/96]
[Filed 4/30/99, Notice 3/24/99—published 5/19/99, effective 6/23/99]

[Filed 4/13/00, Notice 3/8/00—published 5/3/00, effective 6/7/00]
[Filed 9/1/00, Notice 7/12/00—published 9/20/00, effective 10/25/00]
[Filed 3/30/01, Notice 2/21/01—published 4/18/01, effective 5/23/01]
[Filed 3/15/02, Notice 1/23/02—published 4/3/02, effective 5/8/02]
[Filed 3/15/02, Notice 2/6/02—published 4/3/02, effective 5/8/02]
[Filed 6/21/02, Notice 5/15/02—published 7/10/02, effective 8/14/02]
[Filed ARC 7963B (Notice ARC 7793B, IAB 5/20/09), IAB 7/15/09, effective 8/19/09]
[Filed ARC 9875B (Notice ARC 9797B, IAB 10/5/11), IAB 11/30/11, effective 1/4/12]
[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]
[Filed ARC 1303C (Notice ARC 1231C, IAB 12/11/13), IAB 2/5/14, effective 3/12/14]
[Filed ARC 1545C (Notice ARC 1469C, IAB 5/28/14), IAB 7/23/14, effective 8/27/14]
[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 10

INTEREST, PENALTY, EXCEPTIONS TO PENALTY, AND JEOPARDY ASSESSMENTS

[Prior to 12/17/86, Revenue Department[730]]

Rules 701—10.20(421) to 701—10.111(422A) are excerpted from 701—Chs 12, 30, 44, 46, 52, 58, 63, 81, 86, 88, 89, 104, IAB 1/23/91

701—10.1(421) Definitions. As used in the rules contained herein, the following definitions apply unless the context otherwise requires:

10.1(1) “*Department*” means the department of revenue.

10.1(2) “*Director*” means the director of the department or authorized representative.

10.1(3) “*Taxes*” means all taxes and charges arising under Title X of the Iowa Code, which include but are not limited to individual income, withholding, corporate income, franchise, sales, use, hotel/motel, railroad fuel, equipment car, replacement tax, statewide property tax, motor vehicle fuel, and inheritance taxes and the environmental protection charge imposed upon petroleum diminution due and payable to the state of Iowa.

[ARC 1545C, IAB 7/23/14, effective 8/27/14]

701—10.2(421) Interest. Except where a different rate of interest is provided by Title X of the Iowa Code, the rate of interest on interest-bearing taxes and interest-bearing refunds arising under Title X is fixed for each calendar year by the director. In addition to any penalty computed, there shall be added interest as provided by law from the original due date of the return. Any portion of the tax imposed by statute which has been erroneously refunded and is recoverable by the department shall bear interest as provided in Iowa Code section 421.7, subsection 2, from the date of payment of the refund, considering each fraction of a month as an entire month. Interest which is not judgment interest is not payable on sales and use tax, local option tax, and hotel and motel tax refunds. *Herman M. Brown v. Johnson*, 248 Iowa 1143, 82 N.W.2d 134 (1957); *United Telephone Co. v. Iowa Department of Revenue*, 365 N.W.2d 647 (Iowa 1985). However, interest which is not judgment interest accrues on such refunds on or after January 1, 1995, and is payable on sales and use tax, local option tax and hotel and motel tax refunds on or after January 1, 1995.

10.2(1) Calendar year 1982. The rate of interest upon all unpaid taxes which are due as of January 1, 1982, will be 17 percent per annum (1.4% per month). This interest rate will accrue on taxes which were due and unpaid as of, or after, January 1, 1982. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1982. This interest rate of 17 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1982.

EXAMPLES:

1. The taxpayer, X corporation, owes corporate income taxes assessed to it for the year 1975. The assessment was made by the department in 1977. On January 1, 1982, that assessment had not been paid. The rate of interest on the unpaid tax assessed has accrued at the rate of 9 percent per annum (0.75% per month) through December 31, 1981. Commencing on January 1, 1982, the rate of interest on the unpaid tax will thereafter accrue at the rate of 17 percent per annum for 1982 (1.4% per month). If the tax liability is not paid in 1982, the rate of interest will then accrue in 1983 in accordance with the rate fixed by the director as set forth in Iowa Code section 421.7.

2. The taxpayer, Y, owes retail sales taxes assessed to it for the audit period January 1, 1979, through December 31, 1982. The assessment is made on March 1, 1983. For the tax periods in which the tax became due prior to January 1, 1982, the interest rate on such unpaid sales taxes accrued at 9 percent per annum (0.75% per month). Commencing on January 1, 1982, the entire unpaid portion of the tax assessed which was delinquent at that time will begin to accrue interest at the rate of 17 percent per annum. Those portions of the tax assessed first becoming delinquent in 1982 will bear interest at the rate of 17 percent per annum (1.4% per month). In the event that any portion of the tax assessed remains unpaid on January 1, 1983, the rate of interest will then accrue in 1983 in accordance with the rate fixed by the director as set forth in Iowa Code section 421.7.

3. The taxpayer, Z, files a refund claim for 1978 individual income taxes in March 1982. The refund claim is allowed in May 1982, and is paid. Z is entitled to receive interest at the rate of 9 percent

per annum (0.75% per month) upon the refunded tax accruing through December 31, 1981, and is entitled to interest at the rate of 17 percent per annum (1.4% per month) upon such tax from January 1, 1982, until the refund is paid.

4. A's 1981 individual income tax liability becomes delinquent on May 1, 1982. A owes interest, commencing on May 1, 1982, at the rate of 17 percent per annum (1.4% per month). In the event that A does not pay the liability in 1982, the rate of interest will then accrue in 1983 in accordance with the rate fixed by the director as set forth in Iowa Code section 421.7.

5. Decedent died December 15, 1976. The inheritance tax was due 12 months after death, or December 15, 1977. Prior to the due date, the estate was granted an extension of time, until September 1, 1978, to file the return and pay the tax due. The tax, however, was paid March 15, 1982. Interest accrues on the unpaid tax during the period of the extension of time (December 15, 1977, to September 1, 1978) at the rate of 6 percent per annum. Interest accrues on the delinquent tax from September 1, 1978, through December 31, 1981, at the rate of 8 percent per annum. Interest accrues on the delinquent tax from January 1, 1982, to the date of payment on March 15, 1982, at the rate of 17 percent per annum.

6. B files a refund for sales taxes paid for the periods January 1, 1979, through December 31, 1982, in March 1983. The refund is allowed in May 1983. Since no interest is payable on sales tax refunds, B is not entitled to any interest. *Herman M. Brown Co. v. Johnson*, 248 Iowa 1143 (1957). However, interest accrues and is payable on and after January 1, 1995.

The examples set forth in these rules are not meant to be all-inclusive. In addition, other rules set forth the precise circumstance when interest begins to accrue and whether interest accrues for each month or fraction of a month or annually as provided by law. Interest accrues as provided by law, regardless of whether the department has made a formal assessment of tax.

10.2(2) Calendar year 1983. The rate of interest upon all unpaid taxes which are due as of January 1, 1983, will be 14 percent per annum (1.2% per month). This interest rate will accrue on taxes which were due and unpaid as of, or after January 1, 1983. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1983. This interest rate of 14 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1983.

10.2(3) Calendar year 1984. The rate of interest upon all unpaid taxes which are due as of January 1, 1984, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1984. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1984. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1984.

10.2(4) Calendar year 1985. The rate of interest upon all unpaid taxes which are due as of January 1, 1985, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1985. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1985. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1985.

10.2(5) Calendar year 1986. The interest upon all unpaid taxes which are due as of January 1, 1986, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1986. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1986. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1986.

10.2(6) Calendar year 1987. The interest upon all unpaid taxes which are due as of January 1, 1987, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after January 1, 1987. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1987. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1987.

10.2(7) *Calendar year 1988.* The interest upon all unpaid taxes which are due as of January 1, 1988, will be 8 percent per annum (0.7% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after January 1, 1988. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1988. This interest rate of 8 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1988.

10.2(8) *Calendar year 1989.* The interest upon all unpaid taxes which are due as of January 1, 1989, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after January 1, 1989. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1989. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1989.

10.2(9) *Calendar year 1990.* The interest upon all unpaid taxes which are due as of January 1, 1990, will be 11 percent per annum (0.9% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after January 1, 1990. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1990. This interest rate of 11 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1990.

10.2(10) *Calendar year 1991.* The interest upon all unpaid taxes which are due as of January 1, 1991, will be 12 percent per annum (1.0% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1991. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1991. This interest rate of 12 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1991.

10.2(11) *Calendar year 1992.* The interest upon all unpaid taxes which are due as of January 1, 1992, will be 11 percent per annum (0.9% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1992. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1992. This interest rate of 11 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1992.

10.2(12) *Calendar year 1993.* The interest upon all unpaid taxes which are due as of January 1, 1993, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1993. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1993. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1993.

10.2(13) *Calendar year 1994.* The interest upon all unpaid taxes which are due as of January 1, 1994, will be 8 percent per annum (0.7% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1994. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1994. This interest rate of 8 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1994.

10.2(14) *Calendar year 1995.* The interest upon all unpaid taxes which are due as of January 1, 1995, will be 9 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1995. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after January 1, 1995. This interest rate of 9 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1995.

10.2(15) *Calendar year 1996.* The interest upon all unpaid taxes which are due as of January 1, 1996, will be 11 percent per annum (0.9% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1996. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before, on, or after

January 1, 1996. This interest rate of 11 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1996.

10.2(16) *Calendar year 1997.* The interest rate upon all unpaid taxes which are due as of January 1, 1997, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1997. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 1997. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1997.

10.2(17) *Calendar year 1998.* The interest rate upon all unpaid taxes which are due as of January 1, 1998, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1998. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 1998. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1998.

10.2(18) *Calendar year 1999.* The interest rate upon all unpaid taxes which are due as of January 1, 1999, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 1999. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 1999. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 1999.

10.2(19) *Calendar year 2000.* The interest rate upon all unpaid taxes which are due as of January 1, 2000, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2000. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2000. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2000.

10.2(20) *Calendar year 2001.* The interest rate upon all unpaid taxes which are due as of January 1, 2001, will be 11 percent per annum (0.9% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2001. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2001. This interest rate of 11 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2001.

10.2(21) *Calendar year 2002.* The interest rate upon all unpaid taxes which are due as of January 1, 2002, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2002. In addition, this interest rate will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2002. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2002.

10.2(22) *Calendar year 2003.* The interest rate upon all unpaid taxes which are due as of January 1, 2003, will be 7 percent per annum (0.6% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2003. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2003. This interest rate of 7 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2003.

10.2(23) *Calendar year 2004.* The interest rate upon all unpaid taxes which are due as of January 1, 2004, will be 6 percent per annum (0.5% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2004. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2004. This interest rate of 6 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2004.

10.2(24) *Calendar year 2005.* The interest rate upon all unpaid taxes which are due as of January 1, 2005, will be 6 percent per annum (0.5% per month). This interest rate will accrue on taxes which are

due and unpaid as of, or after, January 1, 2005. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2005. This interest rate of 6 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2005.

10.2(25) *Calendar year 2006.* The interest rate upon all unpaid taxes which are due as of January 1, 2006, will be 8 percent per annum (0.7% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2006. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2006. This interest rate of 8 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2006.

10.2(26) *Calendar year 2007.* The interest rate upon all unpaid taxes which are due as of January 1, 2007, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2007. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2007. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2007.

10.2(27) *Calendar year 2008.* The interest rate upon all unpaid taxes which are due as of January 1, 2008, will be 10 percent per annum (0.8% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2008. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2008. This interest rate of 10 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2008.

10.2(28) *Calendar year 2009.* The interest rate upon all unpaid taxes which are due as of January 1, 2009, will be 8 percent per annum (0.7% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2009. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2009. This interest rate of 8 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2009.

10.2(29) *Calendar year 2010.* The interest rate upon all unpaid taxes which are due as of January 1, 2010, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2010. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2010. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2010.

10.2(30) *Calendar year 2011.* The interest rate upon all unpaid taxes which are due as of January 1, 2011, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2011. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2011. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2011.

10.2(31) *Calendar year 2012.* The interest rate upon all unpaid taxes which are due as of January 1, 2012, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2012. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2012. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2012.

10.2(32) *Calendar year 2013.* The interest rate upon all unpaid taxes which are due as of January 1, 2013, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2013. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2013. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2013.

10.2(33) Calendar year 2014. The interest rate upon all unpaid taxes which are due as of January 1, 2014, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2014. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2014. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2014.

10.2(34) Calendar year 2015. The interest rate upon all unpaid taxes which are due as of January 1, 2015, will be 5 percent per annum (0.4% per month). This interest rate will accrue on taxes which are due and unpaid as of, or after, January 1, 2015. In addition, this interest will accrue on tax refunds which by law accrue interest, regardless of whether the tax to be refunded is due before or after January 1, 2015. This interest rate of 5 percent per annum, whether for unpaid taxes or tax refunds, will commence to accrue in 2015.

This rule is intended to implement Iowa Code section 421.7.

[ARC 8551B, IAB 2/24/10, effective 3/31/10; ARC 9308B, IAB 12/29/10, effective 2/2/11; ARC 9966B, IAB 1/11/12, effective 2/15/12; ARC 0557C, IAB 1/9/13, effective 2/13/13; ARC 1250C, IAB 12/25/13, effective 1/29/14; ARC 1767C, IAB 12/10/14, effective 1/14/15]

701—10.3(422,423,450,452A) Interest on refunds and unpaid tax.

10.3(1) Interest on refunds. For those taxes on which interest accrues on refunds under Iowa Code sections 422.25(3), 422.28, 450.94, and 452A.65, interest shall accrue through the month in which the refund is mailed to the taxpayer and no further interest will accrue unless the department did not use the most current address as shown on the latest return or refund claim filed with the department.

10.3(2) Interest on unpaid tax. Interest due on unpaid tax is not a penalty, but rather it is compensation to the government for the period the government was deprived of the use of money. Therefore, interest due cannot be waived. *Vick v. Phinney*, 414 F.2d 444, 448 (5th CA 1969); *Time, Inc. v. United States*, 226 F.Supp. 680, 686 (S.D. N.Y. 1964); *In Re Jeffco Power Systems*, Dep't of Revenue Hearing Officer decision, Docket No. 77-9-6A-A (1978); *Waterloo Courier, Inc. v. Iowa Department of Revenue and Finance*, Case No. LACV081252, Black Hawk County District Court, December 30, 1999.

This rule is intended to implement Iowa Code sections 422.25(3), 422.28, 423.47, 450.94 and 452A.65.

[ARC 7761B, IAB 5/6/09, effective 6/10/09]

701—10.4(421) Frivolous return penalty. A \$500 civil penalty is imposed on the return of a taxpayer that is considered to be a "frivolous return." A "frivolous return" is: (1) A return which lacks sufficient information from which the substantial correctness of the amount of tax liability can be determined or contains information that on its face indicates that the amount of tax shown is substantially incorrect, or (2) a return which reflects a position of law which is frivolous or is intended to delay or impede the administration of the tax laws of this state.

If the frivolous return penalty is applicable, the penalty will be imposed in addition to any other penalty which has been assessed. If the frivolous return penalty is relevant, the penalty may be imposed even under circumstances when it is determined that there is no tax liability on the return.

The frivolous return penalty is virtually identical to the penalty for frivolous income tax returns which is authorized in Section 6702 of the Internal Revenue Code. The department will follow federal guidelines and court cases when determining whether or not the frivolous return penalty should be imposed.

The frivolous return penalty may be imposed on all returns filed with the department and not just individual income tax returns. The penalty may be imposed on an amended return as well as an original return. The penalty may be imposed on each return filed with the department.

10.4(1) Nonexclusive examples of circumstances under which the frivolous return penalty may be imposed. The following are examples of returns filed in circumstances under which the frivolous return penalty may be imposed:

a. A return claiming a deduction against income or a credit against tax liability which is clearly not allowed such as a “war,” “religious,” “conscientious objector” deduction or tax credit.

b. A blank or partially completed return that was prepared on the theory that filing a complete return and providing required financial data would violate the Fifth Amendment privilege against self-incrimination or other rights guaranteed by the Constitution.

c. An unsigned return where the taxpayer refused to sign because the signature requirement was “incomprehensible or unconstitutional” or the taxpayer was not liable for state tax since the taxpayer had not signed the return.

d. A return which contained personal and financial information on the proper lines but where the words “true, correct and complete” were crossed out above the taxpayer’s signature and where the taxpayer claimed the taxpayer’s income was not legal tender and was exempt from tax.

e. A return where the taxpayer claimed that income was not “constructively received” and the taxpayer was the nominee-agent for a trust.

f. A return with clearly inconsistent information such as when 99 exemptions were claimed but only several dependents were shown.

g. A document filed for refund of taxes erroneously collected with the contention that the document was not a return and that no wage income was earned. This was inconsistent with attached W-2 Forms reporting wages.

10.4(2) *Nonexclusive examples where the frivolous return penalty is not applicable.* The following examples illustrate situations where the frivolous return penalty would not be applicable:

a. A return which includes a deduction, credit, or other item which may constitute a valid item of dispute between the taxpayer and the department.

b. A return which includes innocent or inadvertent mathematical or clerical errors, such as an error in addition, subtraction, multiplication, or division or the incorrect use of a table provided by the department.

c. A return which includes a statement of protest or objection, provided the return contains all required information.

d. A return which shows the correct amount of tax due, but the tax due is not paid.

This rule is intended to implement Iowa Code section 421.8.

701—10.5(421) Improper receipt of credit or refund. A person who makes an erroneous application for refund or credit shall be liable for any overpayment received plus interest at the rate in effect under Iowa Code section 421.7, subsection 2. In addition, a person who willfully makes a false or frivolous application for refund or credit with the intent to evade tax or with the intent to receive a refund or credit to which the person is not entitled is guilty of a fraudulent practice and is liable for a penalty equal to 75 percent of the refund or credit claimed.

This rule is intended to implement Iowa Code section 421.27 as amended by 2010 Iowa Acts, House File 2531, section 124.

[ARC 9103B, IAB 9/22/10, effective 10/27/10]

PENALTY FOR TAX PERIOD BEGINNING AFTER JANUARY 1, 1991

701—10.6(421) Penalties. A penalty shall be assessed upon all tax and deposits due under the following circumstances:

1. For failure to timely file a return or deposit form there is a 10 percent penalty. This penalty, once imposed, will be assessed on all subsequent amounts due or required to be shown due on the return or deposit form.

EXAMPLE: The taxpayer fails to timely file a return and fails to timely pay the tax due. The department will assess a 10 percent penalty for failure to timely file the return but will not assess a 5 percent penalty for failure to timely pay. The department subsequently audits the untimely filed return and determines additional tax is due. The department shall assess a 10 percent penalty on the additional tax found due by an audit.

2. For failure to timely pay the tax due on a return or deposit form, there is a 5 percent penalty.
3. For a deficiency of tax due on a return or deposit form found during an audit, there is a 5 percent penalty. For purposes of this penalty, the audit deficiency shall be assessed only when there is a timely filed return or deposit form.

Audit deficiency occurs when the department determines additional tax is due.

4. For willful failure to file a return or deposit form with the intent to evade tax, or in the case of willfully filing a false return or deposit form with the intent to evade tax, there is a 75 percent penalty.

The penalty rates are uniform for all taxes and deposits due under this chapter.

The penalty for failure to timely file will take precedence over the penalty for failure to timely pay or an audit deficiency when more than one penalty is applicable.

5. Examples to illustrate the computation of penalty for tax periods beginning on or after January 1, 1991.

The following are examples to illustrate the computation of penalties imposed under rule 701—10.7(421). For purposes of these examples, interest has been computed at the rate of 12 percent per year or 1 percent per month. The tax due amounts are assumed to be the total amounts required to be shown due when considering whether the failure to pay penalty should be assessed on the basis that less than 90 percent of the tax was paid.

Example (a) — Failure to File

- a. Tax due is \$100.
- b. Return filed 3 months and 10 days after the due date.
- c. \$100 paid with the return.

The calculation for additional tax due is shown below:

Tax	\$100
Penalty	10 (10% failure to timely file)
Interest	4 (4 months interest)
Total	\$114
Less payment	100
Additional tax due	\$ 14

Example (b) — Failure to Pay

- a. Tax due is \$100.
- b. Return is timely filed.
- c. \$0 paid.

The calculation for the total amount due 5 months after the due date is shown below:

Tax	\$100
Penalty	5
Interest	5 (5 months interest)
Total	\$110

Example (c) — Failure to File and Failure to Pay

- a. Tax due is \$100.
- b. Return is filed 2 months and 10 days after the due date.
- c. \$0 paid.

The calculation for the total amount due 3 months after the due date is shown below:

Tax	\$100
Penalty	10 (10% for failure to file)
Interest	3 (3 months interest)
Total due in 3rd month	\$113

Example (d) — Audit on Timely Filed Return

- \$100 in additional tax found due.
- Timely filed return.
- Audit completed 8 months after the due date of the return.
- Return showed \$100 as the computed tax, which was paid with the return.

The calculation for the total amount due is shown below:

Computed tax after audit	\$200
Less tax paid with return	100
Additional tax due	\$100
Penalty	5 (5% for audit deficiency)
Interest	8 (8 months interest)
Total due	\$113

Example (e) — Audit on Late Return Granted an Exception From Failure to File

- Tax due is \$100.
- Return filed 3 months and 10 days after the due date.
- \$100 paid with the return.
- Taxpayer is granted an exception from penalty for failure to file. (Return is then considered timely filed.)
- Audit completed 8 months after the due date of the return. \$100 additional tax found due.
- Return showed \$100 as the computed tax which was paid with the return.

The computation for the total amount due is shown below:

Computed tax after audit	\$200
Less tax paid with return	100
Additional tax due	\$100
Penalty	5 (5% for audit deficiency. No penalty for failure to file.)
Interest	8 (8 months interest)
Total due	\$113

Example (f) — Audit on Late Filed Return No Pay Return

- \$100 claimed as tax on the return.
- \$100 in additional tax found due.
- Return filed 3 months and 10 days after the due date.
- Audit completed 8 months after the due date.

The computation for the total amount due is shown below:

Computed tax after audit	\$200
Penalty	20 (10% for failure to file)
Interest	16 (8 months interest)
Total due	\$236

701—10.7(421) Waiver of penalty—definitions. A penalty, if assessed, shall be waived by the department upon a showing of the circumstances stated below.

10.7(1) For purposes of these rules, the following definitions apply:

“Act of God” means an unusual and extraordinary manifestation of nature which could not reasonably be anticipated or foreseen and cannot be prevented by human care, skill, or foresight. There is a rebuttable presumption that an “act of God” that precedes the due date of the return or form by 30 days is not an act of God for purposes of an exception to penalty.

“Immediate family” includes the spouse, children, or parents of the taxpayer. There is a rebuttable presumption that relatives of the taxpayer beyond the relation of spouse, children, or parents of the taxpayer are not within the taxpayer’s immediate family for purposes of the waiver exceptions.

“Sanctioned self-audit program” means an audit performed by the taxpayer with forms provided by the department as a result of contact by the department to the taxpayer prior to voluntary filing or payment of the tax. Filing voluntarily without contact by the department does not constitute a sanctioned self-audit.

“Serious, long-term illness or hospitalization” means an illness or hospitalization, documented by written evidence, which precedes the due date of the return or form by no later than 30 days and continues through the due date of the return or form and interferes with the timely filing of the return or form. There is a rebuttable presumption that an illness or hospitalization that precedes the due date of the return or form by more than 30 days is not an illness or hospitalization for purposes of an exception to penalty. The taxpayer will be provided an automatic extension of 30 days from the date the return or form is originally due or the termination of the serious, long-term illness or hospitalization whichever is later without incurring penalty. The taxpayer has the burden of proof on whether or not a serious, long-term illness or hospitalization has occurred.

“Substantial authority” means the weight of authorities for the tax treatment of an item is substantial in relation to the weight of authorities supporting contrary positions.

In determining whether there is substantial authority, only the following will be considered authority: applicable provisions of Iowa statutes; the Internal Revenue Code; Iowa administrative rules construing those statutes; court cases; administrative rulings; legal periodicals; department newsletters and tax return and deposit form instruction booklets; tax treaties and regulations; and legislative intent as reflected in committee reports.

Conclusions reached in treaties, legal opinions rendered by other tax professionals, descriptions of statutes prepared by legislative staff, legal counsel memoranda, and proposed rules and regulations are not authority.

There is substantial authority for the tax treatment of an item if there is substantial authority at the time the return containing the item is due to be filed or there was substantial authority on the last day of the taxable year to which the return relates.

The taxpayer must notify the department at the time the return, deposit form, or payment is originally due of the substantial authority the taxpayer is relying upon for not filing the return or deposit form or paying the tax due.

10.7(2) Reserved.

701—10.8(421) Penalty exceptions. Under certain circumstances the penalty for failure to timely file a return or deposit, failure to timely pay the tax shown due, or the tax required to be shown due with the filing of a return or a deposit form, or failure to pay following an audit by the department is waived.

When an exception is granted under subrule 10.9(1), the return or deposit form is considered timely filed for purposes of nonimposition of penalty only.

10.8(1) For failure to timely file a return or deposit form, the 10 percent penalty is waived upon a showing of the following exceptions:

a. At least 90 percent of the tax required to be shown due has been paid by the due date of the tax return or deposit form.

b. One late return allowed. A taxpayer required to file a return or deposit form quarterly, monthly, or semimonthly is allowed one untimely filed return or deposit form within a three-year period. The use by the taxpayer of any other penalty exception under this subrule will not count as a late return or deposit form for purposes of this subrule.

The exception for one late return in a three-year period is determined on the basis of the tax period for which the return or form is due and not the date on which the return is filed.

c. Death of a taxpayer, member of the immediate family of the taxpayer, or death of the person directly responsible for filing the return and paying the tax, when the death interferes with timely filing. There is a rebuttable presumption that a death which occurs more than 30 days before the original date the return or form is due does not interfere with timely filing.

d. The onset of serious, long-term illness or hospitalization of the taxpayer, a member of the taxpayer's immediate family, or the person directly responsible for filing the return and paying the tax.

e. Destruction of records by fire, flood, or act of God.

f. The taxpayer presents proof that the taxpayer at the due date of the return, deposit form, or payment relied upon applicable, documented, written advice made specifically to the taxpayer, the taxpayer's preparer, or to an association representative of the taxpayer from the department, state department of transportation, county treasurer, or federal Internal Revenue Service. The advice should be relevant to the agency offering the advice and not beyond the scope of the agency's area of expertise and knowledge. The advice must be current and not superseded by a court decision, ruling of a quasi-judicial body such as an administrative law judge or the director, or by the adoption, amendment, or repeal of a rule or law.

g. Reliance upon the results of a previous audit was a direct cause for failure to file or pay where the previous audit expressly and clearly addressed the issue and the previous audit results have not been superseded by a court decision or by adoption, amendment, or repeal of a rule or law.

h. The taxpayer presents documented proof of substantial authority to rely upon a particular position or upon proof that all facts and circumstances are disclosed on a return or deposit form. Mathematical, computation, or transposition errors are not considered as facts and circumstances disclosed on a return or deposit form. These types of errors will not be considered as penalty exceptions.

i. The return, deposit form, or payment is timely, but erroneously, mailed with adequate postage to the Internal Revenue Service, another state agency, or a local government agency and the taxpayer provides proof of timely mailing with adequate postage. The taxpayer must provide competent evidence of the mailing as stated in Iowa Code section 622.105.

j. The tax has been paid by the wrong licensee and the payments were timely remitted to the department for one or more tax periods prior to notification by the department.

k. The failure to file was discovered through a sanctioned self-audit program conducted by the department.

l. Effective for estates with disclaimers filed on or after July 1, 2007, penalty will not be imposed for a late-filed Iowa inheritance tax return if the sole reason for the late-filed inheritance tax return is due to a beneficiary's decision to disclaim property or disclaim an interest in property from the estate. However, for the penalty to be waived, the Iowa inheritance tax return must be filed and all tax must be paid to the department within the later of nine months from the date of death or 60 days from the delivery or filing date of the disclaimer pursuant to Iowa Code section 633E.12.

10.8(2) For failure to timely pay the tax due on a return or deposit form, the 5 percent penalty is waived upon a showing of the following exceptions:

a. At least 90 percent of the tax required to be shown due has been paid by the due date of the tax return or deposit form.

b. The taxpayer voluntarily files an amended return and pays all tax shown to be due on the return prior to any contact by the department, except under a sanctioned self-audit program conducted by the department.

c. The taxpayer provides written notification to the department of a federal audit while it is in progress and voluntarily files an amended return which includes a copy of the federal document showing the final disposition or final federal adjustments within 60 days of the final disposition of the federal government's audit.

d. The taxpayer presents proof that the taxpayer relied upon applicable, documented, written advice specifically made to the taxpayer, to the taxpayer's preparer, or to an association representative of the taxpayer from the department, state department of transportation, county treasurer, or federal

Internal Revenue Service, whichever is appropriate, that has not been superseded by a court decision, ruling by a quasi-judicial body, or the adoption, amendment, or repeal of a rule or law.

e. Reliance upon results in a previous audit was a direct cause for the failure to pay the tax required to be shown due where the previous audit expressly and clearly addressed the issue and the previous audit results have not been superseded by a court decision, or the adoption, amendment, or repeal of a rule or law.

f. The taxpayer presents documented proof of substantial authority to rely upon a particular position or upon proof that all facts and circumstances are disclosed on a return or deposit form. Mathematical, computation, or transposition errors are not considered as facts and circumstances disclosed on a return or deposit form. These types of errors will not be considered as penalty exceptions.

g. The return, deposit form, or payment is timely, but erroneously, mailed with adequate postage to the Internal Revenue Service, another state agency, or a local government agency and the taxpayer provides proof of timely mailing with adequate postage. The taxpayer must provide competent evidence of the mailing as stated in Iowa Code section 622.105.

h. The tax has been paid by the wrong licensee and the payments were timely remitted to the department for one or more tax periods prior to notification by the department.

i. Effective for estates with disclaimers filed on or after July 1, 2007, penalty will not be imposed for failure to pay Iowa inheritance tax if the sole reason for the failure to pay Iowa inheritance tax is due to a beneficiary's decision to disclaim property or disclaim an interest in property from the estate. However, for the penalty to be waived, the Iowa inheritance tax return must be filed and all tax must be paid to the department within the later of nine months from the date of death or 60 days from the filing date of the disclaimer pursuant to Iowa Code section 633E.12.

10.8(3) For a deficiency of tax due on a return or deposit form found during an audit, the 5 percent penalty is waived under the following exceptions:

a. At least 90 percent of the tax required to be shown due has been paid by the due date.

b. The taxpayer presents proof that the taxpayer relied upon applicable, documented, written advice specifically made to the taxpayer, to the taxpayer's preparer, or to an association representative of the taxpayer from the department, state department of transportation, county treasurer, or federal Internal Revenue Service, whichever is appropriate, that has not been superseded by a court decision, ruling by a quasi-judicial body, or the adoption, amendment, or repeal of a rule or law.

c. Reliance upon results in a previous audit was a direct cause for the failure to pay the tax shown due or required to be shown due where the previous audit expressly and clearly addressed the issue and the previous audit results have not been superseded by a court decision, or the adoption, amendment, or repeal of a rule or law.

d. The taxpayer presents documented proof of substantial authority to rely upon a particular position or upon proof that all facts and circumstances are disclosed on a return or deposit form. Mathematical, computation, or transposition errors are not considered as facts and circumstances disclosed on a return or deposit form. These types of errors will not be considered as penalty exceptions. [ARC 7761B, IAB 5/6/09, effective 6/10/09; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—10.9(421) Notice of penalty exception for one late return in a three-year period. The penalty exception for one late return in a three-year period will automatically be applied to a return or deposit form by the department if the taxpayer is eligible for the exception.

The exception for one late return in a three-year period is applied to the returns or deposit forms in the order they are processed and not in the order which the returns or deposit forms should have been filed.

701—10.10 to 10.19 Reserved.

RETAIL SALES

[Prior to 1/23/91, see 701—12.10(422,423) and 12.11(422, 423)]

701—10.20(422,423) Penalty and interest computation. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.21(422,423) Request for waiver of penalty. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.22 to 10.29 Reserved.

USE

[Prior to 1/23/91, see 701—30.10(423)]

701—10.30(423) Penalties for late filing of a monthly tax deposit or use tax returns. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.31 to 10.39 Reserved.

INDIVIDUAL INCOME

[Prior to 1/23/91, see 44.1(422), 44.3(422), 44.7(422) and 44.8(422)]

701—10.40(422) General rule. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.41(422) Computation for tax payments due on or after January 1, 1981, but before January 1, 1982. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.42(422) Interest commencing on or after January 1, 1982. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.43(422) Request for waiver of penalty. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.44 to 10.49 Reserved.

WITHHOLDING

[Prior to 1/23/91, see 701—46.5(422)]

701—10.50(422) Penalty and interest. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.51 to 10.55 Reserved.

CORPORATE

[Prior to 1/23/91, see subrule 701—52.5(3) and rule 701—52.10(422)]

701—10.56(422) and 10.57(422) Penalty and interest. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.58(422) Waiver of penalty and interest. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.59 to 10.65 Reserved.

FINANCIAL INSTITUTIONS

[Prior to 1/23/91, see 701—58.6(422)]

701—10.66(422) Penalty and interest. Rescinded IAB 11/24/04, effective 12/29/04.

701—10.67 to 10.70 Reserved.

MOTOR FUEL

[Prior to 1/23/91, see 701—63.8(324) and 63.10(324)]

701—10.71(452A) Penalty and enforcement provisions.

10.71(1) *Illegal use of dyed fuel.*

a. The illegal use of dyed fuel in the supply tank of a motor vehicle shall result in a civil penalty assessed against the owner or operator of the motor vehicle as follows:

- (1) A \$500 penalty for the first violation.
- (2) A \$1,000 penalty for a second violation within three years of the first violation.
- (3) A \$2,000 penalty for third and subsequent violations within three years of the first violation.

b. For the purposes of this subrule, if multiple vehicles are discovered to be in violation of this subrule during one inspection, each vehicle is considered a separate first violation. For example, if three vehicles are discovered to be in violation during one inspection, the result is three \$500 penalties or \$1,500. On the other hand, if three vehicles owned by the same taxpayer are discovered to be in violation during three separate inspections, the first inspection would result in a \$500 penalty, the second inspection would result in a \$1,000 penalty, and the third inspection would result in a \$2,000 penalty. If one vehicle is discovered to be in violation during the first inspection, resulting in a \$500 penalty, but two vehicles are discovered to be in violation in a second inspection, the result of the second inspection would be two \$1,000 penalties, or \$2,000 total.

10.71(2) *Illegal importation of untaxed fuel.* A person who illegally imports motor fuel or undyed special fuel without a valid importer's license or supplier's license shall be assessed a civil penalty as stated below. However, the owner or operator of the importing vehicle shall not be guilty of violating the illegal import provision if it is shown by the owner or operator that the owner or operator reasonably did not know or reasonably should not have known of the illegal importation.

a. For a first violation, the importing vehicle shall be detained and a penalty of \$4,000 shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable for payment of the penalty.

b. For a second violation, the importing vehicle shall be detained and a penalty of \$10,000 shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable to pay the penalty.

c. For third and subsequent violations, the importing vehicle and the fuel shall be seized and a penalty of \$20,000 shall be paid before the vehicle will be released. The owner or operator of the importing vehicle or the owner of the fuel may be held liable to pay the penalty.

d. If the owner or operator of the importing vehicle or the owner of the fuel fails to pay the tax and penalty for a first or second offense, the importing vehicle and the fuel may be seized. The Iowa department of revenue, the Iowa department of transportation, or any peace officer, at the request of either department, may seize the vehicle and the fuel.

e. If the operator or owner of the importing vehicle or the owner of the fuel moves the vehicle or the fuel after the vehicle has been detained and a sticker has been placed on the vehicle stating that "this vehicle cannot be moved until the tax, penalty, and interest have been paid to the department of revenue," an additional penalty of \$10,000 shall be assessed against the operator or owner of the importing vehicle or the owner of the fuel.

10.71(3) *Improper receipt of fuel credit or refund.* If a person files an incorrect refund claim, in addition to the amount of the excess claim, a penalty of 10 percent shall be added to the amount by which the amount claimed and refunded exceeds the amount actually due and shall be paid to the department. If a person knowingly files a fraudulent refund claim with the intent to evade the tax, the penalty shall be 75 percent in lieu of the 10 percent. The person shall also pay interest on the excess refunded at the rate per month specified in Iowa Code section 421.7, counting each fraction of a month as an entire month, computed from the date the refund was issued to the date the excess refund is repaid to the state.

10.71(4) *Illegal heating of fuel.* The deliberate heating of taxable motor fuel or special fuel by dealers prior to consumer sale is a simple misdemeanor.

10.71(5) *Prevention of inspection.* The Iowa department of revenue or the Iowa department of transportation may conduct inspections for coloration, markers, and shipping papers at any place where taxable fuel is or may be loaded into transport vehicles, produced, or stored. Any attempts by a person to prevent, stop, or delay an inspection of fuel or shipping papers by authorized personnel shall be subject to a civil penalty of not more than \$2,000 per occurrence. Any law enforcement officer requested by the Iowa department of revenue or Iowa department of transportation may physically inspect, examine, or otherwise search any tank, fuel supply tank of a vehicle, reservoir, or other container that can or may be used for the production, storage, or transportation of any type of fuel.

10.71(6) *Failure to conspicuously label a fuel pump.* A retailer who does not conspicuously label a pump or other delivery facility as required by the Internal Revenue Service, that dispenses dyed diesel fuel so as to notify customers that it contains dyed fuel, shall pay to the department of revenue a penalty of \$100 per occurrence.

10.71(7) *False or fraudulent return.* Any person, including an officer of a corporation or a manager of a limited liability company, who is required to make, render, sign, or verify any report or return required by this chapter and who makes a false or fraudulent report, or who fails to file a report or return with the intent to evade the tax, shall be guilty of a fraudulent practice. Any person who aids, abets, or assists another person in making any false or fraudulent return or false statement in any return with the intent to evade payment of tax shall be guilty of a fraudulent practice.

10.71(8) *Violation of a distributor's and dealer's right to blend conventional blendstock for oxygenate blending, gasoline, or diesel fuel and biofuel.* A refiner, supplier, terminal operator, or terminal owner, as defined in Iowa Code section 452A.2, who violates a distributor's or dealer's right to blend conventional blendstock for oxygenate blending, gasoline, or diesel fuel and biofuel, as described in Iowa Code section 452A.6A, is subject to a civil penalty.

a. Suspected violations should be reported to the motor fuel examination section of the department. Supporting documentation should be provided.

b. The department will investigate to determine whether a violation has occurred.

c. If the department determines that a violation has occurred, a civil penalty of \$10,000 per violation will be assessed against the violator. Each day that a violation continues is a separate violation.

For more information on the blending rights of distributors and dealers, see 701—68.19(452A).

This rule is intended to implement Iowa Code sections 452A.2, 452A.6A and 452A.74A.

[ARC 8225B, IAB 10/7/09, effective 11/11/09; ARC 1442C, IAB 4/30/14, effective 6/4/14]

701—10.72(452A) Interest. Interest, based on the tax due, shall be assessed against the taxpayer for each month such tax remains unpaid. The interest shall accrue from the date the return was required to be filed. Each fraction of a month shall be considered a full month for the computation of interest. See rule 701—10.2(421) for the statutory interest rate commencing on or after January 1, 1982.

Refunds on reports or returns filed on or after July 1, 1997, will accrue interest beginning on the first day of the second calendar month following the date of payment or the date the return was filed or due to be filed, whichever is later, at the rate in effect under Iowa Code section 421.7, counting each fraction of a month as an entire month. Claims for refund filed under Iowa Code sections 452A.17 and 452A.21 will accrue interest beginning with the first day of the second calendar month following the date the refund claim is received by the department. See rule 701—10.3(422,450,452A).

This rule is intended to implement Iowa Code section 452A.65.

[ARC 1303C, IAB 2/5/14, effective 3/12/14]

701—10.73 to 10.75 Reserved.

CIGARETTES AND TOBACCO

[Prior to 1/23/91, see 701—81.8(98), 81.9(98), and 81.15(98)]

701—10.76(453A) Penalties.

10.76(1) *Cigarettes.* The following is a list of offenses which subject the violator to a penalty:

1. The failure of a permit holder to maintain proper records;
2. The sale of taxable cigarettes without a permit;
3. The filing of a late, false or incomplete report with the intent to evade tax by a cigarette distributor, distributing agent or wholesaler;
4. Acting as a distributing agent without a valid permit; and
5. A violation of any provision of Iowa Code chapter 453A or these rules.

Penalties for these offenses are as follows:

- A \$200 penalty for the first violation.
- A \$500 penalty for a second violation within three years of the first violation.

- A \$1,000 penalty for a third or subsequent violation within three years of the first violation. Penalties for possession of unstamped cigarettes are as follows:
 - A \$200 penalty for the first violation if a person is in possession of more than 40 but not more than 400 unstamped cigarettes.
 - A \$500 penalty for the first violation if a person is in possession of more than 400 but not more than 2,000 unstamped cigarettes.
 - A \$1,000 penalty for the first violation if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring prior to July 1, 2004. A \$25 per pack penalty for the first violation if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring on or after July 1, 2004.
 - For a second violation within three years of the first violation, the penalty is \$400 if a person is in possession of more than 40 but not more than 400 unstamped cigarettes; \$1,000 if a person is in possession of more than 400 but not more than 2,000 unstamped cigarettes; and \$2,000 if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring prior to July 1, 2004. A \$35 per pack penalty applies if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring on or after July 1, 2004.
 - For a third or subsequent violation within three years of the first violation, the penalty is \$600 if a person is in possession of more than 40 but not more than 400 unstamped cigarettes; \$1,500 if a person is in possession of more than 400 but not more than 2,000 unstamped cigarettes; and \$3,000 if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring prior to July 1, 2004. A \$45 per pack penalty applies if a person is in possession of more than 2,000 unstamped cigarettes for violations occurring on or after July 1, 2004.

See rule 701—10.6(421) for penalties related to failure to timely file a return, failure to timely pay the tax due, audit deficiency, and willful failure to file a return with the intent to evade the tax. If, upon audit, it is determined that any person has failed to pay at least 90 percent of the tax imposed by Iowa Code chapter 453A, division I, which failure was not the result of a violation enumerated above, a penalty of 5 percent of the tax deficiency shall be imposed. This penalty is not subject to waiver for reasonable cause.

See rule 701—10.8(421) for statutory exceptions to penalty.

10.76(2) Tobacco.

See rule 701—10.6(421) for penalties related to failure to timely file a return, failure to timely pay the tax due, audit deficiency, and willful failure to file a return with the intent to evade the tax.

See rule 701—10.8(421) for statutory exceptions to penalty.

This rule is intended to implement Iowa Code sections 453A.28, 453A.31 and 453A.46 as amended by 2004 Iowa Acts, Senate File 2296.

701—10.77(453A) Interest.

10.77(1) Cigarettes. There shall be assessed interest at the rate established by rule 701—10.2(421) from the due date of the tax to the date of payment counting each fraction of a month as an entire month. For the purpose of computing the due date of any unpaid tax, a FIFO inventory method shall be used for cigarettes and stamps. See rule 701—10.6(421) for examples of penalty and interest.

10.77(2) Tobacco. The interest rate on delinquent tobacco tax is the rate established by rule 701—10.2(421) counting each fraction of a month as an entire month. If an assessment for taxes due is not allocated to any given month, the interest shall accrue from the date of assessment. See rule 701—10.6(421) for examples of penalty and interest.

This rule is intended to implement Iowa Code sections 453A.28 and 453A.46.

701—10.78(453A) Waiver of penalty or interest. Rescinded IAB 11/10/04, effective 12/15/04.

701—10.79(453A) Request for statutory exception to penalty. Any taxpayer who believes there is a good reason to object to any penalty imposed by the department for failure to timely file returns or pay the tax may submit a request for exception seeking that the penalty be waived. The request must be in

the form of a letter or affidavit and must contain all facts alleged by the taxpayer and a reason for why the taxpayer qualifies for the exceptions. See rule 701—10.8(421).

This rule is intended to implement Iowa Code sections 453A.31 and 453A.46.

701—10.80 to 10.84 Reserved.

INHERITANCE

[Prior to 1/23/91, see 701—subrules 86.2(14) to 86.2(20)]

701—10.85(422) Penalty—delinquent returns and payment. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.86 to 10.89 Reserved.

IOWA ESTATE

[Prior to 1/23/91, see 701—subrules 87.3(9) to 87.3(12)]

701—10.90(451) Penalty—delinquent return and payment. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.91 to 10.95 Reserved.

GENERATION SKIPPING

[Prior to 1/23/91, see 701—subrules 88.3(14) and 88.3(15)]

701—10.96(450A) Penalty—delinquent return and payment for deaths occurring before January 1, 1991. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.97(422) Interest on tax due. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.98 to 10.100 Reserved.

FIDUCIARY INCOME

[Prior to 1/23/91, see 701—89.6(422) and 89.7(422)]

701—10.101(422) Penalties. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.102(422) Penalty. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.103(422) Interest on unpaid tax. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.104 to 10.109 Reserved.

HOTEL AND MOTEL

[Prior to 1/23/91, see 701—104.8(422A) and 104.9(422A)]

701—10.110(423A) Interest and penalty. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.111(423A) Request for waiver of penalty. Rescinded IAB 5/6/09, effective 6/10/09.

701—10.112 to 10.114 Reserved.

ALL TAXES

701—10.115(421) Application of payments to penalty, interest, and then tax due for payments made on or after January 1, 1995, unless otherwise designated by the taxpayer. The department will not reapply prior payments made by the taxpayer to penalty or interest determined to be due after the date of

those prior payments. However, the department will apply payments to penalty and interest which were due at the time the payment was made.

Example (a) — Delinquent Return

- a. Tax due is \$1,000.
- b. Return filed two months late.
- c. \$1,000 paid with the return.
- d. The department bills the additional tax in the third month after the due date. The taxpayer pays the assessment in the third month.

The computation of additional tax is shown below:

Tax	\$1,000.00	
Penalty	100.00	(10% failure to file penalty)
Interest	14.00	(2 months interest)
Total	<u>\$1,114.00</u>	
Less payment	1,000.00	
Additional tax due	<u>\$ 114.00</u>	
Interest	.80	(1 month interest)
Total due	<u>\$ 114.80</u>	

Two years after the due date, the Internal Revenue Service conducts an audit and increases the taxpayer's taxable income. The department redetermines the taxpayer's liability 26 months after the due date as follows:

Tax as redetermined by the department	\$1,100.00	
Less paid with return	<u>1,000.00</u>	
Additional tax	\$ 100.00	
Penalty	10.00	(10% failure to file penalty)
Interest	18.20	(26 months interest)
Total due	<u>\$ 128.20</u>	

Example (b) — Timely Filed No Remit

- a. Tax due is \$1,000.
- b. Return timely filed.
- c. \$0 paid.

The calculation for the total amount due five months after the due date is shown below:

Tax	\$1,000.00	
Penalty	50.00	(5% failure to pay penalty)
Interest	35.00	(5 months interest)
Total due	<u>\$1,085.00</u>	

The department bills the additional tax in the fifth month after the due date and the taxpayer pays the additional amount in the eighth month after the due date. The payment is applied as follows:

Tax	\$1,000.00	
Penalty	50.00	(5% failure to pay penalty)
Interest	56.00	(8 months interest)
Total due	\$1,106.00	
Amount paid	\$1,085.00	

Balance tax due \$21.00 subject to interest until paid.

The balance due was not paid.

Three years after the due date the taxpayer forwards a copy of an Internal Revenue Service audit which increases the taxpayer's income to the department. The department recomputes the taxpayer's liability as follows:

Tax as redetermined by the department	\$1,200.00	
Less paid per prior audit	979.00	
Balance due	\$ 221.00	(includes the balance due of \$21)
Penalty	10.00	(5% failure to pay penalty on \$200, the \$21.00 already bears penalty)
Interest	54.52	(36 months interest on \$200 and 28 months interest on \$21)
Total due	\$ 285.52	

10.115(1) Refunds. In those instances where an audit reduced the amount of tax, penalty, and interest due over the amount paid, the department will reapply payments so that amount refunded is tax on which interest will accrue as set forth in the Iowa Code.

10.115(2) Partial payments made after notices of assessments are issued. Where partial payments are made after a notice of assessment is issued, the department will reapply payments to penalty, interest, and then to tax due until the entire assessed amount is paid. See *Ashland Oil Inc. v. Iowa Department of Revenue and Finance*, 452 N.W.2d 162 (Iowa 1990). If penalty, interest, and tax are due and owing for more than one tax period, any payment must be applied first to the penalty, then the interest, then the tax for the oldest tax period, then to the penalty, interest, and tax to the next oldest tax period, and so on until the payment is exhausted.

Where there are both agreed- and unagreed-to items as a result of an examination, the taxpayer and the department may agree to apply payments to the penalty, interest, and then to tax due on the agreed-to items of the examination when all of the penalty, interest, and tax on the agreed-to items are paid. In these instances, subsequent payments will not be applied to penalty and interest accrued on the agreed-to items of the examination.

This rule is intended to implement Iowa Code section 422.25(4).
[ARC 7761B, IAB 5/6/09, effective 6/10/09]

JEOPARDY ASSESSMENTS

701—10.116(422,453B) Jeopardy assessments. A jeopardy assessment may be made where a return has been filed and the director believes for any reason that assessment or collection of the tax will be jeopardized by delay, or where a taxpayer fails to file a return, whether or not formally called upon to file a return. In addition, all assessments made pursuant to Iowa Code chapter 453B are jeopardy assessments. The department is authorized to estimate the applicable tax base and the tax upon the basis of available information, add penalty and interest, and demand immediate payment.

A jeopardy assessment is due and payable when the notice of the assessment is served upon the taxpayer. Proceedings to enforce the payment of the assessment by seizure or sale of any property of the taxpayer may be instituted immediately.

This rule is intended to implement Iowa Code sections 422.30 and 453B.9.

701—10.117(422,453B) Procedure for posting bond. In the event a taxpayer seeks to post a bond in lieu of summary collection of a jeopardy assessment, pending final determination of the amount of tax legally due, an original and four copies of a separate written bond application conspicuously titled “Jeopardy Assessment Bond Request” must be filed with the clerk of the hearings section for the department. Thereafter, if the taxpayer and the department agree on an appropriate bond, the clerk of the hearings section for the department shall be notified and the bond shall be approved by the clerk of the hearings section for the department.

If the clerk of the hearings section for the department has not been notified that an agreement on the bond has been reached within ten days after the date upon which the bond request was filed, the clerk of the hearings section for the department shall transfer the file to the director who shall promptly schedule a hearing on the bond request with written notice to be given the taxpayer and the department at least ten days prior to the hearing.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.118(422,453B) Time limits. Bond requests may be made anytime after a timely protest to the jeopardy assessment has been filed with the clerk of the hearings section for the department, except that any bond request whereby the taxpayer seeks to postpone a scheduled sale of assets seized by or on behalf of the department must be filed with the clerk of the hearings section for the department no later than ten days from the date on which notice of the sale was mailed to, or otherwise served upon, the taxpayer. Portions of an assessment which are undisputed must be paid in full at the time a bond request is filed.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.119(422,453B) Amount of bond. In the event no agreement on the bond is reached, bonds must be posted in an amount to be determined by the director consistent with the following:

10.119(1) If property has been seized or a lien has been filed and the taxpayer seeks only to postpone the sale of property, pending final determination of the amount of tax legally due, the bond shall be in an amount equal to the expected depreciation loss, storage cost, insurance costs and any and all other costs associated with the distraint and storage of the property pending such final determination.

10.119(2) If property has been seized or a lien has been filed and the taxpayer seeks to prevent the sale of property and to have the property returned for the taxpayer’s own use, pending final determination of the amount of tax legally due, the bond shall be in an amount equal to the sale price the department can reasonably expect to realize on any property seized plus all costs related to the distraint and storage of the property.

10.119(3) If a taxpayer seeks to prevent the department from seizing property or placing a lien upon property, pending final determination of the amount of tax legally due, the bond shall be in an amount equal to the total amount of the department’s assessment including interest to the date of the bond.

Bonds may not be required in excess of double the amount of the department’s jeopardy assessment.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.120(422,453B) Posting of bond. If the taxpayer fails to post the bond as agreed upon within 15 days from the date the bond is approved by the clerk of the hearings section for the department, no bond will be allowed and the director shall dismiss the bond request. If no agreement was reached and a bond order is issued by the director, the taxpayer has ten days to post the bond. If the bond is not posted within the ten-day period, the director shall dismiss the bond request.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.121(422,453B) Order. The director’s order shall be in writing and shall include findings of fact based solely on the evidence in the record and on matters officially noticed in the record and shall include

conclusions of law. The findings of fact and conclusions of law shall be separately stated. Findings of fact shall be prefaced by a concise and explicit statement of underlying facts supporting the findings. Each conclusion of law shall be supported by cited authority or by a reasoned opinion.

Orders will be issued within a reasonable time after termination of the hearing. Parties shall be promptly notified of each order by delivery to them of a copy of the order by personal service or by ordinary mail.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.122(422,453B) Director’s order. The director’s order constitutes the final order of the department for purposes of judicial review. Parties shall be promptly notified of the director’s order by delivery to them of a copy of the order by personal service or by ordinary mail.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.123(422,453B) Type of bond. The bond shall be payable to the department for the use of the state of Iowa and shall be conditioned upon the full payment of the tax, penalty, interest, or fees that are found to be due which remain unpaid upon the resolution of the contested case proceedings up to the amount of the bond. Upon application of the taxpayer or the department, the director may, upon hearing, fix a greater or lesser amount to reflect changed circumstances, but only after ten days’ prior notice is given to the department or the taxpayer as the case may be.

A personal bond, without a surety, is only permitted if the taxpayer posts with the clerk of the hearings section for the department, cash, a cashier’s check, a certificate of deposit, or other marketable securities which are approved by the director with a readily ascertainable value which is equal in value to the total amount of the bond required. If a surety bond is posted, the surety on the bond may be either personal or corporate. The provisions of Iowa Code chapter 636 relating to personal and corporate sureties shall govern to the extent not inconsistent with the provisions of this subrule.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 422.30 and 453B.9.

701—10.124(422,453B) Form of surety bond. The surety bond posted shall be in substantially the following form:

BEFORE THE IOWA STATE DEPARTMENT OF REVENUE
HOOVER STATE OFFICE BUILDING
DES MOINES, IOWA

IN THE MATTER OF	*	
	*	
(Taxpayer’s Name, Address and	*	<u>SURETY BOND</u>
designate proceeding, e.g.,	*	
income, sales, etc.)	*	DOCKET NO.
	*	

KNOW ALL PERSONS BY THESE PRESENTS:

That we _____ (taxpayer) _____ as principal, and _____ (surety) _____, as surety, of the county of _____, and State of Iowa, are held and firmly bound unto the Iowa Department of Revenue for the use of the State of Iowa, in the sum of \$ _____ dollars, lawful money of the United States, for the payment of which sum we jointly and severally bind ourselves, our heirs, devisees, successors and assigns firmly by these presents. The condition of the foregoing obligations are, that, whereas the above-named principal has protested an assessment of tax, penalty, interest,

[Filed 12/31/81, Notice 11/25/81—published 1/20/82, effective 2/24/82]
[Filed 12/17/82, Notice 11/10/82—published 1/5/83, effective 2/9/83]
[Filed 12/16/83, Notice 11/9/83—published 1/4/84, effective 2/8/84]
[Filed 12/14/84, Notice 11/7/84—published 1/2/85, effective 2/6/85]
[Filed 8/23/85, Notice 7/17/85—published 9/11/85, effective 10/16/85]
[Filed 12/2/85, Notice 10/23/85—published 12/18/85, effective 1/22/86]
[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]
[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]
[Filed 11/26/86, Notice 10/22/86—published 12/17/86, effective 1/21/87]
[Filed 12/11/87, Notice 11/4/87—published 12/30/87, effective 2/3/88]
[Filed 12/9/88, Notice 11/2/88—published 12/28/88, effective 2/1/89]
[Filed without Notice 6/12/89—published 6/28/89, effective 8/2/89]
[Filed 11/22/89, Notice 10/18/89—published 12/13/89, effective 1/17/90]
[Filed 11/21/90, Notice 10/17/90—published 12/12/90, effective 1/16/91]
[Filed 1/4/91, Notice 11/28/90—published 1/23/91, effective 2/27/91]
[Filed 12/6/91, Notice 10/30/91—published 12/25/91, effective 1/29/92]
[Filed 9/11/92, Notice 8/5/92—published 9/30/92, effective 11/4/92]
[Filed 12/4/92, Notice 10/28/92—published 12/23/92, effective 1/27/93]
[Filed 12/3/93, Notice 10/27/93—published 12/22/93, effective 1/26/94]
[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]
[Filed 12/2/94, Notice 10/26/94—published 12/21/94, effective 1/25/95]
[Filed 11/3/95, Notice 9/27/95—published 11/22/95, effective 12/27/95]
[Filed 12/1/95, Notice 10/25/95—published 12/20/95, effective 1/24/96]
[Filed emergency 3/11/96—published 3/27/96, effective 3/11/96]
[Filed 12/13/96, Notice 11/6/96—published 1/1/97, effective 2/5/97]
[Filed 9/5/97, Notice 7/30/97—published 9/24/97, effective 10/29/97]
[Filed 10/17/97, Notice 9/10/97—published 11/5/97, effective 12/10/97]
[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]
[Filed 12/11/98, Notice 11/4/98—published 12/30/98, effective 2/3/99]
[Filed 4/30/99, Notice 3/24/99—published 5/19/99, effective 6/23/99]
[Filed 9/3/99, Notice 7/28/99—published 9/22/99, effective 10/27/99]
[Filed 12/10/99, Notice 11/3/99—published 12/29/99, effective 2/2/00][◇]
[Filed 12/22/00, Notice 11/15/00—published 1/10/01, effective 2/14/01]
[Filed 12/7/01, Notice 10/31/01—published 12/26/01, effective 1/30/02]
[Filed 3/15/02, Notice 2/6/02—published 4/3/02, effective 5/8/02]
[Filed 5/9/03, Notice 11/27/02—published 5/28/03, effective 7/2/03]
[Filed 1/30/04, Notice 12/10/03—published 2/18/04, effective 3/24/04]
[Filed 10/22/04, Notice 9/15/04—published 11/10/04, effective 12/15/04]
[Filed 11/4/04, Notice 9/29/04—published 11/24/04, effective 12/29/04]
[Filed 12/30/04, Notice 11/24/04—published 1/19/05, effective 2/23/05]
[Filed 12/30/05, Notice 11/23/05—published 1/18/06, effective 2/22/06]
[Filed 5/5/06, Notice 3/29/06—published 5/24/06, effective 6/28/06]
[Filed 12/13/06, Notice 11/8/06—published 1/3/07, effective 2/7/07]
[Filed 2/8/08, Notice 1/2/08—published 2/27/08, effective 4/2/08]
[Filed 3/7/08, Notice 1/30/08—published 3/26/08, effective 4/30/08]
[Filed 12/10/08, Notice 11/5/08—published 12/31/08, effective 2/4/09]
[Filed ARC 7761B (Notice ARC 7632B, IAB 3/11/09), IAB 5/6/09, effective 6/10/09]
[Filed ARC 8225B (Notice ARC 8043B, IAB 8/12/09), IAB 10/7/09, effective 11/11/09]
[Filed ARC 8551B (Notice ARC 8354B, IAB 12/2/09), IAB 2/24/10, effective 3/31/10]
[Filed ARC 9103B (Notice ARC 8944B, IAB 7/28/10), IAB 9/22/10, effective 10/27/10]
[Filed ARC 9308B (Notice ARC 9197B, IAB 11/3/10), IAB 12/29/10, effective 2/2/11]
[Filed ARC 9966B (Notice ARC 9856B, IAB 11/16/11), IAB 1/11/12, effective 2/15/12]

[Filed ARC 0557C (Notice ARC 0452C, IAB 11/14/12), IAB 1/9/13, effective 2/13/13]
[Filed ARC 1250C (Notice ARC 1162C, IAB 10/30/13), IAB 12/25/13, effective 1/29/14]
[Filed ARC 1303C (Notice ARC 1231C, IAB 12/11/13), IAB 2/5/14, effective 3/12/14]
[Filed ARC 1442C (Notice ARC 1362C, IAB 3/5/14), IAB 4/30/14, effective 6/4/14]
[Filed ARC 1545C (Notice ARC 1469C, IAB 5/28/14), IAB 7/23/14, effective 8/27/14]
[Filed ARC 1767C (Notice ARC 1682C, IAB 10/15/14), IAB 12/10/14, effective 1/14/15]
[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

◊ Two or more ARCs

¹ Inadvertently omitted IAC 12/20/95; inserted 2/14/96.

TITLE II
EXCISECHAPTER 11
ADMINISTRATION

[Prior to 12/17/86, Revenue Department[730]]

701—11.1(422,423) Definitions. When the word “department” appears in this chapter it means the “Iowa Department of Revenue”; the word “director” means the “director of revenue”; the word “tax” means the “tax upon retail sales or use of tangible personal property or taxable services.”

This rule is intended to implement Iowa Code sections 422.3 and 422.68(1).

701—11.2(422,423) Statute of limitations. On and after July 1, 1987, the period for the department’s examination and determination of the correct amount of tax is unlimited in the following circumstances:

1. When a return has been filed, if the return was false or fraudulent and made with the intent to evade tax, or

2. If there has been a failure to file a return.

11.2(1) Varying periods of limitation. In all circumstances other than those described in the introductory paragraph of this rule, the department has the following limited amounts of time to examine a return, determine sales or use tax due, and give notice of assessment to the taxpayer:

a. For returns filed for quarterly periods beginning before January 1, 2000, five years.

b. For returns filed for quarterly periods beginning on or after January 1, 2000, and before January 1, 2001, four years.

c. For returns filed for quarterly periods beginning on or after January 1, 2001, three years.

For agreements entered into on and after July 1, 1992, the applicable period of limitation can be extended by the taxpayer’s signing a waiver on a form provided by the department.

11.2(2) One-year statute of limitations. Whenever books and records are examined by an employee designated by the director of the department of revenue, whether to verify a return or claim for refund or in making an audit, then an assessment must be issued within one year from the date of the completion of the examination. If not, the period for which the books and records were examined becomes closed and no assessment can be made. In no case is the one-year period of limitation an extension of or in addition to the periods of limitation described in subrule 11.2(1) above. *The Maytag Company v. Iowa State Tax Commission*, Equity No. 76-130-26112, Jasper County District Court, March 1, 1966.

EXAMPLE: An employee of the department examines the books and records of the taxpayer for the period of taxpayer’s returns filed on April 30, 1973, to April 30, 1977. The examination is completed on February 3, 1978. The notice of assessment must be given on or before April 30, 1978, in order to include the earliest tax return period above. If the notice of assessment is given on February 2, 1979, it is within the one-year period, but it would not be timely for purposes of the periods April 30, 1973, to December 31, 1973, although the subsequent periods beginning January 1, 1974, to April 30, 1977, could be included.

EXAMPLE: An employee of the department examines a taxpayer’s books and records located in Davenport for the returns filed on April 30, 1974, to April 30, 1977. The examination is completed on February 2, 1978. However, the taxpayer’s books and records for the same period located in Des Moines have not been examined. The one-year limitation period with reference to the Davenport books and records commences on February 2, 1978. However, the one-year period concerning the Des Moines books and records has not commenced.

This rule is intended to implement Iowa Code subsections 422.54(1), 422.54(2), and 422.70(1) as amended by 1999 Iowa Acts, chapter 156.

701—11.3(422,423) Credentials and receipts. Employees of the department have official credentials, and the taxpayer should require proof of the identity of persons claiming to represent the department. No charges shall be made nor gratuities of any kind accepted by an employee of the department for assistance given in or out of the office of the department.

All employees authorized to collect money are supplied with official receipt forms. When cash is paid to an employee, the taxpayer should require the employee to issue an official receipt. Such receipt shall show the taxpayer's name, address and permit number; the purpose for the payment; and the amount of the payment. The taxpayer should retain all receipts, and only official receipts for payment will be recognized by the department.

This rule is intended to implement Iowa Code sections 422.68(1), 422.71 and 423.23.

701—11.4(422,423) Retailers required to keep records.

11.4(1) *Records required.* The records required in this rule must be made available for examination upon request by the director or the director's authorized representative. The records must include the normal books of account ordinarily maintained by a person engaged in the activity in question and include all bills, receipts, invoices, cash register tapes, or other documents of original entry supporting the entries in the books of account as well as all schedules or working papers used in connection with the preparation of tax returns. In addition to the above, the following more specific records requirements apply:

- a. A daily record of the amount of all cash and time payments and credit sales.
- b. A record of the amount of all merchandise purchased and of all services performed for a retailer, including all bills of lading, invoices and copies of purchase orders.
- c. A record of all deductions and exemptions taken in filing a sales or use tax return.
- d. A true and complete inventory of the value of the stock on hand taken at least once a year. This includes an inventory of merchandise accepted as partial payment of the sales price on new merchandise.
- e. An accurate record of all services performed, including materials purchased for use in performing these services.
- f. Exemption certificates which are evidence of exempt sales must be executed or be in effect at or near (within 30 days of sale) the time of the sale. See 701—subrule 15.3(2).

11.4(2) *Microfilm and related record systems.* Microfilm, microfiche, COM (computer on machine), and other related reduction in storage systems will be referred to as "microfilm" in this rule.

Microfilm reproductions of general books of account, such as a cash book, journals, voucher registers, ledgers, etc., are not acceptable other than those maintained as specified by the Internal Revenue Service under Revenue Procedure 81-46, Section 5. Microfilm reproductions of supporting records of detail, i.e., sales invoices, purchase invoices, credit memoranda, etc., may be allowed providing all the following conditions are met and accepted by the taxpayer.

- a. Appropriate facilities are provided to ensure the preservation and readability of the films for periods required.
- b. Microfilm rolls are indexed, cross-referenced, labeled to show beginning and ending numbers or beginning and ending alphabetical listing of documents included, and are systematically filed.
- c. The taxpayer agrees to provide transcripts of any information contained on microfilm which may be required for purposes of verification of tax liability.
- d. Proper facilities are provided for the ready inspection and location of the particular records, including modern projectors for viewing and for the copying of records.
- e. Any audit of "detail" on microfilm may be subject to sample audit procedures, to be determined at the discretion of the director or a designated representative.
- f. A posting reference must be on each invoice.
- g. Credit memoranda must carry a reference to the document evidencing the original transaction.
- h. Documents necessary to support claimed exemptions from tax liability, such as bills of lading and purchase orders, must be maintained in an order by which they readily can be related to the transaction for which exemption is sought.

11.4(3) *Automatic data processing records.* Automatic data processing is defined in this rule as including electronic data processing (EDP) and will be referred to as ADP.

- a. An ADP tax accounting system must have built into its program a method of producing visible and legible records which will provide the necessary information for verification of the taxpayer's tax liability.

b. ADP records must provide an opportunity to trace any transaction back to the original source or forwarded to a final total. If detail printouts are not made of transactions at the time they are processed, then the system must have the ability to reconstruct these transactions.

c. A general ledger with source references will be produced as hard copy to coincide with financial reports of tax reporting periods. In cases where subsidiary ledgers are used to support the general ledger accounts, the subsidiary ledgers should also be produced periodically.

d. Supporting documents and audit trail. The audit trail should be designed so that the details underlying the summary accounting data may be identified and made available to the director or a designated representative upon request. The system should be so designed that the supporting documents, i.e., sales invoices, purchase invoices, credit memoranda, etc., are readily available. (An audit trail is defined as the condition of having sufficient documentary evidence to trace an item from source (invoice, check, etc.) to a financial statement or tax return; or the reverse; that is, to have an auditable system.)

e. Program documentation. A description of the ADP portion of the accounting program should be available. The statements and illustrations as to the scope of operations should be sufficiently detailed to indicate:

- (1) The application being performed.
- (2) The procedure employed in each application (which, for example, might be supported by flow charts, block diagrams or other satisfactory description of the input or output procedures).
- (3) The controls used to ensure accurate and reliable processing. Program and system changes, together with their effective dates, should be noted in order to preserve an accurate chronological record.

11.4(4) *Electronic data interchange or EDI technology.* The purpose of this subrule is to adopt the “Model Recordkeeping and Retention Regulation” report as promulgated by the Federation of Tax Administrators’ Steering Committee Task Force on EDI Audit and Legal Issues for Tax Administration (March 1996). This subrule defines the requirements imposed on taxpayers for the maintenance and retention of books, records, and other sources of information under Iowa Code sections 422.50, 422A.1, and 423.21. It is also the purpose of this subrule to address these requirements where all or part of the taxpayer’s records are received, created, maintained, or generated through various computer, electronic, and imaging processes and systems. A taxpayer must maintain all records that are necessary for determination of the correct tax liability as set forth in this subrule and the other subrules within rule 701—11.4(422,423). All required records must be made available on request by the department or its authorized representatives as provided in Iowa Code sections 422.50 and 423.21. If a taxpayer retains records required to be retained under this subrule in both machine-sensible and hard-copy formats, the taxpayer must make the records available to the department in machine-sensible format upon request of the department. Nothing in this subrule will be construed to prohibit a taxpayer from demonstrating tax compliance with traditional hard-copy documents or reproductions thereof, in whole or in part, whether or not the taxpayer also has retained or has the capability to retain records on electronic or other storage media in accordance with this subrule. However, as previously stated, this will not relieve a taxpayer of the obligation to comply with making records available to the department.

a. Definitions. The following definitions are applicable to this subrule:

“*Database management system*” means a software system that controls, relates, retrieves, and provides accessibility to data stored in a database.

“*Electronic data interchange*” or “*EDI technology*” means the computer-to-computer exchange of business transactions in a standardized, structured electronic format.

“*Hard copy*” means any documents, records, reports, or other data printed on paper.

“*Machine-sensible record*” means a collection of related information in an electronic format. Machine-sensible records do not include hard-copy records that are created or recorded on paper or stored in or by an imaging system such as microfilm, microfiche, or storage-only imaging systems.

“*Storage-only imaging system*” means a system of computer hardware and software that provides for the storage, retention, and retrieval of documents originally created on paper. It does not include any system, or part of a system, that manipulates or processes any information or data contained on the document in any manner other than to reproduce the document in hard copy or as an optical image.

“*Taxpayer*” as used in this subrule means any person, business, corporation, fiduciary, or other entity that is required to file a return with the department of revenue.

b. Record-keeping requirements—machine-sensible records. A taxpayer that maintains and retains books, records, and other sources of information in the form of machine-sensible records must comply with the following:

(1) General requirements. A taxpayer must comply with the following general requirements regarding the retention of machine-sensible records:

1. Machine-sensible records used to establish tax compliance must contain sufficient transaction-level detail information so that the details underlying the machine-sensible records can be identified and made available to the department upon request. A taxpayer has discretion to discard duplicated records and redundant information provided its responsibilities under this regulation are met.

2. At the time of an examination, the retained records must be capable of being retrieved and converted to a standard record format. The term “standard record format” does not mean that every taxpayer must keep records in an identical manner. Instead, it requires that if a taxpayer utilizes a code system to identify elements of information in each record when creating and maintaining records, the taxpayer is required to maintain a record of the meaning of each code and any code changes so the department may effectively review the taxpayer’s records.

3. Taxpayers are not required to construct machine-sensible records other than those created in the ordinary course of business. A taxpayer that does not create the electronic equivalent of a traditional paper document in the ordinary course of business is not required to construct a traditional paper document for tax purposes.

(2) Electronic data interchange requirements. A taxpayer must comply with the following requirements for records received through electronic data interchange:

1. Where a taxpayer uses an electronic data interchange process and technology, the level of record detail, in combination with other records related to the transactions, must be equivalent to that contained in an acceptable paper record. For example, for sales tax purposes the retained records should contain the following minimal information: vendor name, invoice date, product description, quantity purchased, price, amount of tax, indication of tax status, and shipping details. Codes may be used to identify some or all of the data elements, provided that the taxpayer provides a method which allows the department to interpret the coded information.

2. The taxpayer may capture the information necessary to satisfy the requirements set forth in the preceding paragraph at any level within the accounting system and need not retain the original EDI transaction records provided that the audit trail, authenticity, and integrity of the retained records can be established. For example, a taxpayer using electronic data interchange technology receives electronic invoices from its suppliers. The taxpayer decides to retain the invoice data from completed and verified EDI transactions in its accounts payable system rather than to retain the EDI transactions themselves. Since neither the EDI transaction nor the accounts payable system captures information from the invoice pertaining to product description and vendor name (i.e., they contain only codes for that information), the taxpayer also retains the other records such as its vendor master file and product code description lists and makes them available to the department. In this example, the taxpayer need not retain its original EDI transaction for tax purposes.

(3) Electronic data processing systems requirements. The requirements for an electronic data processing accounting system should be similar to that of a manual accounting system, in that an adequately designed accounting system should incorporate methods and records that will satisfy the requirements of this regulation. In addition, pursuant to Iowa Code sections 421.9, 422.15, 422.36, 422.50, 422.59, 422A.1, and 423.21, the department must have access to the taxpayer’s EDI processing, accounting, or other systems for the purposes of verifying or evaluating the integrity and reliability of those systems to provide accurate and complete records.

(4) Business process information. To verify the accuracy of the records being retained, the taxpayer must comply with the following:

1. Upon the request of the department, the taxpayer shall provide a description of the business process that created the retained records. The description must include the relationship between the

records and the tax documents prepared by the taxpayer and the measures employed to ensure the integrity of the records.

2. The taxpayer must be capable of demonstrating the following:

- The functions being performed as they relate to the flow of data through the system;
- The internal controls used to ensure accurate and reliable processing; and
- The internal controls used to prevent unauthorized addition to, alteration of, or deletion of retained records.

3. The following specific documentation is required for machine-sensible records retained pursuant to this regulation:

- Record formats or layouts;
- Field definitions (including a record of any changes in the system or codes with the meaning of all codes used to represent information);
- File descriptions (e.g., data set name); and
- Detailed charts of accounts and account descriptions.

c. Record maintenance requirements. The department recommends, but does not require, that taxpayers refer to the National Archives and Record Administration's (NARA) standards for guidance on the maintenance and storage of electronic records such as the labeling of records, the location and security of the storage environment, the creation of backup copies, and the use of periodic testing to confirm the continued integrity of the records. (The NARA standards may be found at 36 Code of Federal Regulations, Part 1234, July 1, 1995, Edition.) The taxpayer's computer hardware or software must accommodate the extraction and conversion of retained machine-sensible records.

d. Access to machine-sensible records. If a taxpayer retains records required to be retained under this regulation in both machine-sensible and hard-copy formats, the taxpayer must make the records available to the department in machine-sensible format upon the request of the department.

(1) The manner in which the department is provided access to machine-sensible records may be satisfied through a variety of means that must take into account a taxpayer's facts and circumstances through consultation with the taxpayer.

(2) Access will be provided in one or more of the following manners:

1. The taxpayer may arrange to provide the department with the hardware, software, and personnel resources to access the machine-sensible records.

2. The taxpayer may arrange for a third party to provide the hardware, software, and personnel resources necessary to access the machine-sensible records.

3. The taxpayer may convert the machine-sensible records to a standard record format specified by the department, including copies of files, on magnetic medium that is agreed to by the department.

4. The taxpayer and the department may agree on other means of providing access to the machine-sensible records.

e. Taxpayer's responsibility and discretionary authority. In conjunction with meeting the requirements of paragraph "b" of this subrule, a taxpayer may create files solely for the use of the department. For example, if a database management system is used, it is consistent with this subrule for the taxpayer to create and retain a file that contains the transaction-level detail from the database management system and that meets the requirements of paragraph "b" of this subrule. The taxpayer should document the process that created the separate file to show the relationship between that file and the original records. A taxpayer may contract with a third party to provide custodial or management services of the records. Such a contract will not relieve the taxpayer of its responsibilities under this rule.

f. Alternative storage media. For purposes of storage and retention, taxpayers may convert hard-copy documents received or produced in the normal course of business and required to be retained under this rule to microfilm, microfiche, or other storage-only imaging systems and may discard the original hard-copy documents, provided the rules governing alternative storage media are met. For details regarding alternative storage, see subrule 11.4(2), "Microfilm and related record systems."

g. Effect on hard-copy record-keeping requirements. Except as otherwise provided, the provisions of this subrule do not relieve taxpayers of the responsibility to retain hard-copy records that are created

or received in the ordinary course of business as required by existing law and rules. Hard-copy records may be retained on alternative storage media as indicated in paragraph “f” above and subrule 11.4(2).

If hard-copy records are not produced or received in the ordinary course of transacting business (e.g., when the taxpayer uses electronic data interchange technology), hard-copy records need not be created.

Hard-copy records generated at the time of transaction using a credit or debit card must be retained unless all the details necessary to determine correct tax liability relating to the transaction are subsequently received and retained by the taxpayer in accordance with this regulation. Such details include those listed in 11.4(4) “b”(2)“1.”

Computer printouts that are created for validation, control, or other temporary purposes need not be retained.

Nothing in this rule will prevent the department from requesting hard-copy printouts in lieu of retained machine-sensible records at the time of examination.

11.4(5) Preservation of records. The records required in this rule shall be preserved for a period of five years and open for examination by the department during this period of time.

The department shall be able to examine the records of a taxpayer for a period of years as is necessary to adequately determine if tax is due in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.

If a tax liability has been assessed and an appeal is pending to the department, district court or an appellate court, books, papers, records, memoranda or documents specified in this rule which relate to the period covered by the assessment shall be preserved until the final disposition of the appeal.

If the requirements of this rule are not met, the records will be considered inadequate and the department will compute the tax liability as authorized in Iowa Code section 423.37.

This rule is intended to implement Iowa Code sections 423.37, 423.41, and 423.45.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—11.5(422,423) Audit of records. The department shall have the right and duty to examine or cause to be examined the books, papers, records, memoranda or documents of a taxpayer for the purpose of verifying the correctness of a return filed or estimating the tax liability of any taxpayer. The right to examine records includes the right to examine copies of the taxpayer’s state and federal income tax returns. When a taxpayer fails or refuses to produce the records for examination when requested by the department, the director shall have authority to require, by a subpoena, the attendance of the taxpayer and any other witness(es) whom the department deems necessary or expedient to examine and compel the taxpayer and witness(es) to produce books, papers, records, memoranda or documents relating in any manner to sales and use tax.

The department shall have the legal obligation to inform the taxpayer when an examination of the taxpayer’s books, papers, records, memoranda, or documents has been completed and the amount of tax liability, if any, due upon completion of the audit. Tax liability includes the amount of tax, interest, penalty and fees which may be due.

This rule is intended to implement Iowa Code sections 422.50, 422.70, 423.21, and 423.23.

701—11.6(422,423) Billings.

11.6(1) Notice of adjustments.

a. An agent, auditor, clerk, or employee of the department, designated by the director to examine returns and make audits, who discovers discrepancies in returns or learns that gross receipts, gross purchases, or services subject to sales and use tax may not have been listed, in whole or in part, or that no return was filed when one was due, is authorized to notify the person of this discovery by ordinary mail. This notice is not an assessment. It informs the person what amount would be due if the information discovered is correct.

b. Right of person upon receipt of notice of adjustment. A person who has received notice of an adjustment in connection with a return may pay the additional amount stated to be due. If payment is made, and the person wishes to contest the matter, they should then file a claim for refund. However, payment will not be required until an assessment has been made (although interest will continue to accrue

if payment is not made). If no payment is made, the person may discuss with the agent, auditor, clerk, or employee who notified them of the discrepancy, either in person or through correspondence, all matters of fact and law which may be relevant to the situation. This person may also ask for a conference with the Audit and Compliance Division, Des Moines, Iowa. Documents and records supporting the person's position may be required.

c. Power of agent, auditor or employee to compromise tax claim. No employee of the department has the power to compromise any tax claims. The power of the agent, auditor, clerk or employee who notified the person of the discrepancy is limited to the determination of the correct amount of tax.

11.6(2) Notice of assessment. If, after following the procedure outlined in subrule 11.6(1), paragraph "b," no agreement is reached and the person does not pay the amount determined to be correct, a notice of the amount of tax due shall be sent to the person responsible for paying the tax. This notice of assessment shall bear the signature of the director and will be sent by mail.

If the notice of assessment is timely protested according to the provisions of rule 701—7.8(17A), proceedings to collect the tax will not be commenced until the protest is ultimately determined, unless the department has reason to believe that a delay caused by the appeal proceedings will result in an irrevocable loss of tax ultimately found to be due and owing the state of Iowa. The department will consider a protest to be timely if filed no later than 60 days following the date of the assessment notice or, if the taxpayer fails to timely appeal a notice of assessment, the taxpayer may make payment pursuant to rule 701—7.8(17A) and file a refund claim within the period provided by law for filing such claims.

11.6(3) Supplemental assessments and refund adjustments. The department may, at any time within the period prescribed for assessment or refund adjustment, make a supplemental assessment or refund adjustment whenever it is ascertained that any assessment or refund adjustment is imperfect or incomplete in any respect.

If an assessment or refund adjustment is appealed (protested under rule 701—7.8(17A)) and is resolved whether by informal proceedings or by adjudication, the department and the taxpayer are precluded from making a supplemental assessment or refund adjustment concerning the same issue involved in the appeal for the same tax period unless there is a showing of mathematical or clerical error or a showing of fraud or misrepresentation.

This rule is intended to implement Iowa Code sections 422.54(1), 422.54(2), 422.57(1), 422.57(2), 422.70, 423.21 and 423.23.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—11.7(422,423) Collections. If the director determines it expedient or advisable, the director may enforce the collection of the tax liability which has been determined to be due. In the action, the attorney general shall appear for the department and have the assistance of the county attorney in the county in which the action is pending.

The remedies for the enforcement and collection of sales and use tax are cumulative, and action taken by the department or attorney general shall not be construed to be an election on the part of the state or any of its officers to pursue any remedy to the exclusion of any other remedy.

This rule is intended to implement Iowa Code sections 422.26, 422.56, and 423.17.

701—11.8(422,423) No property exempt from distress and sale. By reference, Iowa Code section 422.56 makes section 422.26 a part of the sales and use tax law and provides that said section shall apply in respect to a sales and use tax liability determined to be due by the department. The department shall proceed to collect the tax liability after the same has become delinquent; but no property of the taxpayer shall be exempt from the payment of said tax.

This rule is intended to implement Iowa Code sections 422.26, 422.56, and 423.17.

701—11.9(422,423) Information confidential. When requested to do so by any person having a legitimate interest in such information, the department shall, after being presented with sufficient proof of the entire situation, disclose to the person the amount of unpaid taxes due by a taxpayer. The person shall provide the department with sufficient proof consisting of all relevant facts and the reason or

reasons for seeking information as to the amount of unpaid taxes due by the taxpayer. The information sought shall not be disclosed if the department determines that the person requesting information does not have a legitimate interest. Examples of those who might seek information on a taxpayer are persons from whom a taxpayer is seeking credit, or with whom the taxpayer is negotiating the sale of any personal property.

Upon request, the department may disclose to any person whether or not a taxpayer has a sales tax permit because the law requires the taxpayer's permit to be conspicuously posted at all times in the taxpayer's place of business, thus becoming public information.

All other information obtained by employees of the department in the performance of their official duties is confidential and cannot be disclosed. See rule 701—6.3(17A).

This rule is intended to implement Iowa Code sections 422.56, 422.72, and 423.23.

701—11.10(423) Bonding procedure. The director may, when necessary and advisable in order to secure the collection of the tax, require any person subject to the tax to file with the department a bond in an amount as the director may fix, or in lieu of the bond, securities approved by the director in an amount as the director may prescribe. Pursuant to the statutory authorization in Iowa Code section 423.35, the director has determined that the following procedures will be instituted with regard to bonds:

11.10(1) When required.

a. Classes of business. When the director determines, based on departmental records, other state or federal agency statistics or current economic conditions, that certain segments of the business community are experiencing above average financial failures such that the collection of the tax might be jeopardized, a bond or security may be required from every retailer operating a business within this class unless it is shown to the director's satisfaction that a particular retailer within a designated class is solvent and that the retailer previously timely remitted the tax. If the director selects certain classes of business for posting a bond or security, rule making will be initiated to reflect a listing of the classes in the rules.

b. New applications for sales tax permits. Notwithstanding the provisions of paragraph "a" above, an applicant for a new sales tax permit may be required to post a bond or security if (1) it is determined upon a complete investigation of the applicant's financial status that the applicant would be unable to timely remit the tax, or (2) the new applicant held a permit for a prior business and the remittance record of the tax under the prior permit falls within one of the conditions in paragraph "c" below, or (3) the department experienced collection problems while the applicant was engaged in business under the prior permit, or (4) the applicant is substantially similar to a person who would have been required to post a bond under the guidelines as set forth in paragraph "c" or the person had a previous sales tax permit which has been revoked. The applicant is "substantially similar" to the extent that said applicant is owned or controlled by persons who owned or controlled the previous permit holder. For example, X, a corporation, had a previous sales tax permit revoked. X is dissolved and its shareholders create a new corporation, Y, which applies for a sales tax permit. The persons or stockholders who controlled X now control Y. Therefore, Y will be requested to post a bond or security.

c. Existing permit holders. Existing permit holders may be required to post a bond or security under the following circumstances:

(1) When they have had one or more delinquencies in remitting the sales tax or filing timely returns during the last 24 months if filing returns on an annual basis.

(2) When they have had two or more delinquencies in remitting the sales tax or filing timely returns during the last 24 months if filing returns on a quarterly basis.

(3) When they have had four or more delinquencies in remitting the sales tax or filing timely deposits or returns during the last 24 months if filing returns on a monthly basis.

(4) When they have had eight or more delinquencies during the last 24 months if filing returns on a semimonthly basis.

The simultaneous late filing of the return and the late payment of the tax will count as one delinquency. See rule 701—13.7(422). However, the late filing of the return or the late payment of the tax will not count as a delinquency if the permit holder can satisfy one of the conditions set forth in Iowa Code section 421.27.

d. Return of bond. If a permit holder has been required to post a bond or security or if an applicant for a permit has been required to post a bond or security, upon the filing of the bond or security if the permit holder maintains a good filing record for a period of two years, the permit holder may request that the department return the bond or security. The department may elect to return the bond without a request from the permit holder.

e. Applying bond. The department may apply a bond to any existing tax liability of the permit holder at its discretion.

11.10(2) Type of security or bond. When it is determined that a permit holder or applicant for a sales tax permit is required to post collateral to secure the collection of the sales tax, the following types of collateral will be considered as sufficient: cash, surety bonds, securities or certificates of deposit. “Cash” means guaranteed funds including, but not limited to, the following: (1) cashier’s check, (2) money order or (3) certified check. If cash is posted as a bond, the bond will not be considered filed until the final payment is made, if paid in installments. A certificate of deposit must have a maturity date of 24 months from the date of assignment to the department. An acknowledgement of assignment from the bank must accompany the original certificate of deposit filed with the department. When a permit holder elects to post cash rather than a certificate of deposit as a bond, conversion to certificate of deposit will not be allowed. When the permit holder is a corporation, an officer of the corporation may assume personal liability as security for the payment of the sales tax. The officer will be evaluated as provided in subrule 11.10(1) as if the officer applied for a sales tax permit as an individual.

11.10(3) Amount of bond or security. When it is determined that a permit holder or applicant for a sales tax permit is required to post a bond or securities, the following guidelines will be used to determine the amount of the bond, unless the facts warrant a greater amount: If the permit holder or applicant will be or is a semimonthly depositor, a bond or securities in an amount sufficient to cover three months’ sales tax liability will be required. If the permit holder or applicant will be or is a monthly depositor, a bond or securities in an amount sufficient to cover five months’ sales tax liability will be required. If the applicant or permit holder will be or is a quarterly filer, the bond or securities which will be required is an amount sufficient to cover nine months or three quarters of tax liability. If the applicant or permit holder will be or is an annual filer, the bond or securities which will be required would be in the amount of one year’s tax liability. The department does not accept bonds for less than \$100. If the bond amount is calculated to be less than \$100, a \$100 bond is required.

This rule is intended to implement Iowa Code section 423.35.

701—11.11(422) Retailers newly liable, as of July 1, 1988, for collection of sales tax. Rescinded IAB 10/13/93, effective 11/17/93.

[Filed December 12, 1974]

[Filed 11/5/76, Notice 9/22/76—published 12/1/76, effective 1/5/77]

[Filed 4/28/78, Notice 3/22/78—published 5/17/78, effective 7/1/78]

[Filed emergency 4/28/78—published 5/17/78, effective 4/28/78]

[Filed 1/5/79, Notice 11/29/78—published 1/24/79, effective 2/28/79]

[Filed 3/15/79, Notice 2/7/79—published 4/4/79, effective 5/9/79]

[Filed emergency 7/17/80—published 8/6/80, effective 7/17/80]

[Filed 12/5/80, Notice 10/29/80—published 12/24/80, effective 1/28/81]

[Filed 5/8/81, Notice 4/1/81—published 5/27/81, effective 7/1/81]

[Filed 7/2/81, Notice 5/27/81—published 7/22/81, effective 8/26/81]

[Filed 5/7/82, Notice 3/31/82—published 5/26/82, effective 6/30/82]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 2/10/83, Notice 1/5/83—published 3/2/83, effective 4/6/83]

[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 10/30/87, Notice 9/23/87—published 11/18/87, effective 12/23/87]

[Filed 9/30/88, Notice 8/24/88—published 10/19/88, effective 11/23/88]^o

[Filed 2/17/89, Notice 1/11/89—published 3/8/89, effective 4/12/89]

[Filed 11/9/89, Notice 10/4/89—published 11/29/89, effective 1/3/90]
[Filed 11/22/89, Notice 10/18/89—published 12/13/89, effective 1/17/90]
[Filed 3/30/90, Notice 2/21/90—published 4/18/90, effective 5/23/90]
[Filed 10/23/92, Notice 9/16/92—published 11/11/92, effective 12/16/92]
[Filed 11/6/92, Notice 9/30/92—published 11/25/92, effective 12/30/92]
[Filed 9/24/93, Notice 8/18/93—published 10/13/93, effective 11/17/93]
[Filed 9/23/94, Notice 8/17/94—published 10/12/94, effective 11/16/94]
[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]
[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]
[Filed 12/10/99, Notice 11/3/99—published 12/29/99, effective 2/2/00]
[Filed 12/17/08, Notice 11/5/08—published 1/14/09, effective 2/18/09]

[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]
[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

◊ Two or more ARCs

TITLE VIII
MOTOR FUELCHAPTER 67
ADMINISTRATION
[Prior to 1/1/96, see 701—Ch 63]

701—67.1(452A) Definitions. For purposes of this chapter, 701—Chapter 68, and 701—Chapter 69, the following definitions shall govern:

“*Appropriate state agency*” or “*state agency*” means the department of revenue or the state department of transportation, whichever is responsible for control, maintenance, or supervision of the power, requirement, or duty referred to in Iowa Code chapter 452A.

“*Aviation gasoline*” means any gasoline capable of being used for propelling aircraft which is invoiced as aviation gasoline or is received, sold, stored, or withdrawn from storage for purposes of propelling aircraft. It does not include motor fuel capable of being used for propelling motor vehicles.

“*B-11*” means biodiesel blended fuel formulated with a minimum percentage of 11 percent by volume of biodiesel, if the formulation meets the standards provided in Iowa Code section 214A.2. A similar notation refers to biodiesel blended fuel containing other percentages of biodiesel. For example, “*B-5*” means biodiesel blended fuel formulated with a minimum percentage of 5 percent by volume of biodiesel, if the formulation meets the standards provided in Iowa Code section 214A.2.

“*Biodiesel*” means a renewable fuel comprised of mono-alkyl esters of long-chain fatty acids derived from vegetable oils or animal fats, which meets the standards provided in Iowa Code section 214A.2.

“*Biodiesel blended fuel*” means a blend of biodiesel with petroleum-based diesel fuel which meets the standards, including separately the standard for its biodiesel component, provided in Iowa Code section 214A.2.

“*Biodiesel distribution percentage*” means the number of gallons of biodiesel blended fuel classified as B-11 or higher that is distributed in this state as expressed as a percentage of the number of gallons of special fuel for diesel engines of motor vehicles distributed in this state during the determination period. The determination period is the previous calendar year.

“*Biofuel*” means ethanol or biodiesel.

“*Blender*” means a person who owns and blends two or more fuels, including ethanol or biodiesel, at a nonterminal location to produce ethanol blended gasoline or biodiesel blended fuel. The person is not restricted to blending ethanol with gasoline or biodiesel with diesel. The blend is taxed according to its fuel and alcohol content, which may result in additional tax due or an allowable refund for the blender. See rule 701—68.4(452A).

“*Carrier*” means and includes any person who operates or causes to be operated any commercial motor vehicle on any public highway in this state.

“*Common carrier*” or “*contract carrier*” means a person involved in the movement of motor fuel or special fuel from the terminal or movement of the motor fuel or special fuel imported into this state, who is not an owner of the motor fuel or special fuel.

“*Commercial motor vehicle*” means a passenger vehicle that has seats for more than nine passengers in addition to the driver, any road tractor, any truck tractor, or any truck having two or more axles which passenger vehicle, road tractor, truck tractor, or truck is propelled on the public highways by either motor fuel or special fuel. “*Commercial motor vehicle*” does not include a motor truck with a combined gross weight of less than 26,000 pounds, operated as a part of an identifiable one-way fleet and which is leased for less than 30 days to a lessee for the purpose of moving property which is not owned by the lessor.

“*Conventional blendstock for oxygenate blending*” means one or more motor fuel components intended for blending with an oxygenate or oxygenates to produce gasoline.

“*Dealer*” means a person, other than a distributor, who engages in the business of selling or distributing motor fuel or special fuel to the end user in this state.

“*Denatured ethanol*” means ethanol that is to be blended with gasoline, has been derived from cereal grains, complies with American Society of Testing Materials designation D-4806-95b, and may

be denatured only as specified in Code of Federal Regulations, Titles 20, 21, and 27. Alcohol and denatured ethanol have the same meaning.

“Department” means the department of revenue.

“Diesel fuel” or *“diesel”* means diesel as defined in Iowa Code section 214A.1.

“Director” means the director of the Iowa department of revenue or the director’s authorized representative.

“Distributor” means a person who acquires tax-paid motor fuel, special fuel, or alcohol from a supplier, restrictive supplier, or importer, or another distributor for subsequent sale at wholesale and distribution by tank cars or tank trucks or both. The department may require that the distributor be registered to have terminal purchase rights.

“E-85 gasoline” means ethanol blended gasoline formulated with a minimum percentage of between 70 and 85 percent by volume of ethanol, if the formulation meets the standards provided in Iowa Code section 214A.2.

“Eligible purchaser” means a distributor of motor fuel or special fuel who elects to make delayed payments to a licensed supplier and must use electronic funds transfer.

“End user” of special fuel means a person who has purchased a minimum of 240,000 gallons of special fuel each year in the two preceding years who elects to make delayed payments to a licensed supplier and must use electronic funds transfer.

“Ethanol” means ethyl alcohol that is to be blended with gasoline if the ethanol meets the standards provided in Iowa Code section 214A.2.

“Ethanol blended gasoline” means a formulation of gasoline which is a liquid petroleum product blended with ethanol, if the formulation meets the standards provided in Iowa Code section 214A.2. When “motor fuel” is used in these rules, it includes ethanol blended gasoline.

“Ethanol distribution percentage” means the number of gallons of ethanol blended gasoline that is distributed in this state as expressed as a percentage of the number of gallons of motor fuel, excluding aviation gasoline, distributed in this state during the determination period. The determination period is the previous calendar year.

“Export” means delivery across the boundaries of this state by or for the seller or purchaser from a place of origin in this state.

“Exporter” means a person or other entity who acquires fuel in this state for export to another state.

“Foreign supplier” means a person licensed as a supplier to collect and report the tax, but who does not have jurisdictional connections with this state.

“Fuel(s)” means and includes both motor fuel and special fuel as defined in Iowa Code chapter 452A.

“Fuel taxes” means the per gallon excise taxes imposed under division I of Iowa Code chapter 452A with respect to motor fuel and undyed special fuel.

“Gallon,” with respect to compressed natural gas, means a gasoline gallon equivalent. A gasoline gallon equivalent of compressed natural gas is five and sixty-six hundredths pounds or one hundred twenty-six and sixty-seven hundredths cubic feet measured at a base temperature of 60 degrees Fahrenheit and a pressure of fourteen and seventy-three hundredths pounds per square inch absolute. “Gallon,” with respect to liquefied natural gas, means a diesel gallon equivalent. A diesel gallon equivalent of liquefied natural gas is six and six hundredths pounds.

“Gasoline” means any liquid product prepared, advertised, offered for sale or sold for use as, or commonly and commercially used as, motor fuel for use in a spark-ignition, internal combustion engine, and which meets the specifications provided in Iowa Code section 214A.2.

“Import” means delivery across the boundaries of this state by or for the seller or purchaser from a place of origin outside this state.

“Importer” means a person who imports motor fuel or undyed special fuel in bulk or transport load into the state by truck, rail, or barge.

“Invoiced gallons” means gross gallons as shown on the bill of lading or manifest.

“Iowa urban transit system” means a system whereby motor buses are operated primarily upon the streets of cities for the transportation of passengers for an established fare and which accepts passengers

who present themselves for transportation without discrimination up to the limit of the capacity of each motor bus. "Iowa urban transit system" also includes motor buses operated upon the streets of adjoining cities, whether interstate or intrastate, for the transportation of passengers without discrimination up to the limit of the capacity of the motor bus.

Privately chartered bus services, motor carriers and interurban carriers subject to the jurisdiction of the state department of transportation, school bus services, and taxicabs shall not be construed to be an urban transit system nor a part of any such system.

"*Licensee*" means a person holding an uncanceled supplier's, restrictive supplier's, importer's, exporter's, or blender's license issued by the department or any other person who possesses fuel for which the tax has not been paid.

"*Mobile machinery and equipment*" means vehicles self-propelled by an internal combustion engine but not designed or used primarily for the transportation of persons or property on public highways and only incidentally operated or moved over a highway including, but not limited to, corn shellers, truck-mounted feed grinders, roller mills, ditch-digging apparatus, power shovels, draglines, earth-moving equipment and machinery, and road construction and maintenance machinery such as asphalt spreaders, bituminous mixers, bucket loaders, ditchers, leveling graders, finishing machines, motor graders, paving mixers, road rollers, scarifiers, and earth-moving scrapers. However, "mobile machinery and equipment" does not include dump trucks or self-propelled vehicles originally designed for the transportation of persons or property on public highways and to which machinery, such as truck-mounted transit mixers, cranes, shovels, welders, air compressors, well-boring apparatus or lime spreaders, has been attached.

"*Motor fuel*" means a substance or combination of substances which is intended to be or is capable of being used for the purpose of operating an internal combustion engine, including but not limited to a motor vehicle, and is kept for sale or sold for that purpose and includes the following:

1. All products commonly or commercially known or sold as gasoline (including ethanol blended gasoline, casinghead, and absorption or natural gasoline) regardless of their classifications or uses, and including transmix which serves as a buffer between fuel products in the pipeline distribution process.

2. Any liquid advertised, offered for sale, sold for use as, or commonly or commercially used as a fuel for propelling motor vehicles, which when subjected to distillation of gasoline, naphtha, kerosene, and similar petroleum products (American Society of Testing Materials designation D-86), shows not less than 10 percent distilled (recovered) below 347° F (175° C) and not less than 95 percent distilled (recovered) below 464° F (240° C).

"*Motor fuel*" does not include special fuel and does not include liquefied gases which would not exist as liquids at a temperature of 60° F and a pressure of 14 7/10 pounds per square inch absolute, or naphthas and solvents unless the liquefied gases or naphthas and solvents are used as a component in the manufacture, compounding, or blending of a liquid within paragraph "2," in which event the resulting product shall be deemed to be motor fuel. "Motor fuel" also does not include methanol unless blended with other motor fuels for use in an aircraft or for propelling motor vehicles.

"*Motor vehicle*" means and includes all vehicles (except those operated on rails) which are propelled by internal combustion engines and are of such design as to permit their mobile use on public highways for transporting persons or property. A farm tractor while operated on a farm or for the purpose of hauling farm machinery, equipment, or produce shall not be deemed to be a motor vehicle. "Motor vehicle" shall not include "mobile machinery and equipment."

"*Naphthas and solvents*" means and includes those liquids which come within the distillation specifications for motor fuel, but which are designed and sold for exclusive use other than as a fuel for propelling motor vehicles.

"*Non-ethanol blended gasoline*" means gasoline other than ethanol blended gasoline.

"*Nonrefiner biofuel manufacturer*" means an entity that produces, manufactures, or refines biofuel and does not directly or through a related entity refine, blend, import, or produce a conventional blendstock for oxygenate blending, gasoline, or diesel fuel.

"*Nonterminal storage facility*" means a facility where motor fuel or special fuel, other than liquefied petroleum gas, is stored that is not supplied by a pipeline or a marine vessel. "Nonterminal storage

facility” includes a facility that manufactures products such as ethanol, biofuel, blend stocks, or additives which may be used as motor fuel or special fuel, other than liquefied petroleum gas, for operating motor vehicles or aircraft.

“*Person*” means and includes natural persons, partnerships, firms, associations, corporations, representatives appointed by any court, and political subdivisions of this state or any other group or combination acting as a unit and the plural as well as the singular number applies.

“*Petrodiesel*” means petroleum-based diesel fuel. Petrodiesel contains no biodiesel.

“*Public highways*” means and includes any way or place available to the public for purposes of vehicular travel notwithstanding temporarily closed.

“*Racing fuel*” means leaded gasoline of 110 octane or more that does not meet American Society of Testing Materials designation D-4814 for gasoline and is sold in bulk for use in nonregistered motor vehicles.

“*Refiner*” means a person engaged in the refining of crude oil to produce motor fuel or special fuel, and includes any affiliate of such person.

“*Regional transit system*” means a public transit system serving one county or all or part of a multicounty area whose boundaries correspond to the same boundaries as those of the regional planning areas designated by the governor, except as agreed upon by the department. Each county board of supervisors within the region is responsible for determining the service and funding within its county. However, the administration and overhead support services for the overall regional transit system shall be consolidated into one existing or new agency to be mutually agreed upon by the participating members. Privately chartered bus services and uses other than providing services that are open and public on a shared-ride basis shall not be construed to be a regional transit system.

“*Restrictive supplier*” means a person not otherwise licensed as an importer who imports motor fuel or undyed special fuel into this state in amounts of less than 4,000 gallons in tank wagons or in small tanks.

“*Special fuel*” means fuel oils, kerosene and all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles or turbine-powered aircraft, and includes any substance used for that purpose, except that it does not include motor fuel. Kerosene and methanol shall not be considered to be special fuels, unless the kerosene or methanol is blended with other special fuels for use in a motor vehicle with a diesel engine.

“*Supplier*” means a person who acquires motor fuel or special fuel by pipeline or marine vessel from a state, territory, or possession of the United States, or from a foreign country for storage at and distribution from a terminal and who is registered under 26 U.S.C. § 4101 for tax-free transactions in fuel; a person who produces in this state or acquires by truck, railcar, or barge for storage at and distribution from a terminal, biofuel, biodiesel, alcohol, or alcohol derivative substances; or a person who produces, manufactures, or refines motor fuel or special fuel in this state. “Supplier” includes a person who does not meet the jurisdictional connection to this state but voluntarily agrees to act as a supplier for purposes of collecting and reporting the motor fuel or special fuel tax. “Supplier” does not include a retail dealer or wholesaler who merely blends alcohol with gasoline or biofuel with diesel before the sale or distribution of the product or a terminal operator who merely handles, in a terminal, motor fuel or special fuel consigned to the terminal operator.

“*Taxpayer*” means anyone responsible for paying fuel taxes directly to the department of revenue under Iowa Code chapter 452A.

“*Terminal*” means a motor fuel, alcohol, or special fuel storage and distribution facility that is supplied by a pipeline or a marine vessel and from which the fuel may be removed at a rack. “Terminal” does not include a facility at which motor fuel or special fuel blend stocks and additives are used in the manufacture of products other than motor fuel or special fuel and from which no motor fuel or special fuel is removed.

“*Terminal operator*” means the person who by ownership or contractual agreement is charged with the responsibility for, or physical control over, and operation of a terminal. If coventurers own a terminal, “terminal operator” means the person who is appointed to exercise the responsibility for, or physical control over, and operation of the terminal.

“*Terminal owner*” means a person who holds a legal or equitable interest in a terminal.

“*Withdrawn from terminal*” means physical movement from a supplier to a distributor or eligible end user or from an alcohol manufacturer to a nonterminal location and includes an importer going out of state and obtaining fuel from a terminal and bringing the fuel into the state, and a restrictive supplier bringing fuel into the state even though not purchased directly from a terminal. Exchange of product by suppliers while in the distribution channel and the physical movement of alcohol from an alcohol manufacturer to an Iowa licensed supplier’s alcohol storage at a terminal are not to be considered “withdrawn from terminal.”

This rule is intended to implement Iowa Code sections 452A.2 and 452A.59.

[ARC 1442C, IAB 4/30/14, effective 6/4/14; ARC 1805C, IAB 1/7/15, effective 2/11/15; ARC 2247C, IAB 11/25/15, effective 12/30/15]

701—67.2(452A) Statute of limitations, supplemental assessments and refund adjustments. After a return is filed, the department must examine it, determine fuel taxes due, and give notice of assessment to the taxpayer. If no return is filed, the department may determine the tax due and give notice thereof. See rule 701—67.5(452A). The period for the examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.

The department may, at any time within the period prescribed for assessment or refund adjustment, make a supplemental assessment or refund adjustment whenever it is ascertained that any assessment or refund adjustment is imperfect or incomplete in any respect.

If the assessment or refund adjustment is appealed (protested under rule 701—7.8(17A)) and is resolved whether by informal proceedings or by adjudication, the department and the taxpayer are precluded from making a supplemental assessment or refund adjustment concerning the same issue involved in such appeal for the same tax period unless there is a showing of mathematical or clerical error or a showing of fraud or misrepresentation.

The three-year period of limitation may be extended by a taxpayer by signing a waiver agreement form to be provided by the department. The agreement must stipulate the period of extension and must also provide that a claim for refund may be filed by the taxpayer at any time during the period of extension.

This rule is intended to implement Iowa Code section 452A.67 as amended by 1999 Iowa Acts, Senate File 136.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—67.3(452A) Taxpayers required to keep records. The records required to be kept by this rule must be preserved for a period of three years and will be open for examination by the department during this period of time. The department, after an audit and examination of the records, may authorize the disposal of the records required to be kept upon written request by the taxpayer. For taxpayers using an electronic data interchange process or technology also see 701—subrule 11.4(4).

67.3(1) Motor fuel and special fuel supplier. Every supplier required to file a monthly return under Iowa Code section 452A.8 is required to keep and preserve the following records relating to the purchase or sale of fuel:

- a. Copies of bills of lading or manifests.
- b. Copies of sales invoices.
- c. Sales records.
- d. Copies of filed returns and supporting schedules.
- e. Record of payment.
- f. Export schedules.

67.3(2) Restrictive supplier. Every restrictive supplier required to file a monthly return under Iowa Code section 452A.8 is required to keep and preserve the following records relating to the purchase or sale of fuel:

- a. Copies of bills of lading or manifests.
- b. Purchase invoices.

- c. Copies of sales invoices.
- d. Purchase records.
- e. Sales records.
- f. Copies of filed returns and supporting schedules.
- g. Record of payment.

67.3(3) Importer. Every importer required to file a semimonthly return under Iowa Code section 452A.8 is required to keep and preserve the following records relating to the purchase or sale of fuel:

- a. Copies of bills of lading or manifests.
- b. Purchase invoices.
- c. Copies of sales invoices.
- d. Purchase records.
- e. Sales records.
- f. Copies of filed returns and supporting schedules.
- g. Record of payment.

67.3(4) Exporter. Every exporter is required to keep and preserve the following records relating to the purchase of fuel for export:

- a. Copies of bills of lading or manifests.
- b. Purchase invoices and purchase records.
- c. Copies of reports, returns, and supporting schedules filed with the importing state.
- d. Record of payment.

67.3(5) Compressed natural gas, liquefied natural gas, and liquefied petroleum gas dealers and users. Every compressed natural gas, liquefied natural gas, and liquefied petroleum gas dealer and user is required to keep and preserve the following records:

- a. Copies of purchase invoice or bills of lading.
- b. Copies of sales invoices and sales records.
- c. Record of payment.
- d. Exemption certificates.
- e. Copies of filed returns and supporting schedules.

67.3(6) Terminal or nonterminal storage facility operator. Every person required to report under Iowa Code section 452A.15(2) or 2002 Iowa Acts, House File 2622, section 25, as an operator of a terminal or nonterminal storage facility shall keep and preserve the following records:

- a. Records to evidence the acquisition of fuel.
- b. Bills of lading or manifests covering the withdrawal of fuel.
- c. Copies of filed reports and supporting schedules.

67.3(7) Distributor. Every distributor handling motor fuel or special fuel is required to preserve and keep the following records:

- a. Delivery tickets.
- b. Sales invoices.
- c. Bills of lading.
- d. Record of payment.

67.3(8) Blender. Every blender is required to keep and preserve the following records:

- a. Purchase invoices for motor fuel, special fuel, and alcohol.
- b. Bills of lading.
- c. Copies of filed returns and supporting schedules.
- d. Record of payment.
- e. Copies of sales invoices.

67.3(9) Dealer. Every dealer (retailer) is required to keep and preserve the following records:

- a. Purchase invoices.
- b. Purchase records.
- c. Delivery tickets.
- d. Sales invoices.
- e. Sales records.

f. Record of payment.

67.3(10) *Microfilm and related record systems.* Microfilm, microfiche, COM (computer on machine), and other related reduction in storage systems will be referred to as “microfilm” in this rule.

Microfilm reproductions of general books of account, such as a cash book, journals, voucher registers, and ledgers, are not acceptable other than those that have been approved by the Internal Revenue Service under Revenue Procedure 76-43, Section 3.02. However, microfilm reproductions of supporting records of detail, such as sales invoices and purchase invoices, may be allowed providing there is no administrative rule or Iowa Code section requiring the original and all of the following conditions are met and accepted by the taxpayer:

- a.* Appropriate facilities are provided to ensure the preservation and readability of the films.
- b.* Microfilm rolls are indexed, cross-referenced, labeled to show beginning and ending numbers or beginning and ending alphabetical listing of documents included, and are systematically filed.
- c.* The taxpayer agrees to provide transcripts of any information contained on microfilm which may be required for purposes of verification of tax liability.
- d.* Proper facilities are provided for the ready inspection and location of the particular records, including modern projectors for viewing and for the copying of records.
- e.* Any audit of “detail” on microfilm may be subject to sample audit procedures, to be determined at the discretion of the director or the director’s designated representative.
- f.* A posting reference must be on each invoice.
- g.* Documents necessary to support claimed exemptions from tax liability, such as bills of lading and purchase orders, must be maintained in an order by which they readily can be related to the transaction for which exemption is sought.

67.3(11) *Automatic data processing records.* Automatic data processing (ADP) is defined in this rule as including electronic data processing (EDP) and will be referred to as ADP.

- a.* An ADP tax accounting system must have built into its program a method of producing visible and legible records which will provide the necessary information for verification of the taxpayer’s tax liability.
- b.* ADP records must provide an opportunity to trace any transaction back to the original source or to a final total. If detailed printouts are not made of transactions at the time they are processed, then the system must have the ability to reconstruct these transactions.
- c.* A general ledger with source references will be produced as hard copy to coincide with financial reports of tax reporting periods. In cases where subsidiary ledgers are used to support the general ledger accounts, the subsidiary ledgers should also be produced periodically.
- d.* Supporting documents and audit trail. The audit trail should be designed so that the details underlying the summary accounting data may be identified and made available to the director or the director’s designated representative upon request. The system should be designed so that the supporting documents, such as sales invoices and purchase invoices, are readily available. (An audit trail is defined as the condition of having sufficient documentary evidence to trace an item from source, such as invoice or payment, to a financial statement or tax return or report; or the reverse, that is, to have an auditable system.)

e. Program documentation. A description of the ADP portion of the accounting program should be available. The statements and illustrations as to the scope of operations should be sufficiently detailed to indicate:

- (1) The application being performed;
- (2) The procedure employed in each application (which, for example, might be supported by flow charts, block diagrams or other satisfactory description of the input or output procedures); and
- (3) The controls used to ensure accurate and reliable processing. Program and systems changes, together with their effective dates, should be noted in order to preserve an accurate chronological record.

f. Storage of ADP output will be in appropriate facilities to ensure preservation and readability of output.

67.3(12) *Electronic data interchange or EDI technology.* The purpose of this subrule is to adopt the “Model Recordkeeping and Retention Regulation” report as promulgated by the Federation of Tax

Administrators' Steering Committee Task Force on EDI Audit and Legal Issues for Tax Administration (March 1996). This subrule defines the requirements imposed on taxpayers for the maintenance and retention of books, records, and other sources of information under Iowa Code sections 452A.10, 452A.12, 452A.55, 452A.60, 452A.62, 452A.69, 452A.76, and 452A.80. It is also the purpose of this subrule to address these requirements where all or part of a taxpayer's records are received, created, maintained, or generated through various computer, electronic, and imaging processes and systems. A taxpayer must maintain all records that are necessary for determination of the correct tax liability as set forth in this subrule and the other subrules within rule 701—67.3(452A). Upon request, all required records must be made available to the department or its authorized representatives as provided in Iowa Code sections 452A.10 and 452A.62. If a taxpayer retains records required to be retained under this subrule in both machine-sensible and hard-copy formats, the taxpayer must make the records available to the department in machine-sensible format upon request of the department. Nothing in this subrule will be construed to prohibit a taxpayer from demonstrating tax compliance with traditional hard-copy documents or reproductions thereof, in whole or in part, whether or not the taxpayer also has retained or has the capability to retain records on electronic or other storage media in accordance with this subrule. However, as previously stated, this will not relieve a taxpayer of the obligation to comply with the requirement to make records available to the department.

a. Definitions. The following definitions are applicable to this subrule:

“Database management system” means a software system that controls, relates, retrieves, and provides accessibility to data stored in a database.

“Electronic data interchange” or *“EDI technology”* means the computer-to-computer exchange of business transactions in a standardized, structured electronic format.

“Hard copy” means any documents, records, reports, or other data printed on paper.

“Machine-sensible record” means a collection of related information in an electronic format. Machine-sensible records do not include hard-copy records that are created or recorded on paper or stored in or by an imaging system such as microfilm, microfiche, or storage-only imaging systems.

“Storage-only imaging system” means a system of computer hardware and software that provides for the storage, retention, and retrieval of documents originally created on paper. It does not include any system, or part of a system, that manipulates or processes any information or data contained on the document in any manner other than to reproduce the document in hard copy or as an optical image.

“Taxpayer” as used in this subrule means any person, business, corporation, fiduciary, or other entity that is required to file a return or report with the department of revenue.

b. Record-keeping requirements — machine-sensible records. A taxpayer that maintains and retains books, records, and other sources of information in the form of machine-sensible records must comply with the following:

(1) General requirements. A taxpayer must comply with the following general requirements regarding the retention of machine-sensible records:

1. Machine-sensible records used to establish tax compliance must contain sufficient transaction-level detail information so that the details underlying the machine-sensible records can be identified and made available to the department upon request. A taxpayer has discretion to discard duplicated records and redundant information provided its responsibilities under this regulation are met.

2. At the time of an examination, the retained records must be capable of being retrieved and converted to a standard record format. The term “standard record format” does not mean that every taxpayer must keep records in an identical manner. Instead, it requires that if a taxpayer utilizes a code system to identify elements of information in each record when creating and maintaining records, the taxpayer is required to maintain a record of the meaning of each code and any code changes so that the department may effectively review the taxpayer's records.

3. Taxpayers are not required to construct machine-sensible records other than those created in the ordinary course of business. A taxpayer that does not create the electronic equivalent of a traditional paper document in the ordinary course of business is not required to construct a traditional paper document for tax purposes.

(2) Electronic data interchange requirements. A taxpayer must comply with the following requirements for records received through electronic data interchange:

1. Where a taxpayer uses an electronic data interchange process and technology, the level of record detail, in combination with other records related to the transactions, must be equivalent to that contained in an acceptable paper record. For example, for motor fuel tax purposes the retained records should contain the following minimal information: bills of lading or manifests; invoices; sales and purchase records; returns, reports, and supporting schedules; records of payments; export schedules; exemption certificates; and delivery tickets. Codes may be used to identify some or all of the data elements, provided that the taxpayer provides a method which allows the department to interpret the coded information.

2. The taxpayer may capture the information necessary to satisfy the requirements set forth in the preceding paragraph at any level within the accounting system and need not retain the original EDI transaction records provided that the audit trail, authenticity, and integrity of the retained records can be established. For example, a taxpayer using electronic data interchange technology receives electronic invoices from its suppliers. The taxpayer decides to retain the invoice data from completed and verified EDI transactions in its accounts payable system rather than to retain the EDI transactions themselves. Since neither the EDI transaction nor the accounts payable system captures information from the invoice pertaining to product description and vendor name (i.e., they contain only codes for that information), the taxpayer also retains the other records such as its vendor master file and product code description lists and makes them available to the department. In this example, the taxpayer need not retain its original EDI transaction for tax purposes.

(3) Electronic data processing accounting systems requirements. The requirements for an electronic data processing accounting system should be similar to that of a manual accounting system, in that an adequately designed accounting system should incorporate methods and records that will satisfy the requirements of this rule. In addition, pursuant to Iowa Code sections 452A.10, 452A.12, 452A.55, 452A.60, 452A.62, 452A.69, 452A.76, and 452A.80, the department must have access to the taxpayer's EDI processing, accounting, or other systems for the purposes of verifying or evaluating the integrity and reliability of those systems to provide accurate and complete records.

(4) Business process information. To verify the accuracy of the records being retained, the taxpayer must comply with the following:

1. Upon the request of the department, the taxpayer shall provide a description of the business process that created the retained records. The description must include the relationship between the records and the tax documents prepared by the taxpayer and include the measures employed to ensure the integrity of the records.

2. The taxpayer must be capable of demonstrating the following:

- The functions being performed as they relate to the flow of data through the system;
- The internal controls used to ensure accurate and reliable processing; and
- The internal controls used to prevent unauthorized addition to, alteration of, or deletion of retained records.

3. The following specific documentation is required for machine-sensible records retained pursuant to this rule:

- Record formats or layouts;
- Field definitions (including a record of any changes in the system or codes and the meaning of all codes used to represent information);
- File descriptions (e.g., data set name); and
- Detailed charts of accounts and account descriptions.

c. *Record maintenance requirements.* The department recommends, but does not require, that taxpayers refer to the National Archives and Record Administration's (NARA) standards for guidance on the maintenance and storage of electronic records such as the labeling of records, the location and security of the storage environment, the creation of backup copies, and the use of periodic testing to confirm the continued integrity of the records. (The NARA standards may be found at 36 Code of Federal Regulations, Part 1234, July 1, 1995, Edition.) The taxpayer's computer hardware and software must accommodate the extraction and conversion of retained machine-sensible records.

d. Access to machine-sensible records. If a taxpayer retains records required to be retained under this regulation in both machine-sensible and hard-copy formats, the taxpayer must make the records available to the department in machine-sensible format upon the request of the department.

(1) The manner in which the department is provided access to machine-sensible records may be satisfied through a variety of means that must take into account a taxpayer's facts and circumstances through consultation with the taxpayer.

(2) Access shall be provided in one or more of the following manners:

1. The taxpayer may arrange to provide the department with the hardware, software, and personnel resources to access the machine-sensible records.

2. The taxpayer may arrange for a third party to provide the hardware, software, and personnel resources necessary to access the machine-sensible records.

3. The taxpayer may convert the machine-sensible records to a standard record format specified by the department, including copies of files, on magnetic medium that is agreed to by the department.

4. The taxpayer and the department may agree on other means of providing access to the machine-sensible records.

e. Taxpayer's responsibility and discretionary authority. In conjunction with meeting the requirements of paragraph "b" of this subrule, a taxpayer may create files solely for the use of the department. For example, if a database management system is used, it is consistent with this subrule for the taxpayer to create and retain a file that contains the transaction-level detail from the database management system and that meets the requirements of paragraph "b" of this subrule. The taxpayer shall document the process that created the separate file to show the relationship between that file and the original records. A taxpayer may contract with a third party to provide custodial or management services of the records. Such a contract will not relieve the taxpayer of its responsibilities under this rule.

f. Alternative storage media. For purposes of storage and retention, taxpayers may convert hard-copy documents received or produced in the normal course of business and required to be retained under this rule to microfilm, microfiche, or other storage-only imaging systems and may discard the original hard-copy documents provided that the rules governing alternative storage media are met. For details regarding alternative storage, see subrule 67.3(9), "Microfilm and related record systems."

g. Effect on hard-copy record-keeping requirements. Except as otherwise provided, the provisions of this subrule do not relieve taxpayers of the responsibility to retain hard-copy records that are created or received in the ordinary course of business as required by existing law and rules. Hard-copy records may be retained on alternative storage media as indicated in paragraph "f" above and subrule 67.3(9).

If hard-copy records are not produced or received in the ordinary course of transacting business (e.g., when the taxpayer uses electronic data interchange technology), hard-copy records need not be created.

Hard-copy records generated at the time of the transaction with the use of a credit or debit card must be retained unless all the details necessary to determine correct tax liability relating to the transaction are subsequently received and retained by the taxpayer in accordance with this rule.

Computer printouts that are created for validation, control, or other temporary purposes need not be retained.

Nothing in this rule shall prevent the department from requesting hard-copy printouts in lieu of retained machine-sensible records at the time of examination.

67.3(13) General requirements. If a tax liability has been assessed and an appeal is pending to the department, district court or an appellate court, books, papers, records, memoranda, or documents specified in this rule that relate to the period covered by the assessment must be preserved until the final disposition of the appeal.

If the requirements of this rule are not met, the records will be considered inadequate and rule 701—67.5(452A), estimate gallonage, applies.

This rule is intended to implement Iowa Code sections 452A.6 and 452A.15 as amended by 2002 Iowa Acts, House File 2622, and sections 452A.8, 452A.9, 452A.10, 452A.17, 452A.59, 452A.60, 452A.62, and 452A.69.

[ARC 1805C, IAB 1/7/15, effective 2/11/15; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—67.4(452A) Audit—costs. The department has the right and duty to examine or cause to be examined the books, records, memoranda, or documents of a taxpayer for the purpose of verifying the correctness of a return filed or determining the tax liability of any taxpayer. The costs incurred in examining the records of a taxpayer are at the taxpayer's expense when the records are kept at an out-of-state location. Cost will include meals, lodging, and travel expenses, but will not include salaries of department personnel. (See 1976 O.A.G. 611.)

This rule is intended to implement Iowa Code section 452A.10 and 452A.62 as amended by 1995 Iowa Acts, chapter 155, and Iowa Code sections 452A.55 and 452A.69.

701—67.5(452A) Estimate gallonage. It is the duty of the department to collect all taxes on fuel due the state of Iowa. In the event the taxpayer's records are lacking or inadequate to support any return filed by the taxpayer, or to determine the taxpayer's liability, the department has the power to estimate the gallonage upon which tax is due. This estimation will be based upon such factors as, but not limited to, the following: (1) prior experience of the taxpayer, (2) taxpayers in similar situations, (3) industry averages, (4) records of suppliers or customers, and (5) other pertinent information the department may possess, obtain or examine.

This rule is intended to implement Iowa Code section 452A.64.

701—67.6(452A) Timely filing of returns, reports, remittances, applications, or requests. The returns, reports, remittances, applications, or requests required under Iowa Code chapter 452A shall be deemed filed within the required time if (1) postpaid, (2) properly addressed, and (3) postmarked on or before midnight of the day on which due and payable. Any return that is not signed and any return which does not contain substantially all of the pertinent information are not considered "filed" until such time as the taxpayer signs or supplies the information to the department. *Miller Oil Company v. Abrahamson*, 252 Iowa 1058, 109 N.W.2d 610 (1961), *Severs v. Abrahamson*, 255 Iowa 979, 124 N.W.2d 150 (1963). The filing of a return within the period prescribed by law and payment of the tax required to be shown thereon are simultaneous acts, unless remittance is required to be transmitted electronically; and if either condition is not met, a penalty will be assessed. Remittances transmitted electronically are considered to have been made on the date the remittance is added to the bank account designated by the treasurer of the state of Iowa. If the final filing date falls on a Saturday, Sunday, or legal holiday, the next secular or business day is the final filing date. The director may require by rule that reports and returns be filed by electronic transmission. Effective for returns due after July 1, 2006, all licensees must file returns by electronic transmission. All suppliers, restricted suppliers, importers, terminals, blenders, and nonterminal storage facilities with at least 5,000 gallons of product on their return or report must also file the schedules which support the return or report by electronic transmission.

All returns, reports, remittances, applications, or requests should be mailed to: Iowa Department of Revenue, Motor Fuel Unit, Hoover State Office Building, Des Moines, Iowa 50319, unless electronic transmission is required.

In the event a dispute arises as to the time of filing, or a return, report, or remittance is not received by the department, the provisions of Iowa Code section 622.105 are controlling. This rule applies only when the document is not received or the postmark on the envelope is illegible, erroneous, or omitted.

This rule is intended to implement Iowa Code sections 452A.8 and 452A.61.

701—67.7(452A) Extension of time to file. The department may grant an extension for the filing of any required return or tax payment or both.

In order for an extension to be granted, the application requesting the extension must be filed, in writing, with the department prior to the due date of the return or remittance. In determining whether an application for extension is timely filed, the provisions of rule 701—67.6(452A) shall apply. The application for extension must be accompanied by an explanation of the circumstances justifying such extension, and in no event will the extension period exceed 30 days.

In the event an extension is granted, the penalties under Iowa Code section 452A.65 applicable to late-filed returns or remittances will not accrue until the expiration of the extension period, but the interest on tax due under the same section will accrue as of the original filing date.

This rule is intended to implement Iowa Code section 452A.61.

701—67.8(452A) Penalty and interest. See rules 701—10.6(421) and 701—10.2(421) for failure to timely file a return or for failure to timely pay the tax. See rule 701—10.8(421) for penalty exceptions. See rule 701—10.72(452A) for interest on refunds.

701—67.9(452A) Penalty and enforcement provisions. See rule 701—10.71(421).

701—67.10(452A) Application of remittance. All payments are to be first applied to the penalty and then to the interest, and the balance, if any, to the amount of tax then due. If a taxpayer remits a payment on or before the due date, but the payment is insufficient to discharge the tax liability, the entire amount of the payment applies to the tax, and the penalty and interest are based on the unpaid portion of the tax. If the department determines there is additional tax due from a taxpayer, interest and penalty shall accrue on that amount from the date it should have been reported and paid.

This rule is intended to implement Iowa Code section 452A.59 as amended by 1995 Iowa Acts, chapter 155, and Iowa Code sections 452A.65 and 452A.66.

701—67.11(452A) Reports, returns, records—variations. The department will prescribe and furnish forms upon which reports, returns, and applications are to be made to the department under Iowa Code chapter 452A. Claims for refund will be made on forms provided by the department or in any other manner as prescribed by the director. Licensees may substitute forms for their use, other than official forms, if all the requirements in department rule 701—8.3(17A) are met.

If the information required in these documents is presented to the department on forms or in a manner other than the prescribed form, or approved substitute form, the return, application, or claim for refund or credit shall not be deemed “filed.” The forms may be furnished by the department (except those pertaining to division III interstate operations which are available from the department of transportation) and, therefore, the fact that the reporting party does not have the prescribed form is not an excuse for failure to file.

The department may also prescribe the form of the records which the reporting parties are required to keep in support of the reports/returns they file. The department may approve the form of the records which are being kept by any reporting party and must approve the form of record being kept if that form contains all of the information on the prescribed form, the information is compiled in such a manner as to make it easily ascertainable by department personnel, and substantially complies with the prescribed form.

This rule is intended to implement Iowa Code section 452A.60 as amended by 1999 Iowa Acts, Senate File 136.

701—67.12(452A) Form of invoice. Whenever an invoice is required to be kept or prepared by Iowa Code chapter 452A, the invoice must:

1. Be prepared by someone other than the purchaser and include the seller’s name, address, and identification number.
2. Include the purchaser’s name and address.
3. Contain a serial number of three or more digits.
4. Include the calendar date of purchase.
5. Indicate the type of fuel purchased. Diesel fuel must be designated as dyed or undyed.
6. Indicate the quantity of fuel purchased in gross gallons.
7. Indicate the total purchase price and show separately the amount of state and federal fuel tax included in the purchase price or include a statement that all state and applicable federal taxes are included in the purchase price.

8. For ethanol blended gasoline or biodiesel blended fuel, state its designation as provided in Iowa Code section 214A.2.

9. Be prepared on paper which will prevent erasure or alteration or on another form approved by the department.

This rule is intended to implement Iowa Code section 452A.10, section 452A.12 as amended by 2009 Iowa Acts, Senate File 478, section 140, and section 452A.60.

[ARC 8225B, IAB 10/7/09, effective 11/11/09]

701—67.13(452A) Credit card invoices. Credit card invoices are acceptable if they meet substantially all the requirements of rule 701—67.12(452A). (1968 O.A.G. 592)

For refund purposes, presentation of a credit card invoice or billing statement is prima facie evidence that the fuel tax has been paid.

This rule is intended to implement Iowa Code section 452A.60 as amended by 1995 Iowa Acts, chapter 155.

701—67.14(452A) Original invoice retained by purchaser—certified copy if lost. Whenever an invoice is required to be kept under Iowa Code chapter 452A, it must be the original copy which is kept. If the original copy is either lost or destroyed, a copy, certified by the seller as being a true copy of the original, will be acceptable. A copy of any invoice which is required to be kept by the purchaser must be kept by the seller for the same period of time.

This rule is intended to implement Iowa Code sections 452A.10 and 452A.60 as amended by 1995 Iowa Acts, chapter 155.

701—67.15(452A) Taxes erroneously or illegally collected. Licensees, including licensed suppliers, restrictive suppliers, importers, and blenders, are entitled to a return of taxes, penalty, and interest erroneously or illegally collected by the department. The request for the return of the taxes must be (1) in writing, (2) filed with the department within one year of the time the tax was paid if paid prior to July 1, 2002, and within three years of the time the tax was paid if the tax was paid on or after July 1, 2002, (3) filed by the licensee who remitted the tax to the department, and (4) accompanied by documentation supporting the claim for refund. If the erroneous collection was the result of a computational error on the part of the taxpayer and that error is discovered by the department during an examination of the taxpayer's records within three years of the overpayment, the taxes will be refunded and a written request will not be necessary. If the request includes the return of erroneously or illegally collected (assessed) penalty or interest, the interest or penalty shall be refunded in the same proportion as the tax. A refund requested under Iowa Code section 452A.72 will be reduced by sales tax if applicable. There is no minimum refund amount for refunds claimed under the provisions of Iowa Code section 452A.72. See sales tax rule 701—18.37(422,423).

67.15(1) Motor fuel and undyed special fuel suppliers must inform the department upon which bill(s) of lading, by number, and upon which monthly return(s) the tax was erroneously paid. The gallonage upon which a refund is requested on motor fuel or undyed special fuel must be reduced by the distribution allowance provided in Iowa Code section 452A.5. An amended return must be filed for the tax period in which the error occurred.

67.15(2) Restrictive suppliers, importers, and blenders must inform the department upon which bill(s) of lading or invoice, by number, and upon which monthly or semimonthly return(s) the tax was erroneously paid and an explanation of the erroneous payment. An amended return must be filed for the tax period in which the error occurred.

This rule is intended to implement Iowa Code section 452A.72 as amended by 2002 Iowa Acts, Senate File 2305.

701—67.16(452A) Credentials and receipts. Employees of the department have official credentials, and the taxpayer should require proof of the identity of persons claiming to represent the department. No charges are to be made nor gratuities of any kind accepted by an employee of the department for assistance given in or out of the office of the department.

All employees authorized to collect money are supplied with official receipt forms. When cash is paid to an employee of the department, the taxpayer should require the employee to issue an official receipt. Such receipt must show the taxpayer's name, address, and permit or license number; the purpose of the payment; and the amount of the payment. The taxpayer should retain all receipts, and the only receipts which the department will accept as evidence of a cash payment are the official receipts.

This rule is intended to implement Iowa Code section 452A.59 as amended by 1995 Iowa Acts, chapter 155.

701—67.17(452A) Information confidential. Iowa Code section 452A.63, which makes all information obtained from reports, returns, or records required to be filed or kept under Iowa Code chapter 452A confidential, applies generally to the director, deputies, auditors, agents, officers, or other employees of the department. The information may be divulged to the appropriate public officials enumerated in Iowa Code section 452A.63. These public officials include (1) member(s) of the Iowa General Assembly, (2) committees of either house of the Iowa legislature, (3) state officers, (4) persons who have responsibility for the enforcement of Iowa Code chapter 452A, (5) officials of the federal government entrusted with enforcement of federal motor vehicle fuel tax laws, and (6) officials of other states who have responsibility to enforce motor vehicle fuel tax laws and who will furnish like information to the department. An exception to this rule is that the appropriate state agency may make available to the public the total gallons of motor fuel, undyed special fuel, and ethanol blended gasoline withdrawn from terminals or imported into the state by suppliers, restrictive suppliers, and importers. The public request must be made within 45 days following the last day of the month in which the tax is required to be paid. See rule 701—6.3(17A) for procedures for requesting information.

This rule is intended to implement Iowa Code section 452A.63 as amended by 1999 Iowa Acts, Senate File 136.

701—67.18(452A) Delegation to audit and examine. Pursuant to statutory authority, the director of revenue delegates to the coadministrators of the compliance division the power to examine reports, returns, and records, make audits, and determine the correct amount of tax, interest, penalties, and fines due, and to take all actions authorized to collect the same, subject to review by or appeal to the director of revenue. The power so delegated may further be delegated by the coadministrators of the division to auditors, clerks, examiners, and employees of the division.

This rule is intended to implement Iowa Code sections 452A.62 and 452A.76.

701—67.19(452A) Practice and procedure before the department of revenue. The practice and procedure before the department is governed by Iowa Code chapter 17A and 701—Chapter 7.

This rule is intended to implement Iowa Code chapter 17A.

701—67.20(452A) Time for filing protest. Any person wishing to contest an assessment, denial of all or any portion of a refund claim, or any other department action, except licensing, which may culminate in a contested case proceeding, must file a protest with the clerk of the hearings section for the department pursuant to rule 701—7.8(17A) within 60 days of the issuance of the assessment, denial, or other department action contested. If a taxpayer failed to timely appeal a notice of assessment, the taxpayer may make payments pursuant to rule 701—7.8(17A) and file a refund claim within the period provided by law for filing claims.

This rule is intended to implement Iowa Code section 452A.64.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—67.21(452A) Bonding procedure. The director may, when necessary and advisable in order to secure the collection of the tax, require any person subject to the tax to file with the department a bond in an amount as the director may fix, or in lieu of the bond, securities approved by the director in an amount as the director may prescribe. Pursuant to the statutory authorization in Iowa Code sections 423.35 and 452A.66, the director has determined that the following procedures will be instituted with regard to bonds:

67.21(1) *When required.*

a. Classes of business. When the director determines, based on departmental records, other state or federal agency statistics, or current economic conditions, that certain segments of the petroleum business community are experiencing above average financial failures such that the collection of the tax might be jeopardized, a bond or security will be required from every licensee operating a business within this class unless it is shown to the director's satisfaction that a particular licensee within a designated class is solvent and that the licensee previously timely remitted the tax. If the director selects certain classes of licensees for posting a bond or security, rule making will be initiated to reflect a listing of the classes in the rules.

b. New applications for fuel tax permits. Notwithstanding the provisions of paragraph "a" above, the director has determined that importers will be required to post a bond in the amount of \$25,000 and other applicants for a new fuel tax permit will be requested to post a bond or security if (1) it is determined upon a complete investigation of the applicant's financial status that the applicant would likely not be able to timely remit the tax, or (2) the new applicant held a prior fuel tax license and the remittance record of the tax under the prior license falls within one of the conditions in paragraph "c" below, or (3) the department experienced collection problems while the applicant was engaged in business under the prior license, or (4) the applicant is substantially similar to a person who would have been required to post a bond under the guidelines as set forth in "c" or such person had a previous fuel tax permit revoked. The applicant is "substantially similar" to the extent that said applicant is owned or controlled by persons who owned or controlled the previous licensee. For example, X, a corporation, had a previous fuel tax permit revoked. X is dissolved and its shareholders create a new corporation, Y, which applies for a fuel tax permit. The persons or stockholders who controlled X now control Y. Therefore, Y will be requested to post a bond or security.

c. Existing licensees—amount of bond or security. The simultaneous late filing of the return and the late payment of the tax will count as one delinquency. See rule 701—67.24(452A). However, the late filing of the return or the late payment of the tax will not count as a delinquency if the license holder can satisfy one of the conditions set forth in Iowa Code section 421.27, penalty waiver.

(1) Suppliers will be requested to post a bond or security when they have had one or more delinquencies in remitting the fuel tax or timely filing monthly returns during the past six months.

The bond or security will be an amount sufficient to cover six months' fuel tax liability or \$5,000, whichever is greater.

(2) Restrictive suppliers will be requested to post a bond or security when they have had two or more delinquencies in remitting the fuel tax or timely filing monthly returns during the past 12 months.

The bond or security will be an amount sufficient to cover 12 months' fuel tax liability or \$2,000, whichever is greater.

(3) Blenders will be requested to post a bond or security when they have had two or more delinquencies in remitting the fuel tax or timely filing monthly returns during the past six months.

The bond or security will be an amount sufficient to cover 12 months' fuel tax liability or \$2,000, whichever is greater.

(4) Compressed natural gas, liquefied natural gas, and liquefied petroleum gas dealers and users will be requested to post a bond or security when they have had two or more delinquencies in remitting the fuel tax or timely filing monthly returns during the past 12 months. The bond or security will be an amount sufficient to cover 12 months' fuel tax liability or \$500, whichever is greater.

d. Eligible purchasers and end users will be required to post a bond or security when they have failed to pay the tax to a supplier. They will not be allowed to register as an eligible purchaser or end user again until the bond or security requirement has been complied with.

The bond or security will be an amount sufficient to cover six months' fuel tax based on previous purchases.

e. Waiver of bond. If a licensee has been requested to post a bond or security or if an applicant for a license has been requested to post a bond or security, upon the filing of the bond or security if

the licensee maintains a good filing record for a period of two years, the licensee may request that the department waive the continued bond or security requirement. Importer bonds will not be waived.

67.21(2) *Type of security or bond.* When it is determined that a licensee or applicant for a fuel tax permit is required to post collateral to secure the collection of the fuel tax, the following types of collateral will be considered as sufficient: cash, surety bonds, securities, or certificates of deposit. “Cash” means guaranteed funds including, but not limited to, cashier’s check, money order, or certified check. If cash is posted as a bond, the bond will not be considered filed until the final payment is made, if paid in installments. A certificate of deposit must have a maturity date of 24 months from the date of assignment to the department. An assignment from the bank must accompany the original certificate of deposit filed with the department for the bank to be released from liability. When a licensee elects to post cash rather than a certificate of deposit as a bond, conversion to a certificate of deposit will not be allowed. When the licensee is a corporation, an officer of the corporation may assume personal responsibility for the payment of fuel tax. Security requirements for the officer will be evaluated as provided in 67.21(1) above as if the officer applied for a fuel tax license as an individual.

This rule is intended to implement Iowa Code sections 423.35 and 452A.66.
[ARC 1805C, IAB 1/7/15, effective 2/11/15; ARC 2247C, IAB 11/25/15, effective 12/30/15]

701—67.22(452A) Tax refund offset. The department may apply any fuel tax refund against any other liability outstanding.

This rule is intended to implement Iowa Code sections 452A.17 and 421.17.

701—67.23(452A) Supplier, restrictive supplier, importer, exporter, blender, dealer, or user licenses.

67.23(1) *Requirements for license.* In order to become licensed as a fuel supplier, restrictive supplier, importer, exporter, blender, dealer, or user, the person must file a written application with the department. The license is valid until revoked or canceled, and is nonassignable. The application is to include, but not be limited to, the following information:

- a. The name under which the licensee will transact business in the state.
- b. The location of the principal place of business of the licensee and the mailing address if different.
- c. The social security number or federal identification number of the licensee.
- d. The type of ownership.
- e. The name and complete residency address of the owner(s) of the business or, if a corporation or association, the names and addresses of the principal officers.
- f. The type of license being requested.
- g. Exporters only — the state and license number for that state in which the fuel is being exported.
- h. The signature of the person making the application. For electronically transmitted applications, the application form shall state that, in lieu of the person’s handwritten signature, the person’s E-mail address or the person’s fax signature will constitute a valid signature.

67.23(2) *Assignment of a license.* The following are nonexclusive situations that are considered assignments, and the acquiring person must apply for a new license.

- a. A sale of the taxpayer’s business, even if the new owner operates under the same name.
- b. A change of the name under which the licensee conducts business.
- c. A merger or other business combination which results in a new or different entity.

67.23(3) *Denial of a license.* The department may deny a license to any applicant who is, at the time of application, substantially delinquent in paying any tax due which is administered by the department or the interest or penalty on the tax and will deny a permit of an individual if the department has received a certificate of noncompliance from the child support recovery unit in regard to an individual. If the applicant is a partnership, a license may be denied if a partner is substantially delinquent in paying any tax, penalty, or interest regardless of whether the tax is in any way a liability of or associated with the partnership. If an applicant for a license is a corporation, the department may deny the applicant a license if any officer with a substantial legal or equitable interest in the ownership of the corporation

owes any delinquent tax, penalty, or interest of the applicant corporation. See rule 701—13.16(422) for a characterization of the terms “tax administered by the department” and “substantially delinquent” in paying a tax. If the application for a license is denied, see rule 701—7.23(17A) for rights to appeal.

67.23(4) *Revocation of a license.* The department may revoke the license of any licensee who becomes substantially delinquent in paying any tax which is administered by the department or the interest or penalty on the tax and will revoke a license of an individual if the department has received a certificate of noncompliance from the child support recovery unit in regard to an individual. If a licensee is a corporation, the department may revoke the license if any officer with a substantial legal or equitable interest in the ownership of the corporation owes any delinquent tax, penalty, or interest of the applicant corporation. If the licensee is a partnership, the license may not be revoked for a partner’s substantial delinquency in paying any tax, penalty, or interest which is not a liability of the partnership. See rule 701—13.16(422) for characterizations of the terms “tax administered by the department” and “substantially delinquent” in paying a tax. The department may also revoke the license of any licensee who abuses the privileges for which the license was issued, who files a false return, or who fails to file a return (including supporting schedules), pay the full amount of tax due, produce records requested, or extend cooperation to the department. See rule 701—7.55(17A) for rights to appeal.

67.23(5) *Efficient administration of motor fuel laws.* When in the opinion of the director it is necessary for the efficient administration of Iowa Code chapter 452A, the director may regard persons or facilities in possession of motor fuel, special fuel, biofuel, alcohol, or alcohol derivative substances as blenders, dealers, eligible purchasers, exporters, importers, restrictive suppliers, suppliers, terminal operators, or nonterminal storage facility operators. The department will notify the person or facility of the various requirements under the motor fuel tax laws and will ensure that a license is issued.

This rule is intended to implement Iowa Code sections 452A.4 and 452A.6.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—67.24(452A) *Reinstatement of license canceled for cause.* A license canceled for cause will be reinstated only on such terms and conditions as the cause may warrant. Terms and conditions will include payments of any applicable fuel tax liability including interest and penalty which is due the department.

Pursuant to the director’s statutory authority in Iowa Code section 452A.68 to restore licenses after being canceled for cause, the director has determined that upon the cancellation of a motor vehicle fuel tax license the initial time, the licensee will be required to pay all delinquent fuel tax liabilities including interest and penalty, to file returns, and to post a bond and have refrained from activities requiring a license under sections 452A.4 and 452A.6 during the waiting period as required by the director prior to the reinstatement or issuance of a new motor vehicle fuel tax license.

As set forth above, the director may impose a waiting period during which the licensee must refrain from activities requiring a license pursuant to the penalties provided in Iowa Code section 452A.74 for a period not to exceed 90 days as a condition for the restoration of a license or the issuance of a new license after cancellation for cause. The department may require a statement that the licensee has fulfilled all requirements of said order canceling the license for cause and the dates on which the license holder refrained from restricted activities.

Each of the following situations will be considered one offense for the purpose of determining the waiting period to reinstate a license canceled for cause or issuing a new license after being canceled for cause unless otherwise noted.

Failure to post a bond as required.

Failure to file a report or return timely.

Failure to pay tax timely (including unhonored payments, failure to pay and late payments).

Failure to file a return and pay tax as shown on the return (counts as one offense).

The hearing officer or director of revenue may order a waiting period after the cancellation for cause not to exceed:

Five days for one through five offenses.

Seven days for six or seven offenses.

Ten days for eight or nine offenses.

Thirty days for ten offenses or more.

The hearing officer or director of revenue may order a waiting period not to exceed:

Forty-five days if the second cancellation for cause occurs within 24 months of the first cancellation for cause.

Sixty days if the second cancellation for cause occurs within 18 months of the first cancellation for cause.

Ninety days if the second cancellation for cause occurs within 12 months of the first cancellation for cause.

Ninety days if the third cancellation for cause occurs within 36 months of the second cancellation for cause. See 701—subrule 7.24(1) for rights to appeal.

This rule is intended to implement Iowa Code section 452A.68 as amended by 1999 Iowa Acts, Senate File 136.

701—67.25(452A) Fuel used in implements of husbandry. Dyed special fuel is exempt from tax. Motor fuel or undyed special fuel is subject to refund when used in implements of husbandry as defined in Iowa Code section 321.1(32). A vehicle as defined in Iowa Code section 321.1(90) is not an implement of husbandry. The department of revenue, the state department of transportation, the department of public safety, and any other peace officer as requested by such department is empowered to enforce the use of special fuel or motor fuel in any illegal manner, including the inspection and testing of fuel in the fuel supply tank of an implement of husbandry.

This rule is intended to implement Iowa Code section 452A.76 as amended by 1995 Iowa Acts, chapter 155.

701—67.26(452A) Excess tax collected. If a licensee collects tax on exempt fuel or collects more tax than is due, the licensee must return the excess tax paid to the purchaser if the tax has not been paid to the department. If the tax has been paid to the department, the department will return the excess tax paid to the consumer upon appropriate documentation.

This rule is intended to implement 1999 Iowa Acts, Senate File 136, section 66.

701—67.27(452A) Retailer gallons report. The department is required to compile information reported to it by retail dealers regarding the number of gallons of the various fuel classifications sold by retail dealers in the previous calendar year and submit a report to the governor and the legislative services agency by April 1 of each year. Each retail dealer is required to file a report with the department detailing the number of motor fuel gallons sold during the previous calendar year on both a companywide basis and a site-by-site basis as required by the department. The retail dealer report is due by January 31 following the close of the calendar year.

The report filed by the department will include information in the aggregate relating to total sales of gasoline, ethanol blended gasoline, diesel fuel and biofuels. The report will also include appropriate percentage sales of various fuel products. The report will not include individual retail dealer information, trade secret information or confidential information.

This rule is intended to implement Iowa Code section 452A.33 as amended by 2011 Iowa Acts, Senate File 531.

[ARC 9821B, IAB 11/2/11, effective 12/7/11]

[Filed 11/3/95, Notice 9/27/95—published 11/22/95, effective 1/1/96]

[Filed 9/20/96, Notice 8/14/96—published 10/9/96, effective 11/13/96]

[Filed 9/5/97, Notice 7/30/97—published 9/24/97, effective 10/29/97]

[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]

[Filed 12/11/98, Notice 11/4/98—published 12/30/98, effective 2/3/99]

[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]

[Filed 10/15/99, Notice 9/8/99—published 11/3/99, effective 12/8/99]

[Filed 10/12/01, Notice 9/5/01—published 10/31/01, effective 12/5/01]

[Filed 3/15/02, Notice 2/6/02—published 4/3/02, effective 5/8/02]

- [Filed 10/25/02, Notice 9/4/02—published 11/13/02, effective 12/18/02]
- [Filed 10/24/03, Notice 9/17/03—published 11/12/03, effective 12/17/03]
- [Filed 11/6/03, Notice 10/1/03—published 11/26/03, effective 12/31/03]
- [Filed 11/16/05, Notice 10/12/05—published 12/7/05, effective 1/11/06]
- [Filed 12/13/06, Notice 11/8/06—published 1/3/07, effective 2/7/07]
- [Filed 10/5/07, Notice 8/29/07—published 10/24/07, effective 11/28/07]
- [Filed 10/31/08, Notice 9/24/08—published 11/19/08, effective 12/24/08]
- [Filed ARC 8225B (Notice ARC 8043B, IAB 8/12/09), IAB 10/7/09, effective 11/11/09]
- [Filed ARC 9821B (Notice ARC 9741B, IAB 9/7/11), IAB 11/2/11, effective 12/7/11]
- [Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]
- [Filed ARC 1442C (Notice ARC 1362C, IAB 3/5/14), IAB 4/30/14, effective 6/4/14]
- [Filed ARC 1805C (Notice ARC 1681C, IAB 10/15/14), IAB 1/7/15, effective 2/11/15]
- [Filed ARC 2247C (Notice ARC 2123C, IAB 9/2/15), IAB 11/25/15, effective 12/30/15]
- [Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 71
ASSESSMENT PRACTICES AND EQUALIZATION
[Prior to 12/17/86, Revenue Department[730]]

701—71.1(405,427A,428,441,499B) Classification of real estate.

71.1(1) Responsibility of assessors. All real estate subject to assessment by city and county assessors shall be classified as provided in this rule. It shall be the responsibility of city and county assessors to determine the proper classification of real estate. There can be only one classification per property under this rule, except as provided for in paragraph 71.1(5)“b.” An assessor shall not assign one classification to the land and a different classification to the building or separate classifications to the land or separate classifications to the building. A building or structure on leased land is considered a separate property and may be classified differently than the land upon which it is located. The determination shall be based upon the best judgment of the assessor following the guidelines set forth in this rule and the status of the real estate as of January 1 of the year in which the assessment is made. The assessor shall classify property according to its present use and not according to its highest and best use. See subrule 71.1(9) for an exception to the general rule that property is to be classified according to its use. The classification shall be utilized on the abstract of assessment submitted to the department of revenue pursuant to Iowa Code section 441.45. See rule 701—71.8(428,441).

71.1(2) Responsibility of boards of review, county auditors, and county treasurers. Whenever local boards of review, county auditors, and county treasurers exercise assessment functions allowed or required by law, they shall classify property as provided in this rule and adhere to the requirements of this rule.

71.1(3) Agricultural real estate.

a. Generally. Agricultural real estate shall include all tracts of land and the improvements and structures located on them which are in good faith used primarily for agricultural purposes except buildings which are primarily used or intended for human habitation as defined in subrule 71.1(4). Land and the nonresidential improvements and structures located on it shall be considered to be used primarily for agricultural purposes if its principal use is devoted to the raising and harvesting of crops or forest or fruit trees, the rearing, feeding, and management of livestock, or horticulture, all for intended profit. Agricultural real estate shall also include woodland, wasteland, and pastureland, but only if that land is held or operated in conjunction with agricultural real estate as defined in paragraph “a” or “b” of this subrule.

b. Vineyards. Beginning with valuations established on or after January 1, 2002, vineyards and any buildings located on a vineyard and used in connection with the vineyard shall be classified as agricultural real estate if the primary use of the land and buildings is an activity related to the production or sale of wine.

c. Algae cultivation and production. Beginning with valuations established on or after January 1, 2013, real estate used directly in the cultivation and production of algae for harvesting as a crop for animal feed, food, nutritionals, or biofuel production shall be classified as agricultural real estate if the real estate is an enclosed pond or land which contains a photobioreactor. Pursuant to 2013 Iowa Acts, House File 632, section 1, a photobioreactor is not attached to land upon which it sits and shall not be assessed and taxed as real property.

(1) Determining direct usage. To determine if real estate is used “directly” in the cultivation and production of algae, one must first ensure that the real estate is used to perform activities that cultivate and produce algae and is not used for activities that occur before or after the cultivation and production of algae. If the real estate is used to perform activities for the cultivation and production of algae, to be “directly” so used, the real estate must be used to perform activities that are integral and essential to the cultivation and production, as distinguished from activities that are incidental, merely convenient to, or remote from cultivation and production. The fact that real estate is used for activities that are essential or necessary to the cultivation and production of algae does not mean that the real estate is also “directly” used in production. Even if the real estate is used for activities that are essential or necessary

to the cultivation and production of algae, if the activities are far enough removed from the cultivation or production of algae, the real estate would not qualify for the agricultural designation.

(2) Examples. The following are nonexclusive examples of real estate which would not be directly used in the cultivation and production of algae:

1. Real estate that is used to store, assemble, or repair machinery and equipment that is used for cultivation and production of algae.
2. Real estate that is used in the management, administration, advertising, or selling of algae.
3. Real estate that is used in the management, administration, or planning of the cultivation and production of algae.
4. Real estate that is used for packaging of the algae which has been produced and cultivated.

71.1(4) Residential real estate. Residential real estate shall include all lands and buildings which are primarily used or intended for human habitation containing fewer than three dwelling units, as that term is defined in subparagraph 71.1(5)“a”(5), including those buildings located on agricultural land. Buildings used primarily or intended for human habitation shall include the dwelling as well as structures and improvements used primarily as a part of, or in conjunction with, the dwelling. This includes but is not limited to garages, whether attached or detached, tennis courts, swimming pools, guest cottages, and storage sheds for household goods. “Used in conjunction with” means that the structure or improvement is located on the same parcel, on contiguous parcels, or on a parcel directly across a street or alley as the building or structure containing the dwelling and when marketed for sale would be sold as a unit. Residential real estate located on agricultural land shall include only buildings as defined in this subrule. Buildings for human habitation that are used as commercial ventures, including but not limited to hotels, motels, rest homes, and structures containing three or more separate living quarters shall not be considered residential real estate. However, regardless of the number of separate living quarters, multiple housing cooperatives organized under Iowa Code chapter 499A and land and buildings owned and operated by organizations that have received tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, if the rental income from the property is not taxed as unrelated business income under Iowa Code section 422.33(1A), shall be considered residential real estate.

An apartment in a horizontal property regime (condominium) referred to in Iowa Code chapter 499B which is used or intended for use for human habitation shall be classified as residential real estate regardless of who occupies the apartment. Existing structures shall not be converted to a horizontal property regime unless building code requirements have been met.

71.1(5) Multiresidential real estate. Multiresidential real estate shall include all parcels or portions of a parcel which are primarily used or intended for human habitation containing three or more separate dwelling units as well as structures and improvements used primarily as a part of, or in conjunction with, the dwelling units. For purposes of this rule, “used in conjunction with” means that the structure or improvement is located on the same parcel, on contiguous parcels, or on a parcel directly across a street or alley as the building or structure containing the dwelling units and when marketed for sale would be sold as a unit. Multiresidential real estate shall include mobile home parks, manufactured home communities, land-leased communities, and assisted living facilities. Multiresidential real estate shall exclude properties referred to in Iowa Code section 427A.1(8) or properties subject to valuation under Iowa Code section 441.21(2).

a. Definitions. For purposes of this subrule, the following definitions apply:

(1) “Mobile home park” means any land upon which three or more mobile homes, as defined in Iowa Code section 435.1, or manufactured homes, as defined in Iowa Code section 435.1, or a combination of such homes, are placed on developed spaces and operated as a for-profit enterprise with water, sewer, or septic, and electrical services available. “Mobile home park” does not include homes where the owner of the land is providing temporary housing for the owner’s employees or students.

(2) “Manufactured home community” means any site, lot, field, or tract of land under common ownership upon which ten or more occupied manufactured homes, as defined in Iowa Code section 435.1, are harbored, either free of charge or for revenue purposes, and shall include any building, structure, or enclosure used or intended for use as part of the equipment of the community.

“Manufactured home community” shall not be construed to include homes, buildings, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students. “Manufactured home community” means the same as “land-leased community” as defined in Iowa Code sections 335.30A and 414.28A.

(3) “Land-leased community” means any site, lot, field, or tract of land under common ownership upon which ten or more occupied manufactured homes are harbored, either free of charge or for revenue purposes, and shall include any building, structure, or enclosure used or intended for use as part of the equipment of the land-leased community. “Land-leased community” shall not be construed to include homes, buildings, or other structures temporarily maintained by any individual, educational institution, or company on their own premises and used exclusively to house their own labor or students.

(4) “Assisted living facility” means real estate that provides housing with services which may include but are not limited to health-related care, personal care, and assistance with instrumental activities of daily living to three or more tenants in a physical structure which provides a homelike environment. “Assisted living facility” also includes a health care facility, as defined in Iowa Code section 135C.1, an elder group home, as defined in Iowa Code section 231B.1, a child foster care facility under Iowa Code chapter 237, or property used for a hospice program as defined in Iowa Code section 135J.1.

(5) “ Dwelling unit” means an apartment, group of rooms, or single room which is occupied as separate living quarters or, if vacant, is intended for occupancy as separate living quarters, in which a tenant can live and sleep separately from any other persons in the building. A vacant dwelling unit that does not have active utility services is not considered to be intended for occupancy.

b. Dual classification. Assessors shall use dual classification on parcels where the primary use of the parcel is commercial or industrial and a portion or portions of the parcel are used or intended for human habitation, regardless of the number of dwelling units. For the assessment year beginning January 1, 2015, a parcel where the primary use is multiresidential shall not receive a dual classification but instead shall be classified multiresidential for the entire parcel.

For assessment years beginning January 1, 2016, and after, assessors shall use dual classification on properties where the primary use of the parcel meets the requirements of the multiresidential classification and a portion or portions of the parcel meet the requirements of the commercial classification under subrule 71.1(6) or the industrial classification under subrule 71.1(7). If the primary use of a parcel is for human habitation and the parcel contains fewer than three separate dwelling units, it shall be classified as residential real estate under subrule 71.1(4).

The only permissible combinations of dual classifications are commercial and multiresidential or industrial and multiresidential. The assessor shall assign to that portion of the parcel that satisfies the requirements the classification of multiresidential property and to such other portions of the parcel the property classification for which such other portions qualify. The assessor shall maintain the valuation and assessment of property with a dual classification on one parcel record.

c. Section 42 housing. Property that has elected special valuation procedures under Iowa Code section 441.21(2) and is rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code shall not be classified as multiresidential property as required by 2014 Iowa Acts, House File 2466, section 3.

d. Short-term leases. A hotel, motel, inn or other building where rooms or dwelling units are usually rented for less than one month shall not be classified as multiresidential property.

71.1(6) Commercial real estate. Commercial real estate shall include all lands and improvements and structures located thereon which are primarily used or intended as a place of business where goods, wares, services, or merchandise is stored or offered for sale at wholesale or retail. Commercial realty shall also include hotels, motels, and property that is rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code and has not been withdrawn from Section 42 assessment procedures under Iowa Code section 441.21(2). Commercial real estate shall also include data processing equipment as defined in Iowa Code section 427A.1(1) “j,” except data processing equipment used in the manufacturing process. However, regardless of the number of separate living quarters or any commercial use of the property, single- and two-family dwellings, multiple housing cooperatives organized under Iowa Code chapter 499A, and land and buildings used primarily for human

habitation and owned and operated by organizations that have received tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, if the rental income from the property is not taxed as unrelated business income under Iowa Code section 422.33(1A), shall be classified as residential real estate.

An apartment in a horizontal property regime (condominium) referred to in Iowa Code chapter 499B which is used or intended for use as a commercial venture, other than leased for human habitation, shall be classified as commercial real estate. Existing structures shall not be converted to a horizontal property regime unless building code requirements have been met.

71.1(7) Industrial real estate.

a. Land and buildings.

(1) Industrial real estate includes land, buildings, structures, and improvements used primarily as a manufacturing establishment. A manufacturing establishment is a business entity in which the primary activity consists of adding to the value of personal property by any process of manufacturing, refining, purifying, the packing of meats, or the combination of different materials with the intent of selling the product for gain or profit. Industrial real estate includes land and buildings used for the storage of raw materials or finished products and which are an integral part of the manufacturing establishment, and also includes office space used as part of a manufacturing establishment.

(2) Whether property is used primarily as a manufacturing establishment and, therefore, assessed as industrial real estate depends upon the extent to which the property is used for the activities enumerated in subparagraph 71.1(7) "a"(1). Property in which the performance of these activities is only incidental to the property's primary use for another purpose is not a manufacturing establishment. For example, a grocery store in which bakery goods are prepared would be assessed as commercial real estate since the primary use of the grocery store premises is for the sale of goods not manufactured by the grocery and the industrial activity, i.e., baking, is only incidental to the store premises' primary use. However, property which is used primarily as a bakery would be assessed as industrial real estate even if baked goods are sold at retail on the premises since the bakery premises' primary use would be for an industrial activity to which the retail sale of baked goods is merely incidental. See *Lichty v. Board of Review of Waterloo*, 230 Iowa 750, 298 N.W. 654 (1941).

Similarly, a facility which has as its primary use the mixing and blending of products to manufacture feed would be assessed as industrial real estate even though a portion of the facility is used solely for the storage of grain, if the use for storage is merely incidental to the property's primary use as a manufacturing establishment. Conversely, a facility used primarily for the storage of grain would be assessed as commercial real estate even though a part of the facility is used to manufacture feed. In the latter situation, the industrial use of the property — the manufacture of feed — is merely incidental to the property's primary use for commercial purposes — the storage of grain.

(3) Property used primarily for the extraction of rock or mineral substances from the earth is not a manufacturing establishment if the only processing performed on the substance is to change its size by crushing or pulverizing. See *River Products Company v. Board of Review of Washington County*, 332 N.W.2d 116 (Iowa Ct. App. 1982).

b. Machinery.

(1) Machinery includes equipment and devices, both automated and nonautomated, which is used in manufacturing as defined in Iowa Code section 428.20. See *Deere Manufacturing Co. v. Beiner*, 247 Iowa 1264, 78 N.W.2d 527 (1956).

(2) Machinery owned or used by a manufacturer but not used within the manufacturing establishment is not assessed as industrial real estate. For example, "X" operates a factory which manufactures building materials for sale. In addition, "X" uses some of these building materials in construction contracts. The machinery which "X" would primarily use at the construction site would not be used in a manufacturing establishment and, therefore, would not be assessed as industrial real estate.

(3) Machinery used in manufacturing but not used in or by a manufacturing establishment is not assessed as industrial real estate. See *Associated General Contractors of Iowa v. State Tax Commission*, 255 Iowa 673, 123 N.W.2d 922 (1963).

(4) Where the primary function of a manufacturing establishment is to manufacture personal property that is consumed by the manufacturer rather than sold, the machinery used in the manufacturing

establishment is not assessed as industrial real estate. See *Associated General Contractors of Iowa v. State Tax Commission*, 255 Iowa 673, 123 N.W.2d 922 (1963).

71.1(8) Point-of-sale equipment. As used in Iowa Code section 427A.1(1)“j,” the term “point-of-sale equipment” means input, output, and processing equipment used to consummate a sale and to record or process information pertaining to a sale transaction at the time the sale takes place and which is located at the counter, desk, or other specific point at which the transaction occurs. As used in this subrule, the term “sale” means the sale or rental of goods or services and includes both retail and wholesale transactions. Point-of-sale equipment does not include equipment used primarily for depositing or withdrawing funds from financial institution accounts.

71.1(9) Housing development property.

a. Ordinances adopted or amended on or after January 1, 2011.

(1) Adoption of ordinance by board of supervisors. A county board of supervisors may adopt an ordinance providing that property acquired and subdivided for development of housing on or after January 1, 2011, shall continue to be assessed for taxation in the manner it was assessed prior to the acquisition. Each lot shall continue to be taxed in the manner it was taxed prior to acquisition for housing until the lot is sold for construction or occupancy of housing or 5 years from the date of subdivision, whichever occurs first.

(2) Amendments to ordinance by board of supervisors. On or after July 27, 2011, the board of supervisors of a county may amend an ordinance adopted or otherwise made effective under 2011 Iowa Code Supplement section 405.1(1)“a” to extend the 5-year time period for a period of time not to exceed 5 years beyond the end of the original 5-year period established under 2011 Iowa Code Supplement section 405.1(1). Thus, the maximum special assessment time for ordinances adopted on or subsequent to January 1, 2011, is 10 years. An extension of an ordinance under 2011 Iowa Code Supplement section 405.1(1)“a” may apply to all or a portion of the property that was subject to the original ordinance.

(3) Amendments to ordinance by city council. A city council may adopt an ordinance, affecting all or a portion of the property located within the incorporated area of the city subject to the county ordinance adopted under 2011 Iowa Code Supplement section 405.1(1)“a,” extending the county ordinance not previously extended by the board of supervisors up to 5 years. An ordinance by a city council providing for an extension under 2011 Iowa Code Supplement section 405.1(3) shall be subject to the 5-year limitation under 2011 Iowa Code Supplement section 405.1(2). Thus, the maximum time to appeal an ordinance adopted on or subsequent to January 1, 2011, is 10 years if the city council amends an ordinance originally adopted by the county board of supervisors.

(4) Sale of lot; expiration of 5-year or extended period. Upon the sale of the lot for construction or occupancy for housing or upon the expiration of the 5-year or extended period, the property shall be assessed for taxation as residential or commercial multifamily property, whichever is applicable.

(5) Definition of “subdivide.” As used in both paragraphs 71.1(9)“a” and “b,” “subdivide” means to divide a tract of land into three or more lots.

b. Ordinances adopted on or after January 1, 2004, but prior to January 1, 2011.

(1) Ordinances adopted under 2011 Iowa Code Supplement sections 405.1(1) and 405.1(2), to the extent such ordinances affect the assessment of property subdivided for development of housing on or after January 1, 2004, but before January 1, 2011, shall remain in effect or otherwise be made effective, and such ordinances:

1. Adopted under 2011 Iowa Code Supplement section 405.1(1), applicable to counties with a population of less than 20,000, shall be extended, from a period of 5 years, to apply to a period of 10 years from the date of subdivision.

2. Adopted under 2011 Iowa Code Supplement section 405.1(2), applicable to counties with a population of 20,000 or more, shall be extended, from a period of 3 years, to apply to a period of 8 years from the date of subdivision.

Each lot shall continue to be taxed in the manner it was taxed prior to acquisition for housing until the lot is sold for construction or occupancy of housing, or 10 years pursuant to paragraph “1” above or 8 years pursuant to paragraph “2” above (or the extended period, if applicable) from the date of subdivision, whichever occurs first.

(2) Amendments to ordinance by board of supervisors. On or after July 27, 2011, the board of supervisors of a county may amend an ordinance adopted under 2011 Iowa Code Supplement section 405.1(1) or 405.1(2) to extend the 10- and 8-year periods, respectively, for a period of time not to exceed 5 years beyond the end of the 10- and 8-year periods established under 2011 Iowa Code Supplement section 405.1(1)“b.” Thus, the maximum special assessment time for ordinances adopted on or after January 1, 2004, but prior to January 1, 2011, for counties with a population of less than 20,000 shall be 15 years. For counties with a population of 20,000 or more, the maximum shall be 13 years.

(3) Amendments to ordinance by city council. A city council may adopt an ordinance, affecting all or a portion of the property located within the incorporated area of the city subject to the county ordinance adopted under 2011 Iowa Code Supplement sections 405.1(1) and 405.1(2), extending the county ordinances not previously extended by the board of supervisors up to 5 years. An ordinance by a city council providing for an extension under 2011 Iowa Code Supplement section 405.1(3) shall be subject to the 5-year limitation under 2011 Iowa Code Supplement section 405.1(2). Thus, the maximum time to appeal an ordinance adopted on or after January 1, 2004, but prior to January 1, 2011, for counties with a population of less than 20,000 shall be 15 years if the city council amends an ordinance originally adopted by the board of supervisors. For counties with a population of 20,000 or more, the maximum special assessment time shall be 13 years.

(4) Sale of lot. Upon the sale of the lot for construction or occupancy for housing or upon the expiration of the 10- or 8-year or extended period, the property shall be assessed for taxation as residential or commercial multifamily property, whichever is applicable.

71.1(10) Assessment of platted lots.

a. When a subdivision plat is recorded pursuant to Iowa Code chapter 354 on or after January 1, 2011, the individual lots within the subdivision plat shall not be assessed, in the aggregate, in excess of the total assessment of the land as acreage or unimproved property for 5 years after the recording of the plat or until the lot is actually improved with permanent construction, whichever occurs first. When an individual lot has been improved with permanent construction, the lot shall be assessed for taxation purposes as provided in Iowa Code chapters 428 and 441.

b. For subdivision plats recorded pursuant to Iowa Code chapter 354 (relating to division and subdivision of land) on or after January 1, 2004, but before January 1, 2011, the individual lots within the subdivision plat shall not be assessed, in the aggregate, in excess of the total assessment of the land as acreage or unimproved property for 8 years after the recording of the plat or until the lot is actually improved with permanent construction, whichever occurs first. When an individual lot has been improved with permanent construction, the lot shall be assessed for taxation purposes as provided in Iowa Code chapters 428 and 441.

c. 2011 Iowa Code Supplement section 441.72 does not apply to special assessment levies.

This rule is intended to implement Iowa Code sections 405.1, 427A.1, 428.4 and 441.22 and chapter 499B and Iowa Code Supplement section 441.21 as amended by 2002 Iowa Acts, House File 2584. [ARC 8559B, IAB 3/10/10, effective 4/14/10; ARC 0400C, IAB 10/17/12, effective 11/21/12; ARC 1196C, IAB 11/27/13, effective 1/1/14; ARC 1765C, IAB 12/10/14, effective 1/14/15; ARC 2146C, IAB 9/16/15, effective 10/21/15]

701—71.2(421,428,441) Assessment and valuation of real estate.

71.2(1) Responsibility of assessor. The valuation of real estate as established by city and county assessors shall be the actual value of the real estate as of January 1 of the year in which the assessment is made. New parcels of real estate created by the division of existing parcels of real estate shall be assessed separately as of January 1 of the year following the division of the existing parcel of real estate.

71.2(2) Responsibility of other assessing officials. Whenever local boards of review, county auditors, and county treasurers exercise assessment functions allowed or required by law, they shall follow the provisions of subrule 71.2(1) and rules 701—71.3(421,428,441) to 701—71.7(421,427A,428,441).

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21.

701—71.3(421,428,441) Valuation of agricultural real estate. Agricultural real estate shall be assessed at its actual value as defined in Iowa Code section 441.21 by giving exclusive consideration to its productivity and net earning capacity. In determining the actual value of agricultural real estate,

city and county assessors shall use the Iowa Real Property Appraisal Manual and any other guidelines issued by the department of revenue pursuant to Iowa Code section 421.17(18).

71.3(1) Productivity.

a. In determining the productivity and net earning capacity of agricultural real estate, the assessor shall also use available data from Iowa State University, the United States Department of Agriculture (USDA) National Agricultural Statistics Service (NASS), the USDA Farm Service Agency (FSA), the Iowa department of revenue, or other reliable sources. The assessor shall also consider the results of a modern soil survey, if completed. The assessor shall determine the actual valuation of agricultural real estate within the assessing jurisdiction and distribute such valuation throughout the jurisdiction so that each parcel of real estate is assessed at its actual value as defined in Iowa Code section 441.21.

b. In distributing such valuation to each parcel under paragraph 71.3(1)“*a*,” the assessor shall adjust non-cropland. The adjustment shall be applied to non-cropland with a corn suitability rating (CSR) that is greater than 50 percent of the average CSR for cropland for the county. The adjustment shall be determined for each county based upon the five-year average difference in cash rent between non-irrigated cropland and pasture land as published by NASS. The assessor may utilize the USDA FSA-published Common Land Unit digital data or other reliable sources in determining non-cropland. Counties shall implement the adjustments under this paragraph on or before the 2017 assessment year. The department of revenue may, in a case involving hardship, extend the implementation of the adjustments required under this paragraph to the 2019 assessment year. No extension of time shall be granted unless the county makes a written request to the department of revenue for such action.

c. A taxpayer may apply to the county for the adjustment to non-cropland under paragraph 71.3(1)“*b*” beginning with the 2014 assessment and until the county’s full implementation of this subrule. Upon application, and subsequent approval by the assessor, the county assessor shall adjust non-cropland as provided in paragraph 71.3(1)“*b*.” Once a taxpayer applies for the adjustment, and upon approval, the assessor shall make the adjustment to the assessment year for which the application was submitted and until the county’s full implementation of this subrule, without the need to reapply for the adjustment.

d. EXAMPLE. The following is an example of the calculation used to compute adjustment on land determined to be non-cropland with a CSR that is greater than 50 percent of the average CSR for cropland for the county:

Average county CSR rating for cropland	80 CSR
50% of average cropland CSR	40 CSR
Example of non-cropland soil 11b CSR rating	58 CSR
Non-cropland CSR points to be adjusted	$58 - 40 = 18$ CSR points
5-year average rent for non-irrigated cropland	\$163.60
5-year average rent for pasture land	\$48.30
Percent difference (rounded)	$1 - (\$48.30/\$163.60) = 70\%$
Apply the percent difference to points to be adjusted	$18 \text{ CSR points} \times (1 - .70) = 5.40$ adjusted CSR points
Adjusted CSR non-cropland	$40 + 5.40 = 45.40$ adjusted CSR points

71.3(2) Agricultural factor. In order to determine a productivity value for agricultural buildings and structures, assessors must make an agricultural adjustment to the market value of these buildings and structures by developing an “agricultural factor” for the assessors’ jurisdictions. The agricultural factor for each jurisdiction is the product of the ratio of the productivity and net earning capacity value per acre as determined under subrule 71.12(1) over the market value of agricultural land within the assessing jurisdiction. The resulting ratio is then applied to the actual value of the agricultural buildings and structures as determined under the Iowa Real Property Appraisal Manual prepared by the department. The agricultural factor must be applied uniformly to all agricultural buildings and structures in the assessing jurisdiction. As an example, if a building’s actual value is \$500,000 and the agricultural factor is 30 percent, the productivity value of that building is \$150,000. See *H & R Partnership v. Davis*

County Board of Review, 654 N.W.2d 521 (Iowa 2002). The 2007, 2008, and 2009 average of the market value of land will be used in determining the agricultural factor for assessment year 2011. A five-year market value average of land for years used to determine the productivity formula will be used to determine the agricultural factor for assessment year 2013 and subsequent assessment years.

71.3(3) Classification. Land classified as agricultural real estate includes the land beneath any dwelling and appurtenant structures located on that land and shall be valued by the assessor pursuant to rule 701—71.3(421,428,441). An assessor shall not value a part of the land as agricultural real estate and a part of the land as if it is residential real estate.

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21.

[ARC 8542B, IAB 2/24/10, effective 3/31/10; ARC 9478B, IAB 4/20/11, effective 5/25/11; ARC 0770C, IAB 5/29/13, effective 7/3/13]

701—71.4(421,428,441) Valuation of residential real estate. Residential real estate shall be assessed at its actual value as defined in Iowa Code section 441.21.

In determining the actual value of residential real estate, city and county assessors shall use the appraisal manual issued by the department of revenue pursuant to Iowa Code section 421.17(18) as well as a locally conducted assessment/sales ratio study, an analysis of sales of comparable properties, and any other relevant data available.

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21.

701—71.5(421,428,441) Valuation of commercial real estate. Commercial real estate shall be assessed at its actual value as defined in Iowa Code section 441.21. In determining the actual value of commercial real estate, city and county assessors shall use the appraisal manual issued by the department of revenue pursuant to Iowa Code section 421.17(18) as well as a locally conducted assessment/sales ratio study, an analysis of sales of comparable properties, and any other relevant data available.

71.5(1) Property of long distance telephone companies. The director of revenue shall assess the property of long distance telephone companies as defined in Iowa Code section 476.1D(10) which property is first assessed for taxation on or after January 1, 1996, in the same manner as commercial real estate.

71.5(2) Low-income housing subject to Section 42 of the Internal Revenue Code.

a. Productive and earning capacity. In assessing property that is rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code which limits the amount that the individual or family pays for the rental or lease of units in the property, the assessor shall use the productive and earning capacity from the actual rents received as a method of appraisal and shall take into account the extent to which that use and limitation reduces the market value of the property.

b. Direct capitalization method. The income approach to valuation shall be applied using the direct capitalization method. The assessor may use the discounted cash flow method as a test of the reasonableness of the results produced by the direct capitalization method. The direct capitalization method of the income approach involves dividing the Net Operating Income (NOI) on a cash basis by an overall capitalization rate to derive an indication of the value of the property for the assessment year.

In applying the direct capitalization method, the assessor shall develop a normalized measure of annual NOI based on the productive and earning capacity of the development utilizing (1) the actual rent schedule applicable for each of the available units as of January 1 of the year of assessment indicating the actual rent to be paid by the resident plus any Section 8 rental assistance or other direct cash rental subsidy provided to the resident by federal, state or local rent subsidy programs as limited pursuant to Section 42 of the Internal Revenue Code, (2) a normal vacancy/collection allowance, (3) the prior year's actual and current year's projected annual operating expenses associated with the property, excluding noncash items such as depreciation and amortization, but including property taxes and those actual costs expected to be incurred and paid as required by Internal Revenue Code Section 42 regulations, provisions, and restrictions as applicable to the assessment year, and (4) an appropriate provision for replacement reserves.

If no separate line item is included for reserves for replacement in the historic income and expense data, then the maintenance and repair categories of the historic expense data must be itemized. For

properties that have attained a normalized operating history, the NOI results of the prior three years (as represented in the statements variously named as the Income and Loss Statement, the Profit and Loss Statement, the Income Statement, the Actual to Budget Comparison Statement, Balance Sheet, or some name variation of these) may be used to provide the basis for determining the normalized NOI used for purposes of applying the direct capitalization method for the year of assessment, provided an appropriate replacement reserve is included in the NOI determination and provided any additional costs required as a result of Section 42 regulation or compliance changes for the assessment year are included as an operating expense in the NOI determination. In addition, the assessor may utilize the current year operating budget to develop a measure of NOI for the assessment year. The assessor, in developing the measure of annual NOI on a cash basis, shall not consider as income any potential rental income differential that could otherwise be received from the property if the rents were not limited pursuant to Section 42 of the Internal Revenue Code, any tax credit equity, any tax credit value, or other subsidized financing.

c. Filing of reports. It shall be the responsibility of the property owner to file income and expense data with the local assessor by March 1 of each year. The assessor may require the filing of additional information if deemed necessary.

d. Capitalization rate. The overall capitalization rate to be used in applying the direct capitalization method for a Section 42 property is developed through the band-of-investment technique. The capitalization rate will be calculated annually by the Iowa department of revenue and distributed to all Iowa assessors by March 1. The capitalization rate is a composite rate weighted by the proportions of total property investment represented by debt and equity. The capital structure weights equity at 80 percent and debt at 20 percent unless actual market capital structure can be verified to the assessor. The yield, or market rate of return, for equity is calculated using the capital asset pricing model (CAPM). The yield for debt is equivalent to the average yield on 25-year Treasury bonds referred to as the Treasury long-term average rate. An example of the band-of-investment technique to be utilized is as follows:

	% to Total	Yield	Composite
Equity	80%	11.05%	8.84%
Debt	20%	5.94%	1.19%
	100%		10.03%

e. Capital asset pricing model. The capital asset pricing model (CAPM) is utilized to develop the equity rate. The formula is:

$$Re = B(Rm - Rf) + Rf$$

Where:

- Re = return on equity
- B = beta
- Rm = return on the market
- Rf = risk-free rate of return
- Rm - Rf = market-risk premium

The beta is assumed to be 1 which indicates the risk level to be consistent with the market as a whole. The risk-free rate is calculated by finding the average of the three-month and six-month Treasury bill. The return on the market is calculated by taking the average of the return on the market for the Merrill Lynch Universe and Standard and Poor’s 500 or by reference to other published secondary sources.

f. Properties under construction. For Section 42 properties under construction, the assessor may value the property by applying the percentage of completion to the replacement cost new (RCN) as calculated from the Iowa Real Property Appraisal Manual and adding the fair market value of the land. Alternatively, projected income and expense data may be utilized if available.

g. Negative or minimal NOI. If the Section 42 property shows a negative or minimal net operating income (NOI), the indicator of value as set forth in these rules shall not be utilized.

h. Eligibility withdrawn. The property owner shall notify the assessor when property is withdrawn from Section 42 eligibility under the Internal Revenue Code. The notification must be provided by March 1 of the assessment year or the owner is subject to a penalty of \$500.

This rule is intended to implement Iowa Code sections 421.17, 428.4, 441.21 as amended by 2004 Iowa Acts, Senate File 2296, and 476.1D(10).

701—71.6(421,428,441) Valuation of industrial land and buildings. Industrial real estate shall be assessed at its actual value as defined in Iowa Code section 441.21.

In determining the actual value of industrial land and buildings, city and county assessors shall use the appraisal manual issued by the department of revenue pursuant to Iowa Code subsection 421.17(18), and any other relevant data available.

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21.

701—71.7(421,427A,428,441) Valuation of industrial machinery. Industrial machinery as referred to in Iowa Code section 427A.1(1) “e” shall include all machinery used in manufacturing establishments and shall be assessed as real estate even though such machinery might be assessed as personal property if not used in a manufacturing establishment.

In determining the actual value of industrial machinery assessed as real estate, the assessor shall give consideration to the “Industrial Machinery and Equipment Valuation Guide” issued by the department of revenue and any other relevant data available.

This rule is intended to implement Iowa Code sections 421.17, 427A.1, 428.4 and 441.21.

701—71.8(428,441) Abstract of assessment. Each city and county assessor shall submit annually to the department of revenue at the times specified in Iowa Code section 441.45 an abstract of assessment for the current year. The assessor shall use the form of abstract prescribed and furnished by the department and shall enter on the abstract all information required by the department. However, the department may approve the use of a computer-prepared abstract if the data is in essentially the same format as on the form prescribed by the department. The information entered on the abstract of assessment shall be reviewed and considered by the department in equalizing the valuations of classes of properties.

This rule is intended to implement Iowa Code sections 428.4 and 441.45.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.9(428,441) Reconciliation report. The assessor’s report of any revaluation required by Iowa Code section 428.4 shall be made on the reconciliation report prescribed and furnished by the department of revenue. The assessor shall enter on the report all information required by the department. The reconciliation report shall be a part of the abstract of assessment required by Iowa Code section 441.45 and shall be reviewed and considered by the department in equalizing valuations of classes of property.

This rule is intended to implement Iowa Code sections 428.4 and 441.45.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.10(421) Assessment/sales ratio study.

71.10(1) Basic data. Basic data shall be that submitted to the department of revenue by county recorders and city and county assessors on forms prescribed and provided by the department, information furnished by parties to real estate transactions, and information obtained by field investigations made by the department of revenue.

71.10(2) Responsibility of recorders and assessors. County recorders and city and county assessors shall complete the prescribed forms as required by Iowa Code subsection 421.17(6) and rule 701—79.3(428A) in accordance with instructions issued by the department. Assessed values entered on the prescribed form shall be those established as of January 1 of the year in which the sale takes place.

71.10(3) Normal sales. All real estate transfers shall be considered by the department of revenue to be normal sales unless there exists definite information which would indicate the transfer was not an arms-length transaction or is of an excludable nature as provided in Iowa Code section 441.21.

This rule is intended to implement Iowa Code section 421.17.

701—71.11(441) Equalization of assessments by class of property.

71.11(1) Commencing in 1977 and every two years thereafter, the department of revenue shall order the equalization of the levels of assessment of each class of property as provided in rule 701—71.12(441) by adding to or deducting from the valuation of each class of property, as reported to the department on the abstract of assessment and reconciliation report that is a part of the abstract, the percentage in each case as may be necessary to bring the level of assessment to its actual value as defined in Iowa Code section 441.21. Valuation adjustments shall be ordered if the department determines that the aggregate valuation of a class of property as reported on the abstract of assessment submitted by the assessor is at least 5 percent above or below the aggregate valuation for that class of property as determined by the department pursuant to rule 701—71.12(441). Equalization orders of the department shall be restricted to equalizing the aggregate valuations of entire classes of property among the several assessing jurisdictions. All classifications of real estate shall be applied uniformly throughout the state of Iowa.

71.11(2) Equalization percentage adjustments determined for residential realty located outside incorporated areas and not located on agricultural land shall apply to buildings located on agricultural land outside incorporated areas, which are primarily used or intended for human habitation, as defined in subrule 71.1(4).

Equalization percentage adjustments determined for residential realty located within incorporated cities and not located on agricultural land shall apply to buildings located on agricultural land within incorporated cities that are primarily used or intended for human habitation as defined in subrule 71.1(4).

This rule is intended to implement Iowa Code sections 441.21, 441.47, 441.48 and 441.49.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.12(441) Determination of aggregate actual values.

71.12(1) Agricultural real estate.

a. Use of income capitalization study. The equalized valuation of agricultural realty shall be based upon its productivity and net earning capacity and shall be determined in accordance with the provisions of this subrule. Data used shall pertain to crops harvested during the five-year period ending with the calendar year in which assessments were last equalized. The equalized valuation of agricultural realty shall be determined for each county as follows:

(1) Computation of county acres. This information shall be obtained from the USDA National Agricultural Statistics Service.

1. Total acres in farms: Total acreage used for agricultural purposes.
2. Corn acres: Sum of corn acres harvested including silage, popcorn and acres planted for sorghum.
3. Oats and wheat acres: Sum of oats and wheat acres harvested.
4. Soybean acres: Soybean acres harvested.
5. Hay acres: All hay acres harvested.
6. Pasture acres: All pasture acres. Total pasture acres shall be determined by multiplying the total acres in farms reported by the USDA National Agricultural Statistics Service by the percentage which total pasture land as reported in the most recent U.S. Census of Agriculture bears to the total acreage in farmland also reported in the most recent U.S. Census of Agriculture. The amount of tillable and nontillable pasture acres shall be determined as follows:

1.	From the most recent U.S. Census of Agriculture obtain the following:		
	Cropland used only for pasture and grazing	_____	acres
	Woodland pasture	_____	acres
	Pasture land and rangeland (other than cropland and woodland pasture)	_____	acres
	TOTAL PASTURE LAND (total of above):	_____	acres
2.	Determine what percentage of the total pasture land is cropland used only for pasture:	_____	%
3.	Apply the percentage in "2" above to the 5-year average total acres of pasture as determined above to determine the pasture acres to be classified as tillable pasture. The remainder of the 5-year average shall be classified as nontillable pasture land.	_____	acres

7. Government programs: Determine the 5-year average acres participating in applicable government programs. Obtain data from the USDA Farm Service Agency, including but not limited to acreage devoted to the Payment-In-Kind (PIK), diverted and deficiency programs.

8. Other acres: The difference between the total acreage for land uses listed above and the total of all land in farms. Add the total of the corn, oats, soybeans, hay, tillable and nontillable pasture and diverted acres. Subtract this total from total acres in farms. The residual is classified as other acres.

(2) Computation of county yields. This information shall be obtained for each county from the USDA National Agricultural Statistics Service.

1. Corn yield (including silage): Number of bushels of corn harvested for grain per acre.
2. Oat yield (including wheat): Number of bushels of oats harvested per acre.
3. Soybean yield: Number of bushels per acre harvested.
4. Hay yield in tons: Number of tons per acre harvested.

(3) Computation of county gross income.

1. Corn: One-half of the 5-year average production multiplied by the 5-year average price received for corn.

2. Silage: One-half of the 5-year average number of acres devoted to the production of silage multiplied by the 5-year average production per acre for corn. The amount of production so determined shall be added to the 5-year average production for corn and included in the determination of the gross income for corn.

3. Soybeans: One-half of the 5-year average production multiplied by the 5-year average price received.

4. Oats: One-half of the 5-year average production of oats and wheat multiplied by the 5-year average price received for oats.

5. Price adjustment: For corn, soybeans, hay, and oats, the prices used shall be as obtained from the USDA National Agricultural Statistics Service and shall be adjusted to reflect any individual county price conditions prior to the 2007 crop year. For the 2007 crop year and later, the USDA National Agricultural Statistics Service district prices shall be used and shall be adjusted to reflect any individual county price conditions.

6. Government programs: Gross income shall be one-half of the 5-year average amount of cash payments or equivalent (such as PIK bushels) including but not limited to diverted, deficiency and PIK programs as reported by the USDA Farm Service Agency.

7. Hay: Gross income shall be a cash rent amount determined by multiplying the 5-year average number of acres devoted to hay by the product obtained by multiplying one-fourth of the 5-year average hay yield by the 5-year average price received for all types of hay.

8. Tillable pasture: Gross income shall be a cash rent amount determined by multiplying the 5-year average number of acres devoted to tillable pasture by the product obtained in “hay” above.

9. Nontillable pasture: Gross income shall be a cash rent amount determined by multiplying the 5-year average number of acres devoted to nontillable pasture by one-half the product obtained in “hay” above.

10. Other acres: Income shall be the product of the number of other acres multiplied by 17 percent of the net income per acre for all other land uses.

(4) Computation of county production costs. The following data and procedures shall be used to determine specific county production costs.

1. Basic average landlord production costs. Landlord production costs for corn, soybeans, oats, diverted acres, hay, tillable pasture, nontillable pasture, fertilizer costs, and facilities’ costs shall be obtained for each year from Iowa State University.

2. Production cost adjustment. The production costs for corn, soybeans, oats, and hay are adjusted for each county by multiplying the difference between the 5-year state average yield per acre and the 5-year county average yield per acre by the 5-year average facilities’ costs. If a county’s yield exceeds the state yield, production costs are increased by this amount. If a county’s yield is less than the state yield, production costs are reduced by this amount.

3. Fertilizer cost adjustment. The adjustment for fertilizer costs is determined as follows: Multiply the difference between the 5-year state average corn yield per acre and the 5-year county average corn yield per acre obtained from the USDA National Agricultural Statistics Service by the fertilizer cost amount per bushel determined by dividing the statewide average cost of landlord’s share of fertilizer cost per acre from Iowa State University by the statewide average corn yield per acre to produce the corn fertilizer cost per bushel adjustment. This amount is then multiplied by the 5-year county average corn acres determined in (2) above.

4. Expense adjustments. If a county’s 5-year average corn yield is greater than the state 5-year average corn yield, this amount is allowed as an additional expense. If the county’s average is less than the state average, this amount is an expense reduction.

5. Liability insurance cost adjustment. The 5-year average per acre cost of obtaining tort liability insurance shall be determined.

(5) Computation of county net income. From the total gross income, subtract the total expenses. Divide the resulting total by the total number of acres.

(6) Computation of dwelling adjustment factor. The amount determined in (5) above shall be reduced by 10.6 percent.

(7) Computation of county tax adjustment. Subtract the 5-year average per acre real estate taxes levied for land and structures including drainage and levee district taxes but excluding those levied against agricultural dwellings from the amount determined in (6) above. Taxes shall be the tax levied for collection during the 5-year period as reported by county auditors, and reduced by the amount of the agricultural land tax credit.

(8) Calculation of county valuation per acre. Divide the net income per acre ((7) above) for each county as determined above by the capitalization rate specified in Iowa Code section 441.21. The quotient shall be the actual per acre equalized valuation of agricultural land and structures for the current equalization year.

b. Use of other relevant data. The department of revenue may also consider other relevant data, including field investigations conducted by representatives of the department, to determine the level of assessment of agricultural real estate.

c. Determination of value. The aggregate actual value of agricultural real estate in each county shall be determined by multiplying the equalized per acre value by the number of acres of agricultural real estate reported on the abstract of assessment for the current year, adjusted where necessary by the results of any field investigations conducted by the department of revenue and any other relevant data available.

71.12(2) Residential real estate outside and within incorporated cities.

a. Use of assessment/sales ratio study.

(1) Basic data shall be that set forth in rule 701—71.10(421) refined by eliminating any sales determined to be abnormal or by adjusting the sales to eliminate the effects of factors that resulted in the determination that the sales were abnormal. The basic data used shall be the assessment/sales ratio study conducted for sales taking place during the calendar year immediately preceding the year in which the equalization order is issued. The department of revenue may also supplement the assessment/sales ratio study with appraisals made by department appraisal personnel for the year immediately preceding the year in which the equalization order is issued. The assessment/sales ratio study including relevant appraisals, if any, shall be used to determine the aggregate actual valuation of residential real estate in each assessing jurisdiction. The department may consider sales and appraisal data for prior years if it is determined the use of the sales and appraisal data for the year immediately preceding the year in which the equalization order is issued is insufficient to determine market value. If such sales and appraisal data for prior years is used, consideration shall be given for any subsequent changes in either assessed value or market value.

(2) Assessors shall provide any known facts or circumstances regarding reported sales transactions and department appraisals that would indicate abnormal or unusual conditions or reporting discrepancies that would necessitate exclusion or adjustment of sales or appraisals from the determination of aggregate actual values. Assessors shall provide those facts within 45 days of receipt from the department of information concerning sales and appraisal data proposed for assessment/sales ratio and equalization purposes.

b. Use of other relevant data. The department of revenue may also consider other relevant data, including field investigations conducted by representatives of the department, to determine the level of assessment of residential real estate.

c. Equalization appraisal selection procedures for residential real estate. Residential properties to be appraised by department of revenue personnel for use in supplementing the assessment/sales ratio study shall be selected for each jurisdiction in the following manner:

(1) The department appraiser assigned to the jurisdiction shall determine a systematic random sequence of numbers equal to the number of appraisals required and document the following steps.

1. The department appraiser assigned to the jurisdiction shall compute the interval number by dividing the total number of improved properties in the classification to be sampled by the number of appraisals to be performed.

EXAMPLE: In this example, ten appraisals are needed with a total of 1,397 improved residential units. Dividing 1,397 by 10, 139.7 is arrived at, which is rounded down to 139. This is the interval number.

2. The selection of the first sequence number shall be accomplished by having an available disinterested person randomly select a number from one through the interval number.

EXAMPLE: In this example a number from 1 to 139 is to be selected. The person randomly selected number 20.

3. The department appraiser shall develop a systematic sequence of numbers equal to the number of appraisals required. Starting with the randomly selected number previously picked by the disinterested person, add the interval number to this number and to each resulting number until a systematic sequence of numbers is obtained.

EXAMPLE: In this example ten appraisals are needed, so a sequence of ten numbers must be developed. Starting with number 20 and adding the interval number of 139 to it, each resulting number provides the following systematic sequence: 20, 159, 298, 437, 576, 715, 854, 993, 1,132, 1,271.

(2) Number of improved properties.

County jurisdictions—Put the name of each city or township having improved units in the classification to be sampled into a hat. Draw each one out of the hat and record its name in the order of its draw. Likewise, record the respective number of improved units for each. Then consecutively number all the improved units and document the procedure.

EXAMPLE:

City or Township	Number of Improved Residential Units	Code Numbers
Franklin Twp.	57	1-57
Pleasant View	160	58-217
Jackson Twp.	56	218-273
Johnston	300	274-573
Polk Twp.	110	574-683
Washington Twp.	114	684-797
Maryville	306	798-1103
Camden Twp.	110	1104-1213
Salem	184	1214-1397
Total	<u>1,397</u>	

(3) Determine the location of the improved properties selected for appraisal and document the procedure.

EXAMPLE:

City or Township	Number of Improved Residential Units	Code Numbers	Sequence Number	Entry on Rolls
Franklin Twp.	57	1-57	20	20
Pleasant View	160	58-217	159	102
Jackson Twp.	56	218-273		
Johnston	300	274-573	298,437	25,164
Polk Twp.	110	574-683	576	3
Washington Twp.	114	684-797	715	32
Maryville	306	798-1103	854,993	57,196
Camden Twp.	110	1104-1213	1132	29
Salem	184	1214-1397	1271	58
Total	<u>1,397</u>			

1. The department appraiser shall locate the property to be appraised by finding the relationship between the sequence numbers and the code numbers and identify the property.

EXAMPLE: The first sequence number is 20. Since the improved residential properties in Franklin Township have been assigned code numbers 1 to 57, sequence number 20 is in that location.

To identify this property, examine the Franklin Township assessment roll book and stop at the twentieth improved residential entry.

Document the parcel number, owner's name, and legal description of this property.

2. The department appraiser shall appraise the property selected unless it is ineligible because of any of the following restrictions:

- Current year sale
- Partial assessment
- Prior equalization appraisal
- Tax-exempt
- Value established by court action
- Value is not more than \$10,000
- Building on leased land

3. The department appraiser shall determine a substitute property if the originally selected one is ineligible. In ascending order, select code numbers until an eligible property is found.

EXAMPLE: If code number 20 is ineligible, use code number 21 as a substitute. If code number 21 is ineligible, use code number 22, etc., until an eligible property is found.

If the procedure described in 71.12(2)“c”(3)“3” moves the substitute property to another city or township, select substitute code numbers in descending order until an eligible property is found.

If the procedure described in the previous paragraph moves the substitute property to a preceding city or township, go back to the procedure of 71.12(2)“c”(3)“3” even if it moves the substitute property to a subsequent city or township.

4. Select an alternate property for the originally selected property which also would be eligible. This is necessary because at the time of appraisal the property may be found to be ineligible due to one of the restrictions in 71.12(2)“c”(3)“2.” Alternate properties are selected by using the same procedure described in 71.12(2)“c”(3)“3.”

5. Follow procedures 71.12(2)“c”(3), items “1” to “4,” for each of the other originally selected sequence numbers.

71.12(3) Multiresidential real estate.

a. Use of assessment/sales ratio study.

(1) Basic data shall be that set forth in rule 701—71.10(421), refined by eliminating any sales determined to be abnormal or by adjusting same to eliminate the effects of factors that resulted in the determination that the sales were abnormal. The basic data used shall be the assessment/sales ratio study conducted for sales taking place during the calendar year immediately preceding the year in which the equalization order is issued. The department of revenue may also supplement the assessment/sales ratio study with appraisals made by department appraisal personnel for the year immediately preceding the year in which the equalization order is issued. The assessment/sales ratio study including relevant appraisals, if any, shall be used to determine the aggregate actual valuation of multiresidential real estate in each assessing jurisdiction. The department may consider sales and appraisal data for prior years if it is determined the use of sales and appraisal data for the year immediately preceding the year in which the equalization order is issued is insufficient to determine market value. If such sales and appraisal data for prior years is used, consideration shall be given for any subsequent changes in either assessed value or market value.

(2) Assessors shall provide any known facts or circumstances regarding reported sales transactions and department appraisals that would indicate abnormal or unusual conditions or reporting discrepancies that would necessitate exclusion or adjustment of sales or appraisals from the determination of aggregate actual values. Assessors shall provide those facts within 45 days of receipt from the department of information concerning sales and appraisal data proposed for assessment/sales ratio and equalization purposes.

b. Use of other relevant data. The department of revenue may also consider other relevant data, including field investigations conducted by representatives of the department, to determine the level of assessment of multiresidential real estate.

c. Equalization appraisal selection procedures for multiresidential real estate. To the extent possible, multiresidential properties to be appraised by department of revenue personnel for use in supplementing the assessment/sales ratio study shall be selected for each jurisdiction in the manner outlined in paragraph 71.12(4)“c.”

The following restrictions shall render a property ineligible for the appraisal selection for multiresidential property:

Vacant building

Current-year sale

Partial assessment

Tax-exempt

Only one portion of a total property unit (example—a parking lot of a grocery store)

Value established by court action

Value is not more than \$10,000

Building on leased land**71.12(4) Commercial real estate.***a. Use of assessment/sales ratio study.*

(1) Basic data shall be that set forth in rule 701—71.10(421), refined by eliminating any sales determined to be abnormal or by adjusting same to eliminate the effects of factors that resulted in the determination that the sales were abnormal. The basic data used shall be the assessment/sales ratio study conducted for sales taking place during the calendar year immediately preceding the year in which the equalization order is issued. The department of revenue may also supplement the assessment/sales ratio study with appraisals made by department appraisal personnel for the year immediately preceding the year in which the equalization order is issued. The assessment/sales ratio study including relevant appraisals, if any, shall be used to determine the aggregate actual valuation of commercial real estate in each assessing jurisdiction. The department may consider sales and appraisal data for prior years if it is determined the use of sales and appraisal data for the year immediately preceding the year in which the equalization order is issued is insufficient to determine market value. If such sales and appraisal data for prior years is used, consideration shall be given for any subsequent changes in either assessed value or market value. Properties receiving a dual classification with the primary use being commercial shall be included.

(2) Assessors shall provide any known facts or circumstances regarding reported sales transactions and department appraisals that would indicate abnormal or unusual conditions or reporting discrepancies that would necessitate exclusion or adjustment of sales or appraisals from the determination of aggregate actual values. Assessors shall provide those facts within 45 days of receipt from the department of information concerning sales and appraisal data proposed for assessment/sales ratio and equalization purposes.

b. Use of other relevant data. The department of revenue may also consider other relevant data, including field investigations conducted by representatives of the department, to determine the level of assessment of commercial real estate. The diverse nature of commercial real estate precludes the use of a countywide or citywide income capitalization study.

c. Equalization appraisal selection procedures for commercial real estate. Commercial properties to be appraised by department of revenue personnel for use in supplementing the assessment/sales ratio study shall be selected for each jurisdiction in the manner outlined below. Properties receiving a dual classification with the primary use being commercial shall be included.

(1) The department appraiser assigned to the jurisdiction shall determine a systematic random sequence of numbers equal to the number of appraisals required and document the following steps.

1. The department appraiser shall compute the interval number by dividing the total number of improved properties in the classification to be sampled by the number of appraisals to be performed.

EXAMPLE: In this example, ten appraisals are needed with a total of 397 improved commercial units. Dividing 397 by 10, 39.7 is arrived at, which is rounded down to 39. This is the interval number.

2. The selection of the first sequence number shall be accomplished by having an available disinterested person randomly select a number from one through the interval number.

EXAMPLE: In this example a number from 1 to 39 is to be selected. The person randomly selected number 2.

3. The department appraiser shall develop a systematic sequence of numbers equal to the number of appraisals required. Starting with the randomly selected number previously picked by the disinterested person, add the interval number to this number and to each resulting number until a systematic sequence of numbers is obtained.

EXAMPLE: In this example ten appraisals are needed, so a sequence of ten numbers must be developed. Starting with number 2 and adding the interval number of 39 to it, each resulting number provides the following systematic sequence: 2, 41, 80, 119, 158, 197, 236, 275, 314, 353.

(2) Number of improved properties.

1. City jurisdictions—Utilizing the assessment book or a computer printout which follows the same order as the assessment book, consecutively number all the improved units and document the procedure.

2. County jurisdictions—Put the name of each city or township having improved units in the classification to be sampled into a hat. Draw each one out of the hat and record its name in the order of its draw. Likewise, record the respective number of improved units for each. Then consecutively number all the improved units and document the procedure.

EXAMPLE:

City or Township	Number of Improved Commercial Units	Code Numbers
Franklin Twp.	4	1-4
Pleasant View	60	5-64
Jackson Twp.	9	65-73
Johnston	100	74-173
Polk Twp.	10	174-183
Washington Twp.	14	184-197
Maryville	106	198-303
Camden Twp.	10	304-313
Salem	84	314-397
Total	397	

(3) The department appraiser shall determine the location of the improved properties selected for appraisal and document the procedure.

EXAMPLE:

City or Township	Number of Improved Commercial Units	Code Numbers	Sequence Number	Entry on Rolls
Franklin Twp.	4	1-4	2	2
Pleasant View	60	5-64	41	37
Jackson Twp.	9	65-73		
Johnston	100	74-173	80,119,158	7,46,85
Polk Twp.	10	174-183		
Washington Twp.	14	184-197	197	14
Maryville	106	198-303	236,275	39,78
Camden Twp.	10	304-313		
Salem	84	314-397	314,353	1,40
Total	397			

1. The department appraiser shall locate the property to be appraised by finding the relationship between the sequence numbers and the code numbers and identify the property.

EXAMPLE: The first sequence number is 2. Since the improved commercial properties in Franklin Township have been assigned code numbers 1 to 4, sequence number 2 is in that location.

To identify this property, examine the Franklin Township assessment roll book and stop at the second improved commercial entry.

The department appraiser shall document the parcel number, owner's name, and legal description of this property.

2. The department appraiser shall appraise the property selected unless it is ineligible because of any of the following restrictions:

- Vacant building
- Current-year sale

Partial assessment

Prior equalization appraisal

Tax-exempt

Only one portion of a total property unit (example—a parking lot of a grocery store)

Value established by court action

Value is not more than \$10,000

Building on leased land

3. The department appraiser shall determine a substitute property if the originally selected one is ineligible. In ascending order, select code numbers until an eligible property is found.

EXAMPLE: If code number 2 is ineligible, use code number 3 as a substitute. If code number 3 is ineligible, use code number 4, etc., until an eligible property is found.

If the procedure described in 71.12(4)“c”(3)“3” moves the substitute property to a city or township, select substitute code numbers in descending order until an eligible property is found.

If the procedure described in the previous paragraph moves the substitute property to a preceding city or township, go back to the procedure of 71.12(4)“c”(3)“3” even if it moves the substitute property to a subsequent city or township.

4. Select an alternate property for the originally selected property which also would be eligible. This is necessary because at the time of appraisal the property may be found to be ineligible due to one of the restrictions in 71.12(4)“c”(3)“2.” Alternate properties are selected by using the same procedure described in 71.12(4)“c”(3)“3.”

5. Follow procedures 71.12(4)“c”(3), items “1” to “4,” for each of the other originally selected sequence numbers.

71.12(5) Industrial real estate. It is not possible to determine the level of assessment of industrial real estate by using accepted equalization methods. The lack of sales data precludes the use of an assessment/sales ratio study, the diverse nature of industrial real estate precludes the use of a countywide or citywide income capitalization study, and the limited number of industrial properties precludes the use of sample appraisals. The level of assessment of industrial real estate can only be determined by the valuation of individual parcels of industrial real estate. Any attempt to equalize industrial valuations by using accepted equalization methods would create an arbitrary result. However, under the circumstances set forth in Iowa Code subsection 421.17(10), the department may correct any errors in such assessments that are brought to the attention of the department, including errors related to property with a dual classification if the primary use of the property is from the industrial portions.

71.12(6) Centrally assessed property. Property assessed by the department of revenue pursuant to Iowa Code chapters 428 and 433 to 438, inclusive, is equalized internally by the department in the making of the assessments. Further, the assessments are equalized with the aggregate valuations of other classes of property as a result of actions taken by the department pursuant to rule 701—71.11(441).

71.12(7) Miscellaneous real estate. Since it is not possible to use accepted equalization methods to determine the level of assessment of mineral rights and interstate railroad and toll bridges, these classes of property shall not be subject to equalization by the department of revenue. However, under the circumstances set forth in Iowa Code section 421.17(10), the department may correct any errors in assessments which are brought to the attention of the department.

This rule is intended to implement Iowa Code sections 441.21, 441.47, 441.48 and 441.49.

[ARC 7726B, IAB 4/22/09, effective 5/27/09; ARC 9478B, IAB 4/20/11, effective 5/25/11; ARC 1765C, IAB 12/10/14, effective 1/14/15; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.13(441) Tentative equalization notices. Prior to the issuance of the final equalization order to each county auditor, a tentative equalization notice providing for proposed percentage adjustments to the aggregate valuations of classes of property as set forth in rule 701—71.12(441) shall be mailed to the county auditor whose valuations are proposed to be adjusted. The tentative equalization notice constitutes the ten days’ notice required by Iowa Code section 441.48.

This rule is intended to implement Iowa Code sections 441.47 and 441.48.

701—71.14(441) Hearings before the department.

71.14(1) *Protests.* Written or oral protest against the proposed percentage adjustments as set forth in the tentative equalization notice issued by the department of revenue shall be made only on behalf of the affected assessing jurisdiction. The protests shall be made only by officials of the assessing jurisdiction, including, but not limited to, an assessing jurisdiction's city council or board of supervisors, assessor, or city or county attorney. An assessing jurisdiction may submit a written protest in lieu of making an oral presentation before the department, or may submit an oral protest supported by written documentation. Protests against the adjustments in valuation contained in the tentative equalization notices shall be limited to a statement of the error or errors complained of and shall include such facts as might lead to their correction. No other factors shall be considered by the department in reviewing the protests. Protests and hearings on tentative equalization notices before the department are excluded from the provisions of the Iowa Administrative Procedure Act governing contested case proceedings.

71.14(2) *Conduct of hearing.* The department shall schedule each hearing so as to allow the same amount of time within which each assessing jurisdiction can make its presentation. During the hearing each assessing jurisdiction shall be afforded the opportunity to present evidence relevant to its protest. The division administrator for the property tax division shall act as the department's representative. The department's representative shall preside at the hearing, which shall be held at the time and place designated by the department or such other time and place as may be mutually agreed upon by the department and the protesting assessing jurisdiction.

This rule is intended to implement Iowa Code section 441.48.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.15(441) Final equalization order and appeals.

71.15(1) *Issuance of final equalization order.* After the tentative equalization notice has been issued and an opportunity for a hearing described in rule 701—71.14(441) has been afforded, the department of revenue shall issue a final equalization order by mail to the county auditor. The order shall specify any percentage adjustments in the aggregate valuations of any class of property to be made effective for the county as of January 1 of the year in which the order is issued. The final equalization order shall be issued on or before October 1 unless for good cause it cannot be issued until after October 1. The final equalization order shall be implemented by the county auditor.

71.15(2) *Appeal of final equalization order.* The city or county officials of the affected county or assessing jurisdiction may appeal a final equalization order to the director of revenue by filing a notice of appeal with the clerk of the hearings section of the department of revenue. The notice of appeal must be filed or postmarked not later than ten days after the date the final equalization order is issued.

a. Form of appeal. The notice of appeal shall be in writing and in the same format as provided in 701—subrule 7.8(6).

- (1) The notice of appeal shall substantially state in separate numbered paragraphs the following:
 1. The county or assessing jurisdiction;
 2. The date on which the final equalization order was issued;
 3. The portion of the equalization order being appealed;
 4. A clear and concise assignment of each and every error;
 5. A clear and concise statement of the facts upon which the affected county or assessing jurisdiction relies as sustaining the assignment of error;
 6. The relief requested;
 7. The signature of the city or county officials bringing the appeal, or their representative, along with the address to which all subsequent correspondence, notice or papers shall be served or mailed.

(2) A county or assessing jurisdiction may amend its notice of appeal at any time prior to the commencement of the evidentiary hearing. The department may request that the county or assessing jurisdiction amend the notice of appeal for clarification.

b. Filing of notice of appeal. The notice of appeal must either be delivered to the department by electronic means or by United States Postal Service or a common carrier, by ordinary, certified, or registered mail, directed to the attention of the clerk of the hearings section at P.O. Box 14457, Des

Moines, Iowa 50319, or be personally delivered to the clerk of the hearings section or served on the clerk of the hearings section by personal service during business hours. For the purpose of mailing, a notice of appeal is considered filed on the date of the postmark. If a postmark date is not present on the mailed article, then the date of receipt of protest will be considered the date of mailing. Any document, including a notice of appeal, is considered filed on the date personal service or personal delivery to the office of the clerk of the hearings section is made. See Iowa Code section 622.105 for the evidence necessary to establish proof of mailing.

c. Answer. The department of revenue shall file an answer with the clerk of the hearings section within 30 days after the filing of the pleading responded to, unless attacked by motion as provided in 701—subrule 7.17(5), and then the answer shall be filed within 30 days after the date on which the fact finder issues a ruling on the motion. The department may amend its answer at any time prior to the commencement of the evidentiary hearing.

d. Docketing. Appeals shall be assigned a docket number as provided in rule 701—7.10(17A). Records consisting of the case name and the corresponding docket number assigned to the case must be maintained by the clerk of the hearings section. The records of each case shall also include each action and each act done, with the proper dates as follows:

- (1) The title of the appeal;
- (2) Brief statement of the date of the final equalization order, the property tax classification affected, and the relief sought;
- (3) The manner and time of service of notice of appeal;
- (4) The appearance of all parties;
- (5) Notice of hearing, together with manner and time of service; and
- (6) The decision of the director or administrative law judge or other disposition of the case and the date.

e. Hearing. Rules 701—7.14(17A) through 701—7.22(17A) shall apply to any hearing or proceeding regarding the appeal of a final equalization order to the director of revenue.

This rule is intended to implement Iowa Code chapter 17A and sections 441.48 and 441.49.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.16(441) Alternative method of implementing equalization orders.

71.16(1) Application for permission to use an alternative method.

a. A request by an assessing jurisdiction for permission to use an alternative method of applying the final equalization order must be made in writing to the department of revenue within ten days from the date the county auditor receives the final equalization order. The written request shall include the following information:

- (1) Facts evidencing the need to use an alternative method of implementing the final equalization order. Such facts shall clearly show that the proposed method is essential to ensure compliance with the provisions of Iowa Code section 441.21.
- (2) The exact methods to be employed in implementing the requested alternative method for each class of property.
- (3) The specific method of notifying affected property owners of the valuation changes.
- (4) Evidence that the alternative method will result in an aggregate property class valuation adjustment equivalent to that prescribed in the department's final equalization order.

b. The department of revenue shall review each written request for an alternative method and shall notify the assessing jurisdiction of acceptance or rejection of the proposed method by October 15. The assessing jurisdiction shall immediately inform the county auditor of the department's decision. The county auditor shall include a description of any approved alternative method in the required newspaper publication of the final equalization order. In those instances where the approved alternative method

includes individual property owner notification, the publication shall not be considered proper notice to the affected property owners.

71.16(2) *Implementation of alternative method.* If an alternative method is approved by the department of revenue, any individual notification of property owners shall be completed by the assessor by not later than October 25.

71.16(3) *Appeal by property owners.* If an alternative method is approved by the department of revenue, the special session of the local board of review to hear equalization protests shall be extended to November 30. In such instances, protests may be filed up to and including November 4.

This rule is intended to implement Iowa Code section 441.49.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.17(441) Special session of boards of review.

71.17(1) *Grounds for protest.* The only ground for protesting to the local board of review reconvened in special session pursuant to Iowa Code section 441.49 is that the application of the department's final equalization order results in a value greater than that permitted under Iowa Code section 441.21.

71.17(2) *Authority of board of review.* When in special session to hear protests resulting from equalization adjustments, the local board of review shall only act upon protests for those properties for which valuations have been increased as a result of the application of the department of revenue's final equalization order.

The local board of review may adjust valuations of those properties it deems warranted, but under no circumstance shall the adjustment result in a value less than that which existed prior to the application of the department's equalization order. The local board of review shall not adjust the valuation of properties for which no protests have been filed.

71.17(3) *Report of board of review.* In the report to the department of revenue of action taken by the local board of review in special session, the board of review shall report the aggregate valuation adjustments by class of property as well as all other information required by the department of revenue to determine if such actions may have substantially altered the equalization order.

71.17(4) *Meetings of board of review.* If the final equalization order does not increase the valuation of any class of property, the board of review is not required to meet during the special session. If the final equalization order increases the valuation of one or more classes of property but no protests are filed by the times specified in Iowa Code section 441.49, the board of review is not required to meet during the special session.

This rule is intended to implement Iowa Code sections 421.17(10) and 441.49.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.18(441) Judgment of assessors and local boards of review. Nothing stated in these rules should be construed as prohibiting the exercise of honest judgment, as provided by law, by the assessors and local boards of review in matters pertaining to valuing and assessing of individual properties within their respective jurisdictions.

This rule is intended to implement Iowa Code sections 441.17 and 441.35.

701—71.19(441) Conference boards.

71.19(1) *Establishment and abolition of office.*

a. As referred to in Iowa Code section 441.1, the term "federal census" includes any special census conducted by the Bureau of the Census of the U.S. Department of Commerce as well as the Bureau's decennial census.

b. Within 60 days of receiving the certified results of a federal census indicating the population of a city having its own assessor has fallen below 10,000, the city council of the city shall repeal the ordinance providing for its own assessor.

c. Whenever the office of city assessor is abolished, all moneys in the assessment expense fund and the special appraiser fund shall be transferred to the appropriate accounts in the county assessor's office, and all equipment and supplies shall be transferred to the county assessor's office. Employees of the city assessor's office may, at the discretion of the county assessor, become employees of the county

assessor. However, any deputy assessor of the city may not be appointed a deputy county assessor unless certified as eligible for appointment pursuant to Iowa Code sections 441.5 and 441.10.

71.19(2) Membership.

a. County conference boards. A county conference board consists of the county board of supervisors, the mayor of each incorporated city in the county whose property is assessed by the county assessor, and one member of the board of directors of each high school district in the county, provided the member is a resident of the county. Members representing school districts serve one-year terms, and the board of directors each year must notify the clerk of the conference board of its representative on the conference board. A member of the board of directors of a school district may serve on the county conference board even though the member lives in a city having its own assessor (1978 O.A.G. 466).

b. City conference boards. A city conference board consists of the county board of supervisors, the city council, and the entire board of directors of each school district whose property is assessed by the city assessor.

71.19(3) Voting.

a. Votes on matters before a conference board shall be by units as provided in Iowa Code section 441.2. At least two members of each voting unit must be present in order for the unit to cast a vote (1960 O.A.G. 226). In the event the vote of the members of a voting unit ends in a tie, that unit shall not cast a vote on the particular matter before the conference board.

b. If a member of a conference board is absent from a meeting, the member's vote may not be cast by another person, except that a mayor pro tem as provided in Iowa Code section 372.14(3) may vote for the mayor when the mayor is absent from or unable to perform official duties.

This rule is intended to implement Iowa Code section 441.2.

701—71.20(441) Board of review.

71.20(1) Membership.

a. Occupation of members. One member of the county board of review must be actively engaged in farming as that member's primary occupation. However, it is not necessary for a board of review to have as a member one licensed real estate broker and one registered architect or person experienced in the building and construction field if the person cannot be located after a good faith effort to do so has been made by the conference board (1966 O.A.G. 416). In determining eligibility for membership on a board of review, a retired person is not considered to be employed in the occupation pursued prior to retirement, unless that person remains in reasonable contact with the former occupation, including some participation in matters associated with that occupation.

b. Residency of members. A person must be a resident of the assessor jurisdiction served to qualify for appointment as a member of the board of review. However, a member changing assessing jurisdiction residency after appointment to the board may continue to serve on the board until the member's current term of office expires.

c. Term of office. The term of office of members of boards of review shall be for six years and shall be staggered as provided in Iowa Code section 441.31. In the event of the death, resignation, or removal from office of a member of a board of review, the conference board or city council shall appoint a successor to serve the unexpired term of the previous incumbent.

d. Membership on other boards. A member of a board of review shall not at the same time serve on either the conference board or the examining board, or be an employee of the assessor's office (1948 O.A.G. 120, 1960 O.A.G. 226).

e. Number of members. A conference board or city council may at any time change the composition of a board of review to either three or five members. To reduce membership from five members to three members, the conference board or city council shall not appoint successors to fill the next two vacancies which occur (1970 O.A.G. 342). To increase membership from three members to five members, the conference board or city council shall appoint two additional members whose initial terms shall expire at such times so that no two board members' terms expire at the end of the same year. Also, the conference board or city council may increase the membership of the board of review by an additional two members if it determines that a large number of protests warrant the emergency

appointments. If the board of review has ten members, not more than four additional members may be appointed by the conference board. The terms of the emergency members will not exceed two years.

f. Removal from office. A member of a board of review may be removed from office by the conference board or city council but only after specific charges have been filed by the conference board or city council.

g. Appointment of members. Members of a county board of review shall be appointed by the county conference board. Members of a city board of review shall be appointed by the city conference board in cities with an assessor or by the city council in cities without an assessor. A city without an assessor can only have a board of review if the population of the city is 75,000 or more. A city with a population of more than 125,000 may appoint a city board of review or request the county conference board to appoint a ten-member county board of review.

71.20(2) Sessions of boards of review.

a. It is mandatory that a board of review convene on May 1 and adjourn no later than May 31 of each year. However, if either date falls on a Saturday, Sunday, or legal holiday, the board of review shall convene or adjourn on the following Monday.

b. Extended session. If a board of review determines it will be unable to complete its work by May 31, it may request that the director of revenue extend its session up to July 15. The request must be signed by a majority of the membership of the board of review and must contain the reasons the board of review cannot complete its work by May 31. During the extended session, a board of review may perform the same functions as during its regular session unless specifically limited by the director of revenue.

c. *Special session.* If a board of review is reconvened by the director of revenue pursuant to Iowa Code section 421.17, the board of review shall perform those functions specified in the order of the director of revenue and shall perform no other functions.

71.20(3) Actions initiated by boards of review.

a. *Internal equalization of assessments.* A board of review in reassessment years as provided in Iowa Code section 428.4 has the power to equalize individual assessments as established by the assessor, but cannot make percentage adjustments in the aggregate valuations of classes of property (1966 O.A.G. 416). In nonreassessment years, a board of review can adjust the valuation of an entire class of property by adjusting all assessment by a uniform percentage. Nothing contained in this rule shall restrict the director from exercising the responsibilities set forth in Iowa Code section 421.17.

b. *Omitted assessments.* A board of review may assess for taxation any property which was not assessed by the assessor, including property which the assessor determines erroneously is not subject to taxation by virtue of enjoying an exempt status (*Talley v. Brown*, 146 Iowa 360, 125 N.W. 248 (1910)).

c. *Notice to taxpayers.* If the value of any property is increased by a board of review or a board of review assesses property not previously assessed by the assessor, the person to whom the property is assessed shall be notified by regular mail of the board's action. The notification shall state that the taxpayer may protest the action by filing a written protest with the board of review within five days of the date of the notice. After at least five days have passed since notifying the taxpayer, the board of review shall meet to take final action on the matter, including the consideration of any protest filed. However, if the valuations of all properties within a class of property are raised or lowered by a uniform percentage in a nonreassessment year, notice to taxpayers need be provided only by newspaper publication as described in Iowa Code section 441.35.

71.20(4) Appeals to boards of review.

a. A board of review may act only upon written protests which have been filed with the board of review between April 16 and May 5, inclusive. In the event May 5 falls on a Saturday or Sunday, protests filed the following Monday shall be considered to have been timely filed. Protests postmarked by May 5 or the following Monday if May 5 falls on a Saturday or Sunday shall also be considered to have been timely filed. All protests must be in writing and signed by the taxpayer or the taxpayer's authorized agent. A written request for an oral hearing must be made at the time of filing the protest and may be made by checking the appropriate box on the form prescribed by the department of revenue. Protests may be filed for previous years if the taxpayer discovers that a mathematical or clerical error was made in the

assessment, provided the taxes have not been fully paid or otherwise legally discharged. The protester may combine on one form assessment protests on parcels separately assessed if the same grounds are relied upon as the basis for protesting each separate assessment. If an oral hearing is requested on more than one of the protests, the person making the combined protests may request that the oral hearings be held consecutively. A board of review may allow protests to be filed in electronic format. Protests transmitted electronically are subject to the same deadlines as written protests.

b. Grounds for protest. Taxpayers may protest to a board of review on one or more of the grounds specified in Iowa Code section 441.37. The grounds for protest and procedures for considering protests are as follows:

(1) The assessment is not equitable when compared with those of similar properties in the same assessing district. If this ground is a basis for the protest, the protest must contain the legal descriptions and assessments of the comparable properties. The comparable properties selected by the taxpayer must be located within the same assessing district as the property for which the protest has been filed (*Maytag Co. v. Partridge*, 210 N.W.2d 584 (Iowa 1973)). In considering a protest based upon this ground, the board of review should examine carefully all information used to determine the assessment of the subject property and the comparable properties and determine that those properties are indeed comparable to the subject property. It is the responsibility of the taxpayer to establish that the other properties submitted are comparable to the subject property and that inequalities exist in the assessments (*Chicago & N. W. Ry. Co. v. Iowa State Tax Commission*, 257 Iowa 1359, 137 N.W.2d 246(1965)).

(2) The property is assessed at more than its actual value as defined in Iowa Code section 441.21. If this ground is used, the taxpayer must state both the amount by which the property is overassessed and the amount considered to be the actual value of the property.

(3) The property is not assessable and should be exempt from taxation. If using this ground, taxpayers must state the reasons why it is felt the property is not assessable.

(4) There is an error in the assessment. An error in the assessment would most probably involve erroneous mathematical computations or errors in listing the property. The improper classification of property also constitutes an error in the assessment. If this ground is used, the taxpayer's protest must state the specific error alleged.

A board of review must determine:

1. If an error exists, and
2. How the error might be corrected.

(5) There is fraud in the assessment. If this ground of protest is used, the taxpayer's protest must state the specific fraud alleged, and the board of review must first determine if there is validity to the taxpayer's allegation. If it is determined there is fraud in the assessment, the board of review shall take action to correct the assessment and report the matter to the director of revenue.

(6) There has been a change of value of real estate since the last assessment. The board of review must determine that the value of the property as of January 1 of the current year has changed since January 1 of the previous reassessment year. This is the only ground upon which a protest pertaining to the valuation of a property can be filed in a year in which the assessor has not assessed or reassessed the property pursuant to Iowa Code section 428.4. In a year subsequent to a year in which a property has been assessed or reassessed pursuant to Iowa Code section 428.4, a taxpayer cannot protest to the board of review based upon actions taken in the year in which the property was assessed or reassessed (*James Black Dry Goods Co. v. Board of Review for City of Waterloo*, 260 Iowa 1269, 151 N.W.2d 534 (1967); *Commercial Merchants Nat'l Bank and Trust Co. v. Board of Review of Sioux City*, 229 Iowa 1081, 296 N.W. 203 (1941)).

c. Disposition of protests. After reaching a decision on a protest, the board of review shall give the taxpayer written notice of its decision. The notice shall contain the following information:

- (1) The valuation and classification of the property as determined by the board of review.
- (2) If the protest was based on the ground the property was not assessable, the notice shall state whether the exemption is allowed and the value at which the property would be assessed in the absence of the exemption.
- (3) The specific reasons for the board's decision with respect to the protest.

(4) That the board of review's decision may be appealed to the district court within 20 days of the board's adjournment or May 31, whichever date is later. If the adjournment date is known, the date shall be stated on the notice. If the adjournment date is not known, the notice shall state the date will be no earlier than May 31. Notice of the appeal shall be served on the chairperson, presiding officer, or clerk of the board of review after the written notice of appeal has been filed with the clerk of district court.

This rule is intended to implement Iowa Code sections 441.31 to 441.37 and Iowa Code Supplement section 441.38 as amended by 2006 Iowa Acts, House File 2794.

701—71.21(421,17A) Property assessment appeal board. This rule applies to appeals filed before January 1, 2015, in which the property assessment appeal board has jurisdiction to hear appeals from the action of a local board of review. Appeals filed on or after January 1, 2015, are governed by 701—Chapter 126.

71.21(1) Establishment, membership, and location of the property assessment appeal board.

a. A statewide property assessment appeal board is created for the purpose of establishing a consistent, fair, and equitable property assessment appeal process. The statewide property assessment appeal board is established within the department of revenue. The board's principal office shall be in the office of the department of revenue.

b. The property assessment appeal board shall consist of three members appointed by the governor and subject to confirmation by the senate. The members shall be appointed to staggered six-year terms beginning initially on January 1, 2007, and ending as provided in Iowa Code section 69.19. Members' subsequent terms shall begin and end as provided in Iowa Code section 69.19. The governor shall appoint from the members a chairperson, subject to confirmation by the senate, of the board to a two-year term. Vacancies on the board shall be filled for the unexpired portion of the term in the same manner as regular appointments are made.

Each member of the property assessment appeal board shall be qualified by virtue of at least two years' experience in the area of government, corporate, or private practice relating to property appraisal and property tax administration. Two members of the board shall be certified real property appraisers and one member shall be an attorney practicing in the area of state and local taxation or property tax appraisals. No more than two members of the board may be from the same political party as that term is defined in Iowa Code section 43.2.

c. The property assessment appeal board shall organize by appointing a secretary who shall take the same oath of office as the members of the board. The board may employ additional personnel as it finds necessary. All personnel employed by the board shall be considered state employees and are subject to the merit system provisions of Iowa Code chapter 8A, subchapter IV.

71.21(2) Powers and duties of the board. The property assessment appeal board shall:

a. Review any final decision, finding, ruling, determination, or order of a local board of review relating to assessment protests, valuation, or application of an equalization order.

b. Affirm, reverse, or modify a final decision, finding, ruling, determination, or order of a local board of review.

c. Order the payment or refund of property taxes in a matter over which the board has jurisdiction.

d. Grant other relief or issue writs, orders, or directives that the board deems necessary or appropriate in the process of disposing of a matter over which the board has jurisdiction.

e. Subpoena documents and witnesses and administer oaths.

f. Adopt administrative rules pursuant to Iowa Code chapter 17A for the administration and implementation of its powers, including rules for practice and procedure for protests filed with the board, the manner in which hearings on appeals of assessments shall be conducted, filing fees to be imposed by the board, and for the determination of the correct assessment of property which is the subject of an appeal.

g. Adopt administrative rules pursuant to Iowa Code chapter 17A necessary for the preservation of order and the regulation of proceedings before the board, including forms or notice and the service thereof, which rules shall conform as nearly as possible to those in use in the courts of this state.

h. If an appeal to district court is taken from the action of the property assessment appeal board, notice of appeal shall be served as an original notice on the secretary of the board after the written notice of appeal has been filed with the clerk of district court.

71.21(3) General counsel. The property assessment appeal board shall employ a competent attorney to serve as its general counsel, and assistants to the general counsel as it finds necessary for the full and efficient discharge of its duties. The general counsel is the attorney for, and legal advisor of, the board. The general counsel or an assistant to the general counsel shall provide the necessary legal advice to the board in all matters and shall represent the board in all actions instituted in a court challenging the validity of a rule or order of the board. The general counsel shall devote full time to the duties of the office. During employment as general counsel to the board, the counsel shall not be a member of a political committee, contribute to a political campaign, participate in a political campaign, or be a candidate for partisan political office. The general counsel and assistants to the general counsel shall be considered state employees and are subject to the merit system provisions of Iowa Code chapter 8A, subchapter IV.

71.21(4) Compensation. The members of the property assessment appeal board shall receive a salary set by the governor within a range established by the general assembly. The members of the board shall be considered state employees for purposes of salary and benefits and are subject to the merit system provisions of Iowa Code chapter 8A, subchapter IV. Members of the board and any employees of the board, when required to travel in the discharge of official duties, shall be paid their actual and necessary expenses incurred in the performance of their duties.

71.21(5) Applicability and scope. These subrules set forth herein govern the proceedings for all cases in which the property assessment appeal board (board) has jurisdiction to hear appeals from the action of a local board of review. For the purpose of these subrules, the following definitions shall apply:

“*Appellant*” means the party filing the notice of appeal with the secretary of the property assessment appeal board.

“*Board*” means the property assessment appeal board as created by Iowa Code section 421.1A and governed by Iowa Code chapter 17A and section 441.37A.

“*Department*” means the Iowa department of revenue.

“*Local board of review*” means the board of review as defined by Iowa Code section 441.31.

“*Party*” means each person or entity named or admitted as a party or properly seeking and entitled as of right to be admitted as a party.

“*Presiding officer*” means the chairperson, member or members of the property assessment appeal board who preside over an appeal of proceedings before the property assessment appeal board.

“*Secretary*” means the secretary for the property assessment appeal board.

71.21(6) Appeal and jurisdiction. Notice of appeal confers jurisdiction for the board. The procedure for appeals and parameters for jurisdiction are as follows:

a. Jurisdiction is conferred upon the board by written notice of appeal given to the secretary. The written notice of appeal shall include a petition setting forth the basis of the appeal and the relief sought. The written notice of appeal shall be filed with the secretary within 20 calendar days after the date of adjournment of the local board of review or May 31, whichever is later. Appeals postmarked within this time period shall also be considered to have been timely filed. The appellant may appeal the action of the board of review relating to protests of assessment, valuation, or the application of an equalization order. No new grounds in addition to those set out in the protest to the local board of review can be pleaded, but additional evidence to sustain those grounds may be introduced. The appeal is a contested case.

b. Notice of appeal may be delivered in person, mailed by first-class mail, delivered to an established courier service for immediate delivery, or e-mailed to the board at paab@iowa.gov.

c. For an appeal filed by e-mail to be timely, it must be received by the board by 11:59 p.m. on the last day for filing as established within the time period set forth in paragraph 71.21(6) “*a.*”

71.21(7) Form of appeal. The notice of appeal shall include:

- a.* The appellant’s name, mailing address, e-mail address, and telephone number;
- b.* The address of the property being appealed and its parcel number;
- c.* A copy of the letter of disposition by the local board of review;
- d.* A short and plain statement of the claim showing that the appellant is entitled to relief;

- e. The relief sought; and
- f. If the party is represented by an attorney or designated representative, the attorney or designated representative's name, mailing address, e-mail address, and telephone number.

71.21(8) Scope of review. The board shall determine anew all questions arising before the local board of review which relate to the liability of the property to assessment or the amount thereof. There shall be no presumption as to the correctness of the valuation of the assessment appealed from. The burden of proof is on the appellant; however, when the appellant offers competent evidence by at least two disinterested witnesses that the market value of the property is less than the market value determined by the assessor, the burden of proof thereafter shall be upon the party seeking to uphold the valuation.

71.21(9) Notice to local board of review. The secretary shall mail a copy of the appellant's written notice of appeal and petition to the local board of review whose decision is being appealed. Notice to all affected taxing districts shall be deemed to have been given when written notice is provided to the local board of review.

71.21(10) Certification by local board of review.

a. *Initial certification.* Within 21 days after notice of appeal is given, the local board of review shall certify to the board the original notice of assessment if any, the petition to the board of review, and a copy of the board of review's letter of disposition.

The local board of review shall also submit to the board in writing the name, address, telephone number, and e-mail address of the attorney representing the local board of review before the board. The local board of review may request additional time to certify a copy of its record to the board by submitting a request in writing or by e-mail to the board at paab@iowa.gov.

b. *Full record certification prior to hearing.* At least 21 calendar days prior to the contested case hearing, the local board of review shall certify to the board the complete property record card for the subject property, the protest hearing minutes of the local board of review kept pursuant to Iowa Code chapter 21, and any information provided to or considered by the local board of review as part of the protest. The local board of review shall also send a copy of the full record to the opposing party.

71.21(11) Docketing. Appeals shall be assigned consecutive docket numbers. Records consisting of the case name and the corresponding docket number assigned to the case shall be maintained by the secretary. The records of each case shall also include each action and each act done, with the proper dates as follows:

- a. The title of the appeal including jurisdiction and parcel identification number;
- b. Brief statement of the grounds for the appeal and the relief sought;
- c. Postmarked date of the local board of review's letter of disposition;
- d. The manner and date/time of service of notice of appeal;
- e. Date of notice of hearing;
- f. Date of hearing; and
- g. The decision by the board, or other disposition of the case, and date thereof.

71.21(12) Appearances. Any party may appear and be heard on its own behalf, or by its designated representative. A designated representative shall file a notice of appearance with the board for each case in which the representative appears for a party. Filing a motion or pleadings on behalf of a party shall be equivalent to filing a notice of appearance. A designated representative who is not an attorney shall also file a power of attorney. When acting as a designated representative on behalf of a party, the designated representative acknowledges that the representative has read and will abide by the board's rules.

71.21(13) Service and filing of papers. After the notice of appeal and petition have been filed, all motions, pleadings, briefs, and other papers shall be served upon each of the parties of record contemporaneously with their filing with the board.

a. *Service on a party—how and when made.* The parties may agree to exchange the certified record, motions, pleadings, briefs, exhibits, and any other papers with each other electronically or via any other means. All documents are deemed served at the time they are delivered in person to the opposing party; delivered to an established courier service for immediate delivery; mailed by first-class mail, so long as there is proof of mailing; or sent electronically if the parties have agreed to service by such means.

b. Filing with the board—when made. Except where otherwise provided by law, a document is deemed filed at the time it is delivered to the board; delivered to an established courier service for immediate delivery; mailed by first-class mail, so long as there is proof of mailing; or sent by e-mail as permitted by the applicable subrules of this rule.

(1) For most filings in a docket made with the board, only an original is required.

(2) For exhibits and other documents to be introduced at hearing, three copies are required. For a nonoral submission, only one copy is required.

(3) The board or presiding officer may request additional copies.

c. Proof of mailing. Proof of mailing includes: a legible United States Postal Service postmark on the envelope, a certificate of service, a notarized affidavit, or a certification in substantially the following form:

I certify under penalty of perjury and pursuant to the laws of Iowa that, on (date of mailing), I mailed copies of (describe document) addressed to the Property Assessment Appeal Board and to the names and addresses of the parties listed below by depositing the same in a (United States post office mailbox with correct postage properly affixed).

(Date)

(Signature)

71.21(14) Motions. No technical form for motions is required. All prehearing motions shall be in writing, shall be filed with the secretary and shall contain the reasons and grounds supporting the motion. The board shall act upon such motions as justice may require. Motions based on matters which do not appear of record shall be supported by affidavit. Any party may file a written response to a motion no later than 10 days from the date the motion is filed, unless the time period is extended or shortened by the board or presiding officer. The presiding officer may schedule oral argument on any motion.

a. Motions pertaining to the hearing, except motions for summary judgment, must be filed and served at least 10 days prior to the date of hearing unless there is good cause for permitting later action or the time for such action is lengthened or shortened by the board or presiding officer.

b. Motions for summary judgment. Motions for summary judgment shall comply with the requirements of Iowa Rule of Civil Procedure 1.981 and shall be subject to disposition according to the requirements of that rule to the extent such requirements are not inconsistent with the provisions of this rule or any other provision of law governing the procedure in contested cases.

Motions for summary judgment must be filed and served no later than 90 days after service of the notice of appeal, unless good cause is shown for a later filing. Good cause may include, but is not limited to, information the moving party obtains through discovery. Any party resisting the motion shall file and serve a resistance within 20 days, unless otherwise ordered by the board or presiding officer, from the date a copy of the motion was served. The time fixed for hearing or nonoral submission shall be not less than 30 days after the filing of the motion, unless a shorter time is ordered by the presiding officer. A summary judgment order rendered on all issues in a contested case is subject to rehearing pursuant to subrule 71.21(34).

71.21(15) Authority of board to issue procedural orders. The board may issue preliminary orders regarding procedural matters. The secretary shall mail copies of all procedural orders to the parties.

71.21(16) Members participating. Each appeal may be considered by one or more members of the board, and the chairperson of the board may assign members to consider appeals. If the appeal is considered by less than the full membership of the board, the determination made by such members shall be forwarded to the full board for approval, rejection, or modification. Decisions shall affirm, modify, or reverse the decision, order, or directive from which an appeal was made. In order for the decision to be valid, a majority of the board must concur on the decision on appeal.

71.21(17) Notice of hearing. Unless otherwise designated by the board, the hearing shall be held in the hearing room of the board. All hearings are open to the public. If a hearing is requested, the secretary shall mail a notice of hearing to the parties at least 30 days prior to the hearing. The parties may jointly waive the 30-day notice by following the provisions of subrule 71.21(18). The notice of hearing shall contain the following information:

- a. A statement of the date, time, and place of the hearing;
- b. A statement of legal authority and jurisdiction under which the hearing is to be held;
- c. A reference to the particular sections of the statutes and rules involved;
- d. That the parties may appear and present oral arguments;
- e. That the parties may submit evidence and briefs;
- f. That the hearing will be electronically recorded by the board;
- g. That a party may obtain a certified court reporter for the hearing at the party's own expense;
- h. That audio visual aids and equipment are to be provided by the party intending to use them;
- i. A statement that, upon submission of the appeal, the board will take the matter under advisement. A letter of disposition will be mailed to the parties; and
- j. A compliance notice required by the Americans with Disabilities Act (ADA).

71.21(18) Waiver of 30-day notice. The parties to the appeal may jointly waive the 30-day written notice requirement for a hearing. The waiver must be in writing or by e-mail to paab@iowa.gov and signed by the parties or their designated representatives. By waiving notice, the parties acknowledge they are ready to proceed with the hearing. The parties will be contacted when a hearing date is available but notice for said date may be less than 30 days. The parties will have the right to accept or reject the hearing date.

71.21(19) Transcript of hearing. All hearings shall be electronically recorded. Any party may provide a certified court reporter at the party's own expense. Any party may request a transcription of the hearing. The board reserves the right to impose a charge for copies and transcripts.

71.21(20) Continuance. Any hearing may be continued for "good cause." Requests for continuance prior to the hearing shall be in writing or by e-mail to paab@iowa.gov and promptly filed with the secretary of the board immediately upon "the cause" becoming known. An emergency oral continuance may be obtained from the board or presiding officer based on "good cause" and at the discretion of the board or presiding officer. In determining whether to grant a continuance, the board or presiding officer may consider:

- a. Prior continuances;
- b. The interests of all parties;
- c. The likelihood of informal settlement;
- d. The existence of an emergency;
- e. Any objection;
- f. Any applicable time requirements;
- g. The existence of a conflict in the schedules of counsel, parties, or witnesses;
- h. The timeliness of the request; and
- i. Other relevant factors, including the existence of a scheduling order.

71.21(21) Telephone proceedings. The board or presiding officer may conduct a telephone conference in which all parties have an opportunity to participate to resolve preliminary procedural motions. Other proceedings, including contested case hearings, may be held by telephone. The board will determine the location of the parties and witnesses for telephone hearings. The convenience of the witnesses or parties, as well as the nature of the case, will be considered when the location is chosen.

71.21(22) Disqualification of board member. A board member or members must, on their own motion or on a motion from a party in the proceeding, withdraw from participating in an appeal if there are circumstances that warrant disqualification.

a. A board member or members shall withdraw from participation in the making of any proposed or final decision in an appeal before the board if that member is involved in one of the following circumstances:

- (1) Has a personal bias or prejudice concerning a party or a representative of a party;
- (2) Has personally investigated, prosecuted, or advocated in connection with the appeal, the specific controversy underlying that appeal, or another pending factually related matter, or a pending factually related controversy that may culminate in an appeal involving the same parties;

(3) Is subject to the authority, direction, or discretion of any person who has personally investigated, prosecuted, or advocated in connection with that matter, the specific controversy underlying the appeal, or a pending factually related matter or controversy involving the same parties;

(4) Has acted as counsel to any person who is a private party to that proceeding within the past two years;

(5) Has a personal financial interest in the outcome of the appeal or any other significant personal interest that could be substantially affected by the outcome of the appeal;

(6) Has a spouse or relative within the third degree of relationship who:

1. Is a party to the appeal, or an officer, director or trustee of a party;

2. Is a lawyer in the appeal;

3. Is known to have an interest that could be substantially affected by the outcome of the appeal;

or

4. Is likely to be a material witness in the appeal; or

(7) Has any other legally sufficient cause to withdraw from participation in the decision making in that appeal.

b. Motion for disqualification. If a party asserts disqualification on any appropriate ground, including those listed in paragraph “a,” the party shall file a motion supported by an affidavit pursuant to Iowa Code section 17A.11. The motion must be filed as soon as practicable after the reason alleged in the motion becomes known to the party. If, during the course of the hearing, a party first becomes aware of evidence of bias or other grounds for disqualification, the party may move for disqualification, but must establish the grounds by the introduction of evidence into the record.

If a majority of the board determines that disqualification is appropriate, the board member shall withdraw. If a majority of the board determines that withdrawal is not required, the board shall enter an order to that effect. A party asserting disqualification may seek an interlocutory appeal and a stay as provided under 701—Chapter 7.

c. The term “personally investigated” means taking affirmative steps to interview witnesses directly or to obtain documents or other information directly. The term “personally investigated” does not include general direction and supervision of assigned investigators, unsolicited receipt of information which is relayed to assigned investigators, review of another person’s investigative work product in the course of determining whether there is probable cause to initiate a proceeding, or exposure to factual information while performing other functions of the board, including fact gathering for purposes other than investigation of the matter which culminates in an appeal. Factual information relevant to the merits of an appeal received by a person who later serves as presiding officer or a member of the board shall be disclosed if required by Iowa Code section 17A.11 and this rule.

d. Withdrawal. In a situation where a presiding officer or any other board member knows of information which might reasonably be deemed to be a basis for disqualification and decides voluntary withdrawal is unnecessary, that person shall submit the relevant information for the record by affidavit and shall provide for the record a statement of the reasons for the determination that withdrawal is unnecessary.

71.21(23) *Consolidation and severance.* The board or presiding officer may determine if consolidation or severance of issues or proceedings should be performed in order to efficiently resolve matters on appeal before the board.

a. *Consolidation.* The presiding officer may consolidate any or all matters at issue in two or more appeal proceedings where:

(1) The matters at issue involve common parties or common questions of fact or law;

(2) Consolidation would expedite and simplify consideration of the issues involved; and

(3) Consolidation would not adversely affect the rights of any of the parties to those proceedings.

b. *Severance.* The presiding officer may, for good cause shown, order any appeal proceedings or portions of the proceedings severed.

71.21(24) *Withdrawal.* An appellant may withdraw the appeal prior to the hearing. Such a withdrawal of an appeal must be in writing or by e-mail to paab@iowa.gov and signed by the appellant or the appellant’s designated representative. Unless otherwise provided, withdrawal shall be with

prejudice and the appellant shall not be able to refile the appeal. Within 20 days of the board granting a withdrawal of appeal, the appellant may make a motion to reopen the file and rescind the withdrawal based upon fraud, duress, undue influence, or mutual mistake.

71.21(25) Prehearing conference. An informal conference of parties may be ordered at the discretion of the board or presiding officer or at the request of any party for any appropriate purpose. Any agreement reached at the conference shall be made a part of the record in the manner directed by the board or presiding officer.

71.21(26) Scheduling orders.

a. When required. For appeals involving properties classified commercial or industrial and assessed at \$2 million or more, a scheduling order shall be sent to the parties to set dates for discovery, designation of witnesses, filing of motions, exchange of evidence, and a contested case hearing. In any other appeal, the parties may jointly enter a scheduling order or the board may, on its own motion, issue a scheduling order. The dates established in a scheduling order under this subrule shall supersede any dates set forth in other subrules of this rule.

b. Prehearing conference. A party may request a prehearing conference to resolve scheduling issues.

c. Modification. The parties may jointly agree to modify a scheduling order. If one party seeks to modify a scheduling order, the party must show good cause for the modification.

d. Failure to comply. A party that fails to comply with a scheduling order shall be required to show good cause for failing to comply with the order and that the other party is not substantially prejudiced. Failing to comply with a scheduling order may result in sanctions including, but not limited to, the exclusion of evidence or dismissal of the appeal.

71.21(27) Hearing procedures. A party to the appeal may request a hearing, or the appeal may proceed without a hearing. The local board of review may be present and participate at such hearing. Hearings may be conducted by the board or by one or more of its members.

a. Authority of presiding officer. The presiding officer presides at the hearing and may rule on motions, require briefs, issue a decision, and issue such orders and rulings as will ensure the orderly conduct of the proceedings.

b. Representation. Parties to the appeal have the right to participate or to be represented in all hearings. Any party may be represented by an attorney or by a designated representative.

c. Participation in hearing. The parties to the appeal have the right to introduce evidence relevant to the grounds set out in the protest to the local board of review. Subject to terms and conditions prescribed by the presiding officer, parties have the right to introduce evidence on issues of material fact, cross-examine witnesses present at the hearing as necessary for a full and true disclosure of the facts, present evidence in rebuttal, and submit briefs and engage in oral argument.

d. Decorum. The presiding officer shall maintain the decorum of the hearing and may refuse to admit or may expel anyone whose conduct is disorderly.

e. Conduct of the hearing. The presiding officer shall conduct the hearing in the following manner:

(1) The presiding officer shall give an opening statement briefly describing the nature of the proceedings;

(2) The parties shall be given an opportunity to present opening statements;

(3) The parties shall present their cases in the sequence determined by the presiding officer;

(4) Each witness shall be sworn or affirmed by the presiding officer and shall be subject to examination and cross-examination. The presiding officer may limit questioning in a manner consistent with law; and

(5) When all parties and witnesses have been heard, parties may be given the opportunity to present final arguments.

71.21(28) Discovery.

a. Discovery procedure. Discovery procedures applicable in civil actions under the Iowa Rules of Civil Procedure are available to parties in cases before the board. Unless lengthened or shortened by these rules, the board or presiding officer, time periods for compliance with discovery shall be as provided in the Iowa Rules of Civil Procedure.

b. Discovery motions. Prior to filing any motion related to discovery, parties shall make a good-faith effort to resolve discovery disputes without the involvement of the board or presiding officer. Any motion related to discovery shall allege that the moving party has made a good-faith attempt to resolve the discovery issues involved with the opposing party. Opposing parties shall be given the opportunity to respond within 10 days of the filing of the motion unless the time is shortened by order of the board or presiding officer. The board or presiding officer may rule on the basis of the written motion and any response or may have a hearing or other proceedings on the motion.

c. Admissibility of evidence. Evidence obtained in discovery may be used in the case proceeding if that evidence would otherwise be admissible in that proceeding.

71.21(29) Subpoenas.

a. Issuance of Subpoena for Witness.

(1) An agency subpoena shall be issued to a party on request. The request shall be in writing and include the name, address, and telephone number of the requesting party. In absence of good cause for permitting later action, a request for subpoena must be received at least 10 days before the scheduled hearing.

(2) Except to the extent otherwise provided by law, parties are responsible for service of their own subpoenas and payment of witness fees and mileage expenses.

b. Issuance of Subpoena for Production of Documents.

(1) An agency subpoena shall be issued to a party on request. The request shall be in writing and include the name, address, and telephone number of the requesting party. In absence of good cause for permitting later action, a request for subpoena must be received at least 20 days before the scheduled hearing.

(2) Except to the extent otherwise provided by law, parties are responsible for service of their own subpoenas.

c. Motion to quash or modify. Upon motion, the board or presiding officer may quash or modify a subpoena for any lawful reason in accordance with the Iowa Rules of Civil Procedure.

71.21(30) Evidence.

a. Admissibility. The presiding officer shall rule on admissibility of evidence and may take official notice of facts in accordance with all applicable requirements of law.

b. Stipulations. Stipulation of facts by the parties is encouraged. The presiding officer may make a decision based on stipulated facts.

c. Scope of admissible evidence. Evidence in the proceeding shall be confined to the issues contained in the notice from the board prior to the hearing, unless the parties waive their right to such notice or the presiding officer determines that good cause justifies expansion of the issues. Admissible evidence is that which, in the opinion of the board, is determined to be material, relevant, or necessary for the making of a just decision. Irrelevant, immaterial or unduly repetitious evidence may be excluded. A finding shall be based upon the kind of evidence on which reasonably prudent persons are accustomed to rely for the conduct of their serious affairs, and may be based upon such evidence even if it would be inadmissible in a jury trial. Hearsay evidence is admissible. The rules of privilege apply in all proceedings before the board.

d. Exhibits, exhibit and witness lists, and briefs. The party seeking admission of an exhibit must provide an opposing party with an opportunity to examine the exhibit prior to the ruling on its admissibility. Copies of documents to be used as evidence, exhibit lists, and a list of witnesses intended to be called at hearing shall be served on the opposing party at least 21 calendar days prior to the hearing, unless the time period is extended or shortened by the board or presiding officer or the parties have entered a scheduling order under subrule 71.21(26). All exhibits and briefs admitted into evidence shall be appropriately marked and be made part of the record. The appellant shall mark exhibits with consecutive numbers. The appellee shall mark exhibits with consecutive letters.

e. Objections. Any party may object to specific evidence or may request limits on the scope of examination or cross-examination. Such an objection shall be accompanied by a brief statement of the grounds upon which the objection is based. The objection, the ruling on the objection, and the reasons

for the ruling shall be noted in the record. The presiding officer may rule on the objection at the time it is made or may reserve a ruling until the written decision.

f. Offers of proof. Whenever evidence is ruled inadmissible, the party offering that evidence may submit an offer of proof on the record. The party making the offer of proof for excluded oral testimony shall briefly summarize the testimony or, with permission of the presiding officer, present the testimony. If the excluded evidence consists of a document or exhibit, it shall be marked as part of an offer of proof and inserted in the record.

71.21(31) Settlements. Parties to a case may propose to settle all or some of the issues in the case at any time prior to the issuance of a final decision. A settlement of an appeal shall be jointly signed by the parties, or their designated representatives, and filed in writing or by an electronic copy e-mailed to paab@iowa.gov. The board will not approve settlements unless the settlement is reasonable in light of the whole record, consistent with law, and in the public interest. Board adoption of a settlement constitutes the final decision of the board on issues addressed in the settlement.

71.21(32) Records access.

a. Location of record. A request for access to a record should be directed to the custodian.

b. Office hours. Open records shall be made available during all customary office hours, which are 8 a.m. to 4:30 p.m. Monday through Friday excluding holidays.

c. Request for access. Requests for access to open records may be made in writing, in person, by e-mail, or by telephone. Requests shall identify the particular records sought by name or description in order to facilitate the location of the record. Mail, e-mail, and telephone requests shall include the name, address, and telephone number of the person requesting the information. A person shall not be required to give a reason for requesting an open record.

d. Response to requests. Access to an open record shall be provided promptly upon request unless the size or nature of the request makes prompt access infeasible. If the size or nature of the request for access to an open record requires time for compliance, the custodian shall comply with the request as soon as feasible. Access to an open record may be delayed for one of the purposes authorized by Iowa Code section 22.8(4) or 22.10(4). The custodian shall promptly give notice to the requester of the reason for any delay in access to an open record and an estimate of the length of that delay and, upon request, shall promptly provide that notice to the requester in writing. The custodian of a record may deny access by members of the public to the record only on the grounds that such a denial is warranted under Iowa Code sections 22.8(4) and 22.10(4), or that it is a confidential record, or that its disclosure is prohibited by a court or board order. Access by members of the public to a confidential record is limited by law and, therefore, may generally be provided only in accordance with the applicable provisions of law.

e. Security of record. No person may, without permission from the secretary, search or remove any record from board files. Examination and copying of board records shall be supervised by the secretary. Records shall be protected from damage and disorganization.

f. Copying. A reasonable number of copies of an open record may be made in the board's office. If photocopy equipment is not available, the custodian shall permit examination of the record and shall arrange to have copies promptly made elsewhere.

g. Fees.

(1) When charged. The board may charge fees in connection with the examination or copying of records only if the fees are authorized by law. To the extent permitted by applicable provisions of law, the payment of fees may be waived when the imposition of fees is inequitable or when a waiver is in the public interest.

(2) Copying and postage costs. Price schedules for published materials and for photocopies of records supplied by the board are available from the custodian. Copies of records may be made by or for members of the public on board photocopy machines or from electronic storage systems at cost as determined and made available by the custodian. When the mailing of copies of records is requested, the actual costs of such mailing may also be charged to the requester.

(3) Supervisory fee. An hourly fee may be charged for actual board expenses in supervising the examination and copying of requested records when the supervision time required is in excess of one hour. The custodian shall provide the hourly fees to be charged for supervision of records during

examination and copying. That hourly fee shall not be in excess of the hourly wage of a board clerical employee who ordinarily would be appropriate and suitable to perform this supervisory function.

(4) Advance deposits.

1. When the estimated total fee chargeable under this paragraph exceeds \$25, the custodian may require a requester to make an advance payment to cover all or a part of the estimated fee.

2. When a requester has previously failed to pay a fee chargeable under this paragraph, the custodian may require advance payment of the full amount of any estimated fee before the custodian processes a new request from that requester.

71.21(33) Motion to reopen records. The board or presiding officer, on the board's or presiding officer's own motion or on the motion of a party, may reopen the record for the reception of further evidence. A motion to reopen the record may be made anytime prior to the issuance of a final decision.

71.21(34) Rehearing and reconsideration.

a. *Application for rehearing or reconsideration.* Any party to a case may file an application for rehearing or reconsideration of the final decision. The application for rehearing or reconsideration shall be filed within 20 days after the final decision in the case is issued.

b. *Contents of application.* Applications for rehearing or reconsideration shall specify the findings of fact and conclusions of law claimed to be erroneous, with a brief statement of the alleged grounds of error. Any application for rehearing or reconsideration asserting that evidence has arisen since the final order was issued as a ground for rehearing or reconsideration shall present the evidence by affidavit that includes an explanation of the competence of the person to sponsor the evidence and a brief description of the evidence sought to be included.

c. *Notice to other parties.* A copy of the application shall be timely mailed by the applicant to all parties of record not joining therein. If the application does not contain a certificate of service, the board shall serve copies on all parties.

d. *Requirements for objections to applications for rehearing or reconsideration.* An answer or objection to an application for rehearing or reconsideration must be filed within 14 days of the date the application was filed with the board, unless otherwise ordered by the board.

e. *Disposition.* Any application for a rehearing shall be deemed denied unless the board grants the application within 20 days after its filing.

71.21(35) Dismissal. If a party fails to appear or participate in an appeal hearing after proper service of notice, the presiding officer may dismiss the appeal unless a continuance is granted for good cause. If an appeal is dismissed for failure to appear, the board shall have no jurisdiction to consider any subsequent appeal on the appellant's protest.

71.21(36) Waivers.

a. In response to a request, or on its own motion, the board may grant a waiver from a rule adopted by the board, in whole or in part, as applied to a specific set of circumstances, if the board finds, based on clear and convincing evidence, that:

(1) The application of the rule would pose an undue hardship on the person for whom the waiver is requested;

(2) The waiver would not prejudice the substantial rights of any person;

(3) The provisions of the rule subject to a petition for waiver are not specifically mandated by statute or another provision of law; and

(4) Substantially equal protection of public health, safety, and welfare will be afforded by means other than that prescribed in the rule for which the waiver is requested.

b. Persons requesting a waiver may submit their request in writing. The waiver request must state the relevant facts and reasons the requester believes will justify the waiver, if the reasons have not already been provided to the board in another pleading.

c. Grants or denials of waiver requests shall contain a statement of the facts and reasons upon which the decision is based. The board may condition the grant of the waiver on such reasonable

conditions as appropriate to achieve the objectives of the particular rule in question. The board may at any time cancel a waiver upon appropriate notice and opportunity for hearing.

71.21(37) Appeals of board decisions. A party may seek judicial review of a decision rendered by the board by filing a written notice of appeal with the clerk of the district court where the property is located within 20 days after the letter of disposition of the appeal by the board is mailed to the appellant. Iowa Code chapter 17A applies to judicial review of the board's final decision. The filing of the petition does not itself stay execution or enforcement of the board's final decision. The board may grant a stay on appropriate terms or other temporary remedies during the pendency of judicial review.

71.21(38) Stays of agency actions. Any party to a contested case proceeding may petition the board for a stay or other temporary remedies pending judicial review of all or part of that proceeding. The petition shall state the reasons justifying a stay or other temporary remedy. In determining whether to grant a stay, the board or presiding officer shall consider the factors listed in Iowa Code section 17A.19(5) "c." A stay may be vacated by the board upon application of any other party.

71.21(39) Time requirements. Time shall be computed as provided in Iowa Code section 4.1(34).

71.21(40) Judgment of the board. Nothing in this rule should be construed as prohibiting the exercise of honest judgment, as provided by law, by the board in matters pertaining to valuation and assessment of individual properties.

This rule is intended to implement Iowa Code sections 421.1, 421.1A as amended by 2013 Iowa Acts, Senate File 295, division VI, 421.2, 441.37A as amended by 2013 Iowa Acts, Senate File 295, division VI, 441.38 and 441.49 and chapter 17A.

[ARC 9877B, IAB 11/30/11, effective 1/4/12; ARC 1306C, IAB 2/5/14, effective 3/12/14; ARC 1496C, IAB 6/11/14, effective 5/20/14; ARC 2108C, IAB 8/19/15, effective 9/23/15]

701—71.22(428,441) Assessors.

71.22(1) Conflict of interest. An assessor shall not act as a private appraiser, or as a real estate broker or option agent in the jurisdiction in which serving as assessor (1976 O.A.G. 744).

71.22(2) Listing of property.

a. Forms. Assessors may design and use their own forms in lieu of those prescribed by the department of revenue provided that the forms contain all information contained on the prescribed form, are not substantially different from the prescribed form, and are approved by the director of revenue.

b. Assessment rolls. Assessment rolls must be prepared in duplicate for each property in a reassessment year as defined in Iowa Code section 428.4. However, the copy of the roll does not have to be issued to a taxpayer unless there is a change in the assessment or the taxpayer requests the issuance of the duplicate copy.

c. Whenever a date specified in Iowa Code chapter 441 falls on a Saturday, Sunday, or legal holiday, the action required to be completed on or before that date shall be considered to have been timely completed if performed on or before the following day which is not a Saturday, Sunday, or holiday.

d. Buildings erected or improvements made by a person other than the owner of the land on which they are located are to be assessed to the owner of the buildings or improvements. Unpaid taxes are a lien on the buildings or improvements and not a lien on the land on which they are located.

71.22(3) Notice of protest. If a protest or appeal is filed with the board of review, property assessment appeal board, or district court against the assessment of property valued at \$5 million or more, the assessor shall provide notice to the school district in which the property is located within ten days of the filing of the protest or the appeal, as applicable.

This rule is intended to implement Iowa Code chapter 428 and Iowa Code chapter 441 as amended by 2006 Iowa Acts, House File 2797.

701—71.23(421,428,441) Valuation of multiresidential real estate. Multiresidential real estate shall be assessed at a percent of its actual value as defined in Iowa Code section 441.21. In determining the actual value of multiresidential real estate, city and county assessors shall use the appraisal manual issued

by the department of revenue pursuant to Iowa Code section 421.17(18) as well as a locally conducted assessment/sales ratio study, an analysis of sales of comparable properties, and any other relevant data.

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21 as amended by 2013 Iowa Acts, Senate File 295.

[ARC 1765C, IAB 12/10/14, effective 1/14/15]

701—71.24(421,428,441) Valuation of dual classification property. Real estate with a dual classification of commercial/multiresidential or industrial/multiresidential shall be assessed at its actual value as defined in Iowa Code section 441.21.

71.24(1) Allocation of dual classification values. The assessor shall value as a whole properties that have portions classified as multiresidential and portions classified as commercial or industrial using the methodology found in rule 701—71.23(421,428,441). After the assessor has assigned a value to the property, the value shall be allocated between the two classes of property based on the appropriate appraisal methodology. The assessor shall allocate land value proportionately by class.

71.24(2) Notice of valuation. The valuation notice issued pursuant to Iowa Code section 441.23 shall include a breakdown of the valuation by class for the current year and the prior year.

71.24(3) Protest of assessment. The valuation and assessment of property with a dual classification shall be considered one assessment, and any protest of assessment brought under Iowa Code section 441.37 or subsequent appeal must be made on the entire assessment. Protests of assessments on the valuation of only one class of property are not permitted. The board of review shall review the valuation in total as both classifications are subject to the board's adjustment in any review proceeding. Likewise, any tribunal or court reviewing the board's decision shall base its review on the entire assessment.

This rule is intended to implement Iowa Code sections 421.17, 428.4 and 441.21 as amended by 2013 Iowa Acts, Senate File 295.

[ARC 1765C, IAB 12/10/14, effective 1/14/15]

701—71.25(441,443) Omitted assessments.

71.25(1) Property subject to omitted assessment.

a. Land and buildings. An omitted assessment can be made only if land or buildings were not listed and assessed by the assessor. The failure to list and assess an entire building is an omission for which an omitted assessment can be made even if the land upon which the building is located has been listed and assessed. See *Okland v. Bilyeu*, 359 N.W.2d 412 (Iowa 1984). However, the failure to consider the value added as a result of an improvement made does not constitute an omission for which an omitted assessment can be made if the building or land to which the improvement was made has been listed and assessed.

b. Previously exempt property. Property which has been erroneously determined to be exempt from taxation may be restored to taxation by the making of an omitted assessment. See *Talley v. Brown*, 146 Iowa 360, 125 N.W. 243 (1910). An omitted assessment is also made to restore to taxation previously exempt property which ceases to be eligible for an exemption.

71.25(2) Officials authorized to make an omitted assessment.

a. Local board of review. A local board of review may make an omitted assessment of property during its regular session only if the property was not listed and assessed as of January 1 of the current assessment year. For example, during its regular session which begins May 1, 1986, a local board of review may make an omitted assessment only of property that was not assessed by the assessor as of January 1, 1986. During that session, the board of review could not make an omitted assessment for an assessment year prior to 1986.

b. County auditor and local assessor. The county auditor and local assessor may make an omitted assessment. However, no omitted assessment can be made by the county auditor or local assessor if taxes based on the assessment year in question have been paid or otherwise legally discharged. For example, if a tract of land was listed and assessed and taxes levied against that assessment have been paid or legally discharged, no omitted assessment can be made of a building located upon that tract of land even though the building was not listed and assessed at the time the land was listed and assessed. See *Okland v. Bilyeu*, 359 N.W.2d 412, 417 (Iowa 1984).

c. County treasurer. The county treasurer may make an omitted assessment within two years from the date the tax list which should have contained the assessment should have been delivered to the county treasurer. For example, for the 1999 assessment year, the tax list is to be delivered to the county treasurer on or before June 30, 2000. Thus, the county treasurer may make an omitted assessment for the 1999 assessment year at any time on or before June 30, 2002. The county treasurer may make an omitted assessment of a building even if taxes levied against the land upon which the building is located have been paid or legally discharged. See *Okland v. Bilyeu*, 359 N.W.2d 412, 417 (Iowa 1984). The county treasurer may not make an omitted assessment if the omitted property is no longer owned by the person who owned the property on January 1 of the year the original assessment should have been made.

d. Department of revenue. The department of revenue may make an omitted assessment of any property assessable by the department at any time within two years from the date the assessment should have been made.

This rule is intended to implement Iowa Code chapter 440 and sections 443.6 through 443.15 as amended by 1999 Iowa Acts, chapter 174.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—71.26(441) Assessor compliance.

71.26(1) The assessor shall determine the value of real property in accordance with rules adopted by the department of revenue and in accordance with forms and guidelines contained in the Iowa Real Property Appraisal Manual prepared by the department. The assessor may use an alternative manual to value property if it is a unique type of property not covered in the manual prepared by the department.

71.26(2) If the department finds that an assessor is not in compliance with the rules of the department relating to valuation of property or has disregarded the forms and guidelines contained in the real property appraisal manual, the department shall notify the assessor and each member of the conference board for that assessing jurisdiction. The notice shall be mailed by restricted certified mail and shall specify the areas of noncompliance and the steps necessary to achieve compliance. The notice shall also inform the assessor and conference board that if compliance is not achieved, a penalty may be imposed.

71.26(3) The conference board shall respond to the department within 30 days of receipt of the notice of noncompliance. The conference board may respond to the notice by asserting that the assessor is in compliance with the rules, guidelines, and forms of the department or by informing the department that the conference board intends to submit a plan of action to achieve compliance. If the conference board responds to the notification by asserting that the assessor is in compliance, a hearing before the director of revenue shall be held on the matter within 60 days of receipt of the notice of noncompliance. The director's decision is subject to judicial review in accordance with Iowa Code chapter 17A. If it is agreed that the assessor is not in compliance, the conference board shall submit a plan of action within 60 days of receipt of the notice of noncompliance.

71.26(4) The plan of action shall contain a time frame under which compliance shall be achieved, which shall be no later than January 1 of the following assessment year. The plan shall contain the signature of the assessor and of the chairperson of the conference board. The department shall review the plan to determine whether the plan is sufficient to achieve compliance. Within 30 days of receipt of the plan, the department shall notify the assessor and the chairperson of the conference board that it has accepted the plan or that it is necessary to submit an amended plan of action.

71.26(5) By January 1 of the assessment year following the calendar year in which the plan of action was submitted to the department, the conference board shall submit a report to the department verifying that the plan was followed and compliance has been achieved. The department may conduct a field inspection to ensure that the assessor is in compliance. By January 31, the department shall notify the assessor and the conference board, by restricted certified mail, either that compliance has been achieved or that the assessor remains in noncompliance. If the department determines that the assessor remains in noncompliance, the department shall take steps to withhold up to 5 percent of the reimbursement payment authorized in Iowa Code section 425.1 until the department determines that the assessor is in compliance.

71.26(6) If the conference board disputes the determination of the department, the chairperson of the conference board may appeal the determination to the director of revenue under 701—Chapter 7.

This rule is intended to implement Iowa Code section 441.21.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

[Filed 5/11/71; amended 8/16/73]

[Filed 6/21/77, Notice 4/6/77—published 7/13/77, effective 8/17/77]

[Filed emergency 7/21/77—published 8/10/77, effective 7/21/77]

[Filed emergency 8/3/79—published 8/22/79, effective 8/3/79]

[Filed emergency 8/1/80—published 8/20/80, effective 8/1/80]

[Filed 3/25/81, Notice 2/18/81—published 4/15/81, effective 5/20/81]

[Filed 5/8/81, Notice 4/1/81—published 5/27/81, effective 7/1/81]

[Filed 3/25/83, Notice 2/16/83—published 4/13/83, effective 5/18/83]

[Filed 7/27/84, Notice 6/20/84—published 8/15/84, effective 9/19/84]

[Filed emergency 8/13/84—published 8/29/84, effective 8/13/84]

[Filed 8/10/84, Notice 7/4/84—published 8/29/84, effective 10/3/84]

[Filed 4/5/85, Notice 1/16/85—published 4/24/85, effective 5/29/85]

[Filed 5/31/85, Notice 4/24/85—published 6/19/85, effective 7/24/85]

[Filed 1/10/86, Notice 12/4/85—published 1/29/86, effective 3/5/86]

[Filed 3/21/86, Notice 2/12/86—published 4/9/86, effective 5/14/86]

[Filed 8/22/86, Notice 7/16/86—published 9/10/86, effective 10/15/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 5/15/87, Notice 3/25/87—published 6/3/87, effective 7/8/87]

[Filed 9/18/87, Notice 8/12/87—published 10/7/87, effective 11/11/87]

[Filed 6/10/88, Notice 5/4/88—published 6/29/88, effective 8/3/88]

[Filed 9/2/88, Notice 7/27/88—published 9/21/88, effective 10/26/88]

[Filed 12/7/90, Notice 10/17/90—published 12/26/90, effective 1/30/91]

[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]

[Filed 10/6/95, Notice 8/30/95—published 10/25/95, effective 11/29/95]

[Filed 11/15/96, Notice 10/9/96—published 12/4/96, effective 1/8/97]

[Filed 10/17/97, Notice 9/10/97—published 11/5/97, effective 12/10/97]

[Filed 2/12/99, Notice 9/23/98—published 3/10/99, effective 4/14/99]¹

[Filed 1/7/00, Notice 12/1/99—published 1/26/00, effective 3/1/00]

[Filed 9/15/00, Notice 8/9/00—published 10/4/00, effective 11/8/00]

[Filed 12/19/01, Notice 11/14/01—published 1/9/02, effective 2/13/02]

[Filed emergency 2/14/02—published 3/6/02, effective 2/15/02]

[Filed 10/25/02, Notice 9/4/02—published 11/13/02, effective 12/18/02]

[Filed 10/25/02, Notice 9/18/02—published 11/13/02, effective 12/18/02]

[Filed 9/10/04, Notice 8/4/04—published 9/29/04, effective 11/3/04]

[Filed 12/30/05, Notice 11/9/05—published 1/18/06, effective 2/22/06]

[Filed 10/5/06, Notice 8/30/06—published 10/25/06, effective 11/29/06]

[Filed 1/11/07, Notice 11/22/06—published 1/31/07, effective 3/7/07]

[Filed 5/4/07, Notice 3/28/07—published 5/23/07, effective 6/27/07]

[Filed 10/19/07, Notice 9/12/07—published 11/7/07, effective 12/12/07]

[Filed 5/29/08, Notice 4/23/08—published 6/18/08, effective 7/23/08]

[Filed ARC 7726B (Notice ARC 7592B, IAB 2/25/09), IAB 4/22/09, effective 5/27/09]

[Filed ARC 8542B (Notice ARC 8428B, IAB 12/30/09), IAB 2/24/10, effective 3/31/10]

[Filed ARC 8559B (Notice ARC 8352B, IAB 12/2/09), IAB 3/10/10, effective 4/14/10]

[Filed ARC 9478B (Notice ARC 9113B, IAB 10/6/10), IAB 4/20/11, effective 5/25/11]

[Filed ARC 9877B (Notice ARC 9761B, IAB 10/5/11), IAB 11/30/11, effective 1/4/12]

[Filed ARC 0400C (Notice ARC 0286C, IAB 8/22/12), IAB 10/17/12, effective 11/21/12]

[Filed ARC 0770C (Notice ARC 0653C, IAB 3/20/13; Amended Notice ARC 0659C, IAB 4/3/13),

IAB 5/29/13, effective 7/3/13]

[Filed ARC 1196C (Notice ARC 1042C, IAB 10/2/13), IAB 11/27/13, effective 1/1/14]
[Filed ARC 1306C (Notice ARC 1238C, IAB 12/11/13), IAB 2/5/14, effective 3/12/14]
 [Filed Emergency ARC 1496C, IAB 6/11/14, effective 5/20/14]
[Filed ARC 1765C (Notice ARC 1593C, IAB 8/20/14), IAB 12/10/14, effective 1/14/15]
[Filed ARC 2108C (Notice ARC 2047C, IAB 6/24/15), IAB 8/19/15, effective 9/23/15]
[Filed ARC 2146C (Notice ARC 2060C, IAB 7/22/15), IAB 9/16/15, effective 10/21/15]
 [Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

¹ Amendments nullified by 2000 Iowa Acts, SJR 2005, editorially removed IAC Supplement 7/12/00 pursuant to Iowa Code section 17A.6(3).

CHAPTER 73
PROPERTY TAX CREDIT AND RENT REIMBURSEMENT
[Prior to 12/17/86, Revenue Department[730]]

701—73.1(425) Eligible claimants. The property tax credit and rent reimbursement programs are available to claimants who: (1) were at least 23 years of age or a head of household on December 31 of the base year, (2) were not or will not be claimed as a dependent on another person's federal or state income tax return for the base year in the case of a claimant who is not disabled or at least 65 years of age, (3) did not have household income in excess of the indexed amount determined pursuant to Iowa Code section 425.23(4) during the base year, and (4) are domiciled in Iowa at the time the claim is filed or were at the time of the claimant's death.

In the case of a claim for rent reimbursement, the claimant must have occupied and rented the property during any part of the base year. In the case of a claim for property tax credit, the claimant must have occupied the property during any part of the fiscal year beginning July 1 of the base year.

If a homestead is occupied by two or more eligible claimants, each person may file a claim based upon each person's income and each person's share of the rent paid or property taxes due.

The computed credit or reimbursement shall be determined in accordance with the applicable schedule provided in Iowa Code section 425.23(1) as adjusted by the indexed amount determined in section 425.23(4).

This rule is intended to implement Iowa Code section 425.17(2) as amended by 1999 Iowa Acts, chapter 152, and section 425.23, and is effective for property tax credit and rent reimbursement claims filed on or after January 1, 2000.

701—73.2(425) Separate homesteads—husband and wife property tax credit. If a husband and wife are both qualified homeowners living in and maintaining separate and distinct homesteads and each is actually liable for and will pay the property tax for their respective homesteads, each is eligible to file an individual credit claim for property tax due.

This rule is intended to implement Iowa Code section 425.17(4).

701—73.3(425) Dual claims. A claimant changing homesteads during the base year who will make property tax payments during the fiscal year following the base year and who also made rent payments during the base year is entitled to receive both a property tax credit and rent reimbursement.

Separate claim forms for the property tax credit and the rental reimbursement shall be filed with the county treasurer and the Iowa department of revenue, respectively.

The claims are to be based on the actual property tax due and rent constituting property tax paid with a combined maximum of \$1000 upon which the credit and reimbursement can be calculated.

EXAMPLE: \$800 property tax due

\$400 rent constituting property taxes paid

The claim form for calculating the property tax credit shall reflect the entire \$800 amount.

The claim form for calculating the rent reimbursement shall reflect only the remaining \$200 of the \$1000 maximum allowance.

The Iowa department of revenue will issue refund warrants for rent reimbursement claims. The county treasurer will apply the property tax credits.

This rule is intended to implement Iowa Code section 425.24.

701—73.4(425) Multipurpose building. A multipurpose building is a building which is used for other purposes in addition to being used for living accommodations. If a portion of a homestead property is utilized for business purposes, the property is considered to be a multipurpose building.

The portion of the property tax due or rent constituting property tax paid attributable to the homestead only is to be used in determining the allowable credit or reimbursement. This portion is to be calculated by determining the percentage of the homestead square footage to the square footage of

the entire multipurpose structure. This percentage is then to be applied to the property tax due in the current fiscal year or rent constituting property tax paid for the base year.

This rule is intended to implement Iowa Code section 425.17(8).

701—73.5(425) Multidwelling. A multidwelling is a structure which houses more than one homestead. This includes, but is not limited to: apartment buildings, duplexes, condominiums, town houses, nursing homes and rooming houses.

A claimant owning a multidwelling whose homestead is a portion of the multidwelling is entitled to a credit for only that portion of the property tax due attributable to the homestead.

This calculation of the credit or reimbursement is to be performed the same as for a multipurpose building as described in rule 73.4(425).

This rule is intended to implement Iowa Code section 425.17(8).

701—73.6(425) Income. Income includes the amount of in-kind assistance received by the claimant for housing expenses such as federal rent subsidy payments made directly to the landlord on behalf of the claimant and energy assistance benefits received by the claimant from or through a public utility.

In determining income, net operating losses and net capital losses are not to be considered. If the comparison of gains and losses results in a net gain, such amount shall be considered income. If the comparison results in a net loss, the net loss shall be disregarded.

This rule is intended to implement Iowa Code section 425.17(7) as amended by 1993 Iowa Acts, chapter 180.

701—73.7(425) Joint tenancy. Joint tenancy for purposes of a property tax credit is the common ownership of a homestead by two or more persons either as joint tenants with right of survivorship or tenants in common.

This rule is intended to implement Iowa Code section 425.17(8).

701—73.8(425) Amended claim. An amended claim can only be filed by a claimant who has timely filed a claim for property tax credit or rent constituting property tax paid for the appropriate base year.

The amended claim must be filed within three years from October 31 of the year in which the original claim was filed.

The amended claim shall be clearly marked by the claimant with the word “AMENDED.”

If upon review by the Iowa department of revenue an additional credit or reimbursement is indicated, the claimant shall be reimbursed the additional amount.

This rule is intended to implement Iowa Code section 425.27.

701—73.9(425) Simultaneous homesteads. A person who owns or rents one property and also owns or rents another property for a simultaneous period of time is limited to claiming a property tax credit or rent reimbursement on the property which is considered the person’s domicile.

This rule is intended to implement Iowa Code section 425.17(4).

701—73.10(425) Confidential information. Income tax information contained on a property tax credit claim form is confidential except that the information may be conveyed by the department of revenue to county treasurers for purposes of eligibility verification for tax credit claims. Information contained on a rent reimbursement claim form is confidential except that the information may be released to an employee of the department of inspections and appeals to assist in the performance of an audit or investigation. See rule 701—6.3(17A).

This rule is intended to implement Iowa Code section 425.28 as amended by 1999 Iowa Acts, chapter 139.

701—73.11(425) Mobile, modular, and manufactured homes. An eligible claimant whose homestead is a mobile, modular, or manufactured home which the claimant owns and which was assessed as real

estate resulting in property tax due may file a claim for credit for property tax due on the home and the land on which the home is located, provided the land is owned by the claimant.

An eligible claimant whose homestead is a mobile, modular, or manufactured home subject to the annual tax as provided in Iowa Code chapter 435 may file a claim for credit for property taxes due on the land upon which the home is located provided the land is owned by the claimant. Rent paid for occupancy of a home and the space occupied by the home is subject to reimbursement regardless of how the home is taxed.

This rule is intended to implement Iowa Code subsection 425.17(4).

701—73.12(425) Totally disabled. A person who is totally disabled must be unable to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment. In addition, the impairment must have lasted or is reasonably expected to last for a continuous period of 12 months or is expected to result in death. This disabled condition must be the determining factor in the person's inability to engage in gainful employment. A claimant is considered totally disabled only if the physical or mental impairment or impairments are of such severity that the claimant is not only unable to do work previously performed but cannot, considering the claimant's age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the immediate area in which the claimant lives, or whether a specific job vacancy exists or whether the claimant would be hired if the claimant applied for work. See 42 U.S.C. §423. Examples of physical conditions which could possibly constitute total disability would include, but are not limited to: loss of major function of one or both legs or arms; progressive diseases which have resulted in the loss of one or both legs or arms or which have caused them to become useless; severe arthritis; diseases of the heart, lungs or blood vessels which have resulted in serious loss of heart or lung reserve; diseases of the digestive system which have resulted in severe malnutrition, weakness and anemia prohibiting gainful employment; damage to the brain or brain abnormality which has resulted in severe loss of judgment, intellect, orientation or memory; or, paralysis or diseases of the nervous system which prohibit coordination or major functioning of the body so as to prevent gainful employment.

For purposes of this rule, a person shall not be considered unable to engage in substantial gainful employment unless the person has attained the age of 18 on or before December 31 of the base year.

This rule is intended to implement Iowa Code subsection 425.17(11).

701—73.13(425) Nursing homes. A claimant whose homestead is a nursing home is eligible to file a reimbursement claim for rent constituting property tax paid unless the person is eligible for a property tax credit on an owned homestead.

This rule is intended to implement Iowa Code section 425.17(4).

701—73.14(425) Household. Household includes the claimant and the claimant's spouse if living with the claimant at any time during the base year. "Living with" does not include a temporary visit. Only one claimant per household is entitled to a credit or reimbursement.

This rule is intended to implement Iowa Code section 425.17(5) as amended by 1999 Iowa Acts, chapter 152, and section 425.22.

701—73.15(425) Homestead. A person who owns a homestead but is confined to a care facility shall be considered as occupying the owned homestead provided the person does not lease or otherwise receive profits from others for the use of the homestead. The person shall be eligible for a property tax credit but shall not be eligible for a rent reimbursement.

This rule is intended to implement Iowa Code subsection 425.17(4).

701—73.16(425) Household income. Household income includes income of the claimant and the claimant's spouse and actual monetary payments made to the claimant by any other person living with the claimant. Household income does not include Social Security benefits received by the claimant's child and given to the claimant.

Monetary payments do not include goods and services provided to the claimant by a person living with the claimant.

This rule is intended to implement Iowa Code section 425.17(6) as amended by 1994 Iowa Acts, chapter 1165, and section 425.17(7).

701—73.17(425) Timely filing of claims. If a timely mailed property tax credit or rent reimbursement claim is not received by the county treasurer or the department of revenue or is received after the June 1 filing deadline, the claim will be considered to have been timely filed if the claimant complies with the provisions of Iowa Code section 622.105. The county treasurer may extend the time for filing a claim for property tax credit through September 30 of the same year. The director may also extend the filing deadline for property tax credit and rent reimbursement claims through December 31 of the following year. Late property tax credit claims will be reimbursed by the director directly to the claimant upon proof of tax payment.

In the case of a claim for property tax credit, the claimant must own and occupy the homestead at the time the claim for credit is filed or if a late claim, own and occupy the homestead on June 1 of the claim year.

This rule is intended to implement Iowa Code section 425.20 as amended by 1996 Iowa Acts, chapter 1167.

701—73.18(425) Separate homestead—husband and wife rent reimbursements. If a husband and wife are both qualified claimants renting separate and distinct homesteads, and rent is paid by each, each is eligible to file an individual reimbursement claim for rent constituting property tax paid.

This rule is intended to implement Iowa Code subsection 425.17(4).

701—73.19(425) Gross rent/rent constituting property taxes paid. Gross rent means the total amount of rent paid for use of the homestead by the claimant and rent constituting property taxes paid means 23 percent of the gross rent.

This rule is intended to implement Iowa Code sections 425.17(3) and 425.17(9) as amended by 1994 Iowa Acts, chapter 1125.

701—73.20(425) Leased land. An individual who owns a dwelling located on land owned by another may claim a credit of property taxes due on the dwelling and a reimbursement of rental payments made for the use of the land if the land has been assessed for taxation.

This rule is intended to implement Iowa Code subsection 425.17(4).

701—73.21(425) Property: taxable status. In order to be eligible to file a rent reimbursement claim, the property upon which the claimant resided during the base year must have been in a taxable status during the base year. If the property was taxable for only part of the base year, the rent reimbursement must be prorated accordingly. (OP.ST. BD. Tax Rev. 187). However, this restriction does not apply to property that became tax-exempt on or after July 1, 1986, provided the claimant received a reimbursement of rent constituting property taxes paid on the property when it was in a taxable status and continues to reside in the same property.

This rule is intended to implement Iowa Code subsection 425.17(4).

701—73.22(425) Special assessments. The claimant may include as a portion of the taxes due during the fiscal year next following the base year an amount equal to the unpaid special assessment installment due, plus interest, during the fiscal year next following the base year.

This rule is intended to implement Iowa Code subsection 425.17(10).

701—73.23(425) Suspended, delinquent, or canceled taxes. No property tax credit shall be allowed to any person whose taxes have been canceled pursuant to Iowa Code section 427.8. A property tax credit shall be allowed to an eligible claimant whose taxes have been suspended pursuant to Iowa Code sections 427.8 and 427.9.

A property tax credit shall be allowed to an eligible claimant even though the claimant's taxes for a previous fiscal year are delinquent. The claimant may receive a reimbursement for delinquent taxes paid provided the taxes are paid by December 31 following the fiscal year in which the taxes became delinquent.

This rule is intended to implement Iowa Code section 425.17(8).

701—73.24(425) Income: spouse. The income of a spouse does not have to be reported on the claimant's return unless the spouse lived with the claimant at the property upon which the property tax credit or rent reimbursement is claimed. If the spouse lived with the claimant for only a portion of the base year, only that portion of the spouse's income which was received while living with the claimant must be reported as income on the claimant's return. If the spouse is eligible to claim a credit or reimbursement, the spouse does not have to include any income that was reported on the other claimant's (spouse's) return.

This rule is intended to implement Iowa Code subsection 425.17(6).
[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—73.25(425) Common law marriage. A common law marriage is a social relationship between a man and a woman that meets all the necessary requisites of a marriage except that it was not solemnized, performed or witnessed by an official authorized by law to perform marriages. The necessary elements of a common law marriage are: (a) a present intent of both parties freely given to become married, (b) a public declaration by the parties or a holding out to the public that they are husband and wife, (c) continuous cohabitation together as husband and wife (this means consummation of the marriage), and (d) both parties must be capable of entering into the marriage relationship. No special time limit is necessary to establish a common law marriage.

This rule is intended to implement Iowa Code section 425.17.

701—73.26 Rescinded, effective October 2, 1985.

701—73.27(425) Special assessment credit.

73.27(1) Property taxes due. Any person whose special assessment is paid by the department of revenue pursuant to Iowa Code subsection 425.23(3) cannot include the special assessment as property taxes due under Iowa Code subsection 425.17(10) for purposes of determining a property tax credit.

73.27(2) Special assessments eligible for credit. As used in Iowa Code section 425.23(3), the term "special assessment" means special assessments made pursuant to Iowa Code sections 384.37 to 384.79.

73.27(3) Special assessment credit qualifications. No special assessment credit claim shall be allowed pursuant to Iowa Code section 425.23(3) unless at the time the application for credit is filed the property upon which the levy is made includes a homestead dwelling as defined in Iowa Code section 425.17(4) and the claimant's household income does not exceed the indexed amount determined pursuant to Iowa Code section 425.23(4).

73.27(4) Special assessment installment due in current fiscal year. The amount of a special assessment credit claim to be reimbursed by the Iowa department of revenue pursuant to Iowa Code section 425.23 is limited to the amount of the installment payable during the current fiscal year for persons described in Iowa Code section 425.17, subsection 2, paragraph "a," or one-half of that amount for persons described in Iowa Code section 425.17, subsection 2, paragraph "b."

73.27(5) Audit by department of revenue. The director of revenue may audit the books and records of the county treasurer to determine if the amounts certified by the county treasurer to the director of revenue pursuant to Iowa Code section 425.23(3) are true and correct. The director of revenue may also initiate investigations or assist the county treasurer's investigations into eligibility of a claimant for the special assessment credit in accordance with Iowa Code section 425.27. Upon investigation, the director of revenue may order the county treasurer to reimburse the state of Iowa any amounts that were erroneously paid to the county treasurer or issue a reimbursement directly to the claimant if it is

determined the claimant did not receive the benefits to which entitled pursuant to Iowa Code section 425.23(3).

This rule is intended to implement Iowa Code section 425.23(3) and is effective for special assessment credit claims filed on or after January 1, 1999.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—73.28(425) Credit applied. The county treasurer shall apply the property tax credit equally to the claimant's first and second half tax liabilities.

This rule is intended to implement Iowa Code sections 425.16 to 425.40.

701—73.29(425) Deceased claimant. A claim for property tax credit or rent reimbursement may be filed on behalf of a deceased person by the person's spouse, attorney, guardian or the executor or administrator of the person's estate.

This rule is intended to implement Iowa Code section 425.17(2) as amended by 1999 Iowa Acts, chapter 152, and section 425.18.

701—73.30(425) Audit of claim.

73.30(1) Authority. The department of revenue may audit the records of the county treasurer to determine the accuracy of claims filed for property tax credits. The department may also investigate the eligibility of a claimant for a property tax credit or rent reimbursement.

73.30(2) Recomputed rent reimbursement claim. If it is determined a computed rent reimbursement is in error, the department shall collect any overpayment from the claimant or reimburse the claimant for any underpayment. If a claimant fails to reimburse the department for an overpayment, the amount of overpayment shall be deducted from any future rent reimbursement to which the claimant is entitled.

73.30(3) Recomputed property tax credit claim. If it is determined a computed property tax credit has been overpaid, the department shall notify the claimant and county treasurer of the overpayment. The county treasurer shall collect the overpayment from the claimant as if it were an unpaid property tax and reimburse the department for the amount of overpayment. However, if the property upon which the credit was allowed is no longer owned by the claimant, the department shall collect the amount of overpayment directly from the claimant. If it is determined a computed property tax credit has been underpaid, the department shall reimburse the claimant directly for the amount of underpayment.

This rule is intended to implement Iowa Code section 425.27.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—73.31(425) Extension of time for filing a claim. The granting of an extension of time for filing a claim for reimbursement or credit does not extend the time within which or the dates on or by which eligibility requirements must be satisfied.

This rule is intended to implement Iowa Code section 425.20.

701—73.32(425) Annual adjustment factor. Beginning with claims filed in 2000, the income levels used for determining the allowable percent of property tax credit or rent reimbursement, special assessment credit, or the amount of the mobile home reduced tax rate shall be adjusted each year to reflect the inflation factor as computed pursuant to Iowa Code section 422.4.

This rule is intended to implement Iowa Code sections 425.23 and 435.22(2).

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—73.33(425) Proration of claims. If the director determines that the amount of funding provided pursuant to Iowa Code section 425.39 will be insufficient to pay all property tax credit and rent reimbursement claims filed, the director shall estimate the percentage at which the claims will be paid and shall prorate the payment of each property tax credit and rent reimbursement claim by the same estimated percentage. The county treasurer shall, pursuant to Iowa Code section 25B.7, be required to extend to the claimant only that portion of the credit estimated by the department to be funded by the state appropriation.

This rule is intended to implement Iowa Code sections 25B.7 and 425.39.

701—73.34(425) Unreasonable hardship. In order to avoid any unreasonable hardship to a claimant, the director may review the facts and circumstances of the claim as set forth by the claimant. The director may investigate all factors related to the specific case as deemed appropriate by the director. If the director is satisfied that the claim qualifies as an undue hardship for the claimant, the claim will be approved by the director.

This rule is intended to implement Iowa Code section 425.37.

[Filed January 8, 1974]

[Filed 1/9/76, Notice 12/1/75—published 1/26/76, effective 3/1/76]

[Filed 3/2/79, Notice 1/24/79—published 3/21/79, effective 4/25/79]

[Filed 3/14/80, Notice 2/6/80—published 4/2/80, effective 5/7/80]

[Filed emergency 8/1/80—published 8/20/80, effective 8/1/80]

[Filed 3/25/81, Notice 2/18/81—published 4/15/81, effective 5/20/81]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 9/23/82, Notice 8/18/82—published 10/13/82, effective 11/17/82]

[Filed 7/27/84, Notice 6/20/84—published 8/15/84, effective 9/19/84]

[Filed 8/9/85, Notice 7/3/85—published 8/28/85, effective 10/2/85]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 9/2/88, Notice 7/27/88—published 9/21/88, effective 10/26/88]

[Filed 10/27/89, Notice 9/20/89—published 11/15/89, effective 12/20/89]

[Filed 12/7/90, Notice 10/17/90—published 12/26/90, effective 1/30/91]

[Filed 9/23/92, Notice 8/19/92—published 10/14/92, effective 11/18/92]

[Filed 10/8/93, Notice 9/1/93—published 10/27/93, effective 12/1/93]

[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]

[Filed 11/15/96, Notice 10/9/96—published 12/4/96, effective 1/8/97]

[Filed 10/2/98, Notice 8/26/98—published 10/21/98, effective 11/25/98]

[Filed 1/7/00, Notice 12/1/99—published 1/26/00, effective 3/1/00]

[Filed 12/19/01, Notice 11/14/01—published 1/9/02, effective 2/13/02]

[Filed 12/30/05, Notice 11/9/05—published 1/18/06, effective 2/22/06]

[Filed 3/24/06, Notice 2/15/06—published 4/12/06, effective 5/17/06]

[Filed ARC 7726B (Notice ARC 7592B, IAB 2/25/09), IAB 4/22/09, effective 5/27/09]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 76
DETERMINATION OF VALUE OF RAILROAD COMPANIES
[Prior to 12/17/86, Revenue Department[730]]

701—76.1(434) Definitions of terms.

76.1(1) The term “*railroad*” shall mean and include all individuals or corporations engaged in the operation of a railway in this state and subject to valuation pursuant to Iowa Code chapter 434.

76.1(2) The term “*unit value*” or “*unit market value*” shall mean the market value arrived at by using the appraisal method of valuing an entire operating property, considered as a whole and capable of performing the function for which it was created, such as (by way of illustration and not limitation) transporting freight over rail.

76.1(3) The term “*operating property*” shall mean all property owned by or leased to a railroad company, not otherwise taxed separately or made nontaxable by law, which is necessary to and without which the railroad could not perform the activities for which the railroad is formed, such as (by way of illustration and not limitation) transporting freight over rail. With regard to property whose identity as “operating” or “nonoperating” property is not clearly ascertainable, the property shall be considered operating property if the railroad could not reasonably be expected to perform the referenced activities in the absence of such property.

76.1(4) The term “*nonoperating property*” shall mean all property owned by a railroad not defined by subrule 76.1(3) as “operating property.”

76.1(5) The term “*comparable sales*” shall mean actual sales transactions, between willing buyers and willing sellers, neither being under any compulsion to buy or sell, of property which is similar in purpose, function and design to the property to which the comparison is being made. Where the determination of a unit value is being made, the sale of a portion of a unit which is nominally similar in purpose and function to the unit being valued shall not be considered a comparable sale, absent proof by evidence other than the terms of the sale itself, that the sales price was based on some unit of measurement which is common both to the property sold and the property being valued and which is not affected by the fact that less than the entire unit is being sold, such as (by way of illustration and not limitation) (1) the price per mile of track and (2) the price per square foot of the property.

76.1(6) The term “*income approach to unit value*” shall mean the estimate of unit market value obtained by dividing an appropriate income stream by an appropriate and compatible discount rate.

76.1(7) The term “*stock and debt approach to unit value*” shall mean the estimate of unit market value determined by combining the estimate of market value of the stock, debt, current liabilities, other liabilities, including capital leases, and deferred credits associated with the operating property of a railroad company.

76.1(8) The term “*cost approach to unit value*” shall mean the estimate of value determined by combining the original cost less a depreciation allowance for the operating property of a railroad company.

76.1(9) The term “*respondent*” shall include the railroad company whose property is to be valued.

76.1(10) The term “*leased assets*” shall mean capital leases.

76.1(11) The term “*original cost*” shall mean the actual cost of the property to its present owner, not the first cost at the time it was originally constructed and placed in service.

This rule is intended to implement Iowa Code chapter 434.

701—76.2(434) Filing of annual reports.

76.2(1) Annual reports required to be filed by the reporting railroad company shall be on forms prescribed and supplied by the department. It shall be the responsibility of the railroad company to obtain the forms supplied by the department.

76.2(2) Additional schedules or attachments submitted by respondent shall be identified as to subject matter, shall be typed on paper of similar size to that used in the annual report, and all data contained in the schedules or attachments shall be adequately explained and documented as to source. When such additional schedules or attachments are submitted, they shall be considered part of the annual report.

76.2(3) The department of revenue may require the filing of additional information if deemed necessary. The request for additional information shall be answered completely and in accordance with instructions therein specified. Additional information required shall be considered part of the annual report.

This rule is intended to implement Iowa Code chapter 434.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—76.3(434) Comparable sales. Sale prices of comparable property in normal transactions shall be taken into consideration in arriving at its market value. In the event comparable sales are not available, the market value of operating property shall be determined by utilizing the three recognized unit approaches to value (i.e., stock and debt approach, income capitalization approach and the cost approach).

This rule is intended to implement Iowa Code section 434.15.

701—76.4(434) Stock and debt approach to unit value.

76.4(1) The stock and debt approach to unit value estimates the market value of the operating property by combining the market values of the common stock, preferred stock, debt, current liabilities, other liabilities, leases, and deferred credits associated with the operating property of the railroad company, on the basis that the market value of these items may be used as a surrogate for the market value of the operating property itself.

76.4(2) The market value of the long-term debt associated with the operating property shall be calculated by first determining a ratio, based on book values, whose numerator shall be the operating property and whose denominator shall be the total property of the railroad company. This ratio shall then be multiplied times the gross market value of the long-term debt and the result obtained shall be the market value of the long-term debt associated with the operating property.

The market value of publicly traded debt shall be determined by utilizing an average of the monthly high and low value of the debt for the 12 months preceding the valuation date. The values to be utilized shall be obtained by reference to any acceptable reporter of the market on which the securities are traded. If all or some of the securities are not publicly traded, the value of the securities shall be determined by appropriate comparable securities. The comparable securities shall be publicly traded and shall have a similar maturity date and coupon rate, as well as risk indicators similar to the untraded security. In each instance, the railroad company shall provide the department a statement of the market value of all securities and an explanation of how that market value was derived, including the identity of any comparable securities utilized. In the event that any utility is unable to utilize the foregoing rule to value its securities, it may provide the department with its own determination of the fair market value of its untraded securities together with a complete explanation of why the foregoing rule was not used and a detailed explanation of the method used.

76.4(3) The market value of the preferred stock associated with the operating property shall be calculated by first determining a ratio, based on book values, whose numerator shall be the operating property and whose denominator shall be the total property of the railroad company. This ratio shall then be multiplied times the gross market value of the preferred stock and the result obtained shall be the market value of the preferred stock associated with the operating property.

The market value of publicly traded shares of preferred stock shall be determined by utilizing an average of the monthly high and low value of the preferred stock for the 12 months preceding the valuation date. The values to be utilized shall be obtained by reference to any acceptable reporter of the market on which the preferred stock is traded. If all or some series of the preferred stock are not publicly traded, the value of such preferred stock shall be determined by appropriate comparable securities. The comparable securities shall be publicly traded and shall have the same or a similar dividend rate, as well as risk indicators similar to the untraded preferred stock. In each instance, the railroad company shall provide to the department a statement of the market value of its preferred stock and an explanation of how that market value was derived, including the identity of any comparable securities utilized. In the event that any railroad company is unable to utilize the foregoing rule to value its securities, it may provide the

department with its own determination of the fair market value of its untraded securities together with a complete explanation of why the foregoing rule was not used and a detailed explanation of the method used.

76.4(4) The market value of the common equity of a railroad company associated with the company's operating property shall be determined by capitalizing the income available to the common equity holders from the operating property, by an appropriate and compatible common equity return rate, all of which shall be determined as follows:

a. The calculation of the income to be capitalized shall begin with the railroad company's net income after taxes but before interest charges and preferred dividends for the 12-month period preceding the valuation date. The net income after taxes, but before interest charges and preferred dividends, shall be determined from the railroad company's regulatory report, or if no regulatory report is filed, from the audited financial statements of the railroad company. In the event the railroad company has no income or has a negative income, an alternative method shall be used to determine the market value of the common equity.

b. The income determined in 76.4(4) "a" shall be adjusted by deducting any net income included therein received from nonoperating property and, conversely, the referenced income shall be increased to account for any net loss created by any nonoperating property.

c. The income determined in 76.4(4) "a" shall be further reduced by that portion of the preferred dividends serviced by the income generated by the operating property, which shall be calculated by multiplying the total preferred dividend requirement by the ratio determined in 76.4(3).

d. The income determined in 76.4(4) "a" shall be further reduced by that portion of the debt service provided by the income generated by the operating property, which shall be calculated by multiplying the total debt service by the ratio determined in 76.4(2).

e. If there are any other interest payments required, a determination shall be made as to whether the underlying obligation was used to purchase operating or nonoperating assets. If no direct determination can be made, the interest payment shall be allocated in the same fashion as the debt service and preferred dividends. If the underlying obligation can be shown to be associated particularly, or in some specific proportion, to operating or nonoperating property, the interest payment shall be allocated either entirely or in such proportion to operating or nonoperating property. It shall be the obligation of the railroad company, in its reports to the department, to identify and detail any interest payments which are particularly associated with operating or nonoperating property, and if the railroad company fails to do so, the department may determine that all such payments may be allocated between operating and nonoperating property in the same ratio as is the debt service and preferred stock dividends (see subrules 76.4(2) and 76.4(3)).

f. Any extraordinary item affecting the income determined herein shall be eliminated in the calculation of the income shown under this rule.

g. The equity rate of return for the railroad company shall be determined by the use of the capital asset pricing model although where appropriate discounted cashflow models may be utilized as an alternative. Only in circumstances where these models are not able to be utilized will reliance be placed on a risk premium model or upon an earnings-price ratio, or other similar model, for determining the expected market rate of return on equity.

h. The income attributable to operating property available to the common equity holder as determined in 76.4(4) "a" to "f" shall then be divided by the equity rate as determined in 76.4(4) "g," and the result shall be the market value of the common equity associated with the operating property.

76.4(5) In the event the railroad company has entered into capital leases of operating property, the market value of the property leased shall be determined by calculating the net present value of the leases or net book value of the leases. The net present value shall be accomplished by discounting the future lease payments for each lease. The following is offered as an illustration of the calculation of such market value:

Length of Lease	Annual Lease Payments
1. Lease (a) 5 years	\$1,500,000
2. Lease (b) 7 years	\$ 800,000
3. Lease (c) 3 years	\$ 120,000
Net present value of leases (assuming 8 percent rate)	
Lease (a) = $1,500,000 \div (1.08)^1 + 1,500,000 \div (1.08)^2 + \dots + 1,500,000 \div (1.08)^5$	
Lease (b) = $800,000 \div (1.08)^1 + 800,000 \div (1.08)^2 + \dots + 800,000 \div (1.08)^7$	
Lease (c) = $120,000 \div (1.08)^1 + 120,000 \div (1.08)^2 + \dots + 120,000 \div (1.08)^3$	
Net Present Value of Lease (a)	= \$ 5,989,065
Net Present Value of Lease (b)	= \$ 4,165,096
Net Present Value of Lease (c)	= <u>\$ 309,251</u>
Total Lease Values	\$10,463,412

The discount rate shall be equal to the railroad company's overall market debt rate of return.

76.4(6) In the event the railroad company has other sources of capital including, but not limited to, other liabilities, capital leases, and accumulated investment tax credits which cannot be identified as having been utilized to purchase specific assets, the market value of the sources of capital shall be allocated between operating and nonoperating assets in the same manner as long-term debt or preferred stock. Current liabilities and accumulated deferred income taxes are not to be included in this calculation. The book value of accumulated deferred income taxes should be deducted from the market value of the stock and debt approach before making this calculation. Likewise, current liabilities should be deducted from current assets and the resulting figure, if positive, should be added to the market value of the stock and debt approach and, if negative, should be deducted. The resulting figure, "net working capital," shall be allocated in the same manner as long-term debt or preferred stock (see subrules 76.4(2) and 76.4(3)). If any source of capital was created specifically for the purchase of property which can be identified as operating property or nonoperating property, the railroad company must identify the sources of capital in its annual report to the department, together with the appropriate evidence. If the railroad company fails to provide the information, the department may determine that the sources of capital may be allocated in the same manner as long-term debt or preferred stock (see subrules 76.4(2) and 76.4(3)). The market value of any source of capital, in the absence of evidence to the contrary submitted by the railroad with its annual report, shall be the book value.

76.4(7) The value determined by summing the portions of the enumerated sources of capital associated with the operating property of the railroad company provided in subrules 76.4(2) to 76.4(6) shall be the unit value of the operating properties determined by the stock and debt approach to unit value.

This rule is intended to implement Iowa Code section 434.15.

701—76.5(434) Income capitalization approach to unit value.

76.5(1) The income capitalization approach to unit value estimates the market value of the operating property by dividing the income stream generated by the operating assets by a market-derived capitalization rate based on the costs of the various sources of capital utilized or available for use to purchase the assets generating the income stream.

a. The net railway operating income to be capitalized shall be a weighted average net railway operating income. The weighted average net railway operating income shall consist of an average of the three 12-month periods immediately preceding the valuation date. Each of the three preceding 12-month periods shall be weighted by multiplying the first preceding period by 60 percent, the second preceding period by 30 percent, and the third preceding period by 10 percent. There shall be no adjustment for the company's current-year deferred income taxes to this income stream.

b. The department may also utilize a “free cash flow model” in calculating the railway operating income to be capitalized. The “free cash flow model” shall consist of an average of the five 12-month periods immediately preceding the valuation date. Each of the five preceding 12-month periods shall be given equal weighting in the calculation of the five-year average railway operating income to be capitalized. Each year the net railway operating income shall be adjusted by adding the current-year deferred income taxes associated with maintenance expenditures, adding the current-year depreciation expense, and subtracting the current-year capital expenditures necessary to maintain the plant.

c. The department may give consideration to both calculations of operating income as described in this subrule to determine the railway operating income to be capitalized. The department may also consider, in both calculations, adjustments for extraordinary, unusual, and infrequent items. These adjustments would not be expected to occur annually and are different from the typical railroad business operations. The purpose and intent of the income indicator of value is to match income with sources of capital and therefore every source of capital utilized or available to be utilized to purchase assets should be reflected in the capitalization rate determination as well as all operating income. The department shall not include a separate adjustment to either income stream for noncapitalized operating leases. In the event the railroad company has no income or has a negative income, the indicator of value set forth in this subrule shall not be utilized.

76.5(2) If any operating property is clearly not income producing and, therefore, is not reflected in the income stream, the value of that asset shall be determined separately and added to the value of the other operating property as determined using the income indicator of value. The capitalization rate shall be adjusted, if necessary, for the market rate of return for the sources of capital utilized to purchase such non-income-producing properties where the sources can be clearly identified; otherwise the cost of the sources of capital shall be presumed to be equal to the overall market-weighted costs of the other sources of capital.

76.5(3) If the railroad company is one which can earn a return on assets purchased with sources of capital, excluding the company’s deferred income taxes, the income will reflect the earnings on those assets, and as a consequence, a separate adjustment to the capitalization rate is required. The capitalization rate shall be determined by utilizing, where appropriate, market rates of return weighted according to a market determined capital structure. All sources of capital shall be considered in the capital structure as well as market costs associated with each source of capital; otherwise the cost of the sources of capital shall be presumed to be equal to the overall market-weighted costs of the identified sources of capital. The following is an example of the application of this rule.

	(1)	(2)	(3)	(4)
	Market Value	Market Rate of Return	% to Total	Component (Col. 2 × Col. 3)
Common Stock	60,000	15%	66.67	10.00
Preferred Stock	5,000	13%	5.55	.72
Debt	25,000	12%	27.78	3.33
	<u>90,000</u>		<u>100.00</u>	<u>14.05</u>

This rule is intended to implement Iowa Code section 434.15.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—76.6(434) Cost approach to unit value. The cost approach to unit value shall be determined by combining the cost of the operating properties of the railroad and deducting therefrom an allowance for depreciation calculated on a straight-line basis. Other forms of depreciation may be deducted if found to exist.

This rule is intended to implement Iowa Code section 434.15.

701—76.7(434) Correlation. In making a final determination of value, the department shall give consideration to each of the methodologies described in these rules, the use of which will result in the determination of the fair and reasonable market value of the railroad company's entire operating property. The stock and debt indicator of value and the income indicator of value shall each be weighted at 50 percent. In this particular circumstance, when the department utilizes the stock and debt indicator and the income indicator in the correlation process, the cost indicator will be given no weighting. If circumstances dictate that a particular method is inappropriate for a specific company, that method shall be given little or no weight in the final correlation of value.

This rule is intended to implement Iowa Code section 434.15.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—76.8(434) Allocation of unit value to state.

76.8(1) Allocation by the department. The department shall allocate that portion of the total unit value of the railroad company's operating property to the state of Iowa based on factors that are representative of the ratio that the railroad company's property and activity in the state of Iowa bear to the railroad company's total property and activity. These factors are:

- a. Gross operating revenue weighted 40 percent.
- b. All track mileage weighted 35 percent.
- c. Revenue traffic units weighted 15 percent.
- d. Car and locomotive mileage weighted 10 percent.

76.8(2) Alternative methods. In the event that the allocation prescribed by subrule 76.8(1) does not fairly and reasonably allocate unit value of the railroad company's operating property to the state of Iowa, the department shall consider such other factors as the department deems appropriate by the exercise of sound appraisal judgment.

This rule is intended to implement Iowa Code section 434.15.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—76.9(434) Exclusions.

76.9(1) From the estimate of value pursuant to rule 76.8(434), there shall be a deduction for pollution control property provided in Iowa Code section 427.1(32).

76.9(2) From the estimate of value pursuant to rule 76.8(434), there shall be a deduction for interstate bridges and other locally assessed property. Locally assessed property shall mean all property subject to an assessing authority pursuant to Iowa Code section 441.54. The respondent shall supply a schedule providing the actual value as determined by the local assessor on or nearest to the current assessment date.

76.9(3) From the estimate of value determined under rule 76.8(434), the value of Iowa personal property shall be deducted pursuant to Burlington Northern Railroad Company vs. Gerald D. Bair, Director of the Department of Revenue of Iowa—United States District Court Order-Civil No. 83-100-A. The computation for the percentage of personal property shall be equal to the ratio of the net book value of personal property divided by the net book value of the total property.

76.9(4) From the estimate of value determined under rule 76.7(434), the intangible value shall be deducted pursuant to Burlington Northern Railroad Company vs. Gerald D. Bair, Director of the Department of Revenue of Iowa—United States District Court Order No: 4-90CV-60406. The deduction shall be equal to 6.6 percent of the correlated system value for the stock and debt indicator and the income indicator.

This rule is intended to implement Iowa Code sections 427.1(32), 434.15 and 434.20.

[Filed 2/1/79, Notice 12/27/79—published 2/21/79, effective 3/28/79]

[Filed 5/22/81, Notice 4/15/81—published 6/10/81, effective 7/15/81]

[Filed 6/3/83, Notice 3/30/83—published 6/22/83, effective 7/27/83]

[Filed 4/6/84, Notice 2/29/84—published 4/25/84, effective 5/30/84]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 6/17/05, Notice 5/11/05—published 7/6/05, effective 8/10/05]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

¹ Effective date of Ch 76 delayed 70 days by the Administrative Rules Review Committee on 7/14/83.

CHAPTER 77
DETERMINATION OF VALUE OF UTILITY COMPANIES

[Prior to 12/17/86, Revenue Department[730]]

701—77.1(428,433,437,438) Definition of terms.

77.1(1) The term “*utility company*” shall mean and include all persons engaged in the operating of gasworks, waterworks, telephones, including telecommunication companies and cities that own or operate a municipal utility providing local exchange services pursuant to Iowa Code chapter 476, pipelines, electric transmission lines, and electric light or power plants, as set forth in Iowa Code chapters 428, 433, 437, and 438. Any utility company subject to taxation under Iowa Code chapter 437A shall not be subject to valuation under this chapter. Beginning with property tax assessment years and replacement tax years beginning on or after January 1, 2013, any utility company subject to taxation under 2013 Iowa Acts, Senate File 451, sections 10 to 30, shall not be subject to valuation under this chapter.

77.1(2) The term “*unit value*” or “*unit market value*” shall mean the market value arrived at by using the appraisal method of valuing an entire operating property, considered as a whole and capable of performing the function for which it was created, such as (by way of illustration and not limitation) (1) generating, transmitting and distributing electricity; or (2) transporting or distributing natural gas.

77.1(3) The term “*operating property*” shall mean all property owned by or leased to a utility company, not otherwise taxed separately, made nontaxable by law, or property leased to companies valued and assessed pursuant to Iowa Code chapter 428, which is necessary to and without which the utility could not perform the activities for which the utility is formed, such as (by way of illustration and not limitation) (1) generating, transmitting and distributing electricity; or (2) transporting or distributing natural gas. With regard to property whose identity as “operating” or “nonoperating” property is not clearly ascertainable, the property shall be considered operating property if the utility could not reasonably be expected to perform the referenced activities in the absence of such property.

77.1(4) The term “*nonoperating property*” shall mean all property owned by a utility not defined by subrule 77.1(3) as “operating property.”

77.1(5) The term “*comparable sales*” shall mean actual sales transactions, between willing buyers and willing sellers, neither being under any compulsion to buy or sell, of property which is similar in purpose, function and design to the property to which the comparison is being made. Where the determination of value is being made, the sale of a portion of a unit which is nominally similar in purpose and function to the unit being valued shall not be considered a comparable sale, absent proof by evidence other than the terms of the sale itself, that the sales price was based on some unit of measurement which is common both to the property sold and the property being valued and which is not affected by the fact that less than the entire unit is being sold, such as (by way of illustration and not limitation) the price per square foot of the property.

77.1(6) The term “*income approach to unit value*” shall mean the estimate of unit market value obtained by dividing an appropriate income stream by an appropriate discount rate.

77.1(7) The term “*stock and debt approach to unit value*” shall mean the estimate of unit market value determined by combining the market value of the stock, debt, current liabilities, other liabilities, including leases, except those leases of companies valued and assessed pursuant to Iowa Code chapter 428, and deferred credits associated with the operating property of a utility company.

77.1(8) The term “*cost approach to unit value*” shall mean the estimate of value determined by combining the original cost less a depreciation allowance for the operating property of a utility company.

77.1(9) The term “*respondent*” shall include the utility company whose property is to be valued.

77.1(10) The term “*leased assets*” shall mean both operational and capital leases.

77.1(11) The term “*original cost*” shall mean the actual cost of the property to its present owner, not the first cost at the time it was originally constructed and placed in service.

77.1(12) “*Long distance telephone company*” means an entity that provides telephone service and facilities between local exchanges and has been classified as such by the utilities board of the department of commerce, but does not include a cellular service provider or a local exchange utility holding a

certificate issued under Iowa Code section 476.29(12). The rules contained in 701—Chapter 71, rather than this chapter, apply to the assessment of long distance telephone company property first assessed for taxation on or after January 1, 1996.

77.1(13) The term “*replacement cost new less depreciation*” or “*RCNLD*” shall mean the cost to the present owner of acquiring or constructing at current prices a property that is the functional equivalent of an existing property less an allowance for depreciation.

This rule is intended to implement Iowa Code chapters 428, 437, and 438 and sections 433.12 and 476.1D(10).

[ARC 0965C, IAB 8/21/13, effective 8/2/13; ARC 1105C, IAB 10/16/13, effective 11/20/13]

701—77.2(428,433,437,438) Filing of annual reports.

77.2(1) Annual reports required to be filed by the reporting utility company shall be on forms prescribed and supplied by the department. It shall be the responsibility of the utility company to obtain the forms supplied by the department.

77.2(2) Additional schedules or attachments submitted by respondent shall be identified as to subject matter, shall be typed on paper of similar size to that used in the annual report, and all data contained in the schedules or attachments shall be adequately explained and documented as to source. When such additional schedules or attachments are submitted, they shall be considered part of the annual report.

77.2(3) The department may require the filing of additional information if deemed necessary. The request for additional information shall be answered completely and in accordance with instructions therein specified. Additional information required shall be considered part of the annual report.

This rule is intended to implement Iowa Code sections 428.23, 433.1, 433.2, 437.2, 437.4, 437.14, 438.3, 438.4, 438.5 and 438.6.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—77.3(428,433,437,438) Comparable sales. Sale prices of comparable property in normal transactions shall be taken into consideration in arriving at its market value. In the event comparable sales are not available, the market value of operating property shall be determined by utilizing the three recognized unit approaches to value (i.e., stock and debt approach, income capitalization approach and the cost approach).

This rule is intended to implement Iowa Code sections 428.28, 433.1, 433.2, 437.2, 437.4, 437.14, 438.3, 438.4, 438.5 and 438.6.

701—77.4(428,433,437,438) Stock and debt approach to unit value.

77.4(1) The stock and debt approach to unit value estimates the market value of the operating property by combining the market values of the common stock, preferred stock, debt, current liabilities, other liabilities, leases, and deferred credits associated with the operating property of the utility company, on the basis that the market value of these items may be used as a surrogate for the market value of the operating property itself.

77.4(2) The market value of the long-term debt associated with the operating property shall be calculated by first determining a ratio, based on book values, whose numerator shall be the operating property and whose denominator shall be the total property of the utility company. This ratio shall then be multiplied times the gross market value of the long-term debt and the result obtained shall be the market value of the long-term debt associated with the operating property. The market value of publicly traded debt shall be determined by utilizing an average of the monthly high and low value of the debt for the 12 months preceding the valuation date. The values to be utilized shall be obtained by reference to any acceptable reporter of the market on which the securities are traded. If all or some of the securities are not publicly traded, the value of the securities shall be determined by appropriate comparable securities. The comparable securities shall be publicly traded and shall have a similar maturity date and coupon rate, as well as risk indicators similar to the untraded security. In each instance, the utility company shall provide the department a statement of the market value of all securities and an explanation of how that market value was derived, including the identity of any comparable securities utilized. In the event that any utility is unable to utilize the foregoing rule to value its securities, it may

provide the department with its own determination of the fair market value of its untraded securities together with a complete explanation of why the foregoing rule was not used and a detailed explanation of the method used.

77.4(3) The market value of the preferred stock associated with the operating property shall be calculated by first determining a ratio, based on book values, whose numerator shall be the operating property and whose denominator shall be the total property of the utility company. This ratio shall then be multiplied times the gross market value of the preferred stock and the result obtained shall be the market value of the preferred stock associated with the operating property.

The market value of publicly traded shares of preferred stock shall be determined by utilizing an average of the monthly high and low value of the preferred stock for the 12 months preceding the valuation date. The values to be utilized shall be obtained by reference to any acceptable reporter of the market on which the preferred stock is traded. If all or some series of the preferred stock are not publicly traded, the value of such preferred stock shall be determined by appropriate comparable securities. The comparable securities shall be publicly traded and shall have the same or a similar dividend rate, as well as risk indicators similar to the untraded preferred stock. In each instance, the utility company shall provide the department a statement of the market value of its preferred stock and an explanation of how that market value was derived, including the identity of any comparable securities utilized. In the event that any utility is unable to utilize the foregoing rule to value its securities, it may provide the department with its own determination of the fair market value of its untraded securities together with a complete explanation of why the foregoing rule was not used and a detailed explanation of the method used.

77.4(4) The market value of the common equity of a utility company associated with the company's operating property shall be determined by capitalizing the income available to the common equity holders from the operating property, by an appropriate common equity return rate, all of which shall be determined as follows:

a. The calculation of the income to be capitalized shall begin with the utility company's net income after taxes but before interest charges and preferred dividends for the 12-month period preceding the valuation date. The net income after taxes, but before interest charges and preferred dividends, shall be determined from the utility company's regulatory report, or if no regulatory report is filed, from the audited financial statements of the utility company. In the event that the respondent has no income or has negative income, an alternative method may be utilized to estimate the market value of the common equity.

b. For rate base regulated companies which do not earn a return on construction-work-in-progress, the income determined in subrule 77.4(4) shall be increased by the amount of income associated with the construction-work-in-progress which will be placed into service within one year of the assessment date. The income associated with the construction-work-in-progress shall be determined by multiplying the cost of said construction by the latest overall cost of capital as determined by the regulatory agency.

c. The income determined in 77.4(4) "a" shall be further reduced by that portion of the preferred dividends serviced by the income generated by the operating property, which shall be calculated by multiplying the total preferred dividend requirement by the ratio determined in 77.4(3).

d. The income determined in 77.4(4) "a" shall be further reduced by that portion of the debt service provided by the income generated by the operating property, which shall be calculated by multiplying the total debt service by the ratio determined in 77.4(2).

e. If there are any other interest payments required, a determination shall be made as to whether the underlying obligation was used to purchase operating or nonoperating assets. If no direct determination can be made, the interest payment shall be allocated in the same fashion as the debt service and preferred dividends. If the underlying obligation can be shown to be associated particularly, or in some specific proportion, to operating or nonoperating property, the interest payment shall be allocated either entirely or in such proportion to operating or nonoperating property. It shall be the obligation of the utility company, in its reports to the department, to identify and detail any interest payments which are particularly associated with operating or nonoperating property, and if the utility company fails to do so, the department may determine that all such payments may be allocated between

operating and nonoperating property in the same ratio as is the debt service and preferred stock dividends (see subrules 77.4(2) and 77.4(3)).

f. The income determined in 77.4(4) “a” shall be adjusted by deducting any net income included therein received from nonoperating property and, conversely, the referenced income shall be increased to account for any net loss created by any nonoperating property.

g. The income determined in 77.4(4), paragraph “a,” for pipeline companies shall be further reduced by deducting the current year net adjustment expense for investment tax credits.

h. Any extraordinary item affecting the income determined herein shall be eliminated in the calculation of the income shown under this rule. Any construction-work-in-progress not placed into service within one year of the assessment date shall be separately valued by the department.

i. The equity rate of return for the utility company shall be determined by the use of the capital asset pricing model although where appropriate discounted cashflow model (commonly called the Gordon Growth Model - $r = \frac{D_1}{P_0} + g$) may be utilized as an alternative.

Only in circumstances where these models are not able to be utilized will reliance be placed on a risk premium model or upon an earnings-price ratio, or other similar model, for determining the expected market rate of return on equity.

j. The income attributable to operating property available to the common equity holder as determined in 77.4(4) “a” to “g” shall then be divided by the equity rate as determined in 77.4(4) “h,” and the result shall be the market value of the common equity associated with the operating property.

77.4(5) In the event the utility company has entered into leases of operating property, the market value of the property leased shall be determined by calculating the net present value of the leases, which shall be accomplished by discounting the future lease payments for each lease. The following is offered as an illustration of the calculation of such market value:

Length of Lease	Annual Lease Payments
1. Lease (a) 5 years	\$1,500,000
2. Lease (b) 7 years	\$ 800,000
3. Lease (c) 3 years	\$ 120,000
Net present value of leases (assuming 8 percent rate)	
Lease (a) = $1,500,000 \div (1.08)^1 + 1,500,000 \div (1.08)^2 + \dots + 1,500,000 \div (1.08)^5$	
Lease (b) = $800,000 \div (1.08)^1 + 800,000 \div (1.08)^2 + \dots + 800,000 \div (1.08)^7$	
Lease (c) = $120,000 \div (1.08)^1 + 120,000 \div (1.08)^2 + \dots + 120,000 \div (1.08)^3$	
Net Present Value of Lease (a)	= \$ 5,989,065
Net Present Value of Lease (b)	= \$ 4,165,096
Net Present Value of Lease (c)	= <u>\$ 309,251</u>
Total Lease Values	<u>\$10,463,412</u>

The discount rate shall be equal to the utility company’s overall market cost of capital.

77.4(6) In the event the utility company has other sources of capital, such as (by way of illustration and not limitation) current liabilities and accumulated investment tax credits which cannot be identified as having been utilized to purchase specific assets, the market value of such sources of capital shall be allocated between operating and nonoperating assets in the same manner as long-term debt or preferred stock (see subrules 77.4(2) and 77.4(3)). Accumulated deferred income taxes are not included in this adjustment. The book value for accumulated deferred income taxes should be removed from the stock and debt approach before making this calculation. If any such source of capital was created specifically for the purchase of property which can be identified as operating property or nonoperating property, the utility company must identify such sources of capital in their annual report to the department, together

with the appropriate evidence of such. If the utility company fails to provide such information, the department may determine that such sources of capital may be allocated in the same manner as long-term debt or preferred stock (see subrules 77.4(2) and 77.4(3)). The market value of any such source of capital, in the absence of evidence to the contrary submitted by the utility with its annual report, shall be the book value.

77.4(7) The value determined by summing the portions of the enumerated sources of capital associated with the operating property of the utility company provided in subrules 77.4(2) to 77.4(6) shall be the unit value of the operating properties determined by the stock and debt approach to unit value.

This rule is intended to implement Iowa Code sections 428.29, 433.4, 437.6, 437.7, and 438.14.

701—77.5(428,433,437,438) Income capitalization approach to unit value.

77.5(1) The income capitalization approach to unit value estimates the market value of the operating property by dividing the income stream generated by the operating assets by a market derived capitalization rate based on the costs of the various sources of capital utilized or available for use to purchase the assets generating the income stream. The purpose and intent of the income indicator of value is to match income with sources of capital and, therefore, every source of capital used or available to be used to purchase assets should be reflected in the capitalization rate determination as well as all operating income.

The net operating income to be capitalized for pipeline companies shall be a weighted average net operating income. The weighted average net operating income shall consist of an average of the three 12-month periods immediately preceding the valuation date. Each of the three preceding 12-month periods shall be weighted by multiplying the first preceding period by three, the second preceding period by two, and the third preceding period by one. The income stream for pipeline companies shall be further reduced by deducting the current year net adjustment expense for investment tax credits.

If the utility company has no income or has a negative income, the indicator of value set forth in this subrule shall not be utilized.

If the utility company is one which is not allowed to earn a return on assets purchased with sources of capital such as the company's deferred income taxes, the income will not reflect the earnings on those assets, and as a consequence, a separate adjustment to the income indicator of value must be made to account for the value of those assets. In such instances, the income indicator of value shall be increased by an amount equal to the book value of the source of capital involved, such as the accumulated deferred income taxes. The adjustment to the income approach for accumulated deferred income taxes shall not be made for pipeline companies. If any other operating property is clearly not income producing and, therefore, not reflected in the income stream, the value of that asset shall be determined separately and added to the value of the other operating property as determined using the income indicator of value. The capitalization rate shall be adjusted, if necessary, for the market rate of return for the sources of capital utilized to purchase such non-income-producing properties where the sources can be clearly identified. Otherwise, the cost of the sources of capital shall be presumed to be equal to the overall market weighted costs of the identified sources of capital.

77.5(2) If the utility company is one which can earn a return on assets purchased with sources of capital such as the company's deferred income taxes, the income will reflect the earnings on those assets, and as a consequence, a separate adjustment to the capitalization rate is required. The capitalization rate shall be determined by utilizing, where appropriate, market rates of return weighted according to a market-determined capital structure, with the exception of deferred credits whose market value shall be equal to its value on the company's books and whose cost shall be zero. All sources of capital shall be considered in the capital structure as well as market costs associated with each source of capital, otherwise, the cost of the sources of capital shall be presumed to be equal to the overall market-weighted costs of the identified sources of capital. The following is an example of the application of this rule:

	(1)	(2)	(3)	(4)
	Market Value	Market Rate of Return	% to Total	Component (Col. 2 × Col. 3)
Common Stock	60,000	15%	62.50	9.38
Preferred Stock	5,000	13%	5.21	.68
Debt	25,000	12%	26.04	3.12
Deferred Credits	6,000	—0—	6.25	—0—
	<u>96,000</u>		<u>100.00</u>	<u>13.18</u>

This rule is intended to implement Iowa Code sections 428.29, 433.4, 437.6, 437.7, and 438.14.

701—77.6(428,433,437,438) Cost approach to unit value. The cost approach to unit value shall be determined by combining the cost of the operating properties of the utility and deducting therefrom an allowance for depreciation calculated on a straight-line basis. Other forms of depreciation may be deducted if found to exist. The department may use the replacement cost new less depreciation (RCNLD) valuation methodology for determining the assessed value of the Iowa operating property required under Iowa Code chapter 433.

This rule is intended to implement Iowa Code sections 428.29, 433.4, 437.6, 437.7, and 438.14.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—77.7(428,433,437,438) Correlation. In making a final determination of value, the department may give consideration to each of the methodologies described in these rules, the use of which will result in the determination of the fair and reasonable market value of the utility company's entire operating property. Generally, for other than pipeline companies, the stock and debt indicator of value shall be considered to be the most useful, the income indicator the next most useful, and the cost indicator the least useful. If circumstances dictate that a particular indicator is inappropriate or less reliable for a particular company, the correlation of the indicators of value shall be adjusted accordingly. The correlation for pipeline companies will consider the cost indicator to be the most useful, the income indicator the next most useful, and the stock and debt indicator the least useful. In making the final determination of value, the department will weigh the stock and debt indicator of value at 10 percent, the income indicator of value at 40 percent and the cost indicator of value at 50 percent.

This rule is intended to implement Iowa Code sections 428.29, 433.4, 437.6, 437.7, and 438.14.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—77.8(428,433,437,438) Allocation of unit value to state.

77.8(1) Allocation by the department. The department shall allocate that portion of the total unit value of the utility company's operating property to the state of Iowa based on factors that are representative of the ratio that the utility company's property and activity in the state of Iowa bear to the utility company's total property and activity. These factors are:

- a. Gross operating property weighted 75 percent, and
- b. Gross operating revenues, or MCF miles, or barrel miles weighted 25 percent. The selection of the property and use factor to be utilized shall depend on the type of utility being valued.

77.8(2) Alternative methods. In the event that the allocation prescribed by subrule 77.8(1) does not fairly and reasonably allocate unit value of the utility company's operating property to the state of Iowa, the department shall consider such other factors as the department deems appropriate by the exercise of sound appraisal judgment.

This rule is intended to implement Iowa Code sections 428.29, 433.4, 437.6, 437.7, and 438.14.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

[Filed 2/1/79, Notice 12/27/78—published 2/21/79, effective 3/28/79]

[Filed 5/22/81, Notice 4/15/81—published 6/10/81, effective 7/15/81]

[Filed 6/22/83, Notice 3/16/83—published 6/22/83, effective 7/27/83]

[Filed 4/6/84, Notice 2/29/84—published 4/25/84, effective 5/30/84]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 10/6/95, Notice 8/30/95—published 10/25/95, effective 11/29/95]

[Filed 10/1/99, Notice 8/25/99—published 10/20/99, effective 11/24/99]

[Filed 1/7/00, Notice 12/1/99—published 1/26/00, effective 3/1/00]

[Filed 12/5/03, Notice 10/29/03—published 12/24/03, effective 1/28/04]

[Filed Emergency ARC 0965C, IAB 8/21/13, effective 8/2/13]

[Filed ARC 1105C (Notice ARC 0966C, IAB 8/21/13), IAB 10/16/13, effective 11/20/13]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

¹ Effective date of Ch 77 delayed 70 days by the Administrative Rules Review Committee on 7/14/83. Seventy-day delay of effective date lifted, see IAB 8/31/83.

CHAPTER 80
PROPERTY TAX CREDITS AND EXEMPTIONS
[Prior to 12/17/86, Revenue Department[730]]

701—80.1(425) Homestead tax credit.

80.1(1) *Application for credit.*

a. No homestead tax credit shall be allowed unless the first application for homestead tax credit is signed by the owner of the property or the owner's qualified designee and filed with the city or county assessor on or before July 1 of the current assessment year. (1946 O.A.G. 37) Once filed, the claim for credit is applicable to subsequent years and no further filing shall be required provided the homestead is owned and occupied by the claimant or the claimant's spouse on July 1 of each year and, in addition, the claimant or the claimant's spouse occupies the homestead for at least six months during each calendar year in which the fiscal year for which the credit is claimed begins. It is not a requirement that the six-month period of time be consecutive. If the credit is disallowed and the claimant failed to give written notice to the assessor that the claimant ceased to use the property as a homestead, a civil penalty equal to 5 percent of the amount of the disallowed credit shall be assessed against the claimant in addition to the amount of credit allowed. The assessor, county auditor, and county board of supervisors shall act on the claim in accordance with Iowa Code section 425.3. A claim filed after July 1 of any calendar year applies to the following assessment year.

b. In the event July 1 falls on either a Saturday or Sunday, applications for the homestead tax credit may be filed the following Monday.

c. In the event July 1 falls on either a Saturday or Sunday, applications submitted by mail shall be accepted if postmarked on the following Monday.

d. An assessor may not refuse to accept an application for homestead tax credit. If it is the opinion of the assessor that a homestead tax credit should not be allowed, the assessor shall accept the application for credit and recommend disallowance.

e. If the owner of the homestead is on active duty in the armed forces of this state or of the United States, or is 65 years of age or older or is disabled, the application for homestead tax credit may be signed and delivered by a member of the owner's family or the owner's guardian, conservator or designated attorney-in-fact. For purposes of this rule, any person related to the owner by blood, marriage or adoption shall be considered a member of the owner's family.

f. If a person makes a false application for credit with fraudulent intent to obtain the credit, the person is guilty of a fraudulent practice and the claim shall be disallowed. If the credit has been paid, the amount of the credit plus a penalty equal to 25 percent of the amount of the disallowed credit and interest shall be collected by the county treasurer.

g. For purposes of the homestead tax credit statute, the occupancy of the homestead may constitute actual occupancy or constructive occupancy. However, more than one homestead cannot be simultaneously occupied by the claimant and multiple simultaneous homestead tax credits are not allowable. (Op. St. Bd. Tax Rev. No. 212, February 29, 1980.) Generally, a homestead is occupied by the claimant if the premises constitute the claimant's usual place of abode. Once the claimant's occupancy of the homestead is established, such occupancy is not lost merely because the claimant, for some valid reason, is temporarily absent from the homestead premises with an intention of returning thereto (1952 O.A.G. 78).

80.1(2) *Eligibility for credit.*

a. If homestead property is owned jointly by persons who are not related or formerly related by blood, marriage or adoption, no homestead tax credit shall be allowed unless all the owners actually occupy the homestead property on July 1 of each year. (1944 O.A.G. 26; Letter O.A.G. October 18, 1941)

b. No homestead tax credit shall be allowed if the homestead property is owned or listed and assessed to a corporation, other than a family farm corporation, partnership, company or any other business or nonbusiness organization. (1938 O.A.G. 441; *Verne Deskin v. Briggs*, State Board of Tax Review, No. 24, February 1, 1972)

c. A person acquiring homestead property under a contract of purchase remains eligible for a homestead tax credit even though such person has assigned his or her equity in the homestead property as security for a loan. (1960 O.A.G. 263)

d. A person occupying homestead property pursuant to Iowa Code chapter 499A or 499B is eligible for a homestead tax credit. (1978 O.A.G. 78-2-5; 1979 O.A.G. 79-12-2)

e. A person who has a life estate interest in homestead property shall be eligible for a homestead tax credit, provided the remainderman is related or formerly related to the life estate holder by blood, marriage or adoption or the reversionary interest is held by a nonprofit corporation organized under Iowa Code chapter 504A. (1938 O.A.G. 193)

f. A homestead tax credit may not be allowed upon a mobile home which is not assessed as real estate. (1962 O.A.G. 450)

g. A person occupying homestead property under a trust agreement is considered the owner of the property for purposes of the homestead tax credit. (1962 O.A.G. 434)

h. A remainder is not eligible to receive a homestead tax credit until expiration of the life estate to which such person has the remainder interest. (1938 O.A.G. 305)

i. In order for a person occupying homestead property under a contract of purchase to be eligible for a homestead tax credit, the contract of purchase must be recorded in the office of the county recorder where the property is located. A recorded memorandum or summary of the actual contract of purchase is not sufficient evidence of ownership to qualify a person for a homestead tax credit.

j. An owner of homestead property who is in the military service or confined in a nursing home, extended-care facility or hospital shall be considered as occupying the property during the period of service or confinement. The fact that the owner rents the property during the period of military service is immaterial to the granting of the homestead tax credit. (1942 O.A.G. 45) However, no homestead tax credit shall be allowed if the owner received a profit for the use of the property from another person while such owner is confined in a nursing home, extended-care facility or hospital.

k. A person owning a homestead dwelling located upon land owned by another person or entity is not eligible for a homestead tax credit. (1942 O.A.G. 160, O.A.G. 82-4-9) This rule is not applicable to a person owning a homestead dwelling pursuant to Iowa Code chapter 499B or a person owning a homestead dwelling on land owned by a community land trust pursuant to 42 U.S.C. Section 12773.

l. An heir occupying homestead property that is part of an estate in the process of administration is considered an owner of the property and is eligible for the homestead credit. (1938 O.A.G. 272)

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

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

(1) A veteran who acquired homestead property under 38 U.S.C. Sections 21.801 and 21.802 or Sections 2101 and 2102.

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

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

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

b. *Application for credit.* Except for the 2014 assessment year, an application for the disabled veteran tax credit must be filed with the local assessor on or before July 1 of the assessment year. Any supporting documentation required by the assessor must be current within the previous 12 months of the date on which the application is filed. The filing deadline for applications for the 2014 assessment year

shall be July 1, 2015. The credit applicable to assessment year 2014 shall be allowed only on a homestead which the owner occupied on July 1, 2014, and for at least six months during the 2014 assessment year.

c. Amount of credit. The amount of the credit is equal to the entire amount of tax payable on the homestead.

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

80.1(4) Application of credit.

a. Except as provided in 80.1(1)“a,” if the homestead property is conveyed to another person prior to July 1 of any year, the new owner must file a claim for credit on or before July 1 to obtain the credit for that year. If the property is conveyed on or after July 1, the credit shall remain with the property for that year provided the previous owner was entitled to the credit. However, when the property is transferred as part of a distribution made pursuant to Iowa Code chapter 598 (Dissolution of Marriage) the transferee spouse retaining ownership and occupancy of the homestead is not required to refile for the credit.

b. A homestead tax credit may be allowed even though the property taxes levied against the homestead property have been suspended by the board of supervisors. (1938 O.A.G. 288)

c. A homestead tax credit shall not be allowed if the property taxes levied against the homestead property have been canceled or remitted by the board of supervisors. (1956 O.A.G. 78)

d. Only one homestead tax credit can be allowed per legally described tract of land. For purposes of this rule, a legally described tract of land shall mean all land contained in a single legal description. (1962 O.A.G. 435)

e. If the owner of homestead property is also eligible for a military service tax exemption and claims the exemption on the homestead property, the military service tax exemption shall be applied prior to the homestead tax credit when computing net property tax. (*Ryan v. State Tax Commission*, 235 Iowa 222, 16 N.W.2d 215)

f. If the homestead property contains two dwelling houses and one of the dwelling houses and a portion of the land is sold after a valid application for homestead tax credit has been filed, the assessor shall prorate the assessment so as to allow the seller a homestead tax credit on that portion of the property which is retained and also allow the purchaser a homestead tax credit on that portion of the property which is purchased, provided the purchaser files a valid application for homestead tax credit by July 1 of the claim year.

g. A homestead tax credit shall be allowed against the assessed value of the land on which a dwelling house did not exist as of January 1 of the year in which the credit is claimed provided a dwelling house is owned and occupied by the claimant on July 1 of that year.

h. The county treasurer shall, pursuant to Iowa Code section 25B.7, be required to extend to the claimant only that portion of the credit estimated by the department to be funded by the state appropriation.

This rule is intended to implement Iowa Code chapter 425 as amended by 2006 Iowa Acts, House File 2794.

[ARC 2507C, IAB 4/27/16, effective 6/1/16]

701—80.2(22,35,426A) Military service tax exemption.

80.2(1) Application for exemption.

a. No military service tax exemption shall be allowed unless the first application for the military service tax exemption is signed by the owner of the property or the owner’s qualified designee and filed with the city or county assessor on or before July 1 of the current assessment year (1970 O.A.G. 437). Once filed, the claim for exemption is applicable to subsequent years and no further filing shall be required provided the claimant or the claimant’s spouse owns the property on July 1 of each year. The assessor, county auditor, and county board of supervisors shall act on the claim in accordance with Iowa Code section 426A.14. A claim filed after July 1 of any calendar year applies to the following assessment year.

b. In the event July 1 falls on either a Saturday or Sunday, applications for the military service tax exemption may be filed the following Monday.

c. In the event July 1 falls on either a Saturday or Sunday, applications submitted by mail shall be accepted if postmarked on the following Monday.

d. An assessor may not refuse to accept an application for a military service tax exemption. If it is the opinion of the assessor that a military service tax exemption should not be allowed, the assessor shall accept the application for exemption and recommend disallowance.

e. If the owner of the property is on active duty in the armed forces of this state or of the United States, or is 65 years of age or older or is disabled, the application for military service tax exemption may be signed and delivered by a member of the owner's family or the owner's guardian, conservator or designated attorney-in-fact. For purposes of this rule, any person related to the owner by blood, marriage or adoption shall be considered a member of the owner's family.

80.2(2) Eligibility for exemption.

a. A person who was discharged from the draft is not considered a veteran of the military service and is not entitled to a military service tax exemption. (1942 O.A.G. 79)

b. A military service tax exemption shall not be allowed to a person whose only service in the military was with a foreign government. (1932 O.A.G. 242; 1942 O.A.G. 79)

c. Former members of the United States armed forces, including members of the Coast Guard, who were on active duty for less than 18 months must have served on active duty during one of the war or conflict time periods enumerated in Iowa Code Supplement section 35.1. If former members were on active duty for at least 18 months, it is not necessary that their service be performed during one of the war or conflict time periods. Former members who opted to serve five years in the reserve forces of the United States qualify if any portion of their enlistment would have occurred during the Korean Conflict (June 25, 1950, to January 31, 1955). There is no minimum number of days a former member of the armed forces of the United States must have served on active duty if the service was performed during one of the war or conflict time periods, nor is there a minimum number of days a former member of the armed forces of the United States must have served on active duty if the person was honorably discharged because of a service-related injury sustained while on active duty.

Former and current members of the Iowa national guard and reserve forces of the United States need not have performed any active duty if they served at least 20 years. Otherwise, they must have been activated for federal duty, for purposes other than training, for a minimum of 90 days. Also, it is not a requirement for a member of the Iowa national guard or a reservist to have performed service within a designated war or conflict time period.

d. With the exception of members of the Iowa national guard and members of the reserve forces of the United States who have served at least 20 years and continue to serve, a military service tax exemption shall not be allowed unless the veteran has received a complete and final separation from active duty service. (*Jones v. Iowa State Tax Commission*, 247 Iowa 530, 74 N.W.2d 563, 567-1956; *In re Douglas A. Coyle*, State Board of Tax Review, No. 197, August 14, 1979; 1976 O.A.G. 44)

e. As used in Iowa Code subsection 426A.12(3), the term minor child means a person less than 18 years of age or less than 21 years of age and enrolled as a full-time student at an educational institution.

f. A veteran of more than one qualifying war period is entitled to only one military service tax exemption, which shall be the greater of the two exemptions. (1946 O.A.G. 71)

g. The person claiming a military service tax exemption must be an Iowa resident. However, the veteran need not be an Iowa resident if such person's exemption is claimed by a qualified individual enumerated in Iowa Code section 426A.12. (1942 O.A.G. 140)

h. A person who has a life estate interest in property may claim a military service tax exemption on such property. (1946 O.A.G. 155; 1976 O.A.G. 125)

i. A remainder is not eligible to receive a military service tax exemption on property to which a remainder interest is held until expiration of the life estate. (1946 O.A.G. 155)

j. A military service tax exemption shall not be allowed on a mobile home which is not assessed as real estate. (1962 O.A.G. 450)

k. A divorced person may not claim the military service tax exemption of a former spouse who qualifies for the exemption. (Letter O.A.G. August 8, 1961)

l. A surviving spouse of a qualified veteran, upon remarriage, loses the right to claim the deceased veteran's military exemption as the surviving spouse is no longer an unremarried surviving spouse of the qualified veteran. (1950 O.A.G. 44)

m. An annulled marriage is considered to have never taken place and the parties to such a marriage are restored to their former status. Neither party to an annulled marriage can thereafter be considered a spouse or surviving spouse of the other party for purposes of receiving the military service tax exemption. (Op. Att'y. Gen. 61-8-10(L))

n. No military service tax exemption shall be allowed on property that is owned by a corporation, except for a family farm corporation where a shareholder occupies a homestead as defined in Iowa Code section 425.11(1), partnership, company or any other business or nonbusiness organization. (1938 O.A.G. 441)

o. In the event both a husband and wife are qualified veterans, they may each claim their military service tax exemption on their jointly owned property. (1946 O.A.G. 154) If property is solely owned by one spouse, the owner spouse may claim both exemptions on the property providing the nonowner spouse's exemption is not claimed on other property.

p. No military service tax exemption shall be allowed if on July 1 of the claim year, the claimant or the claimant's unremarried surviving spouse is no longer the owner of the property upon which the exemption was claimed.

q. A person shall not be denied a military service tax exemption even though the property upon which the exemption is claimed has been pledged to another person as security for a loan. (1960 O.A.G. 263)

r. A qualified veteran who has conveyed property to a trustee shall be eligible to receive a military service tax exemption on such property providing the trust agreement gives the claimant a beneficial interest in the property. (1962 O.A.G. 434)

s. A person owning property pursuant to Iowa Code chapter 499A or 499B is eligible for a military service tax exemption. (1978 O.A.G. 78-2-5; 1979 O.A.G. 79-12-2)

t. The person claiming the exemption shall have recorded in the office of the county recorder evidence of property ownership and either the military certificate of satisfactory service or, for a current member of the Iowa national guard or a member of the reserve forces of the United States, the veteran's retirement points accounting statement issued by the armed forces of the United States or the state adjutant general. The military certificate of satisfactory service shall be considered a confidential record pursuant to Iowa Code section 22.7.

u. An heir of property that is part of an estate in the process of administration is considered an owner of the property and is eligible for the military exemption.

80.2(3) Application of exemption.

a. When the owner of homestead property is also eligible for a military service tax exemption and claims the exemption on the homestead property, the military service tax exemption shall be applied prior to the homestead tax credit when computing net property tax. (*Ryan v. State Tax Commission*, 235 Iowa 222, 16 N.W.2d 215)

b. If a portion of the property upon which a valid military service tax exemption was claimed is sold on or before July 1 of the year in which the exemption is claimed, the seller shall be allowed a military service tax exemption on that portion of the property which is retained by the seller on July 1. The purchaser is also eligible to receive a military service tax exemption on that portion of the property which was purchased, provided the purchaser is qualified for the exemptions and files a valid application for the exemption on or before July 1 of the claim year.

c. A military service tax exemption may be allowed even though the taxes levied on the property upon which the exemption is claimed have been suspended by the board of supervisors. (1938 O.A.G. 288)

d. A military service tax exemption shall not be allowed if the taxes levied on the property upon which the exemption is claimed have been canceled or remitted by the board of supervisors. (1956 O.A.G. 78)

e. The county treasurer shall, pursuant to Iowa Code section 25B.7, be required to extend to the claimant only that portion of the exemption estimated by the department to be funded by the state appropriation.

This rule is intended to implement Iowa Code sections 22.7, 35.1, and 35.2 and chapter 426A. [ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.3(427) Pollution control and recycling property tax exemption.

80.3(1) To secure an exemption for pollution control or recycling property, an application must be filed with the assessing authority on or before February 1 of the assessment year for which the exemption is first claimed. It is the responsibility of the taxpayer to secure the necessary certification from the department of natural resources in sufficient time to file the application for exemption with the assessing authority on or before February 1. An exemption for new pollution control or recycling property can be secured by filing an application with the assessing authority by February 1 of the assessment year following the year in which the property is installed or constructed. If no application is timely filed in that year, the property will first qualify for exemption in any subsequent year in which an application is filed with the assessing authority on or before February 1.

80.3(2) In the event February 1 falls on either a Saturday or Sunday, applications for the exemption may be filed the following Monday.

80.3(3) In the event February 1 falls on either a Saturday or Sunday, applications submitted by mail shall be accepted if postmarked on the following Monday.

80.3(4) No exemption shall be allowed unless the application is signed by the owner of the property or the owner's qualified designee.

80.3(5) An assessor may not refuse to accept an application for a pollution control exemption if timely filed and if the necessary certification has been obtained from the department of natural resources.

80.3(6) The sale, transfer, or lease of property does not affect its eligibility for exemption as long as the requirements of Iowa Code subsection 427.1(19) and rule 701—80.3(427), Iowa Administrative Code, are satisfied.

80.3(7) No exemption shall be allowed unless the department of natural resources has certified that the primary use of the property for which the taxpayer is seeking an exemption is to control or abate air or water pollution or to enhance the quality of any air or water in this state or that the primary use of the property is for recycling. Recycling property is property used primarily in the manufacturing process and resulting directly in the conversion of waste glass, waste plastic, wastepaper products, waste paperboard, or waste wood products into new raw materials or products composed primarily of recycled material.

80.3(8) In the event that qualified property is assessed as a unit with other property not having a pollution control or recycling function, the exemption shall be limited to the increase in the assessed valuation of the unit which is attributable to the pollution control or recycling property.

EXAMPLE

Valuation of unit with pollution control or recycling property	\$100,000
Valuation of unit without pollution control or recycling property	<u>50,000</u>
Allowable amount of exemption	\$ 50,000

80.3(9) The value of property to be exempt from taxation shall be the fair and reasonable market value of such property as of January 1 of each year for which the exemption is claimed, rather than the original cost of such property.

80.3(10) An assessor shall not exempt property from taxation without first assessing the property for taxation and subsequently receiving an application for tax exemption from the taxpayer.

This rule is intended to implement Iowa Code Supplement section 427.1(19) as amended by 2006 Iowa Acts, House File 2633, and Iowa Code sections 427.1(18) and 441.21(1)(i).
[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.4(427) Low-rent housing for the elderly and persons with disabilities.

80.4(1) As used in Iowa Code subsection 427.1(21), the term “nonprofit organization” means an organization, no part of the net income of which is distributable to its members, directors or officers.

80.4(2) As used in Iowa Code subsection 427.1(21), the term “low-rent housing” means housing the rent for which is less than that being received or which could be received for similar properties on the open market in the same assessing jurisdiction. Federal rent subsidies received by the occupant shall be excluded in determining whether the rental fee charged meets this definition.

80.4(3) As used in Iowa Code subsection 427.1(21), the term “elderly” means any person at least 62 years of age.

80.4(4) As used in Iowa Code subsection 427.1(21), the term “persons with physical or mental disabilities” means a person whose physical or mental condition is such that the person is unable to engage in substantial gainful employment.

80.4(5) The exemption granted in Iowa Code subsection 427.1(21) extends only to property which is owned and operated, or controlled, by a nonprofit organization recognized as such by the Internal Revenue Service. Property owned and operated, or controlled, by a private person is not eligible for exemption under Iowa Code subsection 427.1(21).

80.4(6) The income of persons living in housing eligible for exemption under Iowa Code subsection 427.1(21) shall not be considered in determining the property’s taxable status.

80.4(7) An organization seeking an exemption under Iowa Code subsection 427.1(21) shall file a statement with the local assessor pursuant to Iowa Code subsection 427.1(14).

80.4(8) The exemption authorized by Iowa Code subsection 427.1(21) extends only until the final payment due date of the borrower’s original low-rent housing development mortgage on the property or until the borrower’s original low-rent housing development mortgage is paid in full or expires, whichever is sooner. If the original mortgage is refinanced, the exemption shall apply only until what would have been the final payment due date under the original mortgage or until the refinanced mortgage is paid in full or expires, whichever is sooner. This exemption for refinanced projects applies to those projects refinanced on or after January 1, 2005.

80.4(9) In complying with the requirements of Iowa Code subsection 427.1(14), the provisions of rule 701—78.4(427) shall apply.

80.4(10) In determining the taxable status of property for which an exemption is claimed under Iowa Code subsection 427.1(21), the appropriate assessor shall follow rules 701—78.1(427,441) to 701—78.5(427).

80.4(11) If a portion of a structure is used to provide low-rent housing units to elderly persons and persons with disabilities and the other portion is used to provide housing to persons who are not elderly or disabled, the exemption for the property on which the structure is located shall be limited to that portion of the structure used to provide housing to the elderly and disabled. Vacant units and projects under construction that are designated for use to provide housing to elderly and disabled persons shall be considered as being used to provide housing to elderly and disabled persons. The valuation exempted shall bear the same relationship to the total value of the property as the area of the structure used to provide low-rent housing for the elderly and persons with disabilities bears to the total area of the structure unless a better method for determining the exempt valuation is available. The valuation of the land shall be exempted in the same proportion.

80.4(12) The property tax exemption provided in Iowa Code subsection 427.1(21) shall be based upon occupancy by elderly or persons with disabilities as of July 1 of the assessment year. However,

nothing in this subrule shall prevent the taxation of such property in accordance with the provisions of Iowa Code section 427.19.

This rule is intended to implement Iowa Code section 427.1(14) and Supplement section 427.1(21). [ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.5(427) Speculative shell buildings.

80.5(1) Authority of city council and board of supervisors. A city council or county board of supervisors may enact an ordinance granting property tax exemptions for value added as a result of new construction of speculative shell buildings or additions to existing buildings or structures, or may exempt the value of an existing building or structure being reconstructed or renovated and the value of the land on which the building or structure is located, if the reconstruction or renovation constitutes complete replacement or refitting of an existing building or structure owned by community development organizations, not-for-profit cooperative associations under Iowa Code chapter 499A, or for-profit entities. See Iowa Code Supplement section 427.1(27) as amended by 2008 Iowa Acts, Senate File 2419, for definitions. The value added exemption for new construction includes reconstruction and renovation constituting complete replacement or refitting of existing buildings and structures if the reconstruction or renovation is required due to economic obsolescence, or to implement industry standards in order to competitively manufacture or process products, or to market a building or structure as a speculative shell building. The exemption for reconstruction or renovation not constituting new construction does not have to meet these requirements but has to meet only the requirements set forth in the definition of a speculative shell building. The council or board in the ordinance authorizing the exemption shall specify if the exemption will be allowed to community development organizations, not-for-profit cooperative associations under Iowa Code chapter 499B, or for-profit entities, and the length of time the exemption is to be allowed.

80.5(2) Eligibility for exemption. The value added by new construction, reconstruction, or renovation and first assessed prior to January 1 of the calendar year in which an ordinance authorizing a tax exemption becomes effective is not eligible for exemption. However, the value added as of January 1 of the calendar year in which the ordinance becomes effective is eligible for exemption if the ordinance is in effect on February 1 of that calendar year. This subrule does not apply to new construction projects having received prior approval. For reconstruction and renovation projects not constituting new construction, the ordinance authorizing the exemption must be in effect by February 1 of the year the project commences for the exemption to be allowable in the subsequent assessment year.

80.5(3) Application for exemption.

a. A community development organization, not-for-profit cooperative association, or for-profit entity must file an application for exemption with the assessor between January 1 and February 1, inclusive, of the year in which the value added for new construction is first assessed for the exemption to be allowable for that assessment year. For reconstruction and renovation projects not constituting new construction, an application for exemption must be filed by February 1 of the assessment year in which the project commences for the exemption to be allowable the following assessment year. If approved, no application for exemption is required to be filed in subsequent years for the value added exemption or the reconstruction or renovation exemption not constituting new construction. An application cannot be filed if a valid ordinance has not been enacted. If an application is not filed by February 1 of the year in which the value added for new construction is first assessed, the organization, association, or entity cannot receive, in subsequent years, the exemption for that value added. However, if the organization, association, or entity has received prior approval, the application must be filed by February 1 of the year in which the total value added for the new construction is first assessed.

b. If February 1 falls on either a Saturday or Sunday, applications for exemption may be filed the following Monday.

c. Applications submitted by mail must be accepted if postmarked on or before February 1 or, if February 1 falls on either a Saturday or Sunday, a postmark date of the following Monday is acceptable.

80.5(4) Prior approval. To obtain prior approval for a project, the proposal of the organization, association, or entity must be approved by a specific ordinance addressing the proposal and passed by

the city council or board of supervisors. The original ordinance providing for the exemption does not constitute the granting of prior approval for a project. If an organization, association, or entity has obtained a prior approval ordinance from a city council or board of supervisors, the exemption for new construction cannot be obtained until the year in which all value added for the completed project is first assessed. Reconstruction and renovation projects constituting new construction must receive prior approval to qualify for exemption. Reconstruction and renovation projects that do not constitute new construction need not receive prior approval.

80.5(5) *Termination of exemption.* The exemption continues until the property is leased or sold, the time period for the exemption specified in the ordinance elapses, or the exemption is terminated by ordinance of the city council or board of supervisors. If the ordinance authorizing the exemption is repealed, all existing exemptions continue until their expiration and any projects having received prior approval for exemption for new construction are to be granted an exemption upon completion of the project. If the shell building or any portion of the shell building is leased or sold, the exemption for new construction shall not be allowed on that portion of the shell building leased or sold in subsequent years. If the shell building or any portion of the shell building is leased or sold, the exemption for reconstruction or renovation not constituting new construction shall not be allowed on that portion of the shell building leased or sold and a proportionate share of the land on which the shell building is located in subsequent years.

This rule is intended to implement Iowa Code Supplement section 427.1(27) as amended by 2008 Iowa Acts, Senate File 2419.

701—80.6(427B) Industrial property tax exemption.

80.6(1) *Authority of city council and board of supervisors.* A partial exemption ordinance enacted pursuant to Iowa Code section 427B.1 shall be available to all qualifying property. A city council or county board of supervisors does not have the authority to enact an ordinance granting a partial exemption to only certain qualifying properties (1980 O.A.G. 639). As used in this rule, the term “qualifying property” means property classified and assessed as real estate pursuant to 701—subrule 71.1(6), warehouses and distribution centers, research service facilities, and owner-operated cattle facilities. “Warehouse” means a building or structure used as a public warehouse for the storage of goods pursuant to Iowa Code sections 554.7101 to 554.7603, except that it does not mean a building or structure used primarily to store raw agricultural products or from which goods are sold at retail. “Distribution center” means a building or structure used primarily for the storage of goods which are intended for subsequent shipment to retail outlets. Distribution center does not mean a building or structure used primarily to store raw agricultural products, used primarily by a manufacturer to store goods to be used in the manufacturing process, used primarily for the storage of petroleum products, or used for the retail sale of goods. A “research service facility” is one or more buildings devoted primarily to research and development activities or corporate research services. Research and development activities include, but are not limited to, the design and production or manufacture of prototype products for experimental use. A research service facility does not have as its primary purpose the providing of on-site services to the public. “Owner-operated cattle facility” means a building or structure used primarily in the raising of cattle and which is operated by the person owning the facility.

80.6(2) *Prior approval.* Only upon enactment of a partial property tax exemption ordinance in accordance with Iowa Code section 427B.1 may a city council or board of supervisors enact a prior approval ordinance for pending individual projects in accordance with Iowa Code section 427B.4. To obtain prior approval for a project, a property owner’s proposal must be approved by a specific ordinance addressing the proposal and passed by the city council or board of supervisors. The original ordinance providing for the partial exemption does not constitute the granting of prior approval for a project. Also, prior approval for a project can only be granted by ordinance of the city council or board of supervisors; an official or representative of a city or county does not have the independent authority to grant prior approval for a project. If a taxpayer has obtained a prior approval ordinance from a city council or board of supervisors, the partial exemption cannot be obtained until the year in which all value added for the project is first assessed. (1980 O.A.G. 639)

80.6(3) *Repeal of ordinance.* A new construction project having received prior approval for exemption in accordance with subrule 80.6(2) shall be granted such exemption upon completion of the project even if the city council or board of supervisors subsequently repeals the ordinance passed in accordance with Iowa Code section 427B.1. (1980 O.A.G. 639)

80.6(4) *Annexation of property previously granted exemption.* A partial property tax exemption which has been granted and is in existence shall not be discontinued or disallowed in the event that the property upon which such exemption has been previously granted is located in an area which is subsequently annexed by a city or becomes subject to the jurisdiction of a county in which an ordinance has not been passed by the city council or county board of supervisors allowing such exemptions within that jurisdiction. The existing exemption shall continue until its expiration.

80.6(5) *Eligibility for exemption.*

a. The value added by new construction or reconstruction and first assessed prior to January 1 of the calendar year in which an ordinance authorizing a partial property tax exemption becomes effective, and new machinery and equipment assessed as real estate acquired and utilized prior to January 1 of the calendar year in which the ordinance or resolution becomes effective, are not eligible for exemption. However, the value added as of January 1 of the calendar year in which the ordinance becomes effective is eligible for exemption if the ordinance is in effect prior to February 1 of that calendar year and if all other eligibility and application requirements are satisfied.

EXAMPLE 1: A \$1,000,000 new construction project on qualifying property is begun in July 1984. \$500,000 in value of the partially completed project is completed in 1984 and first assessed as of January 1, 1985. The project is completed in 1985 adding an additional value of \$500,000 which is first assessed as of January 1, 1986, bringing the total assessed value of the completed project to \$1,000,000 as of the January 1, 1986, assessment.

A city ordinance authorizing the partial exemption program is passed and becomes effective January 15, 1987. This project is not eligible for a property tax exemption for any value added as a result of the new construction project.

EXAMPLE 2: Assuming the same factual situation as in Example 1, except that the ordinance authorizing the partial exemption program becomes effective on January 15, 1986, the \$500,000 in assessed value added as of the January 1, 1986, assessment is eligible for the partial exemption if an application is filed with the assessor between January 1 and February 1, 1986, inclusive.

EXAMPLE 3: Assuming the same factual situation as in Example 1, except that the ordinance authorizing the partial exemption program becomes effective on February 15, 1986. Since the statutory application filing deadline is February 1, no value added and first assessed as of January 1, 1986, is eligible for a partial exemption. The project in this example would receive no exemption for any value added as a result of the new construction.

This subrule does not apply to new construction projects having received prior approval in accordance with subrule 80.6(2).

b. New machinery and equipment assessed as real estate shall be eligible for partial exemption only if used primarily in the manufacturing process. For example, computer equipment used primarily to maintain payroll records would not be eligible for exemption, whereas computer equipment utilized primarily to control or monitor actual product assembly would be eligible.

c. If any other property tax exemption is granted for the same assessment year for all or any of the property which has been granted a partial exemption, the partial property tax exemption shall be disallowed for the year in which the other exemption is actually received.

d. Only qualifying property is eligible to receive the partial property tax exemption (O.A.G. 81-2-18).

e. A taxpayer cannot receive the partial property tax exemption for industrial machinery or equipment if the machinery or equipment was previously assessed in the state of Iowa. Industrial machinery and equipment previously used in another state may qualify for the partial exemption if all criteria for receiving the partial exemption are satisfied.

f. Industrial machinery and equipment is eligible to receive the partial property tax exemption if it changes the existing operational status other than by merely maintaining or expanding the existing

operational status. This rule applies whether the machinery and equipment is placed in a new building, an existing building, or a reconstructed building. If new machinery is used to produce an existing product more efficiently or to produce merely a more advanced version of the existing product, the existing operational status would only be maintained or expanded and the machinery would not be eligible for the exemption. However, if the new machinery produces a product distinctly different from that currently produced, the existing operational status has been changed.

80.6(6) *Application for exemption.*

a. An eligible property owner shall file an application for exemption with the assessor between January 1 and February 1, inclusive, of the year for which the value added is first assessed for tax purposes. The amount of “actual value added” shall be the difference between the assessed value of the property on January 1 of the year value is added to the property and the assessed value of the property the following assessment year. An application cannot be filed if a valid ordinance has not been enacted in accordance with Iowa Code section 427B.1 (O.A.G. 82-3-5). If an application is not filed by February 1 of the year for which the value added is first assessed, the taxpayer cannot receive in subsequent years the partial exemption for that value added (O.A.G. 82-1-17). However, if a taxpayer has received prior approval in accordance with Iowa Code section 427B.4 and subrule 80.6(2), the application is to be filed by not later than February 1 of the year for which the total value added is first assessed as the approved completed project.

b. In the event that February 1 falls on either a Saturday or Sunday, applications for the industrial property tax exemption may be filed the following Monday.

c. Applications submitted by mail shall be accepted if postmarked on or before February 1, or in the event that February 1 falls on either a Saturday or Sunday, a postmark date of the following Monday shall be accepted.

80.6(7) *Change in use of property.* If property ceases to be used as qualifying property, no partial exemption shall be allowed as of January 1 of the year following the calendar year in which the change in use takes place or for subsequent years. If property under construction ceases to be constructed for use as qualifying property, no partial exemption shall be allowed as of January 1 of the year following the calendar year in which this cessation occurs. However, such a change in the use of the property does not affect the validity of any partial exemption received for the property while it was used or under construction as qualifying property.

This rule is intended to implement Iowa Code sections 427B.1 to 427B.7.
[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.7(427B) Assessment of computers and industrial machinery and equipment.

80.7(1) Computers and industrial machinery and equipment are to be assessed at 30 percent of the property’s net acquisition cost through the 1998 assessment year, 22 percent of the net acquisition cost in the 1999 assessment year, 14 percent of the net acquisition cost in the 2000 assessment year, and 6 percent of the net acquisition cost in the 2001 assessment year. The property will be exempt from tax beginning with the 2002 assessment year.

Computers and industrial machinery and equipment acquired after December 31, 1993, and not previously assessed in Iowa, are exempt from tax.

Computers and industrial machinery and equipment assessed pursuant to Iowa Code section 427B.17 are not eligible to receive the partial property tax exemption under Iowa Code sections 427B.1 to 427B.7.

80.7(2) Computers assessed under Iowa Code section 427A.1(1) “j” are limited to the percent of the computer’s net acquisition cost as provided in Iowa Code section 427B.17 regardless of the classification of the real estate in which the computer is located.

80.7(3) For computers and industrial machinery and equipment, the net acquisition cost shall be the acquired cost of the property.

80.7(4) Computation of taxpayer’s value. Assume a machine is acquired at a net acquisition cost of \$10,000. Assume also that the actual depreciated value of the machine is \$9,000. The value on which taxes would be levied would be limited to \$3,000 ($\$10,000 \times .30$). This percent will change over the course of the phaseout of the tax.

80.7(5) If all or a portion of the value of property assessed pursuant to Iowa Code section 427B.17 is eligible to receive an exemption from taxation, the amount of value to be exempt shall be subtracted from the net acquisition cost of the property before the taxpayer's value prescribed in Iowa Code section 427B.17 is determined. For example, if property has a net acquisition cost of \$30,000 and is eligible to receive a pollution exemption for \$15,000 of value, the taxable net acquisition cost would be \$15,000 and the taxpayer's value would be \$4,500 ($\$15,000 \times .30$). This percent will change over the course of the phaseout of the tax.

80.7(6) In the event the actual depreciated fair market value of property assessed pursuant to Iowa Code section 427B.17 is less than the valuation determined as a percent of the net acquisition cost of the property as provided in Iowa Code section 427B.17, the taxpayer's assessed value would be equal to the actual depreciated fair market value of the property.

80.7(7) Property ineligible for phaseout and exemption. Computers and industrial machinery and equipment, the taxes on which are used to fund a new jobs training project approved on or before June 30, 1995, do not qualify for the exemption provided in Iowa Code section 427B.17(2) nor the phaseout contained in Iowa Code section 427B.17(3) until the assessment year following the calendar year in which the funding obligations have been retired, refinanced, or refunded. At that time, the property will be subject to phaseout if acquired prior to January 1, 1994, or exempt from tax if acquired after December 31, 1993, and not previously assessed in Iowa. See subrule 80.7(1). The community college must notify the assessor by February 15 of each assessment year if the community college will be using a taxpayer's machinery and equipment taxes to finance a project that year. In any year in which the community college does rely on a taxpayer's machinery and equipment taxes for funding, the phaseout and exemption will not apply to that taxpayer that year.

80.7(8) County replacement.

a. For fiscal years beginning July 1, 1996, and ending June 30, 2001, the county replacement amount shall be equal to the difference between the assessed value of computers and industrial machinery and equipment as of January 1 of the previous calendar year and the assessed value of such property as of January 1, 1994, multiplied by the tax levy rate for that fiscal year. If there is an increase in valuation (the January 1, 1994, value is less), there will be no replacement for that fiscal year.

b. For fiscal years beginning July 1, 2001, and ending June 30, 2004, the county replacement amount shall be equal to the difference between the assessed value of computers and industrial machinery and equipment as of January 1 of the previous calendar year and the assessed value of such property as of January 1, 1994, less, if any, the increase in the assessed value of commercial and industrial property as of January 1 of the previous calendar year and the assessed value of such property as of January 1, 1994, multiplied by the tax levy rate for that fiscal year. If the calculation results in a negative amount, there will be no replacement for that fiscal year.

c. The replacement amounts shall be determined for each taxing district and a replacement claim summarizing the total amounts for the county prepared and submitted by the county auditor to the department of revenue by September 1 of each year. The department shall pay the replacement amount to the county treasurer in September and March of each year.

d. No replacement is allowable if a community college elects not to fund a new jobs training project with a tax on computers and industrial machinery and equipment.

This rule is intended to implement Iowa Code chapter 427B as amended by 2003 Iowa Acts, Senate File 453.

701—80.8(404) Urban revitalization partial exemption.

80.8(1) *Area designated.* An area containing only one building or structure cannot be designated as an urban revitalization area (1980 O.A.G. 786).

80.8(2) *Prior approval.* To obtain prior approval for a project, a property owner's proposal must be approved by a specific resolution addressing the proposal and passed by the city council or county board of supervisors. The original ordinance providing for the urban revitalization area does not constitute the granting of prior approval for any particular project. Also, prior approval for a project can only be

granted by resolution of the city council or county board of supervisors; an official or representative of a city or county does not have the independent authority to grant prior approval for a project.

80.8(3) Eligibility for exemption. Improvements made as a result of a project begun more than one year prior to a city's or county's adoption of an urban revitalization ordinance are not eligible to receive the partial exemption even though some of the improvements are added during the time the area was designated as an urban revitalization area. For a project commenced within one year prior to the adoption of an urban revitalization ordinance, the partial exemption can be allowed only for those improvements constructed on or after the effective date of the ordinance. (1982 O.A.G. 358)

80.8(4) Minimum value added. Once the minimum value added required by Iowa Code section 404.3(7) has been assessed, any amount of additional value added to the property in subsequent years is eligible for the partial exemption. The value added subject to partial exemption for the first year for which an exemption is claimed and allowed shall include value added to the property for a previous year even if the value added in the previous year was not by itself sufficient to qualify for the partial exemption.

For example, assume that an urban revitalization project is begun on commercial property having an actual value of \$50,000 as of January 1, 1984. As a result of improvements made during 1984, the actual value of the property as of January 1, 1985, is determined to be \$55,000. Additional improvements made during 1985 increase the actual value of the property to \$70,000 for the 1986 assessment. In this example, no partial exemption can be allowed for 1985 since the value added for that year is less than 15 percent of the actual value of the property prior to construction of the improvements. A partial exemption can be allowed for 1986 and subsequent years for the \$20,000 value added in both 1985 and 1986, providing a valid application for the partial exemption is filed between January 1, 1986, and February 1, 1986, inclusive.

80.8(5) Application for partial exemption.

a. Prior approval. If a taxpayer has secured a prior approval resolution from the city council or the county board of supervisors, the partial exemption cannot be obtained until the year in which all value added for the project is first assessed. A partial exemption can be allowed only if an application is filed between January 1 and February 1, inclusive, of the year in which all value added for the project is first assessed. If an application is not filed during that period, no partial exemption can be allowed for that year or any subsequent year. The submission to the city council or the county board of supervisors of a proposal to receive prior approval does not by itself constitute an application for the partial exemption.

For example, assume a city council or county board of supervisors approves a prior approval resolution in April 1984 for a revitalization project to be completed in September 1986. Assuming all construction on the project is completed in 1986, no partial exemption can be allowed until 1987 since that would be the year in which all value added for the project is first assessed. To receive the partial exemption, a valid application would have to be filed between January 1, 1987, and February 1, 1987, inclusive.

b. No prior approval. If a project has not received a prior approval resolution, a taxpayer has the option of receiving the partial exemption beginning with any year in which value is added to the property or waiting until all value added to the property is first assessed in its entirety. To secure a partial exemption prior to the completion of the project, an application must be filed between January 1 and February 1, inclusive, in each year for which the exemption is claimed.

For example, assume a revitalization project is begun in June 1984 and completed in September 1985, that no prior approval resolution for the project has been approved, and that a ten-year exemption period has been selected. Assume further that as a result of construction on the project, value is added for the assessment years 1985 and 1986. If an application is filed between January 1, 1985, and February 1, 1985, inclusive, a partial exemption could be allowed for the value added for 1985 beginning with the 1985 assessment and ending with the 1994 assessment. If an application is filed between January 1, 1986, and February 1, 1986, inclusive, a partial exemption could be allowed for the value added for 1986 beginning with the 1986 assessment and ending with the 1995 assessment. The partial exemption allowable for the years 1986 through 1995 would be against the value added for 1986 as a result of improvements made during calendar year 1985.

In the example above, the taxpayer may elect not to file an application for the partial exemption in 1985. In this situation, if an application is filed between January 1, 1986, and February 1, 1986, inclusive, a partial exemption could be allowed for the total value added for 1985 and 1986 and would apply to assessments for the years 1986 through 1995.

c. Filing deadline. If February 1 falls on a Saturday or Sunday, an application for the partial exemption may be filed the following Monday. Applications submitted by mail must be postmarked on or before February 1, or on or before the following Monday if February 1 falls on a Saturday or Sunday.

d. Extended filing deadline. The exemption is allowable for the total number of years in the exemption schedule if a claim for exemption is filed within two years of the original February 1 filing deadline. The city council or county board of supervisors may by resolution provide that an application for the partial exemption can be filed by February 1 of any assessment year the area is designated as an urban revitalization area. The exemption shall be allowed for the same number of years remaining in the exemption schedule selected as would have been remaining had the claim for exemption been timely filed.

80.8(6) Value exempt. The partial exemption allowed for a year in which an application is filed shall apply to the value added and first assessed for that year and any value added to the project and assessed for a preceding year or years and for which a partial exemption had not been received.

80.8(7) Minimum assessment. The partial exemption shall apply only to the value added in excess of the actual value of the property as of the year immediately preceding the year in which value added was first assessed. If the actual value of the property is reduced for any year during the period in which the partial exemption applies, any reduction in value resulting from the partial exemption shall not reduce the assessment of the property below its actual value as of January 1 of the assessment year immediately preceding the year in which value added was first assessed. This subrule applies regardless of whether the reduction in actual value is made by the assessor, the board of review, a court order, or an equalization order of the department of revenue.

80.8(8) Value added. As used in this rule, the term “value added” means the amount of increase in the actual value of real estate directly attributable to improvements made as part of a revitalization project. The amount of “actual value added” shall be the difference between the assessed value of the property on January 1 of the year value is added to the property and the assessed value of the property the following assessment year. “Value added” does not include any increase in actual (market) value attributable to that portion of the real estate assessed prior to the year in which revitalization improvements are first assessed. The sales price of the property rather than the assessed value of the property may be used in determining the percentage increase required to qualify for exemption if the improvements were begun within one year of the date the property was purchased.

80.8(9) Repeal of ordinance. An urban revitalization project which has received proper prior approval shall be eligible to receive the partial exemption following completion of the project even if the city council or county board of supervisors subsequently repeals the urban revitalization ordinance before improvements in the project are first assessed (1980 O.A.G. 639).

This rule is intended to implement Iowa Code chapter 404 as amended by 2002 Iowa Acts, House File 2622.

[ARC 7726B, IAB 4/22/09, effective 5/27/09; ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—80.9(427C,441) Forest and fruit-tree reservations.

80.9(1) Determination of eligibility for exemption. Property for which an application for exemption as a forest or fruit-tree reservation has been filed shall be inspected by the assessor or county conservation board. The county board of supervisors designates whether all inspections in the county are to be made by the assessor, including any city assessor, or by the county conservation board. When appropriate, aerial photographs may be used in place of an on-site inspection of the property. The assessment or exemption of the property is to be based upon criteria established by the state conservation commission and findings obtained by the inspection of the property or the examination of aerial photographs of the property.

80.9(2) Application for exemption.

a. An application for exemption must be filed with the appropriate assessor between January 1 and February 1, inclusive, of the assessment year for which the exemption is first claimed. If the inspection of the property is to be made by the county conservation board, the assessor shall forward the application to the board for its recommendation. Once the application has been accepted, the exemption is applicable to the current and subsequent assessment years and no further application shall be required so long as the property remains eligible for the exemption.

b. If February 1 falls on a Saturday or Sunday, an application for exemption may be filed the following Monday.

c. An application shall be considered to be timely filed if postmarked on or before February 1 or the following Monday if February 1 falls on a Saturday or Sunday.

80.9(3) Notification to property owner. If the property is to be inspected by the county conservation board, the board shall make every effort to submit its recommendation to the assessor in sufficient time for the assessor to notify the claimant by April 15. The assessor shall notify the claimant by April 15 of the disposition of the application for exemption. If because of the date on which an application is filed a determination of eligibility for the exemption cannot be made in sufficient time for notification to be made by April 15, the assessor shall assess the property and notify the property owner of the inability to act on the application. The notification shall contain the actual value and classification of the property and a statement of the claimant's right of appeal to the local board of review.

80.9(4) Appeal of eligibility determination. If a property for which a claim for exemption as a forest or fruit-tree reservation is assessed for taxation, the property owner may appeal the assessment to the board of review under Iowa Code section 441.37.

80.9(5) Valuation of property. For each assessment year for which property is exempt as a forest or fruit-tree reservation, the assessor shall determine the actual value and classification that would apply to the property were it assessed for taxation that year. In any year for which the actual value or classification of property so determined is changed, the assessor shall notify the property owner pursuant to Iowa Code sections 441.23, 441.26 and 441.28.

80.9(6) Recapture tax.

a. *Assessment of property.* If the county conservation board or the assessor determines a property has ceased to meet the eligibility criteria established by the state conservation commission, the property shall be assessed for taxation and subject to the recapture tax. The property shall be subject to taxes levied against the assessment made as of January 1 of the calendar year in which the property ceased to qualify for exemption. In addition, the property shall be subject to the tax which would have been levied against the assessment made as of January 1 of each of the five preceding calendar years for which the property received an exemption.

b. *Assessment procedure.* If the determination that a property has ceased to be eligible for exemption is made by the assessor by April 15, the assessor shall notify the property owner of the assessment as of January 1 of the year in which the determination is made in accordance with Iowa Code sections 441.23, 441.26, and 441.28. The assessment of the property for any of the five preceding years and for the current year, if timely notice by April 15 cannot be given, shall be by means of an omitted assessment as provided in Iowa Code section 443.6 (*Talley v. Brown*, 146 Iowa 360, 125 N.W. 243(1910)). Appeal of the omitted assessment may be taken pursuant to Iowa Code sections 443.7 and 443.8.

c. *Computation of tax.* The county auditor shall compute the tax liability for each year for which an assessment has been made pursuant to subrule 80.9(6), paragraph "b." The tax liability shall be the amount of tax that would have been levied against each year's assessment had the property not received the exemption. In computing the tax, the valuations established by the assessor shall be adjusted to reflect any equalization order or assessment limitation percentage applicable to each year's assessment.

d. *Entry on tax list.* The tax liability levied against assessments made as of January 1 of any year preceding the calendar year in which the property ceased to qualify for exemption shall be entered on the tax list for taxes levied against all assessments made as of January 1 of the year immediately preceding the calendar year in which the property ceased to qualify for exemption. However, if those taxes have

already been certified to the county treasurer, the recapture taxes shall be entered on the tax list for taxes levied against assessments made as of January 1 of the year in which the property ceased to qualify for exemption. The tax against the assessment made as of January 1 of the year in which the property ceased to qualify for exemption shall be levied at the time taxes are levied against all assessments made as of that date.

e. Delinquencies. Recapture taxes shall not become delinquent until the time when all other unpaid taxes entered on the same tax list become delinquent.

f. Exceptions to recapture tax.

(1) Fruit-tree or forest reservations. Property which has received an exemption as a fruit-tree or forest reservation is not subject to the recapture tax if the property is maintained as a fruit-tree or forest reservation for at least five full calendar years following the last calendar year for which the property was exempt as a fruit-tree or forest reservation.

(2) Property which has been owned by the same person or the person's direct descendants or antecedents for at least ten years prior to the time the property ceases to qualify for exemption shall not be subject to the recapture tax.

(3) Property described in subparagraphs 80.9(6)"f"(1) and 80.9(6)"f"(2) is subject to assessment as of January 1 of the calendar year in which the property ceases to qualify for exemption.

This rule is intended to implement Iowa Code chapter 427C as amended by 2001 Iowa Acts, House File 736, and Iowa Code section 441.22.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.10(427B) Underground storage tanks.

80.10(1) Authority of city councils and county boards of supervisors. A city council or county board of supervisors may provide by ordinance to grant property tax credits to small business owners for payment of underground storage tank cleanup costs. The ordinance is to designate the period of time over which the credit is to be granted (not to exceed ten years) and the percentage of credit to be granted each year. If the ordinance is repealed, existing credits are to continue through their designated expiration date. A small business means a business with gross receipts of less than \$500,000 per year.

80.10(2) Application for credit. The small business owner is required to file an application for credit with the respective city council or county board of supervisors by September 30 of the year following the calendar year in which cleanup costs were paid and each succeeding year the credit is applicable. The application for credit shall be prescribed by the director of revenue and shall contain, but not be limited to, the small business owner's cleanup costs and gross receipts for the most recent tax year.

80.10(3) Allowance of credit. Credits granted by a county board of supervisors are applicable only to property located outside the corporate limits of a city and credits granted by a city council are only applicable to property located within the corporate limits of the city. The amount of the credit granted cannot exceed the small business owner's cleanup costs nor the amount of city or county taxes paid on the property where the underground storage tank is located for any fiscal year the credit is applicable. Upon approval of the application for credit, the city council or county board of supervisors shall direct its city clerk or county treasurer to reimburse the small business owner in the amount of the designated credit.

This rule is intended to implement Iowa Code sections 427B.20 to 427B.22.

701—80.11(425A) Family farm tax credit.

80.11(1) Eligibility for credit. Generally, the family farm tax credit is only intended to benefit tracts of agricultural land that are owned by certain individuals or enumerated legal entities if the owner or other specified persons are actively engaged in farming.

a. In order for a tract of land to qualify for the family farm tax credit, the following three criteria must be satisfied:

(1) The tract of land must be an "eligible tract of agricultural land" as defined in Iowa Code subsection 425A.2(5). This means the tract must be ten acres or more or contiguous to a tract of more than ten acres and used in good faith for agricultural or horticultural purposes. More than half of

the acres in the tract must be devoted to the production of crops or livestock by a designated person. Contiguous tracts under the same legal ownership and located within the same county are considered one tract. Only tracts of land that are classified as agricultural real estate qualify for the credit.

(2) The tract of land must be owned by:

1. An individual or persons related or formerly related to each other, or
2. A partnership where all the partners are related or formerly related to each other, or
3. A family farm corporation as defined in Iowa Code subsection 9H.1(8), or
4. An authorized farm corporation as defined in Iowa Code subsection 9H.1(3).

The ownership criteria must be met on June 30 of the fiscal year prior to the fiscal year in which the application for credit is filed. For example, the ownership criteria must be met on June 30, 1990, for applications for credit filed in 1990.

(3) A designated person must be “actively engaged in farming” the tract during the fiscal year prior to the fiscal year in which the application for credit is filed. If the tract is owned by an individual or related persons, the designated person who is actively engaged in farming must be an owner of the tract, the owner’s spouse, or the owner’s relative within the third degree of consanguinity or their spouses. This includes the owner’s child, stepchild, grandchild, great-grandchild, parent, grandparent, great-grandparent, brother, sister, uncle, aunt, niece, or nephew or their spouses. The only step relative that may qualify as a designated person is a stepchild. If the owner of the tract is a partnership, the designated person who is actively engaged in farming must be a partner or a partner’s spouse. If the owner of the tract of land is a family farm corporation, the designated person who is actively engaged in farming must be a family member who is a shareholder of the family farm corporation or the shareholder’s spouse. If the owner of the tract of land is an authorized farm corporation, the designated person who is actively engaged in farming must be the shareholder who owns at least 51 percent of the stock of the authorized farm corporation or that shareholder’s spouse.

If the owner is an individual who leases the land to a family farm corporation or partnership, a shareholder of the corporation or a partner of the partnership shall be considered a designated person if the combined stock of the family farm corporation or the combined partnership interest owned by the owner, the owner’s spouse and persons related to the owner within the third degree of consanguinity and their spouses is equal to at least 51 percent of the stock of the family farm corporation or the ownership interest in the partnership.

b. In order to be “actively engaged in farming” the designated person must be personally involved in the production of crops or livestock on the “eligible tract” on a regular, continuous and substantial basis. Personal involvement in the production of crops or livestock includes not only field activities such as soil preparation and testing, planting, fertilizing, spraying, inspecting, cultivating and harvesting but also managerial decision-making activities relating to hybrid selection, crop rotation planning, crop selection, equipment purchases and marketing strategies. Personal involvement in the production of crops or livestock also includes activities pertaining to crop insurance selection, loan selection, and financial record maintenance and preparation. A person performing activities in the capacity of a lessor, whether under a cash or crop-share lease and whether under a written or oral lease, is not actively engaged in farming on the area of the tract covered by the lease.

c. Tracts subject to a federal program pertaining to agricultural land. In lieu of satisfying the “actively engaged in farming” test, a designated person may demonstrate that the person was in general control of the tract which was subject to a federal program pertaining to agricultural land during the prior fiscal year. This alternative test is intended to apply in circumstances where the active farming criteria cannot be met because the land is in the Conservation Reserve Program (commonly referred to as the CRP) or a program substantially similar to the 0/92 option where the tract has been taken out of production.

d. The following examples illustrate family farm tax credit eligibility under various circumstances:

EXAMPLE 1. A and B jointly own land and were both personally involved in the farming operation. They are not related. No credit is allowable because it is a requirement that individual owners be related. If A and B were brothers, the land would qualify for the credit.

EXAMPLE 2. A owns the land and is retired. A leased the land to B, his son. B was personally involved in the farming operation. The land is eligible for the credit even though a lease arrangement existed because the actively engaged in farming requirement can be satisfied through the activities of the owner's spouse, or the owner's relative within the third degree of consanguinity or the relative's spouse. See paragraph "a," subparagraph (3), of this subrule. No credit would be allowable if A and B were not related.

EXAMPLE 3. A owns two contiguous 40-acre tracts. A farmed all of one tract but only 15 acres of the other tract. The other 25 acres of the second tract were leased to a nondesignated person. Both tracts qualify for the credit because contiguous tracts under the same legal ownership are considered one tract and more than half of the total of 80 acres ($40 + 15 = 55$) were farmed by A.

EXAMPLE 4. The land is owned by a partnership in which the partners A, B, C and D are brothers. A and B farm the land but C and D have no involvement in the farming operation. The land is eligible for the credit because it makes no difference what level of involvement each partner had nor does it matter that one or more of the partners were not personally involved in the farming operation. The only requirement for qualifying for the credit is that at least one of the partners or one of the partners' spouses was personally involved in the farming operation. No credit would be allowable if all the partners were not related to each other.

EXAMPLE 5. The land is owned by a family farm corporation in which the stock is owned equally by A, B and C. A and B are brothers but not related to C. All three partners were personally involved in the farming operation. The land qualifies for the credit because it is only a requirement that a family member who is a shareholder in the family farm corporation be involved in the farming operation. The land would qualify for the credit even if B was not involved in the farming operation. However, no credit would be allowable if only C was involved in the farming operation.

EXAMPLE 6. The land is owned by an authorized farm corporation in which 60 percent of the stock is owned by A and 40 percent of the stock is owned by B. Both A and B were personally involved in the farming operation. The credit is allowable as long as the stockholder who owns at least 51 percent of the stock was personally involved in the farming operation. No credit would be allowable if A was not personally involved in the farming operation.

80.11(2) Application for credit. To obtain the credit, the owner must file an application for credit with the assessor by November 1. If the claim for credit is approved, no further filing shall be required provided the ownership and the designated person actively engaged in farming the property remain the same during successive years. A new application for credit shall be required only if the property is sold or the designated person changes. The county board of supervisors shall review all claims and make a determination as to eligibility. The claimant may appeal a decision of the board to district court by giving written notice to the board within 20 days of the board's notice.

80.11(3) Application of credit. The county auditor shall certify to the department of revenue by April 1 the total amount of family farm tax credits due the county. The county auditor shall apply the credit to each eligible tract of land in an amount equal to the school district tax rate which is in excess of \$5.40 multiplied by the taxable value of the eligible tract.

80.11(4) Penalty. The owner shall provide written notice to the assessor if the designated person changes. Failure to do so shall result in the owner's being liable for the amount of the credit plus a penalty equal to 5 percent of the amount of the credit granted.

This rule is intended to implement Iowa Code chapter 425A as amended by 2001 Iowa Acts, House Files 712 and 713.

701—80.12(427) Methane gas conversion property.

80.12(1) Application for exemption. An application for exemption is required to be filed with the appropriate assessing authority by February 1 of each year. The assessed value of the property is to be prorated to reflect the appropriate amount of exemption if the property used to convert the methane gas to energy also uses another fuel. The first year exemption shall be equal to the estimated ratio that the methane gas consumed bears to the total fuel consumed times the assessed value of the property. The exemption for subsequent years shall be based on the actual ratio for the previous year.

80.12(2) *Eligibility for exemption.* To qualify for exemption, the property must be used either in an operation that decomposes waste and converts it to methane gas or other gases produced as a byproduct of waste decomposition, then collects the gases and converts them to energy; or in an operation that collects waste in order to decompose it to produce methane gas or other gases for conversion into energy. The exemption applies to both property used in connection with, or in conjunction with, a publicly owned sanitary landfill and to property not used in connection with, or in conjunction with, a publicly owned sanitary landfill.

The exemption for property not used in an operation connected with, or in conjunction with, a publicly owned sanitary landfill is limited to property originally placed in operation on or after January 1, 2008, and on or before December 31, 2012, and will be available for the ten-year period following the date the property was originally placed in operation.

This rule is intended to implement Iowa Code section 427.1(29) as amended by 2009 Iowa Acts, Senate File 478, section 224.

[ARC 7726B, IAB 4/22/09, effective 5/27/09; ARC 8358B, IAB 12/2/09, effective 1/6/10]

701—80.13(427B,476B) Wind energy conversion property.

80.13(1) *Special valuation allowed by ordinance.* A city council or county board of supervisors may provide by ordinance for the special valuation of wind energy conversion property. If the ordinance is repealed, the special valuation applies through the nineteenth assessment year following the first year the property was assessed. Once the ordinance has been repealed and the special valuation is no longer applicable, the property must be valued at market value rather than at 30 percent of net acquisition cost. The special valuation applies to property first assessed on or after the effective date of the ordinance. The local assessor must value the property in accordance with the schedule provided in Iowa Code section 427B.26(2). The property qualifies for special valuation provided the taxpayer files a declaration of intent with the local assessor by February 1 of the assessment year in which the property is first assessed for tax to have the property locally assessed. The property must not be assessed until the assessment year following the year the entire wind plant is completed. A wind plant is completed when it is placed in service.

80.13(2) *Special valuation not allowed by ordinance.* If a city council or county board of supervisors has not passed an ordinance providing for the special valuation of wind energy conversion property, the property is to be assessed by the department of revenue for a period of 12 years, and the taxes payable on the facilities are to be paid to the department at the same time as regular property taxes. The owner of the facility must file an annual report with the department by May 1 of each year during the 12-year assessment period, and the department must certify the assessed value of the facility by November 1 of each year to the county auditor. The board of supervisors must notify the county treasurer to state on the tax statement that the property taxes are to be paid to the department. The board must also notify the department of those facilities that are required to pay the property taxes to the department. The department must notify the county treasurer of the date the taxes were paid within five business days of receipt, and the notification is authorization for the county treasurer to mark the record as paid in the county system.

This rule is intended to implement Iowa Code section 427B.26 and chapter 476B as amended by 2009 Iowa Acts, Senate File 456, sections 2 and 4.

[ARC 7726B, IAB 4/22/09, effective 5/27/09; ARC 8358B, IAB 12/2/09, effective 1/6/10]

701—80.14(427) Mobile home park storm shelter.

80.14(1) *Application for exemption.* An application for exemption must be filed with the assessing authority by February 1 of the first year the exemption is requested. Applications for exemption are not required in subsequent years if the property remains eligible for exemption.

80.14(2) *Eligibility for exemption.* The structure must be located in a mobile home park as defined in Iowa Code section 435.1.

80.14(3) Valuation exempted. If the structure is used exclusively as a storm shelter, it shall be fully exempt from taxation. If the structure is not used exclusively as a storm shelter, the exemption shall be limited to 50 percent of the structure's commercial valuation.

This rule is intended to implement Iowa Code Supplement section 427.1(30).

701—80.15(427) Barn and one-room schoolhouse preservation. The increase in value added to a farm structure constructed prior to 1937 or one-room schoolhouse as a result of improvements made is exempt from tax. An application must be filed with the assessor by February 1 of the first assessment year only and the exemption is to continue as long as the structure continues to be used as a barn or in the case of a one-room schoolhouse is not used for dwelling purposes. A "barn" is an agricultural structure that is used for the storage of farm products or feed or the housing of farm animals, poultry, or farm equipment.

This rule is intended to implement Iowa Code sections 427.1(31) and 427.1(32) as amended by 2000 Iowa Acts, House File 2560.

701—80.16(426) Agricultural land tax credit.

80.16(1) Eligibility for credit. The credit shall be allowed on land in tracts of ten acres or more, or land of less than ten acres if part of other land of more than ten acres, and used for agricultural or horticultural purposes.

80.16(2) Application for credit. No application for credit is required.

80.16(3) Application of credit. The county auditor shall certify to the department of revenue by April 1 the total amount of agricultural land tax credits due the county. The county auditor shall apply the credit to each eligible tract of land in an amount equal to the school district tax rate which is in excess of \$5.40 multiplied by the taxable value of the eligible tract.

This rule is intended to implement Iowa Code chapter 426 as amended by 2001 Iowa Acts, House File 713.

701—80.17(427) Indian housing property. Property owned and operated by an Indian housing authority, as defined in 24 CFR 950.102, is exempt from taxation provided the exemption has been approved by the city council or county board of supervisors, whichever is applicable, and a valid claim for exemption has been filed pursuant to Iowa Code section 427.1(14) by February 1.

This rule is intended to implement Iowa Code section 427.1 as amended by 2001 Iowa Acts, Senate File 449.

701—80.18(427) Property used in value-added agricultural product operations. Fixtures used for cooking, refrigeration, or freezing of value-added agricultural products used in value-added agricultural processing or used in direct support of value-added agricultural processing are exempt from tax. Direct support includes storage by public refrigerated warehouses for processors of value-added agricultural products prior to the start of the value-added agricultural processing operation. The exemption does not apply to fixtures used primarily for retail sale or display. If the taxpayer is a retailer, there is a presumption that the fixtures are being used primarily for retail sale or display. The exemption applies only to fixtures that are attached in a manner set forth in Iowa Code section 427A.1(2).

The following definitions apply to this rule:

"Fixture" means property which was originally personal property but which by being physically attached to the realty becomes part of the realty and upon removal does not destroy the property to which it is attached.

"Value-added agricultural processing" means an operation whereby an agricultural product is subjected to some special treatment by artificial or natural means which changes its form, context, or condition, and results in a marketable agricultural product to be sold at retail. These operations are commonly associated with fabricating, compounding, germinating, or manufacturing.

“Value-added agricultural product” means an agricultural product which, through a series of activities or processes, may be sold at a higher price than its original purchase price.

This rule is intended to implement Iowa Code section 427A.1 as amended by 2001 Iowa Acts, House File 715.

701—80.19(427) Dwelling unit property within certain cities. Dwelling unit property owned and managed by a nonprofit community housing development organization that owns and manages more than 150 dwelling units in a city with a population of more than 110,000 is exempt from tax. The organization must be recognized by the state and the federal government pursuant to criteria contained in the HOME program of the federal National Affordable Housing Act of 1990 and must be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The exemption does not extend to dwelling units located outside the city. The organization must file an application for exemption with the assessing authority not later than February 1 of the assessment year. Applications for exemption are not required in successive years if the property continues to qualify for the exemption.

This rule is intended to implement Iowa Code Supplement section 427.1(21A) as amended by 2006 Iowa Acts, House File 2792.

701—80.20(427) Nursing facilities. If the assessor determines that property is being used for a charitable purpose pursuant to Iowa Code section 427.1(8), it shall be fully exempt from tax if it is licensed under Iowa Code section 135C.1(13) by the department of inspections and appeals, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and a valid application for exemption has been filed with the assessor by February 1 of the assessment year.

This rule is intended to implement Iowa Code Supplement section 427.1(14).

701—80.21(368) Annexation of property by a city. A city council may provide a partial tax exemption from city taxes against annexed property for a period of ten years. The exemption schedule is contained in Iowa Code Supplement section 368.11(3) “m.” All property owners included in the annexed area must receive the exemption if the city elects to allow the exemption.

This rule is intended to implement Iowa Code Supplement section 368.11(3) “m” as amended by 2006 Iowa Acts, House File 2794.

701—80.22(427) Port authority. The property of a port authority created pursuant to Iowa Code Supplement section 28J.2 when devoted to public use and not held for pecuniary profit is exempt from taxation.

This rule is intended to implement Iowa Code Supplement section 427.1(34).

701—80.23(427A) Concrete batch plants and hot mix asphalt facilities. A concrete batch plant includes the machinery, equipment, and fixtures used at a concrete mixing facility to process cement dry additive and other raw materials into concrete. A hot mix asphalt facility is any facility used to manufacture hot mix asphalt by heating and drying aggregate and mixing it with asphalt cements. These facilities shall not be assessed and taxed as real property regardless of the property’s attachment to real estate. The land on which the facilities are located is taxable.

This rule is intended to implement Iowa Code section 427A.1 as amended by 2006 Iowa Acts, Senate File 2391.

701—80.24(427) Airport property. Property owned by a city or county at an airport and leased to a fixed base operator providing aeronautical services to the public is exempt from taxation.

This rule is intended to implement Iowa Code section 427.1(2) as amended by 2006 Iowa Acts, House File 2794.

701—80.25(427A) Car wash equipment. Property that is equipment used for the washing, waxing, drying, or vacuuming of motor vehicles and point-of-sale equipment necessary for the purchase of car wash services shall not be assessed and taxed as real property.

This rule is intended to implement Iowa Code section 427A.1 as amended by 2006 Iowa Acts, House File 2794.

701—80.26(427) Web search portal and data center business property. This exemption includes computers and equipment necessary for the maintenance and operation of a web search portal or data center business, including cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity, including but not limited to exterior dedicated business-owned substations, and power distribution systems which are not subject to assessment under Iowa Code chapter 437A; back-up power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays. The exemption does not apply to land, buildings, and improvements. The web search portal or data center business must meet the requirements contained in Iowa Code section 423.3, subsection 92, subsection 93, or subsection 95, for the exemption to be allowable. The owner of the property must file a claim for exemption with the assessor by February 1 of the first year the exemption is claimed. Claims for exemption in successive years will be required only for property additions.

This rule is intended to implement Iowa Code sections 427.1(35) and 427.1(36) and section 427.1 as amended by 2009 Iowa Acts, Senate File 478, section 200.

[ARC 8358B, IAB 12/2/09, effective 1/6/10]

701—80.27(427) Privately owned libraries and art galleries. Claims for exemption for libraries and art galleries owned and kept by private individuals, associations, or corporations for public use and not for private profit must be filed with the local assessor by February 1 of the first year the exemption is requested. Once the exemption is granted, the exemption shall continue to be granted for subsequent assessment years without further filing of claims as long as the property continues to be used as a library or art gallery for public use and not for private profit.

This rule is intended to implement Iowa Code Supplement section 427.1(7) as amended by 2008 Iowa Acts, Senate File 2400.

701—80.28(404B) Disaster revitalization area. The governing body of a city or county may, by ordinance, designate an area of the city or county a disaster revitalization area if that area is within a county or portion of a county in which the governor has proclaimed a disaster emergency or the United States president has declared a major disaster. All real property within a disaster revitalization area is eligible to receive a 100 percent exemption from taxation on the increase in assessed value of the property if the increase in assessed value is attributable to revitalization of the property occurring between May 25, 2008, and December 31, 2013. The amount of increase in value shall be the difference between the assessed value of the property on January 1, 2007, and the assessed value of the property on January 1, 2010, and subsequent assessment years. The exemption is for a period not to exceed five years, starting with an assessment year beginning on or after January 1, 2010. A city or county may adopt a tax exemption percentage different from the 100 percent exemption. The different percentage adopted must not allow a greater exemption, but may allow a smaller exemption. If the homeowner elects to take the exemption provided in this rule, the homeowner may not claim any other value-added exemption. An application must be filed for each revitalization project resulting in increased assessed value for which an exemption is claimed. The application for exemption must be filed by the owner of the property with the local assessor by February 1 of the first assessment year for which the exemption is requested. After the tax exemption is granted, the exemption will continue for succeeding years without the taxpayer's having to file an application for exemption unless additional revitalization projects occur on the property. The ordinance must expire or be repealed no later than December 31, 2016.

This rule is intended to implement 2009 Iowa Acts, Senate File 457, sections 23 to 30.

[ARC 8358B, IAB 12/2/09, effective 1/6/10]

701—80.29(427) Geothermal heating and cooling systems installed on property classified as residential.

80.29(1) *In general.* An exemption from property tax shall be allowed for any value added to property by any new construction or refitted installation of a geothermal heating or cooling system if the geothermal heating or cooling system is constructed or installed on or after July 1, 2012, on property classified as residential. The exemption shall also be allowed for a residential dwelling on agricultural land. The exemption does not have to be claimed the year subsequent to the year the geothermal system is constructed or installed. However, every individual claiming the exemption under this rule shall file with the appropriate assessor, not later than February 1 of the year for which the exemption is requested, an application for exemption. The assessor shall then allow or disallow the exemption.

Upon the filing and allowance of the claim, the claim shall be allowed on the property for ten consecutive years without further filing as long as the property continues to be classified as residential. However, if the property ceases to be classified as residential or if the geothermal heating and cooling system ceases to exist before the ten years have expired, no exemption is allowed for the year in which the change in classification took place or for any subsequent years. The exemption amount shall remain fixed at the same amount that was allowed in the first year the exemption was allowed.

The property tax exemption applies to any value added by the addition of mechanical, electrical, plumbing, ductwork, or other equipment, labor, and expenses included in or required for the construction or installation of the geothermal system that would not have been included in the home if not for the installation of the geothermal heating and cooling system. Additionally, the proportionate value of any well field associated with the system and attributable to the owner is exempt.

80.29(2) *Calculation of value added.* As used in this rule, the terms “any value added” and “value added” mean the amount of increase in the actual assessed value of the property that is directly attributable to the new construction or refit installation of a geothermal heating or cooling system as of the first year for which the geothermal heating and cooling system is actually assessed. “Any value added” does not include speculative or indirect increases in value which, for example, may be attributable to reductions in energy consumption or reductions in the negative impact to the environment. “Any value added” does not include changes in value which are attributable to general housing market fluctuations. Cost of the new construction or refit installation of the geothermal heating or cooling system is not determinative of the value added to a property. In the event the exemption is not filed in the same year the geothermal heating and cooling system is first assessed, the amount of the exemption, upon filing, shall be the same amount as it would have been had the exemption been filed in the year the geothermal heating and cooling system was first assessed.

In the case of new construction and refit installation of a geothermal heating or cooling system, the value added is the value that would not have been included in the home if not for the construction or refit installation of the geothermal heating and cooling system. That is, the value of mechanical, electrical, plumbing, ductwork, or other equipment, labor, and expenses that would have been included with a standard heating and cooling system shall not be considered in calculating the value added. To measure the value added by a geothermal heating and cooling system, the assessor shall compute the difference between the assessed value of the residential property if the property were outfitted with a non-geothermal (standard) heating and cooling system and the assessed value of the property outfitted with the geothermal system. In the case that the new construction or refit installation takes more than one year, the assessor shall make the comparison in the year the new construction or refit installation is completed.

EXAMPLE A: Mrs. Smith wants to upgrade her current standard heating and cooling system in her home with a geothermal system. The geothermal system installation is completed on August 1, 2012. On January 22, 2013, Mrs. Smith files a claim for exemption for the value added to her property that is directly attributable to the refit installation of the geothermal system. To determine the value added that is directly attributable to the geothermal system, the assessor shall compare the value of the home as though it was outfitted with the standard heating and cooling system which was upgraded with the value of the home outfitted with the geothermal heating and cooling system; the difference between the two values is the exemption amount. That exemption amount will remain fixed for the next ten years,

until Mrs. Smith's home ceases to be classified as residential, or until the geothermal system ceases to exist, whichever occurs first. For years subsequent to 2013, any increase in the value of Mrs. Smith's home beyond the assessed value of the home outfitted with the geothermal heating and cooling system is not attributable to the geothermal system and is subject to property tax. The property tax exemption amount for the geothermal heating and cooling system will remain the same as the first year for which the exemption was received even if the assessed value of Mrs. Smith's home drops.

EXAMPLE B: Same facts as Example A, except that on January 1 of year seven, Mrs. Smith's home is reclassified as commercial property. No property tax exemption is allowed for the value added by the geothermal system for year seven or any subsequent years.

EXAMPLE C: Mr. Larson is building a new home and plans to construct a new geothermal system in lieu of a standard heating and cooling system. The home and geothermal system are completed on October 24, 2012. To determine the value added that is directly attributable to the installation of the geothermal system, the assessor shall assess the home as though it had been outfitted with a standard heating and cooling system and compare that value with the assessed value of the home outfitted with the geothermal heating and cooling system. The difference between the two amounts is the value added that is directly attributable to the geothermal system and is the exemption amount. In 2013, the assessed value of Mr. Larson's home with a standard heating and cooling system is \$200,000. The assessed value of Mr. Larson's home with the geothermal system is \$210,000. Therefore, the value added to the property that is directly attributable to the geothermal system is \$10,000. Mr. Larson may claim an exemption amount of \$10,000 starting in assessment year 2013. Mr. Larson does not lose the exemption if he fails to claim the exemption by February 1, 2013; he may claim the exemption in any year subsequent to the completion of the construction of the home. An exemption amount of \$10,000 will continue for ten consecutive years after the exemption is claimed, until the property ceases to be classified as residential, or until the geothermal system ceases to exist, whichever occurs first.

EXAMPLE D: Same facts as Example C, except that Mr. Larson claims the exemption in 2019. The exemption amount in 2019, and the nine subsequent years, is the value added in the year the geothermal heating and cooling system was first assessed; here, \$10,000 in 2013. The value added and exemption amount is not calculated in the year Mr. Larson claims the exemption. The \$10,000 exemption will then continue until 2028, until the property ceases to be classified as residential or until the geothermal system ceases to exist, whichever occurs first.

This rule is intended to implement Iowa Code section 427.1.
[ARC 0467C, IAB 11/28/12, effective 1/2/13]

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

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

"Contiguous parcels" means any of the following:

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

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

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

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

“*Parcel*” means each separate item shown on the tax list, manufactured or mobile home tax list, schedule of assessment, or schedule of rate change or charge. For fiscal years beginning on or after January 1, 2016, “parcel” also means each portion of a parcel assigned a distinct classification as set forth in rule 701—71.1(405,427A,428,441,499B).

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

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

80.30(2) *In general.* Except as provided in subrule 80.30(8), for property taxes due and payable in fiscal years beginning on and after July 1, 2014, one business property tax credit is available to each parcel classified and taxed as commercial property, industrial property, or railway property unless the parcel is part of a property unit for which a business property tax credit is claimed. For property taxes due and payable in fiscal years beginning on and after July 1, 2014, one business property tax credit is available to each property unit made up of property assessed as commercial property, industrial property, or railway property.

80.30(3) *Application for credit.*

a. Notwithstanding paragraph 80.30(3) “*b*,” for a business property tax credit against property taxes due and payable during the fiscal year beginning July 1, 2014, the claim for credit shall be received in the office of the applicable city or county assessor not later than January 15, 2014.

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

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

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

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

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

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

h. Table 1 shows the applicable claim receipt deadlines and the taxes toward which the claim applies.

Table 1

	Assessment Year 2013	Assessment Year 2014	Assessment Year 2015	Assessment Year 2016	Assessment Year 2017
Claim Receipt Deadline	January 15, 2014	March 16, 2015 ¹	March 15, 2016	July 1, 2016	July 3, 2017 ²
For Taxes Payable	September 2014 & March 2015	September 2015 & March 2016	September 2016 & March 2017	September 2017 & March 2018	September 2018 & March 2019

¹ March 15, 2015, falls on a Sunday.

² July 1, 2017, falls on a Saturday.

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

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

80.30(4) Appeals.

a. *Initial appeal.* Any person whose claim is disallowed by the board of supervisors may appeal that action to the district court of the county in which the parcel or property unit is located. Notice of appeal must be given to the county auditor within 20 days from the date on which the notification of disallowance was mailed by the board of supervisors.

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

80.30(5) Audit.

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

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

c. *Recapture.* If the credit has already been paid, the department shall notify the claimant, the county treasurer, and the applicable assessor of the recalculation or denial of the credit. If the claimant still owns the parcel or property unit for which the credit was claimed, the county treasurer shall collect

the tax owed in the same manner as other due and payable property taxes are collected. If the claimant no longer owns the parcel or property unit for which the credit was claimed, the department may recover the amount of tax owed by filing a lien under Iowa Code section 422.26 or by issuing a jeopardy assessment under Iowa Code section 422.30. Upon collection, the amount of the erroneously allowed credit shall be deposited in the business property tax credit fund.

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

e. False claim and penalty. Any person who makes a false claim for the purpose of obtaining a credit or who knowingly receives the credit without being legally entitled to it is guilty of a fraudulent practice. The claim for a credit for such a person shall be disallowed, and the director shall send a notice of disallowance. If the credit has been paid, the amount shall be recovered in the manner described in paragraph 80.30(5) "c."

80.30(6) Property eligible for credit.

a. Eligible parcels and property units.

Parcels and property units classified and taxed as commercial property, industrial property, or railway property under Iowa Code chapter 434 are eligible for the business property tax credit for the unit. The assessor shall keep a permanent file of all eligible property units in the assessor's jurisdiction. Each assessment year, the assessor shall update the file based on transfers of property from the auditor's transfer book.

b. Taxable status of parcels and property units.

(1) Property that is fully exempt from property tax is not eligible to receive the business property tax credit.

(2) An application for the business property tax credit shall be denied if a parcel or parcels are fully exempt from property tax at the time the application for credit is filed with the city or county assessor.

(3) Determination of eligibility of parcel or property unit based on taxable status.

1. The taxable status of the property on July 1 of the assessment year shall determine the eligibility of the parcel or property unit to receive the credit. If the parcel or property unit becomes exempt from property tax prior to July 1 of the assessment year, the credit shall be disallowed. If the parcel or property unit was taxable on July 1 of the assessment year, but becomes exempt after July 1, the parcel or property unit may receive the credit only in the prorated amount that corresponds to the amount of tax paid in that fiscal year, if any.

2. The assessor shall give notice to the auditor of partial credits allowed due to a change in taxable status of a parcel or property unit. The auditor shall update the auditor's file and give notice on forms prescribed by the department to the department of revenue of partial credits allowed due to a change in taxable status of a parcel or property unit.

(4) The owner of any parcel or property unit that has been granted the credit but becomes exempt from property tax prior to July 1 of the assessment year shall provide written notice to the city or county assessor by the date for filing claims.

(5) The taxable portion of any partially exempted property shall receive the credit only in an amount applicable to the taxable portion.

80.30(7) Common use and purpose. Whether parcels are operated for a common use and purpose depends on all the facts and circumstances of each set of parcels. The following nonexclusive examples illustrate common use and purpose.

EXAMPLE 1. ABC Properties is in the business of building, owning, leasing, and managing large retail spaces. ABC builds and owns a large shopping mall that covers contiguous parcels, all of which are located within the same county. Although the retail establishments that lease retail space in the shopping mall offer different products and services, the shopping mall is owned and operated by ABC

for the common use and purpose of being a lessor. Thus, the parcels that make up the mall are eligible as a single property unit.

EXAMPLE 2. John's LLC owns four commercial parcels located within the same building, and they are, therefore, contiguous as defined in subrule 80.30(1). John's owns and operates two parcels as a beauty parlor. John's rents the other two parcels to a bicycle shop. The four parcels, together, do not have a common use and purpose. However, the two parcels used by John's as an owner-operator of the beauty parlor business are operated with the common use and purpose of providing beauty services and are eligible as one property unit. The two parcels that John's rents to the bicycle shop are operated with the common use and purpose of being rented out for profit as a landlord and are eligible as a second property unit.

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

a. Property that is rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code, as amended, and that is subject to assessment procedures relating to Section 42 property under Iowa Code section 441.21, subsection 2, for the applicable assessment year.

b. Property classified as multiresidential under 701—subrule 71.1(5).

80.30(9) *Application of credit.*

a. A person may claim and receive one business property tax credit for each eligible parcel unless the parcel is part of a property unit for which a credit is claimed.

b. A person may claim and receive one business property tax credit for each property unit. A claim for credit on a parcel that is part of a property unit constitutes a claim for credit on the entire unit.

c. A credit approved for a property unit shall be allocated to the several parcels within the property unit in the proportion that each parcel's total amount of property taxes due and payable bears to the total amount of property taxes due and payable on the property unit.

d. The classification of property used to determine eligibility for the business property tax credit shall be the classification of the property for the assessment year used to calculate the taxes due and payable in the fiscal year for which the credit is claimed.

e. Once filed and allowed, the credit shall continue to be allowed on the parcel or property unit for successive years without further filing of an application unless the parcel or property unit ceases to qualify for the credit under Iowa Code chapter 426C.

f. When all or a portion of a parcel or property unit is sold or transferred or ownership otherwise changes, the new owner must reapply for the credit. The owner of the portion of a parcel or property unit that did not change shall also reapply for the credit. When the composition of a property unit changes as the result of a sale, transfer, or change in ownership, the owner of the property unit must reapply for the credit on the entire unit.

g. The following noninclusive examples illustrate the application of the business property tax credit under various circumstances.

EXAMPLE 1. On February 13, 2015, Mr. Jones files with his county assessor an application for the business property tax credit for taxes due and payable in the fiscal year beginning July 1, 2015. The property that Mr. Jones claims is eligible for the credit is a single parcel that is classified as commercial property. The property is not rented or leased to low-income individuals and families as authorized by Section 42 of the Internal Revenue Code. The property is not a mobile home park, manufactured home community, land-leased community, or assisted living facility nor is it primarily used or intended for human habitation with three or more separate dwelling units. Therefore, Mr. Jones' application should be approved as a credit against the taxes due and payable in the fiscal year beginning July 1, 2015.

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

EXAMPLE 3. Davidoff LLC owns two parcels of land, both of which are classified as industrial property. Each parcel is being operated for a common use and purpose. The parcels are separated by a road. If Davidoff owns the property parcels to the middle of the road in fee simple title, the parcels are considered contiguous and would qualify as a unit, and Davidoff would be eligible for a single business

property tax credit. If a third party, including the state, a municipality, or other government entity, owned the road in fee simple title, the parcels would not be considered contiguous, and Davidoff would be eligible for two separate business property tax credits.

EXAMPLE 4. In Madison County, Iowa, there is a wind farm that consists of four wind turbines that are taxed separately as permanent improvements to the land. All the wind turbines are owned by Windy LLC. The turbines sit upon four parcels of land that share a common boundary. Each parcel of land is owned by a different owner. The four wind turbines are contiguous because the wind turbines are taxed as permanent improvements to the land, they are situated upon four parcels of land that share a common boundary, and the land is assessed and taxed separately from the wind turbines. The four wind turbines qualify as a property unit and would be eligible for one business property tax credit.

80.30(10) Calculation of credit.

a. Auditor certification. On or before June 30 of each year, the county auditor shall certify to the department the following:

- (1) The claims allowed by the board of supervisors in that county;
- (2) The actual value, prior to the imposition of any applicable assessment limitations, of the parcels and property units for which credits were allowed in that county; and
- (3) The information applicable to the location of the parcels and property units.

b. Department process and methodology.

(1) Department of management information. The department shall obtain from the department of management tax district and applicable consolidated rates. The department shall calculate the credit using the estimated consolidated levy rates obtained from the department of management. The department shall modify the credit accordingly upon certification by the auditor of the actual consolidated levy rates.

(2) Initial amount of actual value. For each parcel or property unit certified by the county auditor, the department shall calculate, for each fiscal year, an initial amount of actual value to use for determining the amount of credit for each such parcel or property unit that provides the maximum possible credit according to the credit formula and limitations prescribed by Iowa Code section 426C.3(5). The department shall also calculate the initial amount of actual value so as to provide that the total dollar amount of credits against the taxes due and payable in the fiscal year equals 98 percent of the moneys in the business property tax credit fund following the deposit of the appropriation for the fiscal year, including any interest or earnings that have been credited to the fund.

(3) Credit amount. The amount of the credit shall be calculated as follows:

Step 1. Determine the lesser of the actual value calculated in paragraph 80.30(10) "a" and the initial value calculated in subparagraph 80.30(10) "b"(2).

Step 2. Multiply the amount determined in Step 1 by the difference between the assessment limitation percentage applicable to the parcel or property unit under Iowa Code section 441.21(5) and the assessment limitation applicable to residential property under Iowa Code section 441.21(4). For purposes of this calculation, such difference shall be stated as a percentage.

Step 3. Divide the product of Steps 1 and 2 by \$1000.

Step 4. Multiply the quotient obtained in Step 3 by the consolidated levy rate or average consolidated levy rate per \$1000 of taxable value applicable to the parcel or property unit for the fiscal year for which the credit is claimed as certified by the county auditor under Iowa Code section 426C.3(5).

(4) Allocation to parcels. The business property tax credit approved for a property unit shall be allocated to the several parcels within the property unit in the proportion that each parcel's total amount of property taxes due and payable bears to the total amount of property taxes due and payable on the property unit.

(5) Limitation on information. Notwithstanding the foregoing, the department's calculations shall be based upon the certified information it has received by June 30 of each fiscal year. Any information, whether certified or uncertified, received after June 30 of each fiscal year will not be included in the department's credit calculations for the applicable fiscal year.

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

[ARC 1382C, IAB 3/19/14, effective 4/23/14; ARC 2508C, IAB 4/27/16, effective 6/1/16]

701—80.31(427) Broadband infrastructure.

80.31(1) Definitions. For purposes of this rule, the following definitions shall govern.

“*Broadband*” means a high-speed, high-capacity electronic transmission medium, including fixed wireless and mobile wireless mediums, that can carry data signals from independent network sources by establishing different bandwidth channels and that is commonly used to deliver Internet services to the public.

“*Broadband infrastructure*” means the physical infrastructure used for the transmission of data that provides broadband services. “Broadband infrastructure” does not include land, buildings, structures, improvements, or equipment not directly used in the transmission of data via broadband.

“*Certified project*” means the installation of broadband infrastructure certified by the office of the chief information officer to serve a targeted service area.

“*Date of commencement*” means the date first occurring after July 1, 2015, and before July 1, 2020, in which broadband infrastructure used in a certified project becomes property taxed as real property as determined by Iowa Code section 427A.1.

“*Date of completion*” means the date that the entire targeted service area receives broadband service delivered at or above 25 megabits per second of download speed and 3 megabits per second of upload speed.

“*Installation of the broadband infrastructure*” means the labor, construction, building, and furnishing of new physical infrastructure used for the transmission of data that provides broadband services. “Installation of the broadband infrastructure” does not include the process of removing existing infrastructure, fixtures, or other real property in preparation of installation of the broadband infrastructure.

“*Targeted service area*” means a U.S. Census Bureau census block located in this state, including any crop operation located within the census block, within which no communications service provider offers or facilitates broadband service at or above 25 megabits per second of download speed and 3 megabits per second of upload speed as of June 22, 2015.

80.31(2) Exemption. An exemption from property tax shall be allowed for each certified project in the amount equal to 100 percent of the actual value added by installation of the broadband infrastructure in a targeted service area that facilitates broadband service for the public at or above 25 megabits per second of download speed and 3 megabits per second of upload speed, as certified by the office of the chief information officer. The exemption shall be allowed beginning January 1 of the assessment year in which an application for exemption is approved until the exemption is revoked or at the expiration of ten years, whichever occurs earlier.

80.31(3) Calculation of actual value added by installation of the broadband infrastructure. The actual value added by installation of the broadband infrastructure is the amount of increase in the actual assessed value of the property that is directly attributable to the installation of broadband infrastructure in a targeted service area for the assessment year in which the property receives the exemption. Changes in the value of the property which are attributable to general market fluctuations are not to be included in the calculation of the actual value added by installation of the broadband infrastructure. Installation of broadband infrastructure that is not part of a certified project is not eligible to receive the exemption.

Broadband infrastructure in general may be assessed locally or by the department of revenue. Broadband infrastructure that qualifies as telephone or telegraph property under Iowa Code chapter 433 is centrally assessed by the department of revenue. Broadband infrastructure that does not qualify as telephone or telegraph property under Iowa Code chapter 433 is locally assessed under Iowa Code chapter 441. The owner of the property must separately report property that is centrally assessed from property that is locally assessed.

a. Locally assessed property. The local assessor shall determine the actual value added by installation of broadband infrastructure using the methodologies required under Iowa Code section 441.21.

b. Centrally assessed property. The department of revenue shall determine the actual value added by installation of the broadband infrastructure by using the appropriate methodologies set forth in 701—Chapter 77.

The department shall calculate the actual value added by installation of the broadband infrastructure as part of the total unit value of the operating property of the company. The exemption attributable to the installation of the broadband infrastructure shall be applied to each unit before any other exemption or credit. In no case shall the taxable value of the property be reduced below zero. The department shall certify the exemption value per line mile for each company to the county auditor pursuant to Iowa Code section 433.8.

80.31(4) *Commencement and completion of project.* To be eligible for the exemption, the date of commencement of the installation of the broadband infrastructure must occur on or after July 1, 2015, and the date of completion of the installation of the broadband infrastructure must occur on or before July 1, 2020.

80.31(5) *Application for exemption.* The owner of broadband infrastructure shall file one application with the department of revenue. The department shall forward the application to the appropriate county boards of supervisors for approval or denial for broadband infrastructure associated with property subject to local assessment. The department shall retain the application for approval or denial for broadband infrastructure associated with property subject to central assessment.

a. Application deadline. The owner of the property shall file the application with the department of revenue by February 1 of the year in which the broadband infrastructure is first assessed for taxation or by February 1 of the following two assessment years. If approved, the exemption shall be allowed for ten years from January 1 of the assessment year in which the application is filed or until revoked without further application. However, at any time prior to the completion of the installation of the broadband infrastructure, an owner may submit a proposal to the department requesting that the owner be allowed to file an application for exemption by February 1 of any other assessment year following completion of the installation of broadband infrastructure. The department shall approve the proposal for property that is centrally assessed. The board of supervisors shall approve the proposal by resolution for property that is locally assessed. If approved, the exemption shall be allowed for ten years from January 1 of the assessment year in which the application is approved or until revoked without further application. If an exemption that was revoked is reinstated on appeal, the exemption shall remain in effect only for the remaining period of exemption. No property shall receive an exemption for the installation of broadband infrastructure for a period greater than ten years.

Neither the department nor the board of supervisors shall approve an application for exemption that is missing any of the requirements listed in this subrule. The department or the board of supervisors may consult with the office of the chief information officer in order to obtain additional information necessary to review an application for exemption.

b. Application requirements. The owner shall submit the application to the department of revenue. It is the responsibility of the owner to ensure that the application is complete and accurate. The application must be made on forms prescribed by the department. In addition, the application must contain the following information, certifications and documentation:

(1) The nature of the broadband infrastructure installation, including the number of new line miles installed within the jurisdiction of the assessing authority to which the owner is applying for exemption, and a description of the property and how it is directly related to delivering broadband services.

(2) The percentage of homes, farms, schools, and businesses in the targeted service area that will be provided access to broadband service.

(3) The actual cost of installing the broadband infrastructure under the project, if available. The application shall contain supporting documents demonstrating actual cost.

(4) Certification from the office of the chief information officer pursuant to Iowa Code section 8B.10 that the installation is being performed or was completed in a targeted service area and that it facilitates broadband service at or above 25 megabits per second of download speed and 3 megabits per second of upload speed.

(5) Certification by the company of the date of commencement and actual or estimated date of completion. If an application contains only an estimated date of completion, the owner must notify the department of the actual completion date once the certified project is completed. If the actual completion date occurs after July 1, 2020, the exemption may be revoked.

(6) A copy of any nonwireless broadband-related permit issued by a political subdivision, if applicable.

c. Special application requirements. If an owner submits a proposal to the department prior to the completion of the installation of broadband infrastructure requesting to file an application for exemption in any other assessment year following completion of the project, the owner must provide the following information and documentation in addition to those required under paragraph 80.31(5)“b.”

(1) The actual cost already incurred for installation of broadband infrastructure, if any, with supporting documentation demonstrating the actual cost.

(2) The estimated costs for project completion.

(3) The estimated date of project completion. Once the project has been completed, the owner must notify the department of the actual completion date. If the actual completion date occurs after July 1, 2020, the exemption may be revoked.

d. Approval or denial of application. All applications shall be submitted to the department of revenue. The department shall forward applications for property subject to local assessment to the board of supervisors of the county in which the exempt property is located. The department shall retain the applications for centrally assessed property. The department and the board of supervisors, as applicable, shall notify an applicant of approval or denial of an application for exemption by March 1 of the assessment year in which the application was submitted. The notification shall include a notification of the applicant’s right to appeal. The board of supervisors shall forward all approved applications and any necessary information regarding the applications to the appropriate local assessor by March 1 of the assessment year in which the application was submitted.

80.31(6) Revocation of exemption. The department or board of supervisors may revoke the exemption at any time after the exemption is granted if the department or board of supervisors determines that the property owner no longer provides the broadband service to a targeted service area at the speeds required under Iowa Code section 427.1(40). The property owner has the responsibility to provide the department, the board of supervisors or the office of the chief information officer the information required to substantiate that the broadband infrastructure meets the requirements of the exemption. The department or board of supervisors, as applicable, shall provide notice of revocation to the property owner. An owner may appeal the decision to revoke the exemption within 30 days of the issuance of the notice of revocation.

80.31(7) Appeals.

a. Appeal of denial of application for exemption. An applicant for the exemption under this rule whose application is denied may appeal the denial within 30 days of its issuance.

(1) Denial by board of supervisors. An applicant may appeal the denial of its application for exemption by the board of supervisors to the property assessment appeal board within 30 days of the issuance of the denial.

(2) Denial by the department of revenue. An applicant may appeal the denial of its application for exemption by the department of revenue to the director of revenue within 30 days of the issuance of the denial.

b. Appeal of revocation of exemption. An owner whose exemption is revoked may appeal the revocation within 30 days of its issuance.

(1) Revocation by board of supervisors. An owner may appeal the revocation of its exemption by the board of supervisors to the property assessment appeal board within 30 days of the issuance of the revocation.

(2) Revocation by the department of revenue. An owner may appeal the revocation of its exemption by the department of revenue to the director of revenue within 30 days of the issuance of the revocation.

c. Appeal of value of exemption. A property owner who is dissatisfied with the value of the owner’s exemption may appeal the value assigned by the local assessor using the protest procedures under Iowa Code section 441.37. A property owner who is dissatisfied with the value of the owner’s exemption may appeal the value assigned by the department using the appeal procedures under Iowa Code section 429.2.

This rule is intended to implement Iowa Code section 427.1(40).

[ARC 2549C, IAB 5/25/16, effective 6/29/16]

701—80.32 to 80.48 Reserved.

701—80.49(441) Commercial and industrial property tax replacement—county replacement claims. For each fiscal year beginning on or after July 1, 2014, the department of revenue shall pay to the county treasurer an amount equal to the amount of the commercial and industrial property tax replacement claims in the county. For fiscal years beginning on or after July 1, 2017, if an amount appropriated for a fiscal year is insufficient to pay all replacement claims, the director of revenue shall prorate the payment of replacement claims to the county treasurers and shall notify the county auditors of the pro rata percentage on or before September 30.

80.49(1) For each taxing district, the commercial and industrial property tax replacement claim amount is determined by multiplying the amounts calculated in 80.49(1) “a” and “b” and dividing the resultant amount by \$1,000.

a. The difference between the assessed valuation of all commercial property and industrial property for the assessment year used to calculate taxes which are due and payable in the applicable fiscal year and the actual value of all commercial property and industrial property that is subject to assessment and taxation for the same assessment year; and

b. The tax levy rate per \$1,000 of assessed value of each taxing district for that fiscal year.

80.49(2) Reporting requirements.

a. On or before July 1 of each fiscal year beginning on or after July 1, 2014, the assessor shall report to the county auditor the total actual value of all commercial and industrial property in the county that is subject to assessment and taxation for the assessment year used to calculate the taxes due and payable in that fiscal year.

b. On or before September 1 of each fiscal year beginning on or after July 1, 2014, the county auditor shall, based upon the information in the report required to be provided in paragraph “a” of this subrule, prepare and submit a statement to the department of revenue which lists, for each taxing district in the county, the information required in 80.49(1).

c. The department shall pay the replacement amount to the county treasurer in two installments in September and March of each year.

d. The county treasurer shall apportion the replacement claim payments among the eligible taxing districts in the county.

[ARC 1332C, IAB 2/19/14, effective 3/26/14]

701—80.50(427,441) Responsibility of local assessors.

80.50(1) The assessor shall determine the taxable status of all property. If an application for exemption is required to be filed, the assessor shall consider the information contained in the application in determining the taxable status of the property. The assessor may also request from any property owner or claimant any additional information necessary to the determination of the taxable status of the property. For property subject to Iowa Code subsection 427.1(14), the assessor shall not base the determination of the taxable status of property solely on the statement of objects or purposes of the organization, institution, or society seeking an exemption. The use of the property rather than the objects or purposes of the organization, institution, or society shall be the controlling factor in determining the taxable status of property. (*Evangelical Lutheran G.S. Society v. Board of Review of Des Moines*, 200 N.W.2d 509; *Northwest Community Hospital v. Board of Review of Des Moines*, 229 N.W.2d 738.)

80.50(2) In determining the taxable status of property, the assessor shall construe the appropriate exemption statute and these rules in a strict manner. If there exists any doubt as to the taxable status of property, the property shall be subject to taxation. The burden shall be upon the claimant to show that the exemption should be granted. (*Evangelical Lutheran G.S. Society v. Board of Review of Des Moines*, 200 N.W.2d 509; *Southside Church of Christ of Des Moines v. Des Moines Board of Review*, 243 N.W.2d 650; *Aerie 1287, Fraternal Order of Eagles v. Holland*, 226 N.W.2d 22.)

80.50(3) If the assessor determines that all or part of a property is subject to taxation, the assessor shall notify the taxpayer by the issuance of an assessment roll as provided in Iowa Code sections 441.26

and 441.27. If the assessor determines that property has been erroneously exempted from taxation, the assessor shall revoke the exemption for the current assessment year but not for prior assessment years.

80.50(4) The assessor's determination of the taxable status of property may be appealed to the local board of review pursuant to Iowa Code section 441.37.

This rule is intended to implement Iowa Code chapter 427 and sections 441.17(11), 441.26, and 441.27.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.51(441) Responsibility of local boards of review.

80.51(1) If the board of review determines that property has been erroneously exempted from taxation, the board of review shall revoke the exemption for the current assessment year, but not for prior assessment years, and shall give notice to the taxpayer as provided in Iowa Code section 441.36.

80.51(2) If the board of review acts in response to a protest arising from an assessor's determination of the taxable status of property, the board of review shall notify the taxpayer of its disposition of the protest in accordance with the provisions of Iowa Code section 441.37.

This rule is intended to implement Iowa Code sections 441.35, 441.36, and 441.37.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.52(427) Responsibility of director of revenue. The director may revoke or modify an exemption on property if the exemption is found to have been erroneously granted by the local taxing officials. Any taxpayer or taxing district may request that the director revoke or modify an exemption, or the director may on the director's own determination revoke or modify an exemption. The director may revoke or modify an exemption for the tax year commencing in the tax year in which the request is made to the director or for the tax year commencing in the tax year in which the director's own motion is filed. The director shall hold a hearing on the appropriateness of the exemption prior to issuing an order for revocation or modification. The director's order to revoke or modify an exemption may be appealed in accordance with Iowa Code chapter 17A or in the district court of the county in which the property is located.

This rule is intended to implement Iowa Code section 427.1(16).

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.53(427) Application for exemption.

80.53(1) Each society or organization seeking an exemption under Iowa Code subsection 427.1(5), 427.1(8), 427.1(21), or 427.1(33) shall file with the appropriate assessor a statement containing the following information:

- a. The legal description of the property for which an exemption is requested.
- b. The use of all portions of the property, including the percentage of space not used for the appropriate objects of the society or organization and the percentage of time such space is so utilized.
- c. A financial statement showing the income derived and the expenses incurred in the operation of the property.
- d. The name of the organization seeking the exemption.
- e. If the exemption is sought under Iowa Code subsection 427.1(8), the appropriate objects of the society or organization.
- f. The book and page number on which is recorded the contract of purchase or the deed to the property and any lease by which the property is held.
- g. An oath that no persistent violations of the laws of the state of Iowa will be permitted or have been permitted on such property.
- h. The signature of the president or other responsible official of the society or organization showing that information contained in the claim has been verified under oath as correct.

80.53(2) The statement of objects and uses required by Iowa Code subsection 427.1(14) shall be filed only on forms prescribed by the director of revenue and made available by assessors.

80.53(3) Applications for exemptions required under Iowa Code subsection 427.1(14) must be filed with the assessor not later than February 1 of the year for which the exemption is requested.

80.53(4) If a properly completed application is not filed by February 1 of the assessment year for which the exemption would apply, no exemption shall be allowed against the property for that year (1964 O.A.G. 437).

This rule is intended to implement Iowa Code section 427.1, subsections 5, 8, 14, 19 to 24, 27, and 29 to 33.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.54(427) Partial exemptions. In the event a portion of property is determined to be subject to taxation and a portion of the property exempt from taxation, the taxable value of the property shall be an amount which bears the same relationship to the total value of the entire property as the area of the portion subject to taxation bears to the area of the entire property. If a portion of a structure is subject to taxation, a proportionate amount of the value assigned to the land upon which the structure is located shall also be subject to taxation.

This rule is intended to implement Iowa Code subsection 427.1(14).

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.55(427,441) Taxable status of property.

80.55(1) The status of property on July 1 of the fiscal year which commences during the assessment year determines eligibility of the property for exemption in situations where no claim is required to be filed to procure a tax exemption. If the property is in a taxable status on July 1, no exemption is allowable for that fiscal year. If the property is in an exempt status on July 1, no taxes are to be levied against the property during that fiscal year. Exceptions to this rule are as follows:

a. Land acquired by the state of Iowa or a political subdivision thereof after July 1 in connection with the establishment, improvement, or maintenance of a public road shall be taxable for that portion of the fiscal year in which the property was privately owned.

b. All current and delinquent tax liabilities are to be canceled and no future taxes levied against property acquired by the United States or its instrumentalities, regardless of the date of acquisition, unless the United States Congress has authorized the taxation of specific federally owned property (1980 O.A.G. 80-1-19). The following exceptions apply:

(1) Property owned by the Federal Housing Authority (FHA) and property owned by the Federal Land Bank Association are subject to taxation, and any tax liabilities existing at the time of the acquisition are not to be canceled (1982 O.A.G. 82-1-16; 12 USCS §2055).

(2) Existing tax liabilities against property acquired by the Small Business Administration are not to be canceled if the acquisition takes place after the date of levy. However, no taxes are to be levied if the acquisition takes place prior to the levy date or for subsequent fiscal years in which the Small Business Administration owns the property on July 1 (15 USCS §646).

c. Land owned by the state and leased by the department of corrections or the department of human services pursuant to Iowa Code section 904.302, 904.705, or 904.706 to an entity that is not exempt from property tax is subject to taxation for the term of the lease. This provision applies to leases entered into on or after July 1, 2003. The lessor shall file a copy of the lease with the county assessor of the county where the land is located.

80.55(2) The status of property during the fiscal year for which an exemption was claimed determines eligibility of the property for exemption in situations where a claim is required to be filed to procure a tax exemption. If the property is used for an appropriate purpose for which an exemption is allowable for all of the fiscal year for which the exemption is claimed, no taxes are to be levied against the property during that fiscal year. If the property for which an exemption has been claimed and received is used for an appropriate purpose for which an exemption is allowable for only a portion of the fiscal year for which the exemption is claimed, the taxes shall be prorated in accordance with the period of time the property was in a taxable status during the fiscal year.

This rule is intended to implement Iowa Code sections 427.1(1), 427.1(2), 427.2, 427.18, and 427.19.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

701—80.56(427) Abatement of taxes. The board of supervisors may abate the taxes levied against property acquired by gift or purchase if the property was acquired after the deadline for filing a claim for property tax exemption if the property would have been exempt under Iowa Code section 427.1, subsection 7, 8, or 9, if a timely claim had been filed.

This rule is intended to implement Iowa Code section 427.3.

[ARC 7726B, IAB 4/22/09, effective 5/27/09]

[Filed 1/16/81, Notice 12/10/80—published 2/4/81, effective 3/11/81]

[Filed 2/12/82, Notice 1/6/82—published 3/3/82, effective 4/7/82]

[Filed 4/8/83, Notice 3/2/83—published 4/27/83, effective 6/1/83]

[Filed 7/1/83, Notice 5/25/83—published 7/20/83, effective 8/24/83]

[Filed 7/27/84, Notice 6/20/84—published 8/15/84, effective 9/19/84][◇]

[Filed 8/10/84, Notice 7/4/84—published 8/29/84, effective 10/3/84]

[Filed 12/14/84, Notice 11/7/84—published 1/2/85, effective 2/6/85]

[Filed 8/23/85, Notice 7/17/85—published 9/11/85, effective 10/16/85]

[Filed 8/22/86, Notice 7/16/86—published 9/10/86, effective 10/15/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 9/18/87, Notice 8/12/87—published 10/7/87, effective 11/11/87]

[Filed 9/2/88, Notice 7/27/88—published 9/21/88, effective 10/26/88]

[Filed 10/27/89, Notice 9/20/89—published 11/15/89, effective 12/20/89]

[Filed 12/7/90, Notice 10/17/90—published 12/26/90, effective 1/30/91]

[Filed 10/11/91, Notice 9/4/91—published 10/30/91, effective 12/4/91]

[Filed 9/23/92, Notice 8/19/92—published 10/14/92, effective 11/18/92]

[Filed 10/8/93, Notice 9/1/93—published 10/27/93, effective 12/1/93]

[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]

[Filed 10/6/95, Notice 8/30/95—published 10/25/95, effective 11/29/95]

[Filed emergency 10/20/95—published 11/8/95, effective 10/20/95]

[Filed 12/15/95, Notice 11/8/95—published 1/3/96, effective 2/7/96]

[Filed 11/15/96, Notice 10/9/96—published 12/4/96, effective 1/8/97]

[Filed 10/17/97, Notice 9/10/97—published 11/5/97, effective 12/10/97]

[Filed 1/7/00, Notice 12/1/99—published 1/26/00, effective 3/1/00]

[Filed 9/15/00, Notice 8/9/00—published 10/4/00, effective 11/8/00]

[Filed 10/12/01, Notice 9/5/01—published 10/31/01, effective 12/5/01]

[Filed 12/19/01, Notice 11/14/01—published 1/9/02, effective 2/13/02]

[Filed 10/25/02, Notice 9/4/02—published 11/13/02, effective 12/18/02]

[Filed 10/24/03, Notice 9/17/03—published 11/12/03, effective 12/17/03]

[Filed 9/10/04, Notice 8/4/04—published 9/29/04, effective 11/3/04]

[Filed 12/30/05, Notice 11/9/05—published 1/18/06, effective 2/22/06]

[Filed 10/5/06, Notice 8/30/06—published 10/25/06, effective 11/29/06]

[Filed 1/11/07, Notice 11/22/06—published 1/31/07, effective 3/7/07]

[Filed 10/19/07, Notice 9/12/07—published 11/7/07, effective 12/12/07]

[Filed 11/12/08, Notice 10/8/08—published 12/3/08, effective 1/7/09]

[Filed ARC 7726B (Notice ARC 7592B, IAB 2/25/09), IAB 4/22/09, effective 5/27/09]

[Filed ARC 8358B (Notice ARC 8224B, IAB 10/7/09), IAB 12/2/09, effective 1/6/10]

[Filed ARC 0467C (Notice ARC 0380C, IAB 10/3/12), IAB 11/28/12, effective 1/2/13]

[Filed ARC 1332C (Notice ARC 1028C, IAB 9/18/13), IAB 2/19/14, effective 3/26/14]

[Filed ARC 1382C (Notice ARC 1200C, IAB 11/27/13), IAB 3/19/14, effective 4/23/14]

[Filed ARC 2507C (Notice ARC 2370C, IAB 1/20/16), IAB 4/27/16, effective 6/1/16]

[Filed ARC 2508C (Notice ARC 2371C, IAB 1/20/16), IAB 4/27/16, effective 6/1/16]

[Filed ARC 2549C (Notice ARC 2466C, IAB 3/16/16), IAB 5/25/16, effective 6/29/16]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

[◇] Two or more ARCs

TITLE X
CIGARETTES AND TOBACCOCHAPTER 81
ADMINISTRATION

[Prior to 12/17/86, Revenue Department[730]]

701—81.1(453A) Definitions. As used in this title the following definitions apply:

“*Bank*” means a bank designated and authorized by the director of revenue to sell cigarette stamps and set cigarette meters.

“*Carton*” means a box or container of any kind in which ten or more packages or packs of cigarettes or tobacco products are offered for sale, sold, or otherwise distributed to consumers.

“*Cigarette licensee*” means any person who has or is required to obtain a permit of any kind under Iowa Code chapter 453A, division I.

“*Counterfeit cigarettes*” means cigarettes, packages of cigarettes, cartons of cigarettes or other containers of cigarettes with a label, trademark, service mark, trade name, device, design, or word adopted or used by a cigarette manufacturer to identify its product that is false or used without authority of the cigarette manufacturer.

“*Department*” means the Iowa department of revenue.

“*Director*” means the director of the department, or the director’s authorized representative.

“*License*” and “*permit*” are used interchangeably.

“*Licensee*” means any person holding or required to obtain a permit or license of any kind under Iowa Code chapter 453A.

“*Meter settings*” means Iowa cigarette meters which imprint indicia on cigarette packages.

“*Package*” or “*pack*” means a container of any kind in which cigarettes or tobacco products are offered for sale, sold, or otherwise distributed to consumers.

“*Revenue*” means any evidence of tax on cigarettes required by the department to be affixed to individual packages of cigarettes.

“*Stamps*” means Iowa Fusion stamps, 30,000 to a roll and Iowa hand stamps of any quantity authorized by the director to be applied to packages of cigarettes and little cigars.

“*Supplier*” means any person or firm authorized to manufacture or supply cigarette stamps for the department.

“*Tax*” means the tax imposed under Iowa Code chapter 453A on cigarettes or other tobacco products.

“*Taxpayer*” means any person required to collect or remit tax directly to the department or required to be licensed or to file any report or return or keep records under Iowa Code chapter 453A.

“*Tobacco*” means the same as “tobacco products” as defined in Iowa Code section 453A.42.

“*Tobacco licensee*” means any person who has or is required to obtain a permit of any kind under Iowa Code chapter 453A, division II.

In addition to these definitions, the definitions contained in Iowa Code sections 421B.2, 453A.1, and 453A.42 apply to these rules.

This rule is intended to implement Iowa Code chapter 453A as amended by 2004 Iowa Acts, Senate File 2296.

701—81.2(453A) Credentials and receipts. Employees of the department have official credentials and the taxpayer should require proof of the identity of any person claiming to represent the department. No charges shall be made nor gratuities of any kind accepted by an employee of the department for assistance given in or out of the office of the department.

All employees authorized to collect money are supplied with official receipt forms. When cash is paid to an employee, the taxpayer should require the employee to issue an official receipt. Such receipt shall show the taxpayer’s name, address and permit number; the purpose for the payment; and the amount of the payment. The taxpayer should retain all receipts, and only official receipts for a cash payment will be recognized by the department.

This rule is intended to implement Iowa Code sections 453A.25 and 453A.49.

701—81.3(453A) Examination of records. Within three years after a return or report is filed or within three years after the report or return became due, whichever is later, the department shall examine it, determine the amount of cigarette or tobacco tax due, and give notice of assessment to the taxpayer. If no return or report has been filed, the department may determine the amount of tax due and give notice thereof. The period of examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent report or return made with the intent to evade tax, or in the case of a failure to file a report or return, or if a person purchases or is in possession of unstamped cigarettes. The three-year period of limitation may be extended by a taxpayer by signing a waiver agreement form provided by the department. The agreement must stipulate the period of extension and the tax period to which the extension applies and must provide that a claim for refund may be filed at any time during the period of extension.

Whenever books and records are examined by an employee designated by the director, whether to verify a return, report, or claim for refund or in making an audit, an assessment will be issued for any amount of tax due or a refund made for any amount of tax overpaid.

This rule is intended to implement Iowa Code sections 453A.15, 453A.28, and 453A.46 as amended by 2004 Iowa Acts, Senate File 2296.

701—81.4(453A) Records. Every taxpayer subject to the provisions of Iowa Code chapter 453A shall keep, preserve, and make available to the department records for a period of three years. The following is a list of records subject to the provisions of this rule. For taxpayers using an electronic data interchange process or technology, also see 701—subrule 11.4(4).

81.4(1) Cigarette manufacturer. Licensed cigarette manufacturers are required to keep the following records.

- a. Records, including invoices, showing the sale of cigarettes in Iowa or the sale of cigarettes for shipment into Iowa.
- b. Records evidencing the transportation of cigarettes into Iowa.
- c. Records, including invoices, showing all sales of cigarettes to licensees.
- d. A record of all stamps purchased.
- e. Copies of all reports filed with the department.

Unlicensed cigarette manufacturers shipping cigarettes into Iowa are asked to keep records, including invoices, showing the sale of cigarettes in Iowa or the sale of cigarettes for shipment into Iowa.

Nothing in this rule shall be construed to affect the provisions of P.L. 95-575 (Contraband Cigarette Act, 18 USC Ch. 114) or P.L. 81-363 (Jenkins Act, 15 USC, Sec. 375).

81.4(2) Cigarette distributing agent.

- a. Records of the receipt of all cigarettes showing the amount of cigarettes received and from whom received.
- b. Records of all distribution of cigarettes showing the amount of cigarettes shipped, to whom and at whose direction the cigarettes were distributed.
- c. Records showing all exports of cigarettes.
- d. Copies of all reports filed with the department.
- e. Detailed inventory records.
- f. Freight receiving and shipping records.

81.4(3) Cigarette distributors.

- a. Records, including invoices, showing the purchase of all cigarettes sold, used or stored in Iowa.
- b. Records, including invoices, showing the sale of cigarettes in Iowa.
- c. Detailed inventory records.
- d. Freight receiving and shipping records.
- e. A record of all stamps purchased.
- f. Copies of all reports filed with the department.

81.4(4) Wholesaler.

- a. Records, including invoices, evidencing the purchase of all cigarettes.
- b. Records, including invoices, evidencing the sale of all cigarettes.

c. Detailed inventory records.

81.4(5) Cigarette vendor.

a. Records, including invoices, evidencing the purchase of all cigarettes.

b. Records evidencing the sale of cigarettes.

c. Inventory records.

d. Records of all cigarette vending machines owned, furnished, installed, serviced, operated or maintained by the vendor and the location of each.

81.4(6) Cigarette retailer.

a. Records, including invoices, evidencing the purchase of all cigarettes.

b. Inventory records.

81.4(7) Tobacco distributor. The same records as a cigarette distributor but with respect to tobacco, excluding records of stamps purchased. (See 81.4(3))

81.4(8) Tobacco subjobber. The same records as a cigarette wholesaler but with respect to tobacco.

81.4(9) Tobacco retailer. The same records as a cigarette retailer but with respect to tobacco.

81.4(10) Common carrier engaged in transporting cigarettes or tobacco products into Iowa.

a. Copies of bills of lading or manifests as to each transportation of cigarettes or tobacco.

b. Log book or trip sheets.

81.4(11) Microfilm and related records system. Microfilm, microfiche, COM (computer on machine) and other related reduction in storage systems will be referred to as "microfilm" in this rule.

Microfilm reproductions of general books of account, such as a cash book, journals, voucher registers, ledgers, etc., are not acceptable other than those that have been approved by the Internal Revenue Service under Revenue Procedure 76-43, Section 302. However, microfilm reproductions of supporting records of detail, such as sales invoices, purchase invoices, credit memoranda, etc., may be allowed providing all the following conditions are met and accepted by the taxpayer.

a. Appropriate facilities are provided to ensure the preservation and readability of the films.

b. Microfilm rolls are indexed, cross-referenced, labeled to show beginning and ending numbers or beginning and ending alphabetical listing of documents included, and are systematically filed.

c. The taxpayer agrees to provide transcripts of any information contained on microfilm which may be required for purposes of verification of tax liability.

d. Proper facilities are provided for the ready inspection and location of the particular records, including modern projectors for viewing and for the copying of records.

e. Any audit of "detail" on microfilm may be subject to sample audit procedures, to be determined at the discretion of the director or the director's designated representative.

f. A posting reference must be on each invoice.

g. Credit memoranda must carry a reference to the document evidencing the original transaction.

h. Documents necessary to support claimed exemptions from tax liability, such as bills of lading and purchase orders, must be maintained in an order by which they readily can be related to the transaction for which exemption is sought.

81.4(12) Automatic data processing records. Automatic data processing is defined in this rule as including electronic data processing (EDP) and will be referred to as ADP.

a. An ADP tax accounting system must have built into its program a method of producing visible and legible records which will provide the necessary information for verification of the taxpayer's tax liability.

b. ADP records must provide an opportunity to trace any transaction back to the original source or forwarded to a final total. If detail printouts are not made of transactions at the time they are processed, then the system must have the ability to reconstruct these transactions.

c. A general ledger with source references will be produced as hard copy to coincide with financial reports of tax reporting periods. In cases where subsidiary ledgers are used to support the general ledger accounts, the subsidiary ledgers should also be produced periodically.

d. Supporting documents and audit trail. The audit trail should be designed so that the details underlying the summary accounting data may be identified and made available to the director or the director's designated representative upon request. The system should be so designed that the supporting

documents, such as sales invoices, purchase invoices, credit memoranda, etc., are readily available. (An audit trail is defined as the condition of having sufficient documentary evidence to trace an item from source (invoice, check, etc.) to a financial statement or tax return; or the reverse; that is, to have an auditable system.)

e. Program documentation. A description of the ADP portion of the accounting program should be available. The statements and illustrations as to the scope of operations should be sufficiently detailed to indicate:

- (1) The application being performed;
- (2) The procedure employed in each application (which, for example, might be supported by flow charts, block diagrams or other satisfactory description of the input or output procedures); and
- (3) The controls used to ensure accurate and reliable processing. Program and systems changes, together with their effective dates should be noted in order to preserve an accurate chronological record.

f. Storage of ADP output will be in appropriate facilities to ensure preservation and readability of output.

81.4(13) General requirements. If a tax liability has been assessed and an appeal is pending to the department, district court or an appellate court, books, papers, records, memoranda or documents specified in this rule that relate to the period covered by the assessment shall be preserved until the final disposition of the appeal.

The records will be considered inadequate when the requirements of this rule are not met. The director may, by express order in certain cases, authorize permit holders to keep their records in a manner and upon forms other than those so prescribed (agreements must be in writing).

81.4(14) Other persons. The director may require any person other than those previously listed in this rule to maintain books and records as deemed necessary by the director.

This rule is intended to implement Iowa Code sections 453A.15 and 453A.45 as amended by 2004 Iowa Acts, Senate File 2296, and Iowa Code sections 453A.18, 453A.19, 453A.24, and 453A.49.
[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—81.5(453A) Form of invoice. Whenever an invoice is required to be prepared or kept by Iowa Code chapter 453A or these rules, it shall minimally contain the following information:

1. The seller's name, address.
2. The purchaser's name, address and permit number (if any).
3. The date of sale.
4. All prices and discounts stated separately.
5. An indication as to whether cigarettes or tobacco products are being sold with or without tax stamps attached or tax included.
6. The origination and destination points.

This rule is intended to implement Iowa Code sections 453A.15, 453A.25, 453A.45 and 453A.49.

701—81.6(453A) Audit of records—cost, supplemental assessments and refund adjustments. The department shall have the right and duty to examine or cause to be examined the books, records, memoranda or documents of a taxpayer for the purpose of verifying the correctness of a return or report filed or determining the tax liability of any taxpayer under Iowa Code chapter 453A.

When it is determined, upon audit, that any person dealing in cigarettes owes additional tax, the costs of the audit are assessed against such person as additional penalty.

The department may, at any time within the period prescribed for assessment or refund adjustment, make a supplemental assessment or refund adjustment whenever it is ascertained that any assessment or refund adjustment is imperfect or incomplete in any respect.

If an assessment or refund adjustment is appealed (protested under rule 701—7.8(17A)) and is resolved whether by informal proceedings or by adjudication, the department and the taxpayer are precluded from making a supplemental assessment or refund adjustment concerning the same issue

involved in such appeal for the same tax period unless there is a showing of mathematical or clerical error or a showing of fraud or misrepresentation.

This rule is intended to implement Iowa Code section 453A.30.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—81.7(453A) Bonds. When bonds are required by Iowa Code chapter 453A or these rules, said bonds shall be in the form of cash, a certificate of deposit or a bond issued by a surety company licensed to do business in the state of Iowa, payable to the state of Iowa and in a form approved by the director. Bonds required by tobacco distributors must be issued by a surety company licensed to do business in Iowa. However, upon approval by the director, a cash bond or a certificate of deposit will be accepted by the department as a substitute for the surety bond. (See Iowa Code section 453A.44(4).)

This rule is intended to implement Iowa Code sections 453A.14 and 453A.44.

701—81.8(98) Penalties. Renumbered as 701—10.76(98), IAB 1/23/91.

701—81.9(98) Interest. Renumbered as 701—10.77(98), IAB 1/23/91.

701—81.10(98) Waiver of penalty or interest. Renumbered as 701—10.78(98), IAB 1/23/91.

701—81.11(453A) Appeal—practice and procedure before the department.

81.11(1) Procedure. The practice and procedure before the department is governed by Iowa Code chapter 17A and 701—Chapter 7 of the department's rules.

81.11(2) Appeals—time limitations. For notices of assessment or refund denial issued on or after January 1, 1995, the department will consider a protest to be timely filed if filed no later than 60 days following the date of the assessment notice or refund denial, or if a taxpayer failed to timely appeal a notice of assessment, the taxpayer may make payment pursuant to rule 701—7.8(17A) and file a refund claim within the period provided by law for filing such claims.

This rule is intended to implement Iowa Code chapter 17A as amended by 1998 Iowa Acts, chapter 1202, and sections 453A.25, 453A.28, 453A.29, 453A.46, 453A.48, and 453A.49.
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—81.12(453A) Permit—license revocation.

81.12(1) Cigarette permits. Cigarette permits issued by the department must be revoked if the permittee willfully violates the provisions of Iowa Code section 453A.2 (sale or gift to minors). The department may revoke permits issued by the department for violation of any other provision of division I of Iowa Code chapter 453A or the rules promulgated thereunder. (Also see Iowa Code chapter 421B and rule 701—84.7(421B).) The revocation shall be subject to the provisions of rule 701—7.23(17A). The notice of revocation shall be given to the permittee at least ten days prior to the hearing provided therein. The department will revoke a permit of a permit holder, who is an individual, if the department has received a certificate of noncompliance from the child support unit in regard to the permit holder, unless the unit furnishes the department with a withdrawal of the certificate of noncompliance.

If a retailer or employee of a retailer has violated Iowa Code section 453A.2 or 453A.36(6), the city council, county board of supervisors, or the Iowa department of public health shall assess a penalty as provided in Iowa Code section 453A.22(2) as amended by 2003 Iowa Acts, chapter 26. The penalty procedures are governed by Iowa Code section 453A.22(1) and the individual council's or board's procedures. Iowa Code chapter 17A does not apply to boards of supervisors or city councils. (See rule 701—84.7(421B).) The board of supervisors or the city council that issued a retail permit is required by Iowa Code chapter 252J to revoke the permit of any retailer who is an individual if the board or council has received a certificate of noncompliance from the child support recovery unit in regard to the retailer, unless the unit furnishes the board of supervisors or the city council with a withdrawal of the certificate of noncompliance.

If a permit is revoked under this subrule, except for the receipt of a certificate of noncompliance from the child support recovery unit, the permit holder cannot obtain a new cigarette permit of any kind nor

may any other person obtain a permit for the location covered by the revoked permit for a period of one year unless good cause to the contrary is shown to the issuing authority. If a retail permit is suspended or revoked, the suspension or revocation applies only to the place of business where the violation occurred and not to any other place of business covered by the permit.

The department or local authority must report the suspension or revocation of a retail permit to the department of public health within 30 days of the suspension or revocation.

81.12(2) Tobacco licenses. The director may revoke, cancel or suspend the license of any tobacco distributor or tobacco subjobber for violation of any provision in division II of Iowa Code chapter 453A, the rules promulgated thereunder, or any other statute applicable to the sale of tobacco products. The licensee shall be given ten days' notice of a revocation hearing under Iowa Code section 453A.48(2) and rule 701—7.23(17A). No license may be issued to any person whose license has been revoked under Iowa Code section 453A.44(11) for a period of one year. The department will revoke a license of a licensee, who is an individual, if the department has received a certificate of noncompliance from the child support recovery unit in regard to the licensee, unless the unit furnishes the department with a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code section 453A.22 as amended by 2003 Iowa Acts, chapter 26, and sections 453A.13, 453A.44(11) and 453A.48(2).
[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—81.13(453A) Permit applications and denials.

81.13(1) Applications for permits. The application forms for all permits issued under Iowa Code chapter 453A are available from the department upon request. The applications shall include, but not be limited to:

- a. The nature of the applicant's business;
- b. The type of permit requested;
- c. The address of the principal office of the applicant;
- d. The place of business for which the permit is to apply;
- e. The names and addresses of principal officers or members, not to exceed three, if the business is not a sole proprietorship;
- f. A list of persons who will be the applicant's suppliers or customers or both (whichever is applicable);
- g. If the applicant intends to operate as a cigarette distributor, a certificate from a manufacturer of cigarettes indicating an intention to sell unstamped cigarettes to the applicant;
- h. Whether or not the applicant possesses any other permit issued under Iowa Code chapter 453A; and
- i. The signature of the person making the application. For electronically transmitted applications, the application form shall state that, in lieu of the person's handwritten signature, the person's E-mail address or the person's fax signature will constitute a valid signature.

81.13(2) Denial of application for permit. The department may deny a permit to any applicant who is, at the time of application, substantially delinquent in paying any tax due which is administered by the department or the interest or penalty on the tax. If the applicant is a partnership, a permit may be denied if a partner is substantially delinquent in paying any tax, penalty, or interest regardless of whether the tax is in any way a liability of or associated with the partnership. If an applicant for a permit is a corporation, the department may deny the applicant a permit if any officer, with a substantial legal or equitable interest in the ownership of the corporation, owes any delinquent tax, penalty, or interest of the applicant corporation. In this latter instance, the corporation must, initially, owe the delinquent tax, penalty, or interest, and the officer must be personally and secondarily liable for the tax. This is in contrast to the situation regarding a partnership. See rule 701—13.16(422) for characterizations of the terms "tax administered by the department" and "substantially delinquent" in paying a tax. This subrule is applicable to tax, interest, and penalty due and payable on and after January 1, 1987.

The director will deny a permit to any applicant, who is an individual, if the department has received a certificate of noncompliance from the child support recovery unit in regard to the individual, unless the unit furnishes the department with a withdrawal of the certificate of noncompliance.

81.13(3) *Revocation of a permit.* The department may revoke the permit of any permit holder who becomes substantially delinquent in paying any tax which is administered by the department or the interest or penalty on the tax. If the permit holder is a corporation, the department may revoke the permit if any officer, with a substantial legal or equitable interest in the ownership of the corporation, owes any delinquent tax, penalty, or interest of the applicant corporation. In this latter instance, the corporation must, initially, owe the delinquent tax, penalty, or interest, and the officer must be personally and secondarily liable for the tax. If the permit holder is a partnership, a permit cannot be revoked for a partner's substantial delinquency in paying any tax, penalty, or interest which is not a liability of the partnership. See rule 701—13.16(422) for characterizations of the terms "tax administered by the department" and "substantially delinquent" in paying a tax. This subrule is applicable to tax, interest, and penalty due and payable on and after January 1, 1987.

The department will revoke the permit of any permit holder, who is an individual, if the department has received a certificate of noncompliance from the child support recovery unit in regard to the individual, unless the unit furnishes the department with a withdrawal of the certificate of noncompliance.

81.13(4) *Applications for retail cigarette permits.* Applications for retail cigarette permits are supplied by the department to city councils and county boards of supervisors. The application must be obtained from and filed with the individual council or board. The board of supervisors or the city council is required by 1995 Iowa Acts, chapter 115, to deny a retail permit to any applicant, who is an individual, if the board or council has received a certificate of noncompliance from the child support recovery unit in regard to the individual, unless the unit furnishes the board of supervisors or city council with a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code sections 453A.13, 453A.16, 453A.17, 453A.22, 453A.23, and 453A.44, and 1995 Iowa Acts, chapter 115.

701—81.14(453A) Confidential information. The release of information contained in any reports or returns filed under Iowa Code chapter 453A or obtained by the department in the administration of Iowa Code chapter 453A is governed by the general provisions of Iowa Code chapter 22 since there are no specific provisions relating to confidential information contained in chapter 453A. Any requests for information must be made pursuant to rule 701—6.2(17A). See rule 701—6.3(17A).

Any request for information pertaining to a taxpayer's business affairs, operations, source of income, profits, losses, or expenditures must be made in writing to the director. The taxpayer to whom the information relates will be notified of the request for information and will be allowed 30 days to substantiate any claim of confidentiality under Iowa Code chapter 22 or any other statute such as Iowa Code section 422.72. If substantiated, the request will be denied; otherwise, the information will be released to the requesting party. This rule will not prevent the exchange of information between state and federal agencies.

This rule is intended to implement Iowa Code sections 453A.25 and 453A.49.

701—81.15(98) Request for waiver of penalty. Renumbered as 701—10.79(98), IAB 1/23/91.

701—81.16(453A) Inventory tax. All persons required to obtain a permit under Iowa Code section 453A.13 as distributors shall take an inventory of all cigarettes and little cigars in their possession prior to delivery for resale upon which the tax has been affixed and all unused cigarette tax stamps and unused metered imprints in their possession at the close of business on the day preceding the effective date of an increase in the tax rate.

Persons required to take an inventory shall remit the tax due on all cigarette stamps or metered imprints and all cigarettes and little cigars with revenue affixed in their possession prior to delivery for resale within 30 days of the inventory date. The tax is equal to the difference between the amount paid

for cigarette stamps or metered imprints purchased prior to the tax increase and the amount that is to be paid for cigarette stamps or metered imprints purchased after the tax increase.

In computing the inventory tax, any discount allowed or allowable under Iowa Code section 453A.8 shall not be considered.

The inventory tax is applicable only when there is an increase in the tax rate. See rule 701—82.11(453A) for an explanation of whether a refund is allowable when there is a decrease in the tax rate.

This rule is intended to implement Iowa Code sections 453A.6, 453A.40, and 453A.43.

[Filed 3/14/80, Notice 2/6/80—published 4/2/80, effective 5/7/80]

[Filed 12/5/80, Notice 10/29/80—published 12/24/80, effective 1/28/81]

[Filed 5/8/81, Notice 4/1/81—published 5/27/81, effective 7/1/81]

[Filed without Notice 6/5/81—published 6/24/81, effective 7/29/81]

[Filed 3/25/82, Notice 2/17/82—published 4/14/82, effective 5/19/82]

[Filed 5/7/82, Notice 3/31/82—published 5/26/82, effective 6/30/82]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 11/19/82, Notice 10/13/82—published 12/8/82, effective 1/12/83]

[Filed 9/9/83, Notice 8/3/83—published 9/28/83, effective 11/2/83]

[Filed 10/19/84, Notice 9/12/84—published 11/7/84, effective 12/12/84]

[Filed 6/28/85, Notice 5/8/85—published 7/17/85, effective 8/21/85]

[Filed 8/23/85, Notice 7/17/85—published 9/11/85, effective 10/16/85]

[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]

[Filed 10/31/86, Notice 9/24/86—published 11/19/86, effective 12/24/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 1/23/87, Notice 12/17/86—published 2/11/87, effective 3/18/87]

[Filed 9/4/87, Notice 7/29/87—published 9/23/87, effective 10/28/87]

[Filed 5/26/88, Notice 4/20/88—published 6/15/88, effective 7/20/88]

[Filed 9/29/89, Notice 8/23/89—published 10/18/89, effective 11/22/89]

[Filed 1/4/91, Notice 11/28/90—published 1/23/91, effective 2/27/91]

[Filed 9/23/94, Notice 8/17/94—published 10/12/94, effective 11/16/94]

[Filed 10/20/95, Notice 9/13/95—published 11/8/95, effective 12/13/95]

[Filed 9/20/96, Notice 8/14/96—published 10/9/96, effective 11/13/96]

[Filed 3/7/97, Notice 1/29/97—published 3/26/97, effective 4/30/97]

[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]

[Filed 10/2/98, Notice 8/26/98—published 10/21/98, effective 11/25/98]

[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]

[Filed 12/10/99, Notice 11/3/99—published 12/29/99, effective 2/2/00]

[Filed 9/15/00, Notice 8/9/00—published 10/4/00, effective 11/8/00]

[Filed 12/19/01, Notice 11/14/01—published 1/9/02, effective 2/13/02]

[Filed 3/15/02, Notice 2/6/02—published 4/3/02, effective 5/8/02]

[Filed 12/5/03, Notice 10/29/03—published 12/24/03, effective 1/28/04]

[Filed 10/22/04, Notice 9/15/04—published 11/10/04, effective 12/15/04]

[Filed 11/16/05, Notice 10/12/05—published 12/7/05, effective 1/11/06]

[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 85
TOBACCO MASTER SETTLEMENT AGREEMENT

DIVISION I
TOBACCO MASTER SETTLEMENT AGREEMENT

701—85.1(453C) National uniform tobacco settlement. In 1998 the state of Iowa entered into an agreement with cigarette manufacturers called the Master Settlement Agreement (MSA). Subsequent to entering into that agreement, in 1999 the Iowa general assembly enacted Iowa Code chapter 453C. The statute requires the department of revenue to promulgate regulations to ascertain the amount of excise tax paid on cigarettes sold by nonparticipating tobacco product manufacturers in Iowa each year.

701—85.2(453C) Definitions. For the purposes of this chapter, the definitions set forth in Iowa Code section 453C.1 shall apply.

701—85.3(453C) Report required. Reports must be filed by tobacco products distributors, cigarette distributors, and persons who sell tobacco products at retail that were purchased from a person who is not required to file a distributor report. The report must be filed annually on or before the last day of the month following the close of the calendar year in which the sales were made and must be in a form and manner requested by the department. The reports are to be mailed to Iowa Department of Revenue, Compliance Division, Cigarette Tax Unit, P.O. Box 10456, Des Moines, Iowa 50306-0456.

701—85.4(453C) Report information. The report must include the following information with respect to units sold that were not purchased from a participating tobacco product manufacturer or units sold that were purchased from a participating tobacco product manufacturer but are not units sold as covered by the MSA:

1. The number of units sold.
2. The brand of the units sold.
3. The name and address of the person from whom each unit was purchased.
4. The name and address of the manufacturer of the unit, if known.
5. The name and address of the importer of the unit, if known, and whether that importer is the exclusive importer of the unit, if known.

A retailer may need to file a report when purchasing roll-your-own tobacco or cigarettes over the Internet, through a catalog from a vendor located outside of Iowa, from an Indian tribe or from an enrolled member of an Indian tribe located on a reservation in or outside Iowa, by mail order, or from a vendor located in another state.

A retailer must also, upon request by the department, report information with respect to units sold that were purchased from any participating tobacco product manufacturer.

701—85.5(453C) Record-keeping requirement. Every person who sells at retail tobacco products purchased from a person who is not required to file a report required by this chapter and every tobacco products distributor and cigarette distributor subject to this reporting rule must maintain complete and accurate records and underlying documentation for five years to support the data required to be supplied to the department under rule 701—85.4(453C). Upon request, all requested records and documents must be provided to the department.

701—85.6(453C) Confidentiality. The department of revenue may disclose any and all information filed pursuant to rule 701—85.4(453C) to the attorney general for use in enforcing compliance with Iowa Code chapter 453C.

These rules are intended to implement Iowa Code chapter 453C.

701—85.7 to 85.20 Reserved.

DIVISION II
TOBACCO PRODUCT MANUFACTURERS' OBLIGATIONS AND PROCEDURES

701—85.21(80GA,SF375) Definitions. For purposes of this division, the definitions set forth in 2003 Iowa Acts, Senate File 375, section 2, shall apply.

701—85.22(80GA,SF375) Directory of tobacco product manufacturers.

85.22(1) *Directory of cigarettes approved for stamping and sale in Iowa.* A tobacco product manufacturer and a brand family shall not be included in the directory authorized by 2003 Iowa Acts, Senate File 375, section 3, after April 30 each year until and unless the tobacco product manufacturer has provided current and accurate certification conforming to the requirements of 2003 Iowa Acts, Senate File 375, section 3. Nonparticipating manufacturers and their brand families shall not be included in the directory after April 30 each year until and unless the attorney general has determined that the nonparticipating tobacco product manufacturer is in full compliance with 2003 Iowa Acts, Senate File 375, section 3, and that neither subsection (2)“b”(1) nor (2)“b”(2) of section 3 applies to the nonparticipating tobacco product manufacturer or a brand family it seeks to have included in the directory. A tobacco product manufacturer or brand family shall be deleted from the directory if a determination is made by the attorney general that the tobacco product manufacturer no longer meets the requirements of 2003 Iowa Acts, Senate File 375, section 3, or that either subsection (2)“b”(1) or (2)“b”(2) of section 3 applies.

85.22(2) *Notice of inclusion in directory.* The attorney general shall notify a tobacco product manufacturer by mail that it has met the requirements of 2003 Iowa Acts, Senate File 375, section 3, and will be included in the directory. This notice shall include each brand family that the attorney general determines will be included in the directory.

85.22(3) *Notice of noninclusion in or deletion from the directory.* Tobacco product manufacturers that have applied for inclusion in the directory shall be notified in writing of a decision made by the attorney general not to include in or to delete from the directory the tobacco product manufacturer or a brand family. Such notice shall be served on the tobacco product manufacturer's agent for service of process by certified mail.

85.22(4) *Procedure for contesting notice of noninclusion or deletion.*

a. A tobacco product manufacturer that disagrees with a decision made by the attorney general in relation to the directory may contest the validity of the decision within 60 days of the date of the decision by filing a written protest of that decision with the Iowa Department of Revenue, Clerk of the Hearings Section, Hoover State Office Building, Fourth Floor, Des Moines, Iowa 50319, pursuant to rule 701—7.8(17A). The protest shall conform generally to the requirements of 701—subrules 7.8(1) through 7.8(10) to the extent applicable. The protest will, thereafter, be processed and a contested case hearing will be held in general conformity with 701—7.10(17A), 701—7.12(17A) and 701—7.14(17A) to 701—7.16(17A), 701—subrule 7.17(8), and rules 701—7.19(17A) to 701—7.22(17A), to the extent applicable. The burden of proof shall be on the tobacco product manufacturer to establish that it or a particular brand family is entitled to be listed in the directory.

b. The form, status, finality and appealability of orders shall be controlled by the general provisions of 701—subrule 7.17(8), except that no appeal to or on motion of any other agency is authorized. All parties to the contested case may appeal any orders entered in relation to the contested case.

c. Stays of the decision of the attorney general during the pendency of the contested case proceedings and judicial review of the final contested case order of the department may be sought under 701—subrule 7.17(9). However, the addition or retention of a tobacco product manufacturer or brand family in the directory shall not be ordered during the pendency of the contested case proceedings and judicial review of the final contested case order unless a sufficient bond has been provided to the attorney general to ensure that all escrow amounts owed at the time of bonding and all escrow amounts reasonably expected to become due during the pendency of the contested case and all related appeals

will be satisfied if the tobacco product manufacturer does not ultimately prevail in its challenge. Such bonds shall be subject to update on a quarterly basis on motion of the attorney general.

d. If a claim is made that a particular entity is the tobacco product manufacturer and the entity obtains an order allowing it and any of the brands it claims to be responsible for to be listed in the directory pending final resolution of its status and it is ultimately determined that the entity is not the tobacco product manufacturer, the required bond shall be forfeited to the state.

[ARC 0251C, IAB 8/8/12, effective 9/12/12; ARC 2657C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement 2003 Iowa Acts, Senate File 375.

[Filed 7/3/01, Notice 5/16/01—published 7/25/01, effective 8/29/01]

[Filed emergency 7/18/03—published 8/6/03, effective 7/30/03]

[Filed 11/16/05, Notice 10/12/05—published 12/7/05, effective 1/11/06]

[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 89
FIDUCIARY INCOME TAX
[Formerly fiduciary rules ch 48, See IAB 9/30/81]
[Prior to 12/17/86, Revenue Department[730]]

701—89.1(422) Administration.

89.1(1) Definitions. The following definitions cover 701—Chapter 89 and are in addition to the definitions contained in Iowa Code section 422.4.

“*Administrator*” means the administrator of the compliance division of the department of revenue or the personal representative of an intestate estate.

“*Compliance division*” is the organizational unit of the department created by the director to administer the inheritance and fiduciary income tax laws.

“*Department*” means the department of revenue.

“*Director*” means the director of revenue.

“*Gross income*” includes any and all income prior to any deductions as set forth on the Iowa fiduciary return of income.

“*Personal representative*” means the executor, administrator or trustee of a decedent’s estate.

“*Tax*” means the income tax imposed on estates and trusts under Iowa Code section 422.6.

“*Taxable income*” is the income of the fiduciary and also includes distributions to beneficiaries as set forth on the Iowa fiduciary return of income.

“*Taxpayer*” means the executor, administrator or other personal representative of a decedent’s estate required to file a return for the estate and the decedent under Iowa Code sections 422.14 and 422.23. “Taxpayer” also means the trustee of a trust subject to tax under 26 U.S.C. Section 641 and required to file a return under 26 U.S.C. Section 6012(b), as well as the trustee of the bankruptcy estate of an individual under Chapter 7 or 11 of Title 11 of the United States Code.

89.1(2) Delegation of authority. The director delegates to the administrator of the compliance division, subject always to the supervision and review of the director, the authority to administer the fiduciary income tax. This authority specifically includes, but is not limited to: determining the correct fiduciary income tax liability; making tax liability assessments; issuing refunds; releasing tax liens; filing tax liability claims in probated estates and releasing the claims upon payment of the tax; and issuing the certificate of acquittance authorized by Iowa Code section 422.27. The administrator of the compliance division may delegate the examination and audit of tax returns to the supervisors, agents and employees and representatives of the department.

This rule is intended to implement Iowa Code sections 421.2, 421.4, 422.6, 422.23, 422.25, 422.26, 422.27 and 422.73.

[ARC 1545C, IAB 7/23/14, effective 8/27/14]

701—89.2(422) Confidentiality.

89.2(1) Confidential information. The state and federal returns and accompanying schedules, and the taxpayer’s books, records, documents and accounts of any person, firm or corporation are held confidential, except the information which is deemed a public record by state and federal law. See 26 U.S.C. Section 6103 of the Internal Revenue Code pertaining to the confidentiality and disclosure of federal tax returns and federal tax return information. See rules 701—6.3(17A) and 701—38.6(422) regarding the confidentiality of a decedent’s individual income tax returns.

89.2(2) Information not confidential. Copies of wills, probate inventories, trust instruments, deeds and other documents which are filed for public record are not confidential. The fact alone that a return has or has not been filed with the department is not confidential information. 1976 Op. Att’y. Gen. 679.

89.2(3) Documents to be filed.

a. *Estates of Iowa decedents.* A copy of the inheritance tax return and probate inventory required by Iowa Code section 633.361 and 701—subrule 86.2(2) (relating to inheritance tax) and a copy of the decedent’s will in testate estates shall be filed with the first fiduciary return of income, unless previously filed with the department for inheritance tax purposes.

b. Nonresident decedents—ancillary administration. If ancillary administration has been opened for the estate of a nonresident decedent, a copy of the inheritance tax return and probate inventory and a copy of the decedent's will in testate estates shall be filed with the department, subject to the same conditions and requirements in estates of resident decedents. If ancillary administration has not been opened for a nonresident decedent with Iowa taxable income, a copy of the inventory filed in the primary estate, or the portion of the inventory listing the property generating the Iowa income and the decedent's will in testate estates, must be filed with the department with the first fiduciary return of income.

c. Inter vivos trusts. Inter vivos trusts with a situs in Iowa and inter vivos trusts with a situs outside Iowa with Iowa taxable income shall submit to the department with the first fiduciary return the following: (1) a copy of the trust instrument; (2) a list of the trust assets (those generating Iowa taxable income in case of trusts with a situs outside Iowa); and (3) an estimate of the fair market value of each asset. If the trust instrument is amended or additional assets are added to the trust corpus (additional assets which generate Iowa taxable income in case of trusts with a situs outside Iowa), a copy of the amended items must be submitted to the department with the first fiduciary return of income following the change.

d. Testamentary trusts. If the estate was not reported for inheritance tax purposes, a copy of the decedent's will and a list of assets in the trust corpus in testamentary trusts with a situs both within and without Iowa must be submitted to the department with the first fiduciary return of income.

e. Safe deposit box. Effective July 1, 1998, there is no longer a requirement for safe deposit boxes to be inventoried and reported to the department prior to the delivery of the assets to the personal representative, transferee, joint owner or beneficiary.

89.2(4) Required records. The taxpayer shall keep records and accounts necessary to substantiate reportable income and deductions. Upon request, the taxpayer shall furnish the department documents, such as copies of tax returns, court orders, trust instruments, annual reports, canceled checks and like information, as may be reasonably necessary to enable the department to determine the correct tax liability. *Tiffany v. County Board of Review*, 188 N.W.2d 343, 349 (Iowa 1971). For taxpayers using an electronic data interchange process or technology also see 701—subrule 11.4(4).

This rule is intended to implement Iowa Code sections 422.25, 422.27, 422.28, 422.73 and 1997 Iowa Acts, chapter 60, sections 1 and 2.

701—89.3(422) Situs of trusts.

89.3(1) Testamentary trusts. The situs of a testamentary trust for tax purposes is the state of the decedent's residence at the time of death until the jurisdiction of the court in which the trust proceedings are pending is terminated. In the event of termination and the trust remains open, the situs of the trust is governed by the same rules as pertain to the situs of inter vivos trusts.

89.3(2) Inter vivos trusts. If an inter vivos trust is created by order of court or makes an accounting to the court, its situs is the state where the court having jurisdiction is located until the jurisdiction is terminated. The situs of an inter vivos trust which is subject to the grantor trust rules under 26 U.S.C. Sections 671 to 679 is the state of the grantor's residence, or the state of residence of the person other than the grantor deemed the owner, to the extent the income of the trust is governed by the grantor trust rules.

If an inter vivos trust (other than a trust subject to the grantor trust rules in 26 U.S.C. Sections 671 to 679) is not required to make an accounting to and is not subject to the control of a court, its situs depends on the relevant facts of each case. The relevant facts include, but are not limited to: the residence of the trustees or a majority of them; the location of the principal office where the trust is administered; and the location of the evidence of the intangible assets of the trust (such as stocks, bonds, bank accounts, etc.). The residence of the grantor of a trust, not subject to the grantor trust rules under 26 U.S.C. Sections 671 to 679, is not a controlling factor as to the situs of the trust, unless the person is also a trustee. A statement in the trust instrument that the law of a certain jurisdiction shall govern the administration of the trust is not a controlling factor in determining situs. The residence of the beneficiaries of a trust is also not relevant in determining situs.

89.3(3) Part-year trust. A trust that has its situs part of the year within Iowa and part of the same year outside of Iowa is to report its income on Iowa Form IA-1041. Essentially, to report the income, the trust

will be treated similarly to a nonresident or part-year resident for Iowa income tax purposes. To complete the return, the trust should complete page one of Form IA-1041, the income and deductions portions of the form. The income and deductions reported in these two portions of the form should include all the trust's income reported during the tax year. After the previous computation has been completed, then Schedule C of Form IA-1041 is completed to determine a nonresident/part-year resident credit similar to the calculation set forth in rule 701—42.5(422) for individual income tax.

This rule is intended to implement Iowa Code sections 422.6, 422.8, and 422.14.
[ARC 0398C, IAB 10/17/12, effective 11/21/12]

701—89.4(422) Fiduciary returns and payment of the tax.

89.4(1) *Form of return.* The form of the fiduciary return shall be prescribed by the director. It shall conform as nearly as possible to the federal fiduciary return.

89.4(2) *Required federal returns and schedules.* Nonresident estates with Iowa taxable income and trusts with situs outside Iowa with Iowa taxable income must submit a copy of the federal fiduciary return with the Iowa return. Estates of Iowa decedents and trusts with a situs in Iowa must submit copies of the federal schedules that substantiate gross income, deductions and ordinary and throwback distributions to beneficiaries with the Iowa return.

89.4(3) *Same form for nonresident estates and foreign situs trusts.* Nonresident estates and foreign situs trusts shall use the same form for reporting Iowa taxable income as prescribed for resident estates and trusts with a situs in Iowa.

89.4(4) *Accounting period—tax year.* The initial fiduciary return may reflect either a calendar or fiscal year accounting period, without the department's prior approval. If a fiscal year is elected, it may end on the last day of any month, except December, but in no case shall the fiscal year adopted be for a period longer than the last day of the month preceding the decedent's death or the month the trust was created. The accounting period for the purpose of the tax imposed by Iowa Code section 422.6 must be the same accounting period that is adopted for federal income tax purposes. This limitation is equally applicable to estates of resident and nonresident decedents and trusts with a situs within and without Iowa. If the taxpayer has not adopted a taxable year prior to the time the return is due to be filed and the tax paid, the taxable year is a calendar year until authorization is granted to change to a fiscal year. See 26 U.S.C. Sections 441 to 443, federal regulations Sections 1.441 - 1(g)(3) and 1.442.2.

The permissible taxable years are illustrated by the following examples:

EXAMPLE 1. Decedent died July 4, 1990. The taxable year for the estate commences the day after the decedent's death (July 5, 1990) and will end December 31, 1990, if a calendar year is adopted as the taxable year. If a fiscal year is adopted, it can end on July 31, 1990, or the last day of any future month (except December 31, 1990), but no later than June 30, 1991, subject to the condition that it is selected prior to the time the return and payment are originally due.

EXAMPLE 2. Grantor creates an irrevocable trust on July 27, 1989. On July 1, 1990, the trustee filed the initial fiduciary return of income, adopting at that time a taxable year ending November 30, 1989. Since the return was due March 17, 1990 (March 15 was a Saturday) for federal income tax purposes and March 31, 1990, for Iowa income tax purposes, it is delinquent and a fiscal year accounting period is disallowed and the trust taxable year is the calendar year.

89.4(5) *Short year returns.* If an estate or trust is in existence only a portion of the taxable year, a return must be filed for the partial year in accordance with subrule 89.4(6).

89.4(6) *Minimum filing requirements.*

a. General rule. A fiduciary return of income must be filed if the gross income of the estate or trust for the taxable year is \$600 or more, regardless of any tax liability.

b. Exception to the general rule. A final fiduciary return of income must be filed for the taxable year in which an estate or trust is closed, regardless of the amount of gross income, if an income tax certificate of acquittance is requested. The final fiduciary return of income constitutes an application for an income tax certificate of acquittance pursuant to Iowa Code sections 422.27, 633.477 and 633.479. For a certificate of acquittance to be received, the appropriate box on the final fiduciary return must be checked to request the certificate.

89.4(7) Amended returns. An amended return must be filed if there is a change in income or deductions that results in a tax or additional tax due, or in a change in income, deductions or credits distributable to a beneficiary. An amended return may be filed in lieu of a claim for refund when a change in reportable income or deductions results in a tax overpayment. See 701—subrules 43.3(8) and 43.3(15) for the period of time for making a claim for a refund of excess tax paid.

89.4(8) Return due date. The fiduciary return must be filed with the department and the tax due paid in full on or before the last day of the fourth month following the end of the taxable year. Payment of 90 percent of the tax due with the filing of a return will grant a taxpayer a six-month automatic extension of time to pay the remaining tax due. If the due date falls on a Saturday, Sunday or legal holiday, the due date is the next day which is not a Saturday, Sunday or legal holiday as defined in Iowa Code section 4.1. Returns not timely filed with 90 percent of the tax timely paid are subject to penalty as provided in rule 89.6(422).

89.4(9) Duties of the taxpayer.

a. Income of the estate or trust. A taxpayer must timely file a fiduciary return if the minimum filing requirements specified in subrule 89.4(6) are met and must pay 90 percent of the tax due. Receipt of the return with 90 percent of the tax due paid will result in an automatic six-month extension of time to pay the remaining tax due. The department is not required to file a claim for taxes in the estate proceedings and have the claim allowed before the tax is paid. *In re Estate of Oelwein*, 217 Iowa 1137, 1141, 251 N.W. 694 (1933); *Findley v. Taylor*, 97 Iowa 420, 66 N.W. 744 (1896). The personal representative of an estate must pay the tax on income from property in the personal representative's possession, prior to applying the income to estate obligations. See Iowa Code section 633.352.

b. Decedent's final individual income tax return. The executor, administrator, or other personal representative of the decedent's estate must file an individual income tax return for the decedent for the year of the decedent's death if the gross income attributable to the decedent for the part of the taxable year ending with death equals or exceeds the minimum filing requirements. See 701—subrules 39.1(1) to 39.1(3) and 39.1(5) for the minimum filing requirements for individual income tax. If the surviving spouse of a decedent has not remarried during the balance of the taxable year and has the same taxable year as the decedent, the personal representative of the decedent's estate may file a joint return with the surviving spouse for the taxable year of death. In the event of such an election, the joint return must include the surviving spouse's income for the entire taxable year and the decedent's income for the portion of the taxable year ending with death. Income attributable to property owned by the decedent and the decedent's rights to income received after the day of the decedent's death are income of the decedent's estate or the persons succeeding to the property or rights to income. See Iowa Code sections 633.350 to 633.353 for the circumstances under which the estate is charged with the income from the decedent's property or the decedent's rights to income. Income from property held by the decedent and others in joint tenancy received after the decedent's death is charged to the surviving joint tenants, not to the decedent's estate.

The final return for a decedent may be filed at any time after the decedent's death, but in no event later than the last day of the fourth month following the end of the decedent's normal taxable year. The final income tax return of the decedent, if the minimum filing requirements are met, must be filed prior to the time an income tax certificate of acquittance is requested, even though this may require the early filing of the return. Therefore, filing a joint return with the surviving spouse is precluded if the decedent's final return is required to be filed prior to the end of the normal taxable year.

c. Decedent's prior year returns. The personal representative of the decedent's estate is not limited to filing the decedent's final return and paying the tax due. In addition, the personal representative has the duty to file a return, if none was filed, and to pay any additional income tax owed by the decedent that may become due by reason of an audit of the decedent's income or prior year returns. The personal representative's duty to pay the tax, or additional tax, is limited to the probate property subject to the jurisdiction of the court. The probate property must be applied to the payment of the decedent's tax liability according to the order for paying debts and charges specified in Iowa Code section 633.425.

d. Withholding agent—general rule. The personal representative of a decedent's estate and the trustee of a trust shall withhold Iowa income tax from a distribution of Iowa taxable income to

beneficiaries who are nonresidents of Iowa. This withholding requirement applies to both Iowa and non-Iowa situs estates and trusts. See Iowa Code subsection 422.16(12) and 701—subrule 46.4(2), item “5,” for the duty to withhold. The amount of income tax to be withheld shall be computed either based on 5 percent of the taxable Iowa income distributed or according to tax tables provided by the department. See 701—subrule 46.3(3) for the required withholding form and return to be filed with the department.

e. Exception to the general rule. If a nonresident beneficiary of an estate or trust who is to receive a distribution of Iowa taxable income files with the department a nonresident declaration of estimated tax and pays the estimated tax on the income declared in full, 89.4(9) “d” does not apply to the amount of the income declared. A certificate of release from the duty to withhold will be issued to the withholding agent upon request. See Iowa Code sections 422.16(12) and 422.17 and 701—subrule 46.4(3) relating to the release certificate. In addition, an estimated payment of withholding can occur if a distribution is being made to a taxable beneficiary. An estimated payment of withholding should be based on 5 percent of the taxable Iowa income. It is the department’s policy to allow estimated payments of withholding to be paid directly to the department.

f. Withholding not required. Withholding is not required from the distribution made by estates and trusts of Iowa taxable income to beneficiaries who are residents of Iowa.

g. Beneficiary’s share of income, deductions and credits. After the final distribution of income for the taxable year, but prior to the date for filing a beneficiary’s individual income tax return, the personal representative of an estate and the trustee of a trust shall furnish each beneficiary receiving a distribution from an estate or trust a written statement specifying the amount and types of income subject to Iowa tax and the kinds and amounts of the deductions and credits against the tax. A copy of the federal schedule K-1, Form 1041, adapted to reflect Iowa taxable income, may be substituted in lieu of the statement.

h. Liability of a withholding agent. A withholding agent is personally liable for the amount of the tax required to be withheld under Iowa Code subsection 422.16(12) if the income tax liability of a nonresident beneficiary which is attributable to the distribution is not paid and, in addition, is personally liable for any penalty and interest due if the tax required to be withheld is not paid to the department within the time prescribed by law. See rules 701—44.1(422) to 44.4(422) for the application and computation of penalty and interest on income tax required to be withheld.

This rule is intended to implement Iowa Code sections 422.6, 422.8, 422.16, 422.21, 422.23, 422.25, 422.27, 633.352 and 633.425.

701—89.5(422) Extension of time to file and pay the tax.

89.5(1) Automatic extension of time to file.

a. For tax years beginning on or after January 1, 1986. An automatic two-month extension of time to file the fiduciary income tax return will be granted by the department if the requirements set out in subparagraphs (1) and (2) are met.

(1) Filing the extension application on or before the due date of the return. See subrule 89.4(8) for what constitutes timely filing.

(2) Payment of at least 90 percent of the tax by the due date. At least 90 percent of the tax required to be shown due must have been paid on or before the due date of the return. To determine whether or not 90 percent of the tax was “paid” on or before the due date, the aggregate amounts of tax credits applicable to the return plus the tax payments which were made on or before the due date are divided by the tax required to be shown due on the return. If the aggregate of the tax credits and the tax payments is equal to or greater than 90 percent of the tax required to be shown due, the taxpayer will have met the “90 percent” test and no penalty will be assessed.

If the time for filing is extended, interest as provided by law, from the date the return originally was required to be filed to the date of actual payment of the tax, is to be computed on the unpaid tax. See rule 701—10.2(421) for the statutory rate of interest commencing on or after January 1, 1982.

b. For tax years beginning on or after January 1, 1991. See 701—subrule 39.2(4).

89.5(2) Additional extension of time to file beyond the automatic extension. For tax years beginning on or after January 1, 1986. The department may grant an additional extension of time to file the

fiduciary return, not to exceed four months, provided an application for additional time is filed prior to the expiration of the automatic extension of time.

89.5(3) Extension of time for the decedent's final tax return. 701—subrule 39.2(4) which provides for extensions of time to file individual income tax returns will apply to the decedent's final tax return.

89.5(4) Form of application and place of filing. The application for an extension of time to file the fiduciary income tax return must be made on forms prescribed by the director. The application must be filed with the department prior to the date the return is due, directed to the Compliance Division, Examination Section, P.O. Box 10456, Des Moines, Iowa 50306.

This rule is intended to implement Iowa Code section 422.21.

701—89.6(422) Penalties. See rule 701—10.6(421) for the calculation of penalty for tax periods beginning on or after January 1, 1991.

[ARC 7761B, IAB 5/6/09, effective 6/10/09]

701—89.7(422) Interest or refunds on net operating loss carrybacks.

89.7(1) Interest on unpaid tax. Tax not paid within the time prescribed by law, including the period during an extension of time, draws interest at the rate described in rule 701—10.2(421). Payments made are first credited to penalty and interest due and then to the tax liability. See *Ashland Oil Co. v. Iowa Department of Revenue and Finance*, 452 N.W.2d 162 (Iowa 1990).

89.7(2) Interest on refunds and tax paid prior to due date. For the purpose of determining the time interest begins to accrue, all income tax withheld, estimated tax paid and other tax paid prior to the due date shall be deemed to be paid on the last day the return is required to be filed disregarding any extensions of time to file the return and pay the tax.

89.7(3) Interest on a net operating loss carryback—the second calendar month period—on or after April 30, 1981. For net operating losses occurring in any of the taxable years ending on or after April 30, 1981, interest accrues on excess tax paid in a prior year, if the loss is carried back to such year, only after the close of the taxable year in which the loss occurs or on the first day of the second calendar month following the date the tax to be refunded was paid, whichever time is later.

This rule is intended to implement Iowa Code section 422.25.

[ARC 7761B, IAB 5/6/09, effective 6/10/09]

701—89.8(422) Reportable income and deductions.

89.8(1) Application of the Internal Revenue Code. Iowa Code section 422.4(16) provides that taxable income of estates and trusts for Iowa income tax purposes is the same as taxable income for federal income tax purposes, subject to certain adjustments specified in Iowa Code sections 422.7 and 422.9. Therefore, the Internal Revenue Code is also Iowa law insofar as it relates to what constitutes gross income, allowable deductions and distributions, subject to the adjustments specified above. See *First National Bank of Ottumwa v. Bair*, 252 N.W.2d 723 (Iowa 1977).

For purposes of a distribution deduction under this chapter, an estate or trust shall receive a distribution deduction only for income taxable to Iowa. For example, municipal interest will be included in the distribution deduction because it is taxable to Iowa. U.S. government interest would not be included because it is not taxable to Iowa.

For tax years ending after August 5, 1997, if the trust is a qualified preneed funeral trust as set forth in Section 685 of the Internal Revenue Code and the trustee has elected the special tax treatment under Section 685 of the Internal Revenue Code, neither the trust nor the beneficiary is subject to Iowa income tax on income accruing to the trust.

89.8(2) Authority of federal court cases, regulations and rulings. The director has the responsibility to enforce and interpret the law relating to the taxes the department is obligated to administer, including those portions of the Internal Revenue Code which are Iowa law under Iowa Code section 422.4(16). Federal regulations may be interpreted by Iowa courts for state tax purposes. *In re Estate of Loudon*, 249 Iowa 1393, 1396, 92 N.W.2d 409 (1958). However, the construction of statutes by a court of the jurisdiction where the statute originated properly commands consideration and is highly persuasive. *Eddy v. Short*, 190 Iowa 1376, 1383, 179 N.W. 818 (1920), *In re Estate of Millard*, 251 Iowa 1282,

1292, 105 N.W.2d 95 (1960). Therefore, while federal court cases, regulations and rulings interpreting the Internal Revenue Code will be accorded every consideration, the department has the right to make its own interpretation of the Internal Revenue Code as to what constitutes taxable income for Iowa tax purposes, consistent with Iowa statutes and court decisions. Also see rule 701—41.2(422).

89.8(3) Reportable income in general—Iowa estates and trusts. Estates of Iowa resident decedents and trusts with a situs in Iowa must report all income received from sources within and without Iowa, regardless of whether the income is from real, personal, tangible or intangible property. See 89.8(11) “b” for the credit allowable against the Iowa tax for income tax paid to another state or country on income reported to Iowa for taxation.

89.8(4) Reportable income in general—foreign situs estates and trusts. Estates and trusts with a situs outside Iowa must report all income received from sources within and without Iowa, regardless of whether the income is from real, personal, tangible or intangible property. Foreign situs estates and trusts must also report that portion of the income which is from Iowa sources. Examples of Iowa source income include, but are not limited to: income from real and tangible personal property with a situs in Iowa, such as a farm and from a business located in Iowa; the capital gain portion of an installment sale contract of Iowa situs property; and wages, salaries and other compensation for services performed in Iowa, but received after the death of the decedent. Iowa source income would not include income from intangible personal property, such as annuities, interest on bank deposits, and dividends, unless the income was derived from a business, trade, profession or occupation carried on in Iowa. See paragraph 89.8(11) “d” for the credit allowed a foreign situs estate and trust for income earned outside Iowa.

89.8(5) Income from property subject to the jurisdiction of the probate court.

a. Probate property subject to possession by the personal representative. Income received on probate property after the decedent’s death is chargeable to the estate or to the person succeeding to the decedent’s property depending on whether the personal representative has the right to, or has taken possession of, the probate property producing the income. (Rev. Ruling 57-133, 1-CB 200 (1957).) If the personal representative has taken possession of or has the right to possession of a specific item of probate property, the income from this property is estate income, even though the personal representative is bound by law to distribute the income during the course of administration to a beneficiary. *Colthurst v. Colthurst*, 265 N.W.2d 590 (Iowa 1978); *In re Estate of Herring*, 265 N.W.2d 740 (Iowa 1978). The personal representative is charged with the income from this property for each taxable year until the property is distributed or otherwise disposed of. Iowa Code section 633.351 (probate code) specifies the personal representative shall take possession of the decedent’s personal property, except exempt property, and also the decedent’s real estate, except the homestead, if any one of the following conditions are met: if there is no distributee present and competent to take possession; if the real estate is subject to a lease; or if the distributee is present and competent and gives consent to possession. *Colthurst v. Colthurst*, 265 N.W.2d 590 (Iowa 1978); *In re Estate of Peterson*, 263 N.W.2d 555 (Iowa Ct. of Appeals 1977). In addition, Iowa Code section 633.386 (probate code) gives the personal representative authority to lease real estate (and therefore to take possession) in order to pay the debts and charges of the estate.

b. Income charged to the heir or beneficiary. Under Iowa law title to probate property, both real and personal, passes instantaneously on death to the heir or beneficiary. *In re Estate of Bliven*, 236 N.W.2d 366, 370 (Iowa 1975). If property is not subject to the personal representative’s right of possession under Iowa Code section 633.351 (probate code) and the personal representative has not exercised the right to sell, lease, mortgage or pledge real and personal property to pay debts and charges under Iowa Code section 633.386 (probate code), the income from this probate property is not estate income. It is income to the person succeeding to the property.

89.8(6) Income from nonprobate property. Income from property not subject to the jurisdiction of the probate court is charged to the beneficiary or other person succeeding to the property. Examples of income from nonprobate property include, but are not limited to: property held in joint tenancy, annuity payments, pension and retirement plans not payable to the estate, and income from certain trusts created by the grantor-decedent. See *Wood, Admr., v. Logue*, 167 Iowa 436, 441, 149 N.W. 613 (1914) for joint tenancy property not being subject to the jurisdiction of the probate court; also *Lang v. Commissioner*, 289 U.S. 109, 77 L.Ed. 1066, 53 S.Ct. 535 (1933).

89.8(7) Gross income of an estate.

a. In general. 26 U.S.C. Section 641(b) provides that the taxable income of an estate or trust shall be computed in the same manner as the taxable income of an individual, except as modified in Subchapter J of the Internal Revenue Code. The gross income of an individual and, therefore, the gross income of an estate or trust, is not given a definitive meaning in 26 U.S.C. Section 641. Subrule 89.8(7), paragraphs “d” to “q,” describe the most common kinds of income of an estate or trust. However, those paragraphs are not intended to identify all types of taxable income.

b. Definition of the period of administration. The income charged to the decedent’s estate is reportable by the personal representative for each taxable year during the period of the administration of the decedent’s estate, if the minimum filing requirements are met. The period of administration for Iowa income tax purposes is determined by applying federal tax law to Iowa estates because Iowa taxable income is the same as federal taxable income, subject to the adjustments provided in Iowa Code sections 422.7 and 422.9. *Old Virginia Brick Co., Inc. v. Commissioner*, 367 F.2d 276 (4th CA 1966); *First National Bank of Ottumwa v. Bair*, 252 N.W.2d 723 (Iowa 1977). It is the period actually required by the personal representative to perform the ordinary duties of administration, such as the collection of assets and the payment of debts, taxes, legacies and bequests, whether the period required is longer or shorter than the period specified under the probate code. See federal regulations 1.641(b)-3(a). An estate will be considered terminated for income tax purposes when all of the assets have been distributed, except for a reasonable amount set aside in good faith for the payment of unascertained or contingent liabilities and expenses. The delay in closing the estate cannot be capricious. *Frederich v. Commissioner*, 147 F.2d 796 (5th CA 1944). If the period of administration is terminated for income tax purposes, the heir or beneficiary is charged with the income.

c. The estate’s first return—special considerations. Death terminates the decedent’s taxable year. Income received the day of the decedent’s death is to be reported on the decedent’s final individual return. See 26 U.S.C. 443(a)(2); federal regulation Section 1.443-1(a)(1).

The taxable year of a decedent’s estate begins the day after the decedent’s death. Income received after the decedent’s death is either chargeable to the decedent’s estate or to the person succeeding to the property producing the income. See 89.8(5) “a” and 89.8(5) “b.” Income the decedent had a right to receive prior to death, but did not receive before death, is not the decedent’s income, but is income in respect of a decedent and is chargeable either to the decedent’s estate when received or to the person succeeding to the right to income. See 26 U.S.C. Section 691(a) and applicable federal regulations on what constitutes income in respect of a decedent. Trade or business expenses, interest, taxes and expenses for the production of income owing by the decedent at death, but unpaid, and the allowance for depletion on income not received at death, are not deductible on the decedent’s final return. These are deductible by the estate or the person succeeding to the property when paid. Medical expenses incurred by the decedent, but unpaid at death, are not deductible by the estate. These are deductible on the decedent’s individual return for the year the expenses were incurred, if paid within one year after the decedent’s death and if the medical expense is not claimed as a deduction for federal estate tax purposes under 26 U.S.C. Section 2053. See 26 U.S.C. Section 213(d) and federal regulations thereunder relating to deductible medical expense of a decedent. Funeral expense is not a deductible item for income tax purposes, although it is a deductible expense for federal estate tax and Iowa inheritance tax purposes. See 701—paragraphs 86.6(1) “g” and 86.6(3) “b.” Unused ordinary and capital losses remaining after the decedent’s income tax liability for the year of death has been determined are not carried forward to the decedent’s estate. The unused losses terminate with death, except to the extent they may be used by the decedent’s surviving spouse. See Rev. Ruling 74-175, 1 CB 52 (1974). The estate of a decedent is a different taxpayer than the decedent.

d. Dividends. All income classified as dividends under 26 U.S.C. Section 61 and federal regulation section 1.61-9, received or constructively received, during the taxable year constitutes gross income to the estate or trust. However, some income labeled as dividends is for tax purposes classified as interest. For example, income from cooperative banks, credit unions, domestic building and loan associations, domestic savings and loan associations, federal savings and loan associations and mutual savings banks are considered interest and not dividends.

e. Interest. All interest received or constructively received during the taxable year, with the exception of interest, but not capital gain, from federal securities and from certain bonds issued by the state of Iowa and its political subdivisions listed in rule 701—40.3(422) is income to the estate or trust. Interest from securities issued by a state and its political subdivisions or from foreign securities is included in gross income for Iowa tax purposes, even though the interest may be exempt from federal income tax, except for those bonds listed in rule 701—40.3(422).

f. Partnerships and other estates and trusts. If a partnership in which the decedent had an interest is not terminated at death, the deceased partner's share of the partnership income is considered to be all received at the end of the partnership taxable year. As a result, none of the partnership income is chargeable to the deceased partner, unless the day of the partner's death coincides with the day the partnership year ends. It is chargeable to the deceased partner's estate or the person succeeding to the partner's interest, notwithstanding the fact the deceased partner may have withdrawn most or all of the deceased partner's share of the partnership income prior to death. Federal regulation section 1.706-1(C)(3)(ii); Rev. Ruling 68-215, 18 I.R.B. 14 (1968).

In general, if an estate or trust and its beneficiaries have different taxable years, the beneficiary is required to report the income from the estate or trust as if it were all paid on the last day of the taxable year of the estate or trust. Federal regulation section 1.662(C)-1. *Hay v. U.S.*, 263 F. Supp. 813 (D.C. Tex. 1967). However, if the beneficiary dies during the taxable year of an estate or trust, the taxable income of the beneficiary's estate includes only the portion of the income of the other estate or trust which was required to be distributed to the beneficiary, but was not in fact distributed to the beneficiary before death. The income that was in fact distributed by the other estate or trust prior to the beneficiary's death is properly included in the beneficiary's final income tax return. See federal regulation 1.662(C)-2.

g. Rents and royalties. Income received after death for the use or occupancy of the decedent's real and personal property is the income of the decedent's estate or the income of the person succeeding to the property. See 89.8(5) "a" and 89.8(5) "b." If the rental income was accrued, but unpaid at death, the accrued rent is income in respect of a decedent and is to be included as income, either by the estate or the person succeeding to the right to the income, in the taxable year when payment is received. Rent is not limited to payments in cash. It includes, but is not limited to, crop share rental payments when the decedent was a nonparticipating landlord. *Alvin R. Huldeen Estate v. Department of Revenue*, Sac County District Court, Probate No. 14,661 (1975). Income from the sale of grain and livestock in the estate of a participating landlord which was on hand at death is classified as income from a farm or business and not rental income.

Income from royalties would include, but is not limited to, payment for rights in books, plays, copyrights, trademarks, formulas, patents and from the exploitation of natural resources.

h. Farm and business income—in general. The death of the decedent does not alter the rules under which business and farm income is computed for income tax purposes. However, the decedent's estate as a new taxpayer may adopt a taxable year which is different from the decedent's taxable year. Also, the decedent's estate may adopt a different accounting method. The rules for determining a gain or loss from the sale or exchange of assets in the decedent's estate are the same as those for an individual. However, see 89.8(7) "i" and 89.8(7) "j" for the basis for gain or loss from the sale or exchange of property acquired from a decedent and 89.8(7) "l" for depreciation rules for property acquired from a decedent.

i. Basis for gain or loss—the stepped-up basis. Property acquired from a decedent receives a new basis for determining gain or loss when the property is sold or exchanged. This rule does not apply to property which is classified as income in respect of a decedent and certain other property designated in 26 U.S.C. Section 1014(b) and (c) and the federal regulations thereunder. The basis of property acquired from a decedent is either: (1) its fair market value at the time of death or the alternative value when it has been elected for federal estate tax purposes under 26 U.S.C. Section 2032, or (2) its special use value when the property has been valued for federal estate tax purposes under 26 U.S.C. Section 2032A. The decedent's basis in the property is not relevant.

If an estate files a federal estate tax return, then the basis is governed by the federal estate tax value determination. However, if an estate does not file a federal estate tax return, then Iowa inheritance tax valuation governs the basis for the property that is acquired.

EXAMPLE 1. Decedent A died July 1, 1995, owning a 160-acre Iowa farm which the decedent purchased in 1955 for \$200 per acre, or \$32,000. At the time of A's death, the farm had a fair market value of \$2,000 per acre, or \$320,000. In 1965, A and surviving spouse B purchased a residence for \$35,000 in joint tenancy. Surviving spouse B, a school teacher, contributed one half of the purchase price of the residence; therefore, one-half of the residence is excluded from A's gross estate. At the time of A's death, the residence had a fair market value of \$100,000. Surviving spouse B received the entire estate and did not elect the alternative or special use valuation.

B's basis for gain or loss in the farm and residence is computed as follows:

<u>Asset</u>	<u>Fair Market Value at Death</u>	<u>New Basis for Gain or Loss</u>	
160-acre farm	\$320,000		\$320,000
Residence	100,000	½ new basis	50,000
		½ old basis	<u>17,500</u>
			\$ 67,500

Since the entire farm was acquired from A, its basis is 100 percent of the fair market value at death. Only one-half of the residence was acquired from A; therefore, only one half of the residence receives a new basis on A's death.

j. No new basis—income in respect of a decedent. Property or rights to income, classified as income in respect of a decedent under 26 U.S.C. Section 691, do not receive a new basis upon the decedent's death. It is a special exception to the stepped-up basis rule. See 26 U.S.C. Section 1014(c) and federal regulation section 1.1014-1(c).

Examples of income in respect of a decedent include, but are not limited to, the following:

1. Wages, salary or other compensation for personal services earned which are unpaid at death.
2. Interest accrued on obligations, such as bank accounts, certificates of deposit, bonds and promissory notes.
3. Accrued interest and unpaid capital gain on real and personal property installment contracts.
4. Federal income tax refunds, if claimed as a deduction on an Iowa income tax return.
5. Accounts receivable, if the decedent was on a cash accounting basis.
6. Crop share rent if the decedent was a nonparticipating landlord on a cash basis. This also includes growing crops, which are to be valued at the time of the decedent's death or alternate valuation date.

The basis for gain or loss for property classified as income in respect of a decedent is the decedent's basis in the property at the time of death.

k. Gain or loss—holding period. For the purpose of determining whether the sale or exchange of property is a long- or short-term gain or loss, the holding period of property acquired from a decedent begins the day after the decedent's death, regardless of how long the property was held by the decedent. See 26 U.S.C. Section 1.1223, federal regulation Section 1.1223-1(j). However, if the property acquired from a decedent is sold or otherwise disposed of within one year of the decedent's death, it will be considered to have been held over one year. In general, this is a sufficiently long holding period to qualify the sale or exchange as a long-term gain or loss transaction. However, a one-year holding period does not qualify horses and cattle held for draft, breeding or dairy purposes for long-term gain or loss treatment. A 24-month holding period is required by 26 U.S.C. Section 1231(b)(3) for the transaction to be considered long-term.

Therefore, if this kind of livestock is acquired from a decedent (which is usually the case) and is sold or exchanged within 24 months after the decedent's death, the sale is considered a short-term transaction. See Rev. Ruling 75-361, 2 C.B. 344 (1975). However, even if the sale or exchange results in a short-term gain or loss transaction, the property has a stepped-up basis, because it is acquired from a decedent. See 89.8(7) "i."

l. Depreciation—property acquired from a decedent. Property acquired from a decedent which is subject to the allowance for depreciation, receives the same value for depreciation purposes as its basis

for gain or loss in a sale or exchange, regardless of its basis or remaining useful life in the hands of the decedent. See 26 U.S.C. Sections 167(g) and 1011; federal regulation Section 1.167(g)-1. For the purpose of determining the life of an asset subject to the allowance for depreciation, the property is treated as if it were acquired the day after the decedent's death. See federal regulation Section 1.167(a)-10. The decedent's estate or other person acquiring depreciable property from the decedent may adopt a depreciation method different from that used by the decedent for the depreciable asset. See federal regulation section 1.167(a)-7.

m. Section 641(c) gain for sales or exchanges before August 6, 1997. The gain that is excluded from federal taxable income under 26 U.S.C. Section 641(c) for sales or exchanges before August 6, 1997, constitutes Iowa gross income to the estate or trust. This gain for sales or exchanges before August 6, 1997, is excluded from taxable income for federal purposes because it is subject to a special federal tax under 26 U.S.C. Section 644(a). This special federal tax was repealed for sales or exchanges occurring on or after August 6, 1997. The effect is to tax the gain for sales or exchanges before August 6, 1997, which receives separate treatment for federal income tax purposes, in the same manner as this gain was taxed prior to the enactment of the federal Tax Reform Act of 1976.

n. Nonrecognition of gain—installment sale contracts before October 20, 1980. No gain or loss is realized by the estate of a decedent-seller dying before October 20, 1980, when the purchaser in an installment sale contract inherits the seller's rights under the contract of sale. The merger of the asset with the liability is considered to be a nontaxable transfer. Therefore, any unreported gain from the installment sale contract is not subject to income tax when there is a merger of the asset with the liability. See Senate Finance Committee Report to P.L. 96-471.

o. Recognition of gain—installment sale contracts after October 19, 1980. Effective for estates of decedents dying after October 19, 1980, Section 3 of Public Law 96-471 (Installment Sales Revision Act of 1980) provides for the recognition of the remaining gain on installment sales contracts when the debtor inherits the obligation and thereby causes a merger of the asset with the liability. The rule after October 19, 1980, is if, as a result of the death of the holder of an installment sale obligation (usually the seller), the installment sale obligation is transferred to the debtor (usually the purchaser); or, if the installment sale obligation is canceled either as a result of the holder's death or by the personal representative of the holder's estate, the remaining gain from the installment sale contract not previously reported is recognized by the holder's estate, as if the remaining balance due had been immediately paid in full. The merger of the asset with the debt is treated as a taxable transfer by the estate of the holder (seller) of the obligation and is income in respect of a decedent realized by the holder's estate.

If the obligation was held by a person other than the seller, such as a trust, the cancellation of the obligation will be treated by that person as a taxable transfer immediately after the seller's death. In the absence of some act of canceling the obligation, such as by distribution or notation which results in cancellation under Iowa Code chapter 554 (Uniform Commercial Code), the disposition is considered to occur no later than the time the period of administration of the estate is ended. See Senate Committee Report to P.L. 96-471.

For gain recognition purposes, if the seller and the debtor were related parties, the value of the installment contract is considered to be not less than full face value, regardless of its value for Iowa inheritance tax or federal estate tax purposes. A related party includes, but is not limited to, the spouse, child (including an adopted child), grandchild, or parent of the seller; an estate in which the seller is a beneficiary; a partnership in which the seller is a partner; a corporation in which the seller owns 50 percent or more of the stock; and a trust where the seller is a beneficiary or is treated as the owner.

If the debtor inherits the obligation to pay or another share of the estate, the personal representative of the holder's estate must set off the contract of sale to the debtor when satisfying the debtor's share of the estate if the debtor's share of estate equals or exceeds the face value of the contract. In this case, the entire contract is canceled and all of the unreported gain is income in respect of a decedent to the estate. If the debtor's share of the estate is less than the face value of the contract of sale, the contract of sale is canceled only to the extent of the debtor's share of the estate and only a like percentage of the unreported gain is considered income in respect of a decedent received immediately by the estate. See

Iowa Code section 633.471 for the right of retainer and setoff. *In re Estate of Ferris*, 234 Iowa 960, 14 N.W.2d 889 (1944).

p. Nonresident aliens—sales of Iowa real estate. For sales and exchanges occurring after June 18, 1980, nonresident aliens and estates and trusts with a situs outside the United States must include the gain from the sale or exchange of Iowa real estate as taxable income, even though the real estate was not effectively connected with a trade or business carried on in the United States. See Public Law 96-499. Any gain paid or distributed to a nonresident alien or an estate or trust with a situs outside the United States is subject to Iowa income tax withholding, unless the gain has been previously accumulated and any tax due paid. See 89.4(9)“d” and 701—subrule 46.4(2), item “5,” for the duty to withhold Iowa income tax from distributions to nonresident beneficiaries and individuals.

q. Miscellaneous income. Miscellaneous income is an inclusive term. It includes those items of income that are subject to Iowa income tax under Iowa Code section 422.6 which are not classified as dividends, interest, rent and royalties, income from partnerships and other fiduciaries, business or farm income and gain or loss from the sale or exchange of assets. Examples of miscellaneous income include, but are not limited to: wages and salaries earned by the decedent which are unpaid at death; federal income tax refunds, if the refund was deducted from an Iowa income tax return; and distributions to the estate from an employee’s pension or retirement plan, if subject to Iowa income tax.

r. Grantor trusts. If the income of a trust is subject to the grantor trust rules under 26 U.S.C. Sections 671 to 679, the grantor of the trust or other person specified in the trust instrument, and not the trust, is considered the owner of the income. This income is properly reportable on the Iowa individual income tax return of the grantor or other individual treated as the owner. The fiduciary income tax return of a grantor trust is an informational return only. Items of income, deductions and credits of a grantor trust should be reported on a separate statement attached to the fiduciary return of income. See federal regulation Section 1.671-4. The taxable year of a grantor trust must be the same as the taxable year of the grantor, or of the other individual considered the owner of the income for tax purposes. *William Scheft*, 59 T.C. 428. Examples of grantor trusts are, but not limited to: trusts where the grantor or a nonadverse party has the power to revoke the trust or to return the corpus to the grantor; trusts where the grantor or a nonadverse party has the power to distribute income to or for the benefit of the grantor or the grantor’s spouse; and trusts where the grantor has retained a reversionary interest in the trust, within specified time limits. See federal regulation Section 1.671-1.

s. “Equity trusts”—assignment of future wages and salaries. The assignment of future wages, salaries or other compensation for future services by a grantor to a trust (commonly called “equity” or “family estate” trust) does not shift the tax burden on this income from the grantor to the trust. The trust is subject to the grantor trust rules under 26 U.S.C. Sections 671 to 679. The income of the trust is to be reported by the grantor on an Iowa individual income tax return. *Lucas v. Earl*, 281 U.S. 111, 74 L.Ed. 731, 50 S.Ct. 241 (1930); *Vnuk v. Commissioner*, 621 F.2d 1318 (8th CA 1980); Revenue Ruling 75-257, 2 C.B. 251 (1975); *In re August Erling, Jr., et al.*, Director of Revenue decision, Docket No. 77-237-2C-A (1979).

t. Adjustments to federal taxable income. Iowa Code section 422.4(16) provides that the Iowa taxable income of estates and trusts is federal taxable income, without the deduction for the personal exemption, subject to the specific adjustments set forth in Iowa Code section 422.7 and the modifications relating to federal and state income tax specified in Iowa Code section 422.9. The modifications have these results:

(1) Federal income tax on the income of Iowa situs estates and trusts is deductible for Iowa income tax purposes in the year paid or accrued depending on the method of accounting.

(2) Federal income tax owed by Iowa resident decedents at the time of death is a deduction against estate income in the year paid.

(3) The federal income tax deduction allowable for estates and trusts with a situs outside Iowa is the same as the deduction allowed for an estate or trust with a situs in Iowa.

(4) Federal income tax owed by a nonresident decedent at the time of death may be deducted the same as a deduction allowed for an Iowa resident decedent. See 701—paragraph 41.3(4)“b” for the federal income tax deduction for nonresident individuals.

(5) Iowa income tax paid by the estate is not a deduction in computing Iowa taxable income.

(6) The federal exemption allowed to estates and trusts under 26 U.S.C. Section 642(b), that is, \$600 for an estate, \$300 for simple trust and \$100 for a complex trust, is not deductible for Iowa income tax purposes.

(7) Interest and dividends from federal securities, but not capital gain or loss, is exempt from Iowa income tax and, therefore, is not part of the Iowa taxable income of estates and trusts.

(8) Interest and dividends from securities of a state and its political subdivisions and from foreign securities are included in Iowa taxable income in the year received, regardless of whether such interest and dividends are exempt from federal income tax. However, see 701—40.3(422) and 89.8(7)“e” for the exemption for certain bonds issued by the state of Iowa and its political subdivisions which are not included in Iowa taxable income.

(9) See 89.8(7)“m” for the includability of the gain for sales or exchanges before August 6, 1997, excluded by 26 U.S.C. Section 641(c), in the Iowa taxable income of a trust.

(10) See 701—paragraph 86.5(12)“b” for the inheritance tax exemption for the portion of an employee’s pension or retirement plan subject to Iowa income tax.

89.8(8) Deductions from gross income.

a. *In general.* The deductions allowable in computing taxable income of estates and trusts are generally those relating to a trade or business and the expenses attributable to investment income. The important distinction between the deductions allowable in computing federal adjusted gross income and itemized deductions for individual income tax has only limited application in determining the taxable income of estates and trusts. Many deductions in computing the taxable income of an individual have no application to the deductions allowable in computing the taxable income of an estate or trust, due to the nature of estates and trusts and the sources of their income. For example, medical expense and moving expense deductions are applicable only to individuals, but taxes and interest expense can be incurred by both individuals and estates and trusts. Also the deduction for distribution to beneficiaries has no application to individual income tax.

b. *Interest expense.* Interest paid on obligations secured by property subject to the personal representative or trustee’s right of possession is a deduction from gross income in the year paid. Interest on debts or charges which the personal representative or trustee is obligated to pay is also a deduction against gross income in the year paid. Interest on obligations secured by property, not subject to the personal representative’s right of possession, is not deductible from the gross income of the estate, but is a deduction for the person succeeding to the encumbered property. No distinction is made between business and nonbusiness interest. See Iowa Code section 633.278 (probate code) for circumstances when the personal representative of the decedent’s estate is required to pay the debt and interest on encumbered property, even though the property is not subject to the personal representative’s right of possession. *J.S. Dean*, 35 T.C. 1083 (1961); Revenue Ruling 57-481, 2 C.B. 48 (1957).

c. *Taxes.* The taxes deductible against the gross income of an estate or trust are limited to the taxes deductible for individual income tax purposes under 26 U.S.C. Section 164, subject to the adjustments specified in Iowa Code section 422.9 relating to federal and state income taxes. Real estate and personal property taxes, including the taxes due, but unpaid at death, are only deductible by the estate on the decedent’s property which is subject to the personal representative’s right of possession. Federal income tax on the income of an estate or trust and federal income tax owing by an Iowa decedent at the time of death, including the federal income tax owing on the decedent’s final return for the year of death, are deductible by the estate or trust in the year paid. For tax years on or after January 1, 1982, the federal income tax deduction attributable to Iowa by nonresidents of Iowa shall be the same deduction as is available for resident taxpayers. See 701—subrule 41.3(4) and Iowa Code section 422.5(1)“j.” Examples of taxes not deductible include, but are not limited to: federal estate tax (except federal estate tax paid on income in respect of a decedent); Iowa income and inheritance tax; federal gift taxes; and special assessments increasing the value of property. See 26 U.S.C. Section 275.

d. *Depreciation and depletion—allocation.* If the personal representative of a decedent’s estate has the right to the possession of property eligible for the depreciation allowance, the depreciation is a deduction from the estate’s gross income when the income for the taxable year is accumulated by

the estate. If all or part of the income for the year is distributed to the beneficiaries, the deduction for depreciation is apportioned between the estate and the beneficiaries on the basis of the income allocated to each. In the case of an estate, the deduction for depreciation follows the income.

The same depreciation rules apply to simple and complex trusts, with the exception that if the trustee has the right to maintain a reserve for depreciation, and in fact does so, the deduction for depreciation is allocated to the trust to the extent of the reserve maintained, regardless of whether the income is accumulated or distributed. See 26 U.S.C. Section 167, federal regulation 1.167 H-1(b); Revenue Ruling 74-530, 2 C.B. 188 (1974).

The rules governing the allowance for depreciation are also the rules to be applied to the allowance for depletion under 26 U.S.C. Section 611.

e. The charitable deduction. The charitable deduction allowed estates and trusts under 26 U.S.C. Section 642(c) is not subject to the percentage of income limitation applicable to individual taxpayers under 26 U.S.C. Section 170(b). The allowable deduction is governed by the terms of the will or trust instrument, which can provide for unlimited payments for charitable purposes. However, an unused charitable contribution carryover of the decedent remaining after the decedent's individual income tax liability for the year of death is determined is not available to the estate. The unused carryover terminates at death, except to the extent it may be used by the surviving spouse. See federal regulation Section 1.170A-10(d)(4)(iii). The deduction is limited to payments of gross income or amounts permanently set aside for charitable uses. A simple pecuniary bequest to charity in the decedent's will does not qualify for the charitable deduction from the estate's income. It is a payment from the corpus of the estate. *Frank Trust of 1931*, 145 F.2d 411 (3rd CA 1949). However, the pecuniary bequest to charity is exempt from the Iowa inheritance tax under Iowa Code section 450.4 if it meets the exemption requirements.

f. Other deductions. The category of other deductions includes those deductions allowable in computing taxable income not receiving special itemized treatment on the Iowa fiduciary return of income. The most common kind of other deductions is the expense of administration of an estate or trust paid during the taxable year. Expenses of administration include, but are not limited to: a reasonable fee and the necessary expenses of the attorney employed by the personal representative of an estate or the trustee of a trust; a reasonable fee and the necessary expenses of the personal representative of an estate or the trustee of a trust; accounting fees; court costs; and interest paid on federal estate tax during an extension of time to pay. However, administration expenses are subject to the no double deduction rule. See 26 U.S.C. Section 642(g) and 89.8(8) "g." Salaries or fees paid during the taxable year for the management of a farm or business are expenses directly attributable to the production of a specific kind of income and are more properly deductible on the farm schedule F or the business schedule C.

g. The no double deduction rule. Expenses of administration, certain debts of the decedent like medical expenses incurred prior to death and losses during the period of administration are proper deductions in computing both the taxable income of an estate or trust (or on the decedent's individual return in case of medical expenses) and the taxable estate for federal estate tax purposes under 26 U.S.C. Sections 2053 and 2054. The no double deduction rule only applies to trusts when the trust assets are included for federal estate tax purposes. 26 U.S.C. Section 642(g) prohibits the double deduction of those items which qualify as deductions for both taxes. To prevent the double deduction, it is a prerequisite for the allowance of the deduction for income tax purposes that a statement be filed with the fiduciary return of income waiving the right to claim the item or portion of the item as a deduction on the federal estate tax return. The waiver once filed with the fiduciary return of income is irrevocable. However, unless the waiver has been filed, the decision to claim the deduction or portion of the deduction on the federal estate tax return can be changed anytime prior to the time the item or portion of the item is finally allowed for federal estate tax purposes.

The waiver requirement has no application to estates and trusts not required to file a federal estate tax return.

The no double deduction rule has no application to deductions in respect of a decedent, such as deductions relating to trade or business expenses, interest, taxes, expenses for the production of income and the allowance for depletion, which are deductible both for income tax purposes and federal estate tax

purposes. See 26 U.S.C. Section 691(b) and 26 CFR Section 1.691(b)-1 for what constitutes deductions in respect of a decedent.

The no double deduction rule does not apply to the deduction of an item for Iowa inheritance tax purposes. Items are deductible or not in computing the taxable shares for Iowa inheritance tax purposes by reference alone to Iowa Code chapter 450.

Assuming an item is otherwise deductible for income and inheritance tax purposes, the no double deduction rule has the following applications for Iowa income and inheritance tax:

1. Estates and trusts not required to file a federal estate tax return can claim the item as a deduction on both the Iowa inheritance tax return and the Iowa fiduciary income tax return.

2. Estates and trusts required to file a federal estate tax return can claim the item as a deduction on the Iowa inheritance tax return. In addition, the same item or portion of the item is a deduction on the Iowa fiduciary income tax return if the item or portion of the item is not claimed as a deduction on the federal estate tax return. If it is claimed as a deduction on the federal estate tax return, it is not deductible on the Iowa fiduciary income tax return.

3. For tax years ending on or after July 1, 2015, estates or trusts required to file a federal estate tax return can claim administrative expenses as a deduction on the Iowa fiduciary income tax return, regardless of whether the item or a portion of the item was claimed on the federal estate tax return.

This paragraph applies both to estates and trusts with a situs within and without Iowa.

h. The net operating loss deduction. Subject to the modifications specified in federal regulation Section 1.642(d)-1, an estate or trust is allowed a deduction for net operating loss which is computed in the same manner as the net operating loss deduction allowable to individual taxpayers. The modification especially applicable to estates and trusts is: The charitable deduction allowable under 26 U.S.C. Section 642(C) is disregarded. See federal regulation Section 1.642(d)-1.

The rule that nonbusiness deductions are only taken into account to the extent of nonbusiness income applies equally to estates and trusts and individual taxpayers. Attorney fees and the fees of the trustee or personal representative, without a showing that these administrative expenses were incurred in carrying on the decedent's or grantor's trade or business, are a nonbusiness deduction. *Refling v. Commissioner*, 47 F.2d 895 (8th CA 1930). Therefore, any excess fees over income are not available for a carryback to a prior taxable year or a carryforward to a future taxable year. *Mary C. Westphal*, 37 T.C. 340 (1961). However, see 89.8(9) "a" for the special rule on excess deductions in the year the estate or trust terminates. Net operating losses are available to the estate or trust and can be carried back for distribution to a beneficiary, with the exception that any unused loss must be distributed to the beneficiaries in the year the estate or trust terminates.

Estates and trusts with a situs outside Iowa are allowed a deduction only for a net operating loss attributable to a trade or business activity carried on in the state of Iowa. In the event the trade or business activity giving rise to the loss is carried on both in Iowa and another state, the net operating loss deduction for Iowa income tax purposes must be prorated on the ratio of the Iowa gross receipts from the trade or business to the total gross receipts from the trade or business. See 701—subrule 40.18(2) for the computation of the net operating loss deduction of a nonresident decedent.

i. Capital loss deduction. The capital loss deduction of an estate or trust is computed in the same manner as the capital loss deduction for individual taxpayers. However, it is a deduction only for the estate or trust and is not distributable to a beneficiary, except in the year the estate or trust terminates. *Grey v. Commissioner*, 118 F.2d 153, 141 ALR 1113 (7th CA 1941); *Jones v. Whittington*, 194 F.2d 812 (10th CA 1952). Capital losses do not enter into the computation of the deduction for income required to be distributed currently to beneficiaries. During the period of administration of the estate or trust, capital losses can be used only to offset capital gain for simple trusts required to distribute income currently. However, beneficiaries may derive immediate benefit from capital losses when capital gain is required or permitted to be distributed to beneficiaries prior to closure of the estate or trust, since the losses can be used to offset gain before distribution.

j. The distribution deduction. Estates and trusts are allowed to deduct the amounts of income required to be distributed currently and also other amounts properly paid, credited or required to be distributed to the extent of the distributable net income for the year. For income tax purposes, an estate

of a decedent is treated as a complex trust, because normally the personal representative of an estate has the discretion whether or not to distribute current income. Therefore, most distributions of income from a decedent's estate fall under the category of "other amounts properly paid, credited or required to be distributed." However, see *Colthurst v. Colthurst*, 265 N.W.2d 590 (Iowa 1978) for circumstances when the personal representative of an estate is required to distribute current income during the period of administration to a life tenant (the surviving spouse in this case).

The distribution deduction allowed is limited to the distributable net income of the estate or trust for the taxable year. If amounts in excess of distributable net income are distributed to a beneficiary of a decedent's estate, the excess does not constitute taxable income to the beneficiary. Distributions made to a beneficiary of a complex trust in excess of the distributable net income for the taxable year may or may not be includable in the beneficiary's taxable income depending on whether the excess distribution is governed by the throwback distribution rules under 26 U.S.C. Sections 665 through 668.

Estates and trusts with tax years beginning on or after August 5, 1997, may elect to treat distributions made within 65 days of the end of the tax year as having been made in the tax year of the estate or trust. If amounts in excess of distributable net income are distributed to a beneficiary of a decedent's estate, the excess does not constitute taxable income to the beneficiary. Distributions made to a beneficiary of a complex trust in excess of the distributable net income for the taxable year may or may not be includable in the beneficiary's taxable income depending on whether the excess distribution is governed by the throwback distribution rules under 26 U.S.C. Sections 665 through 668. Effective for distributions made by domestic trusts in tax years beginning after August 5, 1997, there is a repeal of the throwback rules found in 26 U.S.C. Sections 665 through 668. However, the repeal of the throwback rules does not apply to trusts created before March 1, 1984, foreign trusts, or domestic trusts that were once treated as foreign trusts, except as provided by federal regulations.

Income distributed to a beneficiary of an estate or trust retains the same character in the hands of the beneficiary as it had in the estate or trust, with the exception of unused capital loss distributed on closure to a corporation, in which case the loss is treated as a short-term loss, regardless of its character in the estate or trust. See federal regulation Section 1.642(h)-1(g). In addition, unless the will or trust instrument specifically provides otherwise, a distribution to beneficiaries is considered to be a proportionate distribution of the different kinds of income composing the distributable net income of the estate or trust. See 26 U.S.C. Section 662.2(b) and federal regulation Section 1.662(b)-1. The same character and proportionate distribution rule is illustrated by the following:

EXAMPLE:

Decedent A, a resident of Iowa, died February 15, 1997. Under the terms of the will, all the decedent's property was devised in equal shares to beneficiary B, a resident of Phoenix, Arizona, and beneficiary C, a resident of Cedar Rapids, Iowa. The estate adopted a calendar year as its taxable year. For calendar year 1997, the estate had distributable net income of \$50,000, which is composed of:

Interest income	\$10,000
Dividend income	5,000
Net Iowa farm income	<u>35,000</u>
Total	\$50,000

On December 20, 1997, the estate distributed \$12,500 to beneficiary B, and \$12,500 to beneficiary C. Beneficiaries B and C have received a distribution for 1997 as follows:

<u>Beneficiary B</u>		<u>Beneficiary C</u>	
Interest income	\$2,500	Interest income	\$2,500
Dividends	1,250	Dividends	1,250
Farm income	<u>8,750</u>	Farm income	<u>8,750</u>
Total	\$12,500	Total	\$12,500

The estate is entitled to a deduction of \$25,000 against gross income in 1997 for the distribution to beneficiaries B and C and owes Iowa income tax on the \$25,000 income retained in the estate. Since the interest income of the estate is 20 percent of the distributable net income, 20 percent of the distribution to beneficiaries B and C is considered interest income. Likewise, 10 percent of the estate's distributable net income is dividends and 70 percent farm income. The distribution to B and C consists of a corresponding percentage of dividends and farm income. Beneficiary C, a resident of Iowa, must report the entire distribution of \$12,500 on a 1997 Iowa individual income tax return. Beneficiary B, a resident of Arizona, is only required to report the farm income portion of the distribution (\$8,750) on a 1997 nonresident individual income tax return, because dividends and interest are income from intangible personal property and were not derived from a business, trade, profession or occupation carried on within Iowa by the nonresident. See 701—subrule 40.16(5).

k. The dividend exclusion. Estates and trusts are eligible for the dividend exclusion allowed individual taxpayers under 26 U.S.C. Section 116 (the Iowa exclusion is \$100 for 1981). The exclusion is allocated to the estate or trust if the dividend income for the taxable year is accumulated. The dividend exclusion is allocated to the beneficiaries when all of the distributable net income for the taxable year is distributed. The distribution must not be diminished by the exclusion. The dividend exclusion is then available to the beneficiaries after the dividends distributed are added to any other dividends received by the beneficiaries during the taxable year. If there is only a partial distribution of the distributable net income of the estate or trust for the taxable year, the dividend exclusion must be prorated between the beneficiaries and the estate or trust on the basis of the percentage of the distributable net income accumulated by the estate or trust and the percentage distributed to the beneficiaries. A partial distribution of the dividends and exclusion is to be reported and used by the beneficiaries for income tax purposes in the same manner as the full distribution of dividends. See federal regulation Sections 1.116-1(a) and 1.661(c)-1.

l. The capital gains deduction. 26 U.S.C. Section 1202(b) provides that an estate or trust is allowed a deduction for net capital gain received during the taxable year. Except for the requirement of allocation between the beneficiaries and the estate or trust, the deduction is computed in the same manner as the net capital gain deduction allowed individuals. See federal regulation Section 1.1202-1 (b). If the net capital gain is allocated to corpus, the estate or trust is entitled to the deduction. If the will or trust instrument requires capital gain to be distributed to the beneficiaries or if the trustee or personal representative of a decedent's estate is authorized to allocate capital gain to income and distributes the capital gain, then the net capital gain deduction is allocated to the beneficiaries and is not a deduction to the estate or trust. The gain distributed must not be diminished by the deduction. It must first be combined with any other capital gains and losses of the beneficiary prior to determining whether the net capital gain deduction is applicable for the beneficiary's taxable year.

If the net capital gain for the taxable year is partially allocated to corpus and partially distributed, then the net capital gain deduction is available to the beneficiaries only on the gain distributed and to the estate or trust only on the gain accumulated. A partial distribution of capital gain is treated for purposes of a beneficiary's income tax liability in the same manner as a full distribution of capital gain.

m. The Iowa throwback rule. Iowa Code section 422.6 allows a trust beneficiary receiving an accumulation distribution subject to the throwback rules under 26 U.S.C. Sections 665 through 668 a credit against the beneficiary's income tax liability for the Iowa income tax paid by the trust on the accumulated income distributed. The Iowa income tax paid by the trust on the accumulated income distributed is deemed distributed to the trust beneficiary, without interest, and is a credit for the year of distribution against the portion of the Iowa income tax liability of the beneficiary which is attributable to the accumulated distribution. The accumulated distribution must be adjusted by the beneficiary to reflect income subject to Iowa income tax. No refund is allowed the trust for the Iowa income tax deemed distributed to the beneficiary. The beneficiary is not allowed a refund if the tax distributed is in excess of the income tax liability attributable to the distribution. Effective for distributions made by domestic trusts in tax years beginning after August 5, 1997, there is a repeal of the throwback rules found in 26 U.S.C. Sections 665 through 668. However, the repeal of the throwback rules does not apply to trusts

created before March 1, 1984, foreign trusts, or domestic trusts that were once treated as foreign trusts, except as provided by federal regulations.

n. Federal estate tax paid on income in respect of a decedent. For Iowa income tax purposes, Iowa Code section 422.7 makes no provision for adjusting the deduction for federal estate tax paid when the income in respect of a decedent includes interest from federal securities. Therefore, the federal estate tax paid on interest from federal securities, which is classified as income in respect of a decedent under 26 U.S.C. Section 691(a), is a deduction for Iowa income tax purposes in the taxable year the interest is received. However, interest and dividends from securities of a state or political subdivision, which are exempt from federal income tax, do not constitute the kind of income in respect of a decedent on which the deduction is computed. Since the deduction under 26 U.S.C. Section 691(c) does not apply to income exempt from federal income tax, there is no deduction on the Iowa return for the federal estate tax paid on the exempt interest, even though under Iowa Code section 422.7 this interest is subject to Iowa income tax.

The deduction allowable in any taxable year is limited to a percentage of the total federal estate tax deduction which is determined by the ratio of income in respect of a decedent received for the year to the total amount of the net income in respect of a decedent on which federal estate tax was paid. See 26 U.S.C. Section 691(c) and federal regulation Section 1.691(c)-1 for the computation of the deduction.

89.8(9) *The final return—special considerations.*

a. General rule. In the year of closure all income received by the estate or trust is considered “other amounts properly paid or credited or required to be distributed” and must be distributed to the beneficiaries according to the terms of the governing instrument. Rev. Ruling 58-423, 2 C.B. 151 (1958). Dividends and capital gains received during the year of closure must be distributed without being diminished by the net capital gain deduction or by the dividend exclusion. See federal regulation Section 1.643(a)-3(d). 26 U.S.C. Section 642(h) provides for an exception to the general rule that net operating and capital losses are only available to the taxpayer incurring the loss. Therefore, in the year of closure, any capital loss and net operating loss carryover that remains unused by the estate or trust is passed through the estate or trust and is allowed as a deduction to the beneficiaries succeeding to the property and may be applied by carrying back the losses, but such losses cannot be carried forward. See federal regulation Section 1.642(h)-1.

If the estate or trust in the year of termination has incurred deductions in excess of gross income which do not qualify for treatment as a net operating or capital loss, such as administration expenses, the excess deductions are passed through the estate or trust and are available to the beneficiaries succeeding to the property. They are available only for the year the estate or trust terminates and only as an itemized deduction in the case of an individual beneficiary. See Revenue Ruling 58-191 1 C.B. 149 (1958). Excess deductions also include any unused net operating loss carryover, if the year the estate or trust terminates is the last carryforward year for the net operating loss. See federal regulation Section 1-642(h)-2(b).

b. Exception to the general rule. If in the year of termination an Iowa ancillary estate makes the required distribution of its income to the primary estate which is not being terminated, instead of to the beneficiaries of the estate, it is proper in the year of closure to treat the income as if it were accumulated by the Iowa ancillary estate. Permitting Iowa income tax to be paid on the income in this special case, in effect, allows the distribution to the primary estate to be made on a tax-paid basis. This exception to the general rule relieves the primary estate from the obligation of filing a second fiduciary return, which it would be required to do except for this special rule.

89.8(10) *Computation of the tax due.*

a. In general. The tax due on the taxable income of an estate or trust is computed by using the same tax rate schedule used for computing the individual income tax liability. The provisions of the Iowa Code relating to the maximum net income of an individual before a tax liability is incurred have no application to the tax liability of an estate or trust. The taxable income of a short taxable year is not required to be annualized for the purpose of computing the tax liability. The tax due cannot be paid in installments. It must be paid in full within the time prescribed by law.

b. Alternative minimum tax. Special rules for estates and trusts. The sum of the items of tax preference determined under 26 U.S.C. Section 57 shall be apportioned between the estate or trust and

the beneficiaries on the basis of the income of the estate or trust allocable to each under the provisions of federal income tax regulation Section 1.58-3. The minimum taxable income exemption of \$17,500 allowable to an estate or trust shall be reduced to an amount which bears the same ratio to \$17,500 that the sum of the items of tax preference apportioned to the estate or trust bears to the full sum of the items of tax preference before apportionment. See federal income tax regulation Section 1.58-1(d). See rule 701—39.6(422) for the computation of the Iowa alternative minimum tax.

89.8(11) Credits against the tax.

a. The personal exemption credit. The estate of a decedent and a trust, whether simple or complex, are allowed the same credit against the tax as the credit allowed an individual taxpayer, that is currently \$40. The personal exemption credit is not prorated for short taxable years. The federal exemption allowed estates and trusts under 26 U.S.C. Section 642(b), in lieu of the personal exemption for individuals, has no application to Iowa income tax.

b. Credit for tax paid to another state or foreign country. Iowa Code section 422.8 grants Iowa situs trusts and estates of Iowa resident decedents, which have income derived from sources in another state or foreign country, a credit against the Iowa tax for the income tax paid to the state or foreign country where the income was derived. To be eligible for the credit, the income must have been includable for income tax purposes both in Iowa and the other state or foreign country. The credit allowable against the Iowa tax is limited to the lesser of: (1) the tax paid to the other state or foreign country on the income, or (2) the Iowa income tax paid on the foreign source income. The Iowa income tax paid on the foreign source income is computed by multiplying the Iowa computed tax, less the personal exemption credit, by a fraction of which the foreign source income included in the Iowa gross income is the numerator and the total Iowa gross income is the denominator. The resulting amount is the Iowa tax paid on foreign source income. Any tax paid to another state or foreign country in excess of the Iowa credit allowable is not refundable. Foreign situs trusts and estates of foreign decedents are not allowed a credit against the Iowa tax for the income tax paid another state or foreign country on Iowa source income. This rule is illustrated by the following example:

Decedent A died a resident of Webster City, Iowa, on February 15, 1997. A at the time of death owned income-producing property both in Iowa and the state of Missouri. For the short taxable year ending December 31, 1997, A's estate had the following income and expenses:

Interest	\$ 5,000
Dividends	7,500
Iowa farm income	20,000
Missouri farm income	<u>10,000</u>
Iowa gross income	\$ 42,500
Less allowable deductions	<u>8,000</u>
Iowa taxable income	\$ 34,500
Iowa computed tax	\$2,587.87
Less personal credit	<u>40.00</u>
Tax subject to credit for foreign taxes paid	\$2,547.87
Less credit for tax paid Missouri	<u>413.00</u>
Iowa tax due	\$2,134.87

A's estate paid \$413.00 income tax to the state of Missouri on the \$10,000 Missouri farm income. The Iowa tax on the foreign source income is \$604.20 computed as follows:

$$\frac{\text{Foreign income included in gross income } \$10,000}{\text{Total Iowa gross income } \$42,500} \times \$2,547.87^* = \$604.20$$

*\$2,547.87 is the Iowa computed tax less the \$40.00 personal credit.

The allowable credit for taxes paid the state of Missouri is \$413.00, because it is less than the Iowa tax paid on the Missouri income. If the Missouri tax paid had been greater than the Iowa tax on the Missouri income, the allowable credit would have been the Iowa tax on the Missouri income.

See 701—subrule 42.6(3) for the computation of the credit allowed Iowa resident individuals for income tax paid to another state or foreign country.

c. Motor vehicle fuel tax credit. An estate or trust incurring Iowa motor vehicle fuel tax expense attributable to nonhighway uses may, in lieu of obtaining an Iowa motor vehicle fuel refund, claim as a credit against its Iowa income tax liability, the Iowa motor vehicle fuel taxes paid during the taxable year.

A copy of the Iowa motor vehicle fuel tax credit Form IA 4136 must be submitted with the fiduciary return of income to substantiate the claim for credit. Any credit in excess of the income tax due shall be refunded to the estate or trust, subject to the right of offset against other state taxes owing.

d. Nonresident/part-year resident credit. The nonresident/part-year resident credit is available for part-year trusts described in subrule 89.3(3) and trusts whose situs is outside Iowa. See rule 701—42.5(422) for the computation of the nonresident/part-year resident credit allowed for individuals who are either part-year residents of Iowa or nonresidents of Iowa.

e. Other tax credits. All other tax credits set forth in Iowa Code chapter 422, division II, are also available for any estate or trust that meets the criteria for claiming these tax credits. For tax years beginning on or after January 1, 2013, estates and trusts with a situs in Iowa which are shareholders in S corporations which carry on business within and without Iowa can take advantage of the apportionment provisions for S corporation income set forth in 701—Chapter 50. The criteria to determine whether the S corporation is carrying on business within and without Iowa is set forth in 701—subrule 54.1(4).

This rule is intended to implement Iowa Code sections 422.3 to 422.12, 422.14, 422.23, and 633.471 and chapter 452A.

[ARC 8702B, IAB 4/21/10, effective 5/26/10; ARC 0398C, IAB 10/17/12, effective 11/21/12; ARC 1102C, IAB 10/16/13, effective 11/20/13; ARC 2661C, IAB 8/3/16, effective 9/7/16]

701—89.9(422) Audits, assessments and refunds. Rules 701—43.1(422) to 43.3(422) governing the audit of individual income tax returns, the assessment for tax or additional tax due, and the refund of excessive tax paid shall also govern the audit of the fiduciary income tax return and the assessment and refund of fiduciary income tax.

This rule is intended to implement Iowa Code sections 422.16, 422.25, 422.30, 422.70 and 422.73.

701—89.10(422) The income tax certificate of acquittance.

89.10(1) In general. Iowa Code section 422.27 requires the income tax obligation of an estate or trust to be paid prior to approval of the final report by the court. Iowa Code section 422.27 refers only to the report of the executor, administrator or trustee. In addition, the statute makes reference only to a trustee's final report that is approved by a court. A trust that does not report to and is not subject to the supervision of a court is not required to obtain a certificate of acquittance. However, the statute's reference to a trustee who must report to the court would also include, but is not limited to, a referee in partition and the trustee of the estate of an individual bankrupt under Chapter 7 or 11 of Title 11 of the United States Code. What constitutes a trust is a matter of the trust law of the state of situs.

89.10(2) The application for certificate of acquittance. The final fiduciary return of income serves as an application for an income tax certificate of acquittance. For a certificate of acquittance to be received, the appropriate box on the final fiduciary return must be checked to request the certificate.

89.10(3) Requirements for a certificate of acquittance. The issuance of an income tax certificate of acquittance is dependent upon full payment of the income tax liability of the estate or trust for the period of administration. This includes the obligation to withhold income tax on distributions to nonresident beneficiaries. In the case of an estate, the income tax liability of the decedent for both prior years and the year of death must be paid to the extent of the probate property subject to the jurisdiction of the court. The probate property must be applied to the payment of the decedent's income tax liability according to the order of payment of an estate's debts and charges specified in Iowa Code section 633.425. If the probate property of the estate is insufficient to pay the decedent's income tax obligation in full, the

department, in lieu of a certificate of acquittance, shall issue a certificate stating that the probate property is insufficient to pay the decedent's income tax liability and that the department does not object to the closure of the estate. In the event the decedent's income tax obligation is not paid in full, the closure of the decedent's estate does not release any other person who is liable to pay the decedent's income tax obligation.

89.10(4) *The extent of the certificate.* An income tax certificate of acquittance is a statement of the department certifying that all income taxes due from the estate or trust have been paid in full to the extent of the income and deductions reported to the department. The certificate fulfills the statutory requirements of Iowa Code section 422.27 and the Iowa income tax portion of the requirements of Iowa Code sections 633.477 and 633.479. Providing all other closure requirements are met, the certificate permits the closure of the estate or trust by the court. However, the certificate of acquittance is not a release of liability for any income tax or additional tax that may become due, such as the result of an audit by the Internal Revenue Service or because of additional income not reported. See 701—subrule 38.2(1) for the limitations on the period of time to conduct income tax audits.

89.10(5) *No income tax certificate of acquittance required—exception to general rule.* If all of the property included in the estate is held in joint tenancy with rights of survivorship by a husband and wife as the only joint tenants, then in this case the provisions of Iowa Code section 422.27, subsection 1, do not apply and an income tax certificate of acquittance from the department is not required.

This rule is intended to implement Iowa Code sections 422.27, 633.425, 633.477 and 633.479.

701—89.11(422) Appeals to the director. An estate or trust has the right to appeal to the director for a revision of an assessment for additional tax due, the denial or reduction of a claim for refund, the denial of a request for a waiver of a penalty and the denial of a request for an income tax certificate of acquittance. The beneficiary of an estate or trust has the right to appeal a determination of the correct amount of income distributed and a determination of the correct allocation of deductions, credits, losses and expenses between the estate or trust and the beneficiary. The personal representative of an estate and the trustee of a trust have the right to appeal a determination of personal liability for income taxes required to be paid or withheld and for a penalty personally assessed. An appeal to the director must be in writing and must be made within 60 days of the notice of assessment and the other matters which are subject to appeal or for assessments issued on or after January 1, 1995, if the beneficiary of an estate or trust, the personal representative of an estate, or the trustee of a trust fails to timely appeal a notice of assessment, the person may pay the entire assessment and file a refund claim within the period provided by law for filing such claims. 701—Chapter 7 shall govern appeals to the director. See specifically rules 701—7.8(17A) to 701—7.22(17A) governing taxpayer protests.

This rule is intended to implement Iowa Code chapter 17A and sections 421.60 and 422.28.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

[Filed 9/11/81, Notice 8/5/81—published 9/30/81, effective 11/4/81]

[Filed 12/31/81, Notice 11/25/81—published 1/20/82, effective 2/24/82]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 9/23/82, Notice 8/18/82—published 10/13/82, effective 11/17/82]

[Filed 10/19/84, Notice 9/12/84—published 11/7/84, effective 12/12/84]

[Filed 9/6/85, Notice 7/31/85—published 9/25/85, effective 10/30/85]

[Filed 8/22/86, Notice 7/16/86—published 9/10/86, effective 10/15/86]

[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 8/30/90, Notice 7/25/90—published 9/19/90, effective 10/24/90]

[Filed 1/4/91, Notice 11/28/90—published 1/23/91, effective 2/27/91]

[Filed 8/16/91, Notice 7/10/91—published 9/4/91, effective 10/9/91]

[Filed 12/6/91, Notice 10/30/91—published 12/25/91, effective 1/29/92]

[Filed 10/23/92, Notice 9/2/92—published 11/11/92, effective 12/16/92]

[Filed 9/24/93, Notice 8/18/93—published 10/13/93, effective 11/17/93]

[Filed 11/18/94, Notice 10/12/94—published 12/7/94, effective 1/11/95]

[Filed 2/7/97, Notice 1/1/97—published 2/26/97, effective 4/2/97]
[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]
[Filed 1/9/98, Notice 12/3/97—published 1/28/98, effective 3/4/98]
[Filed 6/22/99, Notice 5/5/99—published 7/14/99, effective 8/18/99]
[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]
[Filed 12/10/99, Notice 11/3/99—published 12/29/99, effective 2/2/00]
[Filed 10/26/01, Notice 9/19/01—published 11/14/01, effective 12/19/01]
[Filed 1/30/04, Notice 12/24/03—published 2/18/04, effective 3/24/04]
[Filed 11/4/04, Notice 9/29/04—published 11/24/04, effective 12/29/04]
[Filed 7/28/06, Notice 6/21/06—published 8/16/06, effective 9/20/06]
[Filed ARC 7761B (Notice ARC 7632B, IAB 3/11/09), IAB 5/6/09, effective 6/10/09]
[Filed ARC 8702B (Notice ARC 8512B, IAB 2/10/10), IAB 4/21/10, effective 5/26/10]
[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]
[Filed ARC 0398C (Notice ARC 0292C, IAB 8/22/12), IAB 10/17/12, effective 11/21/12]
[Filed ARC 1102C (Notice ARC 0975C, IAB 8/21/13), IAB 10/16/13, effective 11/20/13]
[Filed ARC 1545C (Notice ARC 1469C, IAB 5/28/14), IAB 7/23/14, effective 8/27/14]
[Filed ARC 2661C (Notice ARC 2537C, IAB 5/11/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 103
STATE-IMPOSED AND LOCALLY IMPOSED HOTEL AND
MOTEL TAXES—ADMINISTRATION
[Prior to 12/17/86, Revenue Department[730]]

701—103.1(423A) Definitions, administration, and imposition.

103.1(1) Definitions. For the purposes of this chapter and 701—Chapters 104 and 105, unless the context otherwise requires:

“*Department*” means the department of revenue.

“*Director*” means the director of the department of revenue.

“*Lessor*” means any person engaged in the business of renting lodging to users. “Lessor” is synonymous with the word “retailer.”

“*Locally imposed tax*” means the hotel and motel tax levied by Iowa Code section 423A.4.

“*Lodging*” means rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, or manufactured or mobile home which is tangible personal property, or in a tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals.

“*Person*” means the same as the term is defined in rule 701—211.1(423).

“*Renting*” or “*rent*” means a transfer of possession or control of lodging for a fixed or indeterminate term for consideration and includes any kind of direct or indirect charge for such lodging or its use.

“*Sales price*” means the amount of consideration for renting of lodging and means the same as the term is defined in rule 701—211.1(423).

“*State-imposed tax*” means the hotel and motel tax levied by Iowa Code section 423A.3.

“*Tax*” or “*hotel and motel tax*” means either the state-imposed or locally imposed hotel and motel tax levied by Iowa Code sections 423A.3 and 423A.4, respectively.

“*User*” means a person to whom lodging is rented.

All other words and phrases used in this chapter and 701—Chapters 104 and 105 and defined in rule 701—211.1(423) have the meaning set forth in that rule for the purposes of these chapters.

103.1(2) Administration. The department is charged with the administration of the tax, subject to the rules, regulations, and direction of the director. The department is required to administer the tax as nearly as possible in conjunction with the administration of the state sales tax except that portion of the law which implements the streamlined sales and use tax agreement. Therefore, the term “retailer” will be used interchangeably between the two taxes.

103.1(3) Imposition. A state-imposed tax of 5 percent is imposed upon the sales price for the rental of any lodging if the rental occurs in this state. The state-imposed tax shall be collected by any lessor of lodging from the user of that lodging. The lessor shall add the tax to the sales price of the lodging, and the state-imposed tax, when collected, shall be stated as a distinct item, separate and apart from the sales price of the lodging and the local tax imposed, if any, under Iowa Code section 423A.4.

103.1(4) A city or county may impose by ordinance of the city council or by resolution of the county board of supervisors a tax on lodging, at a rate not to exceed 7 percent, which shall be imposed in increments of one or more full percentage points upon the sales price from the renting of lodging. When imposed by a city, the tax shall apply only within the corporate boundaries of that city and when imposed by a county shall apply only outside incorporated areas within that county.

This rule is intended to implement 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.2(423A) Statute of limitations, supplemental assessments and refund adjustments. Within three years after a return is filed, the department shall examine it, determine the tax due, and give notice of assessment to the taxpayer. If no return has been filed, the department may determine the tax due and give notice thereof. If such determination is based upon an examination of books, papers, records, or memoranda, such an examination will not include any transactions completed three years or more prior to such examination.

Whenever books and records are examined by an employee designated by the director, whether to verify a return or claim for refund or in making an audit, an assessment must be issued within one year from the date of the completion of the examination. If not, the period for which the books and records were examined becomes closed and no assessment can be made. In no case is the one-year period of limitation an extension of or in addition to the three-year period of limitation.

The department may, at any time within the period prescribed for assessment or refund adjustment, make a supplemental assessment or refund adjustment whenever it is ascertained that any assessment or refund adjustment is imperfect or incomplete in any respect.

If an assessment or refund adjustment is appealed (protested under rule 701—7.8(17A)) and is resolved whether by informal proceedings or by adjudication, the department and the taxpayer are precluded from making a supplemental assessment or refund adjustment concerning the same issue involved in such appeal for the same tax period unless there is a showing of mathematical or clerical error or a showing of fraud or misrepresentation.

This rule is intended to implement Iowa Code sections 423.37 and 422.70 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—103.3(423A) Credentials and receipts. Employees of the department have official credentials, and the retailer should require proof of the identity of persons claiming to represent the department. No charges shall be made or gratuities of any kind accepted by an employee of the department for assistance given in or out of the office of the department.

All employees authorized to collect money are supplied with official receipt forms. When cash is paid to an employee, the retailer should require the employee to issue an official receipt. Such receipt shall show the retailer's name, address and permit number; the purpose for the payment; and the amount of the payment. The retailer should retain all receipts, and only official receipts for payment will be recognized by the department.

This rule is intended to implement Iowa Code sections 422.68(1) and 422.70 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.4(423A) Retailers required to keep records.

103.4(1) Every retailer shall keep and preserve the following records:

a. A daily record of the amount of all cash and time payments and credit sales from the renting of rooms subject to tax under Iowa Code chapter 423A.

b. A record of all deductions and exemptions taken in filing a tax return.

103.4(2) The records required in this rule must be preserved for a period of three years and open for examination by the department during this period of time.

103.4(3) Retailers performing all or part of their record keeping and retention of books, records, and other sources of information under electronic data interchange process or technology, see 701—subrule 11.4(4).

103.4(4) If a tax liability has been assessed and an appeal is pending to the department, district court or an appellate court, books, papers, records, memoranda or documents specified in this rule that relate to the period covered by the assessment shall be preserved until the final disposition of the appeal. This provision applies equally to parties to the appeal and other retailers who could claim a refund as a result of the resolution of the appeal.

103.4(5) Failure to keep and preserve adequate records shall be grounds for revocation of the state-imposed tax permit.

This rule is intended to implement Iowa Code section 423.41 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

[ARC 2657C, IAB 8/3/16, effective 9/7/16]

701—103.5(423A) Audit of records. The department shall have the right and duty to examine or cause to be examined the books, papers, records, memoranda or documents of a taxpayer for the purposes of verifying the correctness of a return filed or estimating the tax liability of any retailer. The right

to examine records includes the right to examine copies of the retailer's state and federal income tax returns. When a retailer fails or refuses to produce the records for examination when requested by the department, the director shall have authority to require, by a subpoena, the attendance of the retailer and any other witness whom the department deems necessary or expedient to examine and compel the retailer and witness to produce books, papers, records, memoranda or documents relating in any manner to the tax.

The department shall have the obligation to inform the retailer when an examination of the retailer's books, papers, records, memoranda or documents has been completed and the amount of tax liability, if any, due upon completion of the audit. Tax liability includes the amount of tax, interest, penalty and fees which may be due.

This rule is intended to implement Iowa Code sections 422.70 and 423.41 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.6(423A) Billings.

103.6(1) Notice of adjustments.

a. An employee of the department, designated by the director to examine returns or make audits, who discovers discrepancies in returns or learns that a sales price subject to the tax may not have been listed, in whole or in part, or that no return was filed when one was due, is authorized to notify the person of the discovery by ordinary mail. The notice shall not be termed an assessment. It merely informs the person what amount would be due if the information discovered is correct.

b. Right of person upon receipt of notice of adjustment. A person who has received notice of an adjustment in connection with a return may pay the additional amount stated to be due. If payment is made, and the person wishes to contest the matter, the person should then file a claim for refund. However, payment will not be required until a certified assessment has been made (although interest will continue to accrue on any amount of tax which is determined to be due if payment is not made). If no payment is made, the person may discuss with the employee who notified the person of the discrepancy, either in person or through correspondence, all matters of fact and law which the person considers relevant to the situation. This person may also ask for a conference with the department. Documents and records supporting the person's position may be requested.

c. Power of employee to compromise tax claim. Only the director has the power to compromise any tax claims. The power of the employee who notified the person of the discrepancy is limited to the determination of the correct amount of tax.

103.6(2) Notice of assessment. If, after following the procedure outlined in paragraph 103.6(1) "b," no agreement is reached and the person does not pay the amount determined to be correct within 20 days, a notice of the amount of tax due shall be sent to the person responsible for paying the tax. This notice of assessment shall bear the signature of the director and will be sent by mail.

If the notice of assessment is timely protested according to the provisions of rule 701—7.8(17A) and Iowa Code section 423.37, proceedings to collect the tax will not be commenced until the protest is ultimately determined, unless the department has reason to believe that a delay caused by such appeal proceedings will result in an irrevocable loss of tax ultimately found to be due and owing the state of Iowa. The department will consider a protest to be timely if filed no later than 60 days following the date of the assessment notice. See rule 701—7.8(17A).

This rule is intended to implement Iowa Code sections 422.70, 423.37, and 423.39 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

[ARC 0251C, IAB 8/8/12, effective 9/12/12]

701—103.7(423A) Collections. If determined expedient or advisable to do so, the director may enforce the collection of the tax liability which has been determined to be due. In such action, the attorney general shall appear for the department and have the assistance of the county attorney in the county in which the action is pending.

The remedies for the enforcement and collection of the tax are cumulative, and action taken by the department or attorney general shall not be construed to be an election on the part of the state or any of its officers to pursue any remedy to the exclusion of any other remedy.

This rule is intended to implement Iowa Code sections 422.70, 423.37, and 423.39 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.8(423A) No property exempt from distress and sale. The provisions of Iowa Code section 422.26 apply with respect to a tax liability determined to be due by the department. The department shall proceed to collect the tax liability after it has become delinquent; and no property of the taxpayer is exempt from the process whereby the tax is collected.

This rule is intended to implement Iowa Code sections 422.26 and 423.42 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.9(423A) Information confidential. When requested to do so by any person having a legitimate interest in such information, the department shall, after being presented with sufficient proof of the entire situation, disclose to such person the amount of unpaid taxes due by a taxpayer. Such person shall provide the department with sufficient proof consisting of all relevant facts and the reason or reasons for seeking information as to the amount of unpaid taxes due by the taxpayer. The information sought shall not be disclosed if the department determines that the person requesting information does not have a legitimate interest. The director may also authorize the examination of returns filed by a retailer by (1) other officers of the state of Iowa, (2) tax officers of another state if a reciprocal arrangement exists, or (3) tax officers of the federal government if a reciprocal arrangement exists. The director is also empowered to publish annual statistical reports relating to the operation of the tax. See rule 701—6.3(17A).

All other information obtained by employees of the department in the performance of their official duties is confidential as provided by law and cannot be disclosed.

This rule is intended to implement Iowa Code section 422.72 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.10(423A) Bonding procedure. The director may, when necessary and advisable in order to secure the collection of the tax, require any person subject to the tax to file with the department a bond in an amount which the director may fix, or in lieu of such bond, securities approved by the director in an amount which the director may prescribe.

The determination of when and in what amount a bond is required will be determined pursuant to rule 701—11.10(422). The bond required under this rule and rule 701—11.10(422) shall be a single requirement with the amount to be determined with reference to both the potential state-imposed tax (see 701—Chapter 241) and the locally imposed tax liabilities, plus any applicable local option taxes. Whether or not the person required to post the bond files a monthly deposit for state-imposed tax purposes, the basis for determining the locally imposed tax portion of the bond shall be an amount sufficient to cover nine months or three quarters of tax liability.

This rule is intended to implement Iowa Code section 423.35 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.11(423A) Sales tax. The hotel and motel tax is levied in addition to the state sales tax imposed in Iowa Code chapter 423. Additionally, the director of revenue is required to administer the hotel and motel tax as nearly as possible in conjunction with the administration of the state sales tax law except that portion of the law which implements the streamlined sales and use tax agreement. See 701—Chapters 12 to 14 for details. The computation of the tax shall be based on the sales price of the room excluding the sales tax.

This rule is intended to implement 2005 Iowa Code Supplement sections 423A.3, 423A.4, and 423A.6.

701—103.12(423A) Judicial review. Judicial review of actions of the director may be sought in accordance with the terms of the Iowa administrative procedure Act in a manner similar to that provided for review of sales tax matter. See 701—Chapter 7 for details.

This rule is intended to implement Iowa Code section 423.38 and 2005 Iowa Code Supplement sections 423A.3 and 423A.4.

701—103.13(423A) Registration. All persons who are required to collect and remit the locally imposed tax are required to register with the department as a hotel and motel tax collector.

This rule is intended to implement 2005 Iowa Code Supplement section 423A.6.

701—103.14(423A) Notification. Before a city's or county's local option hotel and motel tax can become effective, be revised, or be repealed, 45 days' notice of such action must be given to the director in writing by mail.

This rule is intended to implement 2005 Iowa Code Supplement section 423A.4.

701—103.15(423A) Certification of funds. Within 45 days after the date that the quarterly returns and payments are due, the director will certify to the treasurer of state the amount of locally imposed tax to be transferred from the general fund to the local transient guest tax fund which is to be distributed to each city and county which has adopted the tax. Payments received after the date of certification will remain in the general fund until the next quarterly certification.

This rule is intended to implement 2005 Iowa Code Supplement section 423A.7.

[Filed 5/11/79, Notice 4/4/79—published 5/30/79, effective 7/5/79]

[Filed 12/7/79, Notice 10/31/79—published 12/26/79, effective 1/30/80]

[Filed 3/25/82, Notice 2/17/82—published 4/14/82, effective 5/19/82]

[Filed 5/7/82, Notice 3/31/82—published 5/26/82, effective 6/30/82]

[Filed 7/16/82, Notice 6/9/82—published 8/4/82, effective 9/8/82]

[Filed 6/28/85, Notice 5/22/85—published 7/17/85, effective 8/21/85]

[Filed 9/5/86, Notice 7/30/86—published 9/24/86, effective 10/29/86]

[Filed emergency 11/14/86—published 12/17/86, effective 11/14/86]

[Filed 10/16/87, Notice 9/9/87—published 11/4/87, effective 12/9/87]

[Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]

[Filed 9/17/99, Notice 8/11/99—published 10/6/99, effective 11/10/99]

[Filed 5/5/06, Notice 3/29/06—published 5/24/06, effective 6/28/06]

[Filed ARC 0251C (Notice ARC 0145C, IAB 5/30/12), IAB 8/8/12, effective 9/12/12]

[Filed ARC 2657C (Notice ARC 2519C, IAB 4/27/16), IAB 8/3/16, effective 9/7/16]

SECRETARY OF STATE[721]

DIVISION I ADMINISTRATION

CHAPTER 1 DESCRIPTION OF ORGANIZATION

1.1(17A)	Central organization
1.2(17A)	Corporations
1.3(17A)	Uniform Commercial Code
1.4(17A)	Elections
1.5(17A)	Land office
1.6(17A)	Notaries public
1.7(17A)	Legislative division—enrolled bills
1.8(17A)	Process agent
1.9(17A)	Oaths and bonds
1.10(17A)	Joint governmental agreements
1.11	Reserved
1.12(17A)	Judiciary

CHAPTER 2 RULES OF PRACTICE

2.1(17A)	Forms used
2.2(17A)	Filing complaints
2.3(631)	Payment for services
2.4(17A)	Examination and preservation of records
2.5(17A)	Telecopier service

CHAPTER 3 ADMINISTRATIVE HEARINGS

3.1(17A)	Scope
3.2(17A)	Definitions
3.3(17A)	General information
3.4(17A)	Commencing the contested case
3.5(17A)	Notice of hearing
3.6(17A)	Contested case hearing procedures
3.7(17A)	Presiding officer
3.8(17A)	Decisions
3.9(17A)	Request for rehearing
3.10(17A)	Judicial review

CHAPTER 4 FORMS

4.1(17A)	Forms and instructions
4.2(17A)	Corporation forms
4.3(17A)	Election forms
4.4(17A)	Uniform Commercial Code forms
4.5(17A)	Verified lien statement forms
4.6(9A,17A)	Athlete agent

CHAPTER 5
PUBLIC RECORDS AND
FAIR INFORMATION PRACTICES
(Uniform Rules)

5.1(17A,22)	Definitions
5.3(17A,22)	Requests for access to records
5.6(17A,22)	Procedure by which additions, dissents, or objections may be entered into certain records
5.9(17A,22)	Disclosures without the consent of the subject
5.10(17A,22)	Routine use
5.11(17A,22)	Consensual disclosure of confidential records
5.12(17A,22)	Release to subject
5.13(17A,22)	Availability of records
5.14(17A,22)	Personally identifiable information
5.15(17A,22)	Personnel files
5.16(17A,22)	Other groups of records

CHAPTER 6
SAFE AT HOME PROGRAM

6.1(9E)	Definitions
6.2(9E)	Failure to notify secretary of changes in information; cancellation
6.3(9E)	Renewal of certification; recertification
6.4(9E)	Cancellation of voter registration in the statewide voter registration database
6.5(9E)	Change of voter registration through the program
6.6(9E)	Cancellation of absentee ballot voting through the program

CHAPTER 7
AGENCY PROCEDURE FOR RULE MAKING

7.1(17A)	Applicability
7.2(17A)	Advice on possible rules before notice of proposed rule adoption
7.3(17A)	Public rule-making docket
7.4(17A)	Notice of proposed rule making
7.5(17A)	Public participation
7.6(17A)	Regulatory analysis
7.7(17A,25B)	Fiscal impact statement
7.8(17A)	Time and manner of rule adoption
7.9(17A)	Variance between adopted rule and published notice of proposed rule adoption
7.10(17A)	Exemptions from public rule-making procedures
7.11(17A)	Concise statement of reasons
7.12(17A)	Contents, style, and form of rule
7.13(17A)	Agency rule-making record
7.14(17A)	Filing of rules
7.15(17A)	Effectiveness of rules prior to publication
7.16(17A)	General statements of policy
7.17(17A)	Review by agency of rules

CHAPTER 8
PETITIONS FOR RULE MAKING

8.1(17A)	Petition for rule making
8.2(17A)	Briefs
8.3(17A)	Inquiries
8.4(17A)	Agency consideration

CHAPTER 9
DECLARATORY ORDERS

9.1(17A)	Petition for declaratory order
9.2(17A)	Notice of petition
9.3(17A)	Intervention
9.4(17A)	Briefs
9.5(17A)	Inquiries
9.6(17A)	Service and filing of petitions and other papers
9.7(17A)	Consideration
9.8(17A)	Action on petition
9.9(17A)	Refusal to issue order
9.10(17A)	Contents of declaratory order—effective date
9.11(17A)	Copies of orders
9.12(17A)	Effect of a declaratory order

CHAPTER 10
WAIVER AND VARIANCE RULES

10.1(17A)	Definition
10.2(17A)	Scope of chapter
10.3(17A)	Applicability
10.4(17A)	Criteria for waiver or variance
10.5(17A)	Filing of petition
10.6(17A)	Content of petition
10.7(17A)	Additional information
10.8(17A)	Notice
10.9(17A)	Hearing procedures
10.10(17A)	Ruling
10.11(17A)	Public availability
10.12(17A)	Summary reports
10.13(17A)	Cancellation of a waiver
10.14(17A)	Violations
10.15(17A)	Defense
10.16(17A)	Judicial review

CHAPTERS 11 to 19
Reserved

DIVISION II
ELECTIONS

CHAPTER 20
DEPUTY COMMISSIONERS OF ELECTIONS

20.1(47)	Deputy secretary of state and deputy county auditor to act
20.2(47)	County commissioner of elections may appoint special deputies

CHAPTER 21
ELECTION FORMS AND INSTRUCTIONS

DIVISION I
GENERAL ADMINISTRATIVE PROCEDURES

21.1(47)	Emergency election procedures
21.2(47)	Electronic submission of absentee ballot applications and affidavits of candidacy
21.3(49,48A)	Voter identification documents
21.4(49)	Changes of address at the polls
21.5(49)	Eligibility declarations in the election register

21.6	Reserved
21.7(48A)	Election day registration
21.8(48A)	Notice to election day registrant
21.9(49)	“Vote here” signs
21.10(43)	Application for status as a political party
21.11(49)	Statement to provisional voter
21.12(47,53)	Absentee ballot receipt deadline when the United States post office is closed on the deadline for receipt of absentee ballots
21.13(47,50)	Canvass date adjustment when the United States post office is closed on the deadline for receipt of absentee ballots
21.14(53)	Intelligent Mail barcode (IMb) Tracing
21.15 to 21.19	Reserved
21.20(62)	Election contest costs
21.21(62)	Limitations
21.22(49)	Photocopied ballot procedures
21.23 and 21.24	Reserved
21.25(50)	Administrative recounts
21.26 to 21.29	Reserved
21.30(49)	Inclusion of annexed territory in city reprecincting and redistricting plans
21.31(275)	School director district maximum allowable deviation between director districts
21.32(372)	City ward maximum allowable deviation between city wards
21.33(49)	Redistricting special election blackout period
21.34 to 21.49	Reserved
21.50(49)	Polling place accessibility standards
21.51 to 21.74	Reserved
21.75(49)	Voting centers for certain elections
21.76 to 21.199	Reserved

DIVISION II
BALLOT PREPARATION

21.200(49)	Constitutional amendments and public measures
21.201(44)	Competing nominations by nonparty political organizations
21.202(43,52)	Form of primary election ballot
21.203(49,52)	Form of general election ballot
21.204(260C)	Tabulating election results by school district for merged area special elections
21.205 to 21.299	Reserved

DIVISION III
ABSENTEE VOTING

21.300(53)	Satellite absentee voting stations
21.301(53)	Absentee ballot requests from voters whose registration records are “inactive”
21.302(48A)	In-person absentee registration
21.303(53)	Mailing absentee ballots
21.304(53)	Absentee ballot requests from voters whose registration records are “pending”
21.305(53)	Confirming commissioner’s receipt of an absentee ballot on election day
21.306 to 21.319	Reserved
21.320(53)	Absentee voting by UOCAVA voters
21.321 to 21.350	Reserved
21.351(53)	Receiving absentee ballots
21.352(53)	Review of returned envelopes marked with affidavits
21.353(53)	Opening the return carrier envelopes that are not marked with voters’ affidavits
21.354(53)	Review process
21.355(53)	Notice to voter
21.356 to 21.358	Reserved

- 21.359(53) Processing absentee ballots before election day
- 21.360 Reserved
- 21.361(53) Rejection of absentee ballot
- 21.362 to 21.399 Reserved

DIVISION IV
INSTRUCTIONS FOR SPECIFIC ELECTIONS

- 21.400(376) Signature requirements for certain cities
- 21.401(376) Signature requirements in cities with primary or runoff election provisions
- 21.402(372) Filing deadline for charter commission appointment petition
- 21.403(372) Special elections to fill vacancies in elective city offices for cities that may be required to conduct primary elections
- 21.404(372) Special elections to fill vacancies in elective city offices for cities without primary election requirements
- 21.405(69) Special elections to fill a vacancy in the office of representative in Congress
- 21.406 to 21.499 Reserved
- 21.500(277) Signature requirements for school director candidates
- 21.501 to 21.600 Reserved
- 21.601(43) Plan III supervisor district candidate signatures after a change in the number of supervisors or method of election
- 21.602(43) Primary election—nominations by write-in votes for certain offices
- 21.603 to 21.799 Reserved
- 21.800(423B) Local sales and services tax elections
- 21.801(423B) Form of ballot for local option tax elections
- 21.802(423B) Local vehicle tax elections
- 21.803(423F) Revenue purpose statement ballots
- 21.804 to 21.809 Reserved
- 21.810(34A) Referendum on enhanced 911 emergency telephone communication system funding
- 21.811 to 21.819 Reserved
- 21.820(99F) Gambling elections
- 21.821 to 21.829 Reserved
- 21.830(357E) Benefited recreational lake district elections

CHAPTER 22
VOTING SYSTEMS

TESTING AND EXAMINATION OF VOTING EQUIPMENT

- 22.1(52) Definitions for certification of voting equipment
- 22.2(52) Voting system standards
- 22.3(52) Examiners
- 22.4(52) Fees and expenses paid to the examiners
- 22.5(52) Examination of voting equipment—application
- 22.6(52) Review of application by examiners
- 22.7(52) Consultant
- 22.8(52) Contact other users
- 22.9(52) Testing the equipment
- 22.10(52) Test primary election for three political parties
- 22.11(52) Test general election
- 22.12(52) Report of findings
- 22.13(52) Notification
- 22.14(52) Denial of certification
- 22.15(52) Application for reconsideration
- 22.16(52) Appeal

22.17(52)	Changes to certified voting systems
22.18(52)	Rescinding certification
22.19 to 22.29	Reserved
22.30(50,52)	Electronic transmission of election results
22.31(52)	Acceptance testing
22.32 to 22.40	Reserved
22.41(52)	Public testing of optical scan systems
22.42(52)	Preparing test decks
22.43(52)	Conducting the public test
22.44 to 22.49	Reserved
22.50(52)	Voting system security
22.51(52)	Memory storage devices
22.52(52)	Voting equipment malfunction at the polls
22.53 to 22.99	Reserved

OPTICAL SCAN VOTING SYSTEMS

22.100	Reserved
22.101(52)	Definitions
22.102(52)	Optical scan ballots
22.103 to 22.199	Reserved

PRECINCT COUNT SYSTEMS

22.200(52)	Security
22.201(52)	Programming and testing the tabulating devices for precinct count systems
22.202(50)	Unique race and candidate ID numbers for election night results reporting
22.203(50)	Reporting election night results electronically
22.204 to 22.220	Reserved
22.221(52)	Sample ballots and instructions to voters
22.222 to 22.230	Reserved
22.231(52)	Emergency ballot box or bin
22.232(52)	Manner of voting
22.233 to 22.239	Reserved
22.240(52)	Results
22.241(52)	Electronic transmission of election results
22.242 to 22.249	Reserved
22.250(52)	Absentee voting instructions
22.251 to 22.259	Reserved
22.260(52)	Specific precinct count systems
22.261(52)	Election Systems & Software Voting Systems—preparation and use in elections
22.262(52)	Premier Election Solutions' AccuVote OS and AccuVote OSX precinct count devices
22.263(52)	AutoMARK Voter Assist Terminal (VAT)
22.264(52)	Unisyn OpenElect OVO unit—preparation and use in elections
22.265(52)	Unisyn OpenElect OVI unit
22.266(52)	Dominion Democracy Suite Voting Systems—preparation and use in elections
22.267 to 22.339	Reserved

OPTICAL SCAN VOTING SYSTEM USED FOR ABSENTEE AND SPECIAL VOTERS PRECINCT

22.340(52)	Processing
22.341(52)	Reporting results from absentee ballots and provisional ballots
22.342(52)	Tally list for absentee and special voters precinct
22.343(39A,53)	Counting absentee ballots on the day before the general election

CHAPTER 23
VOTER REGISTRATION IN STATE AGENCIES

- 23.1(48A) Definitions
- 23.2(48A) Registration forms
- 23.3(48A) Declination forms
- 23.4(48A) Electronic declination records
- 23.5(48A) Retention and storage of declination forms
- 23.6(48A) Distribution of voter registration forms
- 23.7(48A) Applications, recertifications, renewals and changes of address received from applicant representatives
- 23.8(48A) Recertification and renewal applications
- 23.9(48A) Change of address notices
- 23.10(48A) Ineligible applicants
- 23.11(48A) Other voter registration agencies

CHAPTER 24
UNOFFICIAL CANVASS OF VOTES

- 24.1(47) Unofficial canvass
- 24.2(47) Duties of the county commissioner of elections
- 24.3(47) Duties of the state commissioner of elections

CHAPTER 25
ELECTION ADMINISTRATION—ADMINISTRATIVE COMPLAINT PROCEDURE

- 25.1(17A,39A,47) General provisions
- 25.2(17A,39A,47) Form of complaint
- 25.3(17A,39A,47) Filing, service, and initial review of complaint
- 25.4(17A,39A,47) Notice of proceedings
- 25.5(17A,39A,47) Informal settlement
- 25.6(17A,39A,47) Answer
- 25.7(17A,39A,47) Presiding officer
- 25.8(17A,39A,47) Proceedings based upon written submissions
- 25.9(17A,39A,47) Written decisions, available remedies
- 25.10(17A,39A,47) Hearings
- 25.11(17A,39A,47) Time requirements
- 25.12(17A,39A,47) Waiver of procedures
- 25.13(17A,39A,47) Telephone and electronic proceedings
- 25.14(17A,39A,47) Disqualification
- 25.15(17A,39A,47) Consolidation—severance
- 25.16(17A,39A,47) Service and filing of pleadings and other papers
- 25.17(17A) Discovery
- 25.18(17A) Issuance of subpoenas in a complaint proceeding
- 25.19(17A) Motions
- 25.20(17A) Continuances
- 25.21(17A) Withdrawals
- 25.22(17A) Intervention
- 25.23(17A) Hearing procedures
- 25.24(17A) Evidence
- 25.25(17A) Default
- 25.26(17A) Ex parte communication
- 25.27(17A) Recording costs
- 25.28(17A) Final decisions, publication and party notification
- 25.29(17A) Interlocutory appeals

25.30(17A)	Appeals and review
25.31(17A)	Applications for rehearing
25.32(17A)	Stays of orders
25.33(17A)	No factual dispute complaint proceedings
25.34(17A)	Alternate dispute resolution
25.35(17A)	Judicial review

CHAPTER 26 COUNTING VOTES

PART I—GENERAL PROVISIONS

26.1(49)	Definitions
26.2(49)	Counting votes on election day
26.3(50)	Reporting overvotes and undervotes
26.4(50)	Absentee and special voters precinct
26.5 to 26.9	Reserved

PART II—OPTICAL SCAN VOTING SYSTEMS

26.10(50)	Systems affected
26.11(50)	Examples used
26.12(50)	Wrong ballots
26.13(50)	Ballot properly marked by the voter
26.14(50)	Ballots with identifying marks
26.15(49)	Voter's choice
26.16(49)	Determination of voter's choice
26.17(49)	Marks not counted
26.18(49)	Acceptable marks
26.19(49)	Counting straight party or organization votes
26.20(49)	Write-in votes
26.21(49)	Corrections by voter
26.22 to 26.49	Reserved

PART III—PAPER BALLOTS

26.50(49)	Standards
26.51(49)	Write-in votes
26.52 to 26.59	Reserved

PART IV—VOTING MACHINES

26.60 to 26.99	Reserved
----------------	----------

PART V—RECOUNTS

26.100(50)	Requester
26.101(50)	Recounts for candidates who run as a team
26.102(50)	Bond
26.103(50)	Recount board
26.104(50)	Responsibilities of the recount board
26.105(50)	Duties of commissioner and commissioner's staff
26.106(50)	Access to meeting
26.107(50)	Report of the recount board

CHAPTER 27 HELP AMERICA VOTE ACT GRANTS

27.1(47,80GA,SF2298)	Purpose
27.2(47,80GA,SF2298)	Definitions
27.3(47,80GA,SF2298)	Eligibility and requirements
27.4(47,80GA,SF2298)	Application process

- 27.5(47,80GA,SF2298) Application contents
- 27.6(47,80GA,SF2298) Application review
- 27.7(47,80GA,SF2298) Award process
- 27.8(47,80GA,SF2298) Reports
- 27.9(47,80GA,SF2298) Access to records

CHAPTER 28

VOTER REGISTRATION FILE (I-VOTERS) MANAGEMENT

- 28.1(47,48A) State registrar's responsibility
- 28.2(48A) Access and fees
- 28.3(48A) Duplicate and multiple voter registration record deletion process
- 28.4(48A) Cancellations and restorations of voter registration due to felony conviction
- 28.5(47,48A) Noncitizen registered voter identification and removal process

CHAPTER 29

Reserved

DIVISION III UNIFORM COMMERCIAL CODE

CHAPTER 30

UNIFORM COMMERCIAL CODE

- 30.1(554) General provisions
- 30.2(554) Acceptance and refusal of documents
- 30.3(554) UCC information management system
- 30.4(554) Filing and data entry procedures
- 30.5(554) Search requests and reports
- 30.6(554) Other notices of liens

CHAPTERS 31 to 39

Reserved

DIVISION IV CORPORATIONS

CHAPTER 40

CORPORATIONS

- 40.1(490,499,504A) Filing of documents
- 40.2(490,499,504A) Reinstatement of corporations
- 40.3(487,490,504A) Names distinguishable upon corporate records
- 40.4(490,491,496C,497,498,499,504A) Payment and refund of fees
- 40.5(491,496A,499,504A,548) Document to county recorder
- 40.6(548) Registration and protection of marks
- 40.7(80GA,SF2274) Revised nonprofit corporation Act fees
- 40.8(488,489,490) Biennial reports
- 40.9(488,489,490,504) Online filing requirements

CHAPTER 41

Reserved

CHAPTER 42

ATHLETE AGENT REGISTRATION

- 42.1(9A,17A) Fees
- 42.2 and 42.3 Reserved
- 42.4(9A,17A) General information

CHAPTER 43
NOTARIAL ACTS

- 43.1(9B) Certificate of notarial acts
- 43.2(9B) Short form certificates
- 43.3(9B) Conflict of interest
- 43.4(9B) Commission as notary public
- 43.5(9B) Performance of notarial act on electronic record
- 43.6(9B) Sanctions

CHAPTER 44
Reserved

CHAPTER 45
MECHANICS' NOTICE AND LIEN REGISTRY

- 45.1(572) General provisions
- 45.2(572) Creation of mechanics' notice and lien registry
- 45.3(572) Administrator identification
- 45.4(572) Posting of notice of commencement of work
- 45.5(572) Posting of preliminary notice
- 45.6(572) Posting of mechanic's lien
- 45.7(572) Forfeiture and cancellation of mechanics' liens
- 45.8(572) Discharge of mechanic's lien by submission of a bond
- 45.9(572) Action against general contractor or owner-builder to recover amount due
- 45.10(572) Delay by administrator
- 45.11(572) Nondisclosure of MNLR information
- 45.12(572) Obligation to update information
- 45.13(572) Fees and services
- 45.14(572) Grounds for refusal of a posting or submission
- 45.15(572) Posting of a filing office statement, correction statement, or withdrawal statement
- 45.16(572) Assignment of date and time stamp and MNLR number
- 45.17(572) Penalties
- 45.18(572) Preservation and access by the public

CHAPTER 21
ELECTION FORMS AND INSTRUCTIONS

[Prior to 7/13/88, see Secretary of State[750], Ch 11]

DIVISION I
GENERAL ADMINISTRATIVE PROCEDURES

721—21.1(47) Emergency election procedures. The state commissioner of elections may exercise emergency powers over any election being held in a district in which either a natural or other disaster or extremely inclement weather has occurred. The state commissioner may also exercise emergency powers during an armed conflict involving United States armed forces, or mobilization of those forces, or if an election contest court finds that there were errors in the conduct of an election making it impossible to determine the result.

21.1(1) Definitions.

“*Commissioner*” means the county commissioner of elections.

“*Election contest court*” means any of the courts specified in Iowa Code sections 57.1, 58.4, 61.1, 62.1 and 376.10.

“*Extremely inclement weather*” means a natural occurrence, such as a rainstorm, windstorm, ice storm, blizzard, tornado or other weather conditions, which makes travel extremely dangerous or which threatens the public peace, health and safety of the people or which damages and destroys public and private property.

“*Natural disaster*” means a natural occurrence, such as a fire, flood, blizzard, earthquake, tornado, windstorm, ice storm, or other events, which threatens the public peace, health and safety of the people or which damages and destroys public and private property.

“*Other disaster*” means an occurrence caused by machines or people, such as fire, hazardous substance or nuclear power plant accident or incident, which threatens the public peace, health and safety of the people or which damages and destroys public and private property.

“*State commissioner*” means the state commissioner of elections.

21.1(2) Notice of natural or other disaster or extremely inclement weather. The county commissioner of elections, or the commissioner’s designee, may notify the state commissioner of elections that due to a natural or other disaster or extremely inclement weather an election cannot safely be conducted in the time or place for which the election is scheduled to be held. If the commissioner or the commissioner’s designee is unable to transmit notice of the hazardous conditions, the notice may be given by any elected county official. Verification of the commissioner’s agreement with the severity of the conditions and the danger to the election process shall be transmitted to the state commissioner as soon as possible. Notice may be given by telephone or by facsimile machine, but a signed notice shall also be delivered to the state commissioner.

21.1(3) Declaration of emergency due to natural or other disaster or extremely inclement weather. After receiving notice of hazardous conditions, the state commissioner of elections, or the state commissioner’s designee, may declare that an emergency exists in the affected precinct or precincts. A copy of the declaration of the emergency shall be provided to the commissioner.

21.1(4) Emergency modifications to conduct of elections. When the state commissioner of elections has declared that an emergency exists due to a natural or other disaster or to extremely inclement weather, the county commissioner of elections, or the commissioner’s designee, shall consult with the state commissioner to develop a plan to conduct the election under the emergency conditions. All modifications to the usual method for conducting elections shall be approved in advance by the state commissioner unless prior approval is impossible to obtain.

Modifications may be made to the method for conducting the election including relocation of the polling place, postponement of the hour of opening the polls, postponement of the date of the election if no candidates for federal offices are on the ballot, reduction in the number of precinct election officials in nonpartisan elections, or other reasonable and prudent modifications that will permit the election to be conducted.

21.1(5) *Relocation of polling place.* The substitute polling place shall be as close as possible to the usual polling place and shall be within the same precinct if possible. Preference shall be given to buildings which are accessible to the elderly and disabled. Buildings supported by taxation shall be made available without charge by the authorities responsible for their administration. If it is necessary, more than one precinct may be located in the same room.

A notice of the location of the substitute polling place shall be posted on the door of the former polling place not later than one hour before the scheduled time for opening the polls or as soon as possible. If it is unsafe or impossible to post the sign on the door of the former polling place, the notice shall be posted in some other visible place at or near the site of the former polling place. If time permits, notice of the relocation of the polling place shall be published in the same newspaper in which notice of election was published, otherwise notice of relocation may be published in any newspaper of general circulation in the political subdivision which will appear on or before election day. The commissioner shall inform all broadcast media and print news organizations serving the jurisdiction of the modifications.

21.1(6) *Postponement of election.* An election, other than an election at which a federal office appears on the ballot, may be postponed until the following Tuesday. If the election involves more than one precinct, the postponement must include all precincts within the political subdivision. If the election is postponed, ballots shall not be reprinted to reflect the modification in the election date. The date of the close of voter preregistration by mail for the election shall not be extended. Precinct election registers prepared for the original election date may be used or reprinted at the commissioner's discretion.

On the day that the postponed election is actually held, all election day procedures must be repeated.

21.1(7) *Absentee voting in postponed elections.* Absentee ballots shall be delivered to voters pursuant to Iowa Code section 53.22 until the date the election is actually held. Absentee ballots shall be accepted at the commissioner's office until the hour the polls close on the date the election is held. Absentee ballots which are postmarked or which bear an Intelligent Mail barcode (IMb) traceable to a date of entry into the federal mail system no later than the day before the election is actually held shall be accepted if received no later than the time prescribed by the Iowa Code for the usual conduct of the election. The time shall be calculated from the date on which the election is held, not the date for which the election was originally scheduled. However, if absentee ballots have been tabulated before the election is postponed, the absentee ballots shall be sealed in an envelope by the absentee and special voters precinct board and stored securely until the date the election is actually held. The sealed envelopes shall be opened by the absentee and special voters precinct board on the date the election is actually held, counters on the tabulating equipment (if any) shall be reset to zero, and all absentee ballots tabulated on the original election date shall be retabulated.

21.1(8) *Absentee and special voters precinct board in postponed elections.* The absentee and special voters precinct board shall meet to consider provisional ballots at the times specified in Iowa Code sections 50.22 and 52.23, calculated from the date the election is held. No absentee ballots shall be counted until the date the election is held.

21.1(9) *Canvass of votes in postponed elections.* The canvass of votes shall also be rescheduled for one week after the originally scheduled canvass date.

21.1(10) *Postponements made on election day.* If the emergency is declared while the polls are open and the decision is made to postpone the election, each precinct polling place in the political subdivision shall be notified to close its doors and to halt all voting immediately. People present in the polling place who are waiting to vote shall not be given ballots. People who have received and marked their ballots shall deposit them in the ballot box; unmarked ballots may be returned to the precinct election officials.

The precinct election officials shall seal all ballots which were cast before the declaration of the emergency in secure containers. The containers shall be clearly marked as ballots from the postponed election. If it is safe to do so, the ballot containers, election register, and other election supplies shall be transported to the commissioner's office. The ballots shall be stored in a secure place. If it is unsafe to travel to the commissioner's office, the chairperson of the precinct election board shall see that the ballots and the election register are securely stored until it is safe to return them to the commissioner. If no contest is pending six months after the canvass for the election is completed, the unopened, sealed ballot containers shall be destroyed.

If automatic tabulating equipment is used, the automatic tabulating equipment shall be closed and sealed without printing the results. Before the date the election is held, the automatic tabulating equipment shall be reset to zero. Documents showing the progress of the count, if any, shall be sealed in an envelope and stored. No one shall reveal the progress of the count. After six months, the sealed envelope containing the vote totals shall be destroyed if no contest is pending.

21.1(11) *Records kept.* The state commissioner of elections shall maintain records of each emergency declaration. The records of emergency declarations for federal elections shall be kept for 22 months, and records for all other elections shall be kept for six months following the election. The records shall include the following information:

- a. The county in which the emergency occurred.
- b. The date and time the emergency declaration was requested.
- c. The name and title of the person making the request.
- d. Name and date of the election affected.
- e. The jurisdiction for which the election is to be conducted (school, city, county, or other).
- f. The number of precincts in the jurisdiction.
- g. The number of precincts affected by the emergency.
- h. The nature of the emergency, i.e., natural or other disaster, or extremely inclement weather.
- i. The date or dates of the occurrence of the natural or other disaster or extremely inclement weather.
- j. Conditions affecting the conduct of the election.
- k. Whether the polling places may safely be opened on time.
- l. Action taken: such as moving the polling place, change voting system, postpone election until the following Tuesday.
- m. Method to be used to inform the public of changes made in the election procedure.
- n. The signature of the state commissioner or the state commissioner's designee who was responsible for declaring the emergency.

21.1(12) *Federal elections.*

a. If an emergency occurs that will adversely affect the conduct of an election at which candidates for federal office will appear on the ballot, the election shall not be postponed or delayed. Emergency measures shall be limited to relocation of polling places, modification of the method of voting, reduction of the number of precinct election officials at a precinct and other modifications of prescribed election procedures which will enable the election to be conducted on the date and during the hours required by law.

The primary election held in June of even-numbered years and the general election held in November of even-numbered years shall not be postponed. Special elections called by the governor pursuant to Iowa Code section 69.14 shall not be postponed unless no federal office appears on the ballot.

b. If a federal or state court order extends the time established for closing the polls pursuant to Iowa Code section 49.73, any person who votes after the statutory hour for closing the polls shall vote only by casting a provisional ballot pursuant to Iowa Code section 49.81. Provisional ballots cast after the statutory hour for closing the polls shall be sealed in a separate envelope from provisional ballots cast during the statutory polling hours. The absentee and special voters precinct board shall tabulate and report the results of the two sets of provisional ballots separately.

21.1(13) *Military emergencies.* A voter who is entitled to vote by absentee ballot under the federal Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) and Iowa Code chapter 53, division II, "Absent Voting by Armed Forces," may return an absentee ballot via electronic transmission only if the voter is located in an area designated by the U.S. Department of Defense to be an imminent danger pay area or if the voter is an active member of the army, navy, marine corps, merchant marine, coast guard, air force or Iowa national guard and is located outside the United States or any of its territories. Procedures for the return of absentee ballots by electronic transmission are described in subrule 21.320(4).

21.1(14) *Election contest emergency.* If an election contest court finds that there were errors in the conduct of an election which make it impossible to determine the result of the election, the contest court shall notify the state commissioner of elections of its finding. The state commissioner shall order a repeat

election to be held. The repeat election date shall be set by the state commissioner. The repeat election shall be conducted under the state commissioner's supervision.

The repeat election shall be held at the earliest possible time, but it shall not be held earlier than 14 days after the date the election was set aside. Voter registration, publication, equipment testing and other applicable deadlines shall be calculated from the date of the repeat election.

The repeat election shall be conducted under the same procedures required for the election that was set aside, except that all known errors in preparation and procedure shall be corrected. The nominations from the initial election shall be used in the repeat election unless the contest court specifically rejects the initial nomination process in its findings. Precinct election officials for the repeat election may be replaced at the discretion of the auditor.

The following materials prepared for the original election shall be used or reconstructed for the repeat election:

Ballots (showing the date of repeat election). This may be stamped on ballots printed for the original election.

Notice of election (showing the date of repeat election).

This rule is intended to implement Iowa Code section 47.1.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 9989B, IAB 2/8/12, effective 1/17/12; ARC 2663C, IAB 8/3/16, effective 8/1/16]

721—21.2(47) Electronic submission of absentee ballot applications and affidavits of candidacy. Absentee ballot applications and affidavits of candidacy may be submitted electronically using either fax or E-mail.

21.2(1) *Electronic copies of absentee ballot applications and affidavits of candidacy accepted for filing.* Assuming that all other legal requirements are met, absentee ballot applications and affidavits of candidacy required by Iowa Code chapters 43, 44, 45, 161A, 260C, 277, 376 and 420 may be submitted electronically by either fax or E-mail if presented to the appropriate filing officer as an exact copy of the original and if the submission is in compliance with subrule 21.2(2).

21.2(2) *Original absentee ballot applications.* The original absentee ballot application submitted electronically shall also be mailed or delivered to the commissioner. If mailed, the envelope bearing the original absentee ballot application shall be postmarked not later than the Friday before the election. This subrule shall not apply to documents submitted electronically by UOCAVA voters pursuant to rule 721—21.320(53).

a. The voter's absentee ballot shall be rejected by the absentee and special voters precinct board if the original absentee ballot application which was filed electronically is not received by the time the polls close on election day.

b. The voter's absentee ballot shall be rejected by the absentee and special voters precinct board if the postmark or Intelligent Mail barcode (IMb) on the envelope containing the original absentee ballot application is either illegible or later than the Friday before the election.

21.2(3) *Original affidavits of candidacy.* The original copy of an affidavit of candidacy submitted electronically shall also be filed with the appropriate commissioner. The envelope bearing the original affidavit (if any) shall be postmarked not later than the last day to file the document.

a. The filing shall be void if the original affidavit of candidacy filed electronically is not received within seven days after the filing deadline for the original affidavit of candidacy.

b. The filing shall be void if the postmark on the envelope containing the original affidavit of candidacy is later than the filing deadline.

c. If an affidavit of candidacy filing is voided because the original affidavit of candidacy submitted by facsimile machine was postmarked too late or arrives too late, the person who filed the document shall be notified immediately in writing.

This rule is intended to implement Iowa Code sections 43.11, 43.19, 43.54, 43.67, 43.78, 44.3, 45.3, 45.4, 46.20, 47.1, 47.2, 53.2, 53.8, 53.17, 53.22, 53.25, 53.40, 53.45, 61.3, 161A.5, 260C.15, 277.4, 376.4, 376.11 and 420.130.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 9879B, IAB 11/30/11, effective 1/4/12; ARC 1831C, IAB 1/21/15, effective 2/25/15; ARC 2663C, IAB 8/3/16, effective 8/1/16]

721—21.3(49,48A) Voter identification documents.

21.3(1) *Identification documents for persons other than election day registrants.* Unless the person is registering to vote at the polls on election day, precinct election officials shall accept the identification documents listed in Iowa Code section 48A.8 from any person who is asked or required to present identification pursuant to Iowa Code section 49.77.

21.3(2) *Identification for election day registrants.*

a. A person who applies to register to vote on election day shall provide proof of identity and residence pursuant to Iowa Code section 48A.7A in the precinct where the person is applying to register and vote.

b. Any registered voter who attests for another person registering to vote at the polls on election day shall be a registered voter of the same precinct. The registered voter may be a precinct election official or a pollwatcher, but may not attest for more than one person applying to register at the same election.

21.3(3) *Current and valid identification.*

a. “Current and valid” or “identification,” for the purposes of this rule, means identification that meets the following criteria:

(1) The expiration date on the identification has not passed. An identification is still valid on the expiration date. An Iowa nonoperator’s identification that shows “none” as the expiration date shall be considered current and valid.

(2) The identification has not been revoked or suspended.

b. A current and valid identification may include a former address.

21.3(4) *Identification not provided.* A person who has been requested to provide identification and does not provide it shall vote only by provisional ballot pursuant to Iowa Code section 49.81. However, a person who is registering to vote on election day pursuant to Iowa Code section 48A.7A may establish identity and residency in the precinct by written oath of a person who is registered to vote in the precinct.

This rule is intended to implement Iowa Code sections 48A.7A and 49.77 and P.L. 107-252, Section 303.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.4(49) Changes of address at the polls. An Iowa voter who has moved from one precinct to another in the county where the person is registered to vote may report a change of address at the polls on election day.

21.4(1) To qualify to vote in the election being held that day, the voter shall:

a. Go to the polling place for the precinct where the voter lives on election day.

b. Complete a registration form showing the person’s current address in the precinct.

c. Present proof of identity as required by subrule 21.3(1).

21.4(2) The officials shall require a person who is reporting a change of address at the polls to cast a provisional ballot if the person’s registration in the county cannot be confirmed. Registration may be confirmed by:

a. Telephoning the office of the county commissioner of elections, or

b. Reviewing a printed list of all registered voters who are qualified to vote in the county for the election being held that day, or

c. Researching the county’s voter registration records using a computer.

21.4(3) In precincts where the voter’s declaration of eligibility is included in the election register pursuant to rule 721—21.5(49) and Iowa Code section 49.77, the commissioner shall provide to each precinct one of the two following methods for recording changes of address:

a. The voter shall be given both an eligibility declaration and a voter registration form. The eligibility declaration may be printed on the same piece of paper as the voter registration form.

b. The commissioner shall provide blank lines on the election register for the precinct election officials to record the voter’s name, address, and, if provided, telephone number, and, in primary

elections, political party affiliation. The voter shall sign the election register next to the printed information. The voter shall also complete a voter registration form showing the voter's current address.

This rule is intended to implement Iowa Code section 49.77.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.5(49) Eligibility declarations in the election register. To compensate for the absence of a separate declaration of eligibility form, the commissioner shall provide to each precinct a voter roster with space for each person who appears at the precinct to vote to print the following information: first and last name, address, and, at the voter's option, telephone number, and, in primary elections, political party affiliation.

The roster forms shall include the name and date of the election and the name of the precinct, and may be provided on paper that makes carbonless copies. If a multicopy form is used, the commissioner shall retain the original copy of the voter roster with other records of the election.

This rule is intended to implement Iowa Code section 49.77.

[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.6(43,50) Turnout reports. Rescinded IAB 6/2/10, effective 7/1/10.

721—21.7(48A) Election day registration. In addition to complying with the identification provisions in rule 721—21.3(49,48A), precinct election officials shall comply with the following requirements:

21.7(1) Precinct election officials shall inspect the identification documents presented by election day registrants to verify the following:

- a. The photograph shows the person who is registering to vote.
- b. The name on the identification document is the same as the name of the applicant.
- c. The address on the identification document is in the precinct where the person is registering to vote.

21.7(2) Precinct election officials shall verify that each person who attempts to attest to the identity and residence of a person who is registering to vote on election day is a registered voter in the precinct and has not attested for any other voter in the election. The officials shall note in the election register that the person has attested for an election day registrant.

21.7(3) Precinct election officials shall permit any person who is in line to vote at the time the polls close to register and vote on election day if the person otherwise meets all of the election day registration requirements.

21.7(4) In precincts where an electronic program is not used to check the name of an election day registrant against the statewide list of felons who have had their right to vote revoked, precinct election officials shall provide each election day registrant with a "Notice to Election Day Registrants" prepared by the state commissioner before allowing the voter to register and vote on election day. The "Notice to Election Day Registrants" prepared by the state commissioner will be posted on the state commissioner's Web site.

This rule is intended to implement Iowa Code section 48A.7A.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8777B, IAB 6/2/10, effective 5/7/10; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.8(48A) Notice to election day registrant. The commissioner shall send to each person who registers to vote on election day, pursuant to Iowa Code section 48A.7A, an acknowledgment of the registration by nonforwardable mail. If the postal service returns the acknowledgment as undeliverable, the commissioner shall send a notice to the voter by forwardable mail. The notice shall be substantially in the form titled "Notice to Election Day Registrant" posted on the state commissioner's Web site.

This rule is intended to implement Iowa Code sections 48A.7A and 48A.26A.

[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.9(49) "Vote here" signs.

1. Size. The signs shall be no smaller than 16 inches by 24 inches.

2. Exceptions. If a driveway leads away from the entrance to the voting area, or if the driveway is located in such a way that posting a “vote here” sign at the driveway entrance would not help potential voters find the voting area, no “vote here” sign shall be posted at the entrance to that driveway.

This rule is intended to implement Iowa Code section 49.21.

721—21.10(43) Application for status as a political party. A political organization which is not currently qualified as a political party may file an application for determination of political party status with the state commissioner of elections. The application may be filed after the completion of the executive council’s canvass of votes for the general election, but not later than one year after the date of the election at which the organization’s candidate for President of the United States or governor received at least 2 percent of the vote.

21.10(1) Application form. The application shall be substantially in the form titled “Application for Political Party Status” posted on the state commissioner’s Web site.

21.10(2) Response. If the political organization meets the requirements established in Iowa Code section 43.2, the commissioner shall declare that the organization has qualified as a political party, effective 21 days after the application is approved. If the organization does not meet the requirements, the state commissioner shall immediately notify the applicant in writing of the reason for the rejection of the application.

21.10(3) Disqualification of political party. If at the close of nominations for the general election a political party has not nominated a candidate for the office of President of the United States, or for governor, as the case may be, the political party shall be disqualified immediately.

If the candidate of a political party for President of the United States or for governor, as the case may be, does not receive 2 percent of the votes cast for that office at a general election, the political party shall be disqualified. The effective date of the disqualification shall be the date of the completion of the state canvass of votes.

When a political party is disqualified, the state commissioner shall immediately notify the chairperson or central committee of the disqualified political party.

21.10(4) Notice of qualification and disqualification of political parties. The state commissioner of elections shall immediately notify the state registrar of voters, the voter registration commission, and the county commissioners of elections when a political party is qualified or disqualified. The notice shall include the name of the political party and the date upon which change in political party status becomes effective.

The state commissioner of elections shall also publish notice of the qualification or disqualification of a political party in a newspaper of general circulation in each congressional district. The publication shall be made within 30 days of the approval of an application for qualification or within 30 days of the effective date of a disqualification.

This rule is intended to implement Iowa Code sections 43.2 and 47.1.
[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.11(49) Statement to provisional voter. Each voter who is required to vote a provisional ballot at the polls on election day shall be given a statement from the precinct election officials which shall be in substantially the following form:

Statement to Person Casting a Provisional Ballot
(To be completed by Precinct Official and given to Voter)

Voter’s Name: _____

Reason for Provisional Ballot (check all that apply):

- Voter did not have proper identification (see “What you need to provide” below)
 Absentee voter with no ballot to surrender

- Voter was challenged by another registered voter

Reason: _____

What you need to provide before your ballot will count:

- Photo ID that has not expired and contains your name and picture
- One of the following that has not expired: Iowa driver's license, out-of-state driver's license, non-driver ID, U.S. passport, U.S. military ID, ID card issued by an employer, student ID issued by Iowa high school or college
- One of the following showing your name and current address: bank statement, paycheck, utility bill, property tax statement, residential lease, government check, or other government document

Deadline: _____ a.m./p.m., _____ (date)

Mail or Deliver Evidence to: _____, County Auditor

County Auditor Address: _____

If proof of ID or residence is required, your provisional ballot may be counted if you bring a copy of the identification listed above to this precinct before the polls close today or to the county auditor at the above address by the deadline indicated above. If your ballot is not counted, you will be notified by mail of the reason why it was not counted.

Your right to vote will be reviewed by the Special Precinct Board. You have the right and are encouraged to make a written statement and submit additional written evidence to the Board supporting your qualifications as a registered voter.

Precinct Election Official's Signature

Date

This rule is intended to implement Iowa Code section 49.81.
[ARC 9989B, IAB 2/8/12, effective 1/17/12]

721—21.12(47,53) Absentee ballot receipt deadline when the United States post office is closed on the deadline for receipt of absentee ballots. When the United States post office is closed in observance of a federal holiday and is not delivering mail on the deadline for receipt of absentee ballots as set forth in Iowa Code section 53.17, the deadline to receive mailed absentee ballots that are determined to have entered the federal mail system timely, as indicated by the postmark or Intelligent Mail barcode (IMb) Tracing, shall move to the next business day on which mail delivery is available.

This rule is intended to implement Iowa Code sections 47.1 and 47.4 and sections 53.17 and 52.22 as amended by 2016 Iowa Acts, House File 2273, sections 11 to 15.
[ARC 0266C, IAB 8/8/12, effective 9/12/12; ARC 2663C, IAB 8/3/16, effective 8/1/16]

721—21.13(47,50) Canvass date adjustment when the United States post office is closed on the deadline for receipt of absentee ballots.

21.13(1) When the United States post office is closed on a Monday that is also the deadline for receipt of absentee ballots, the county board of canvassers may hold the canvass on the Tuesday or Wednesday following the election.

21.13(2) When the United States post office is closed on a Thursday that is also the deadline for receipt of absentee ballots, the county board of canvassers shall hold the canvass on the Friday after the election, no earlier than 1 p.m.

This rule is intended to implement Iowa Code sections 47.1, 47.4 and 50.24.
[ARC 0266C, IAB 8/8/12, effective 9/12/12]

721—21.14(53) Intelligent Mail barcode (IMb) Tracing. A commissioner may choose to use Intelligent Mail barcode (IMb) Tracing (IMb Tracing) to determine when an absentee ballot has entered into the federal mail system as an alternative to a traditional postmark verification.

21.14(1) Notice to state commissioner of elections required.

a. Prior to a commissioner's implementation of IMb Tracing for an election, notice must be sent to the state commissioner.

b. A commissioner may not implement or discontinue the use of IMb Tracing while an election is open once absentee ballots have been mailed pursuant to Iowa Code section 53.8.

c. The state commissioner may issue a waiver to paragraph "b" if a commissioner's ability to use IMb Tracing is impacted by issues beyond the commissioner's control.

21.14(2) Determining the eligibility of IMb-marked absentee ballots. An absentee ballot shall be counted once it is determined that the absentee ballot arrived in the federal mail system by the deadline specified in Iowa Code chapter 53. The absentee ballot's entry into the federal mail system may be verified either by a postmark or by information obtained through IMb Tracing. For absentee ballots received after election day, but before the official canvass:

a. If the postmark or IMb Tracing information indicates that an absentee ballot was received by the deadline specified in Iowa Code chapter 53, the ballot shall be included for canvass by the absentee and special voters precinct board (board).

b. If the postmark is illegible, missing, or dated on or after election day, the commissioner shall attempt to verify the absentee ballot's entry into the federal mail system by using the IMb Tracing information for the ballot. The commissioner shall provide all of the materials to the board.

c. If there is a date discrepancy between the postmark and the IMb, the earlier of the two shall determine whether or not the absentee ballot can be counted.

d. If neither the postmark nor the IMb indicate that the absentee ballot entered the federal mail system by the deadline specified in Iowa Code chapter 53, the absentee ballot shall not be counted.

e. The information provided by the commissioner to the board must contain the numeric value assigned to the IMb barcode and a full report from the United States Postal Service.

f. A board member from each political party for partisan elections or two members from the board for nonpartisan elections shall review the IMb Tracing information provided by the commissioner and shall certify the information by initialing the envelope and report.

g. If the board concludes that the IMb Tracing information verifies that the absentee ballot entered the federal mail system by the deadline specified in Iowa Code chapter 53, the absentee ballot shall be counted.

21.14(3) Report to the state commissioner. A commissioner who makes use of IMb Tracing shall file a report with the state commissioner for each general election no later than the first day of December following each general election. The report shall be on a form prescribed by the state commissioner.

This rule is intended to implement Iowa Code sections 53.17 and 53.22 as amended by 2016 Iowa Acts, House File 2273, sections 11 to 15.

[ARC 2663C, IAB 8/3/16, effective 8/1/16]

721—21.15 to 21.19 Reserved.

721—21.20(62) Election contest costs. In determining the amount of the bond for election contests, the commissioner shall consider the following aspects of the cost of the election contest proceedings:

1. Fees as provided in Iowa Code section 62.22.
2. Fees for judges as provided in Iowa Code section 62.23.
3. The cost of making an official record of the proceedings.

721—21.21(62) Limitations. The amount of the bond shall not include costs not directly related to the contest court proceedings. Specifically, the amount of the bond shall not be intended to replace any

potential lost income to the county caused by the delay in implementing the decision of the voters at the election being contested.

Rules 721—21.20(62) and 721—21.21(62) are intended to implement Iowa Code sections 62.6, 62.22, 62.23, and 62.24.

721—21.22(49) Photocopied ballot procedures. If it is necessary for ballots to be photocopied pursuant to Iowa Code section 49.67, the commissioner shall use the “Request for Additional Ballots” form posted on the state commissioner’s Web site to record the request and resolution thereof. The commissioner shall complete the form, including the reason additional ballots are needed; who made the request for additional ballots and what time the request was made; the number of additional ballots produced; the manner of production of the additional ballots, including location of production; and the commissioner’s signature.

This rule is intended to implement Iowa Code section 49.67.
[ARC 9989B, IAB 2/8/12, effective 1/17/12]

721—21.23 and 21.24 Reserved.

721—21.25(50) Administrative recounts. When the commissioner suspects that voting equipment used in the election malfunctioned or that programming errors may have affected the outcome of the election, the commissioner may request an administrative recount after the day of the election but not later than three days after the canvass of votes. The request shall be made in writing to the board of supervisors explaining the nature of the problem and listing the precincts to be recounted and which offices and questions shall be included in the administrative recount. The board of supervisors shall respond as soon as possible after receipt of the commissioner’s request.

The recount shall be conducted by members of the absentee and special voters precinct board following the provisions of Iowa Code sections 50.48 and 50.49 and 721—Chapter 26. The commissioner may use different memory cards for the recount and shall retain the information on the memory cards used in the election pursuant to 721—subrule 22.51(13). The commissioner may also use different election definition files if the commissioner believes the original election definition files were flawed. If the commissioner uses different election definition files for the recount, the commissioner shall also retain the election definition files for the election as required by 721—subrule 22.51(14).

This rule is intended to implement Iowa Code section 50.50.
[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.26 to 21.29 Reserved.

721—21.30(49) Inclusion of annexed territory in city reprecincting and redistricting plans. If a city has annexed territory after January 1 of a year ending in zero and before the completion of the redrawing of precinct and ward boundaries during a year ending in one, the city shall include the annexed land in precincts drawn pursuant to Iowa Code sections 49.3 and 49.5.

21.30(1) When the city council draws precinct and ward boundaries, if any, the city shall use the population of the annexed territory as certified by the city to the state treasurer pursuant to Iowa Code section 312.3(4).

21.30(2) When the board of supervisors, or the temporary county redistricting commission, draws precinct and county supervisor district boundaries, if any, it shall subtract from the population of the adjacent unincorporated area the population of the annexed territory as certified by the city to the state treasurer pursuant to Iowa Code section 312.3(4).

21.30(3) The use of population figures for reprecincting or redistricting shall not affect the official population of the city or the county. Only the U.S. Bureau of the Census may adjust the official population figures, by corrections or by conducting special censuses. See Iowa Code section 9F.6.

This rule is intended to implement Iowa Code sections 49.3 and 49.5.

721—21.31(275) School director district maximum allowable deviation between director districts. Each director district shall have a population that exceeds the population of any other director district by no more than 10 percent. Director district plans with variations in excess of 10 percent between two or more districts shall be accompanied by justification for the deviation and shall be rejected by the secretary of state unless the deviation is necessary to comply with one of the other standards enumerated in Iowa Code section 275.23A.

This rule is intended to implement Iowa Code section 275.23A.
[ARC 9559B, IAB 6/15/11, effective 5/23/11; ARC 9891B, IAB 11/30/11, effective 1/4/12]

721—21.32(372) City ward maximum allowable deviation between city wards. Each city ward shall have a population that exceeds the population of any other city ward by no more than 10 percent. City ward plans with variations in excess of 10 percent between two or more wards shall be accompanied by justification for the deviation and shall be rejected by the secretary of state unless the deviation is necessary to comply with one of the other standards enumerated in Iowa Code section 372.13, subsection 7.

This rule is intended to implement Iowa Code section 372.13.
[ARC 9559B, IAB 6/15/11, effective 5/23/11; ARC 9891B, IAB 11/30/11, effective 1/4/12]

721—21.33(49) Redistricting special election blackout period. A special election shall not be held on the three Tuesdays preceding and following January 15 of years ending in the number two.

This rule is intended to implement Iowa Code chapter 49.
[ARC 9893B, IAB 11/30/11, effective 11/9/11]

721—21.34 to 21.49 Reserved.

721—21.50(49) Polling place accessibility standards.

21.50(1) Inspection required. Before any building may be designated for use as a polling place, the county commissioner of elections or the commissioner's designee shall inspect the building to determine whether it is accessible to persons with disabilities.

21.50(2) Frequency of inspection. Polling places that have been inspected using the Polling Place Accessibility Survey Form prescribed in subrule 21.50(4) shall be reinspected if structural changes are made to the building or if the location of the polling place inside the building is changed.

21.50(3) Review of accessibility. Not less than 90 days before each primary election, the commissioner shall determine whether each polling place needs to be reinspected.

21.50(4) Standards for determining polling place accessibility. The survey form available on the state commissioner's Web site titled "Polling Place Accessibility Survey" shall be used to evaluate polling places for accessibility to persons with disabilities.

The term "off-street parking" used in the polling place accessibility survey means parking places in lots separated from the street and includes angle parking along the street if the accessible route from the parking place to the polling place is entirely out of the path of traffic. Parking arrangements that require either the driver or passengers of the vehicle to go into the traveled part of the street are not accessible.

An access aisle at street level that is at least 60 inches wide and the same length as each accessible parking space shall be provided. An accessible public sidewalk curb ramp shall connect the access aisle to the continuous passage to the polling place. At least one parking place shall be van-accessible with a 96-inch access aisle connected to the continuous passage to the polling place by an accessible public sidewalk curb ramp. Two accessible parking spaces may share a common access aisle.

21.50(5) Temporary waiver of accessibility requirements. Notwithstanding the waiver provisions of 721—Chapter 10, if the county commissioner is unable to provide an accessible polling place for any precinct, the commissioner shall apply for a temporary waiver of accessibility requirements pursuant to this subrule. Applications shall be filed with the secretary of state not later than 60 days before the date of any scheduled election. If a waiver is granted, it shall be valid for two years from the date of approval by the secretary of state.

a. Each application shall include the following documents:

- (1) Application for Temporary Waiver of Accessibility Requirements.
- (2) A copy of the Polling Place Accessibility Survey Form for the polling place to be used.
- (3) A copy of the Polling Place Accessibility Survey Form for any other buildings that were surveyed and rejected as possible polling place sites for the precinct.

b. If an accessible place becomes available at least 30 days before an election, the commissioner shall change polling places and shall notify the secretary of state. The notice shall include a copy of the Polling Place Accessibility Survey Form for the new polling place.

21.50(6) *Emergency waivers.* During the 60 days preceding an election, if a polling place becomes unavailable for use due to fire, flood, or changes made to the building, or for other reasons, the commissioner must apply for an emergency waiver of accessibility requirements in order to move the polling place to an inaccessible building. Emergency waiver applications must be filed with the secretary of state as soon as possible before election day. To apply for an emergency waiver, the commissioner shall send the following documents:

- a.* Application for Temporary Waiver of Accessibility Requirements.
- b.* A copy of the Polling Place Accessibility Survey Form for the polling place selected.
- c.* A copy of the Polling Place Accessibility Survey Form for any other buildings that were surveyed and rejected as possible polling place sites for this precinct (if any).

21.50(7) *Application form.* The form posted on the state commissioner's Web site titled "Temporary Waiver of Accessibility Requirements" shall be used to apply for a temporary waiver of accessibility requirements.

21.50(8) *Evaluation of waivers.* When the secretary of state receives waiver applications, the applications shall be reviewed carefully. A response shall be sent to the commissioner within one week by E-mail or by fax to notify the commissioner when the waiver request was received and whether additional information is needed.

21.50(9) *Granting waivers.* If the secretary of state determines from the documents filed with the waiver request that conditions justify the use of a polling place that does not meet accessibility standards, the secretary of state shall grant the waiver of accessibility requirements. If the secretary of state determines from the documents filed with the waiver request that all potential polling places have been surveyed and no accessible place is available, and the available building cannot be made temporarily accessible, the waiver shall be granted.

21.50(10) *Notice required.* Each notice of election published pursuant to Iowa Code section 49.53 shall clearly describe which polling places are inaccessible. The notice shall include a description of the services available to persons with disabilities who live in precincts with inaccessible polling places. The notice shall be in substantially the following form:

Any voter who is physically unable to enter a polling place has the right to vote in the voter's vehicle. For further information, please contact the county auditor's office at the telephone number or E-mail address listed below:

Telephone: _____ E-mail address: _____.

For TTY access, dial 711 + [auditor's office number].

21.50(11) *Denial of waiver requests.* The secretary of state shall review each waiver request. The secretary of state shall consider the totality of the circumstances as shown by the information on the waiver request, information contained in previous applications for waivers for the same precinct and for other precincts in the county, and other relevant available information. The waiver request may be denied if it appears that the commissioner has not made a good-faith effort to find an accessible polling place. If the waiver request is denied, the secretary of state shall notify the commissioner in writing of the reason for denying the request.

This rule is intended to implement Iowa Code section 49.21.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 9879B, IAB 11/30/11, effective 1/4/12]

721—21.51 to 21.74 Reserved.

721—21.75(49) Voting centers for certain elections. The commissioner may establish voting centers for the regular city election, city primary election, city runoff election, regular school election, and special elections.

21.75(1) Definition.

“*Voting center*” means a location established by the commissioner for the purpose of providing ballots to all registered voters who are qualified to vote in a particular jurisdiction for a regular city election, city primary election, city runoff election, regular school election, or special election.

21.75(2) Minimum requirements.

a. Establishment. One or more voting centers may be established in lieu of precinct polling places for the elections at which the use of voting centers is permitted. Regular polling place sites that are accessible to people with disabilities may be used as voting centers for any election at which the use of voting centers is permitted. Other suitable locations may also be used.

b. Location of voting centers. If voting centers are established for an election, at least one voting center must be located within the boundaries of the political subdivision for which the election is being conducted. At the commissioner’s discretion, additional vote centers may be established as long as the voting center is located within the boundaries of the political subdivision for which the election is being conducted.

c. Accessibility. A voting center is subject to the requirements of Iowa Code section 49.21 relating to accessibility to persons who are elderly and persons with disabilities and relating to the posting of signs.

21.75(3) Hours. Voting center hours shall be the same as permitted for an election pursuant to Iowa Code section 49.73.

21.75(4) Publications. The location of each voting center shall be published in the notice of election by the commissioner in the same manner as the location of polling places is required to be published. The notice of election shall also include a description of the voting center in substantially the following form:

For the _____ election to be held on [date], voting centers will be available. Any registered voter of [jurisdiction name] may vote at any of the following places in this election:

[List addresses of voting centers.]

21.75(5) Posting notices at regular polling places on election day. If voting centers are established in lieu of regular polling places for an election, the commissioner shall post a notice of voting center locations, not later than the hour at which the polls open on the day of the election, on each door to the usual polling place in the precinct. The notice shall remain posted until the polls have closed.

21.75(6) I-Voters use prohibited. The commissioner shall not provide direct access from voting centers to the I-Voters system on election day.

21.75(7) Determining ballot rotations. For the purposes of determining ballot rotations pursuant to Iowa Code section 49.31 in an election for which the commissioner has established voting centers, the commissioner may use either precincts established pursuant to Iowa Code sections 49.3 to 49.5 or consolidated precincts established pursuant to Iowa Code section 49.11, subsection 3, paragraph “a.” If the commissioner uses consolidated precincts established pursuant to Iowa Code section 49.11, subsection 3, paragraph “a,” the commissioner shall use the same consolidated precincts used in the last regularly scheduled election conducted for the political subdivision in which voting centers were not used.

21.75(8) Operation of voting centers.

a. Election registers and voter lists. Each voting center shall have an election register containing the names, addresses and voter statuses of all registered voters who are eligible to vote in that election. The election register may be a paper list or may be available on computers in an electronic format, rather than as an interactive connection to I-Voters.

b. Election day registration at voting centers. A person who needs to register to vote may register and vote at a voting center provided that the person has appropriate identification and is a resident of the jurisdiction served by the voting center.

c. Voters reporting address changes at voting centers. Any person who is already registered in the county and updates the person's voter registration address at a voting center shall show identification listed in Iowa Code section 48A.8. Persons unable to provide requested identification shall be offered a provisional ballot pursuant to Iowa Code section 49.81.

d. Ballots. Each voting center shall have all ballot styles necessary to provide a ballot to any voter who is eligible to vote in the election for the jurisdiction served by the voting center.

e. Precinct election officials. Voting centers shall be administered by a minimum of three precinct election officials selected pursuant to Iowa Code sections 49.12 to 49.16. These officials shall be trained before each election and shall have specific instructions regarding the differences between voting centers and polling places.

f. Ballot boxes used with optical scan voting equipment at voting centers. The commissioner may instruct two precinct election officials not of the same political party to open the ballot box periodically throughout election day to ensure the ballots are stacking evenly in the ballot box to prevent a voting equipment malfunction. The precinct election officials charged with inspecting the ballot box shall ensure the ballot box is locked and secured at all times. As an alternative to this procedure, the commissioner may supply any voting center with additional ballot boxes and the precinct election officials may move the optical scan voting equipment to a new ballot box if necessary. All ballot boxes containing voted ballots shall be locked and secured by the precinct election officials at all times.

21.75(9) Postelection review of voter participation.

a. Within 45 days after the election, the commissioner shall review the signed declarations of eligibility or the signed election registers from each voting center, and if any person is found to have voted in more than one voting center in the election, the commissioner shall immediately notify the county attorney.

b. The notice to the county attorney shall include a copy of the person's voter registration record and copies of the declarations of eligibility signed by the voter. The notice shall also include a reference to Iowa Code sections 39A.2(2) and 49.11(3) "b."

This rule is intended to implement Iowa Code sections 49.9 and 49.11.
[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.76 to 21.99 Reserved.

721—21.100(39A,47) Complaints concerning violations of Iowa Code chapters 39 through 53. Rescinded ARC 0616C, IAB 2/20/13, effective 3/27/13.

721—21.101 to 21.199 Reserved.

DIVISION II
BALLOT PREPARATION

721—21.200(49) Constitutional amendments and public measures.

21.200(1) The order of placement on the ballot for constitutional amendments and statewide public measures to be voted upon at a single election shall be determined by the state commissioner, and a number shall be assigned to each constitutional amendment or statewide public measure by the state commissioner.

a. The number assigned by the state commissioner to each constitutional amendment or statewide public measure to appear on the ballot for a single election shall be printed on the ballot immediately preceding and above the words "Shall the following amendment to the Constitution (or public measure) be adopted?" or the words "Shall there be a Convention to revise the Constitution, and propose amendment or amendments to same?"

b. The number assigned by the state commissioner shall be printed on the ballot at least 1/8 of an inch high in the designated place.

c. Even if only one constitutional amendment or statewide public measure is to appear on a ballot to be voted upon at a single election, an identifying number shall be assigned by the state commissioner and shall be printed on the ballot in the prescribed manner.

21.200(2) The order of placement on the ballot for each local public measure to be voted upon at a single election shall be determined by the commissioner, and a letter shall be assigned to each local public measure by the commissioner.

a. The letter assigned by the commissioner shall be printed on the ballot at least $\frac{1}{8}$ of an inch high in the designated place.

b. Even if only one public measure is to appear on a ballot to be voted upon at a single election, an identifying letter shall be assigned by the commissioner and shall be printed on the ballot in the prescribed manner.

21.200(3) The words describing proposed constitutional amendments and statewide public measures when they appear on the ballot shall be determined by the state commissioner. The state commissioner shall select the words describing the proposed constitutional amendments and statewide public measures in the following manner:

a. Not less than 150 days prior to the election at which a proposed constitutional amendment or statewide public measure is to be voted on by the voters, the state commissioner shall prepare a proposed description to be used on the ballots in administrative rule form and shall file the proposed rules with the administrative rules coordinator for publication in the Iowa Administrative Bulletin.

b. The rules shall provide that written comments regarding the proposed description will be accepted by the state commissioner for a period of time not less than 20 days after the date of publication in the Iowa Administrative Bulletin.

c. The state commissioner shall review any written comments which have been timely received and make any changes deemed to be warranted in the description to be printed on the ballots.

This rule is intended to implement Iowa Code sections 47.1 and 49.44.

[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.201(44) Competing nominations by nonparty political organizations.

21.201(1) *Nominations by convention and by petitions.* If one or more nomination petitions are received from nonparty political organization candidates for an office for which the same organization has also nominated one candidate by convention, the candidate nominated by convention shall be considered the nominee of the organization. The names of the other candidates shall appear on the ballot as candidates “nominated by petition,” and those candidates shall be notified in writing not later than seven days after the close of the filing period.

21.201(2) *Multiple nomination petitions.* If nomination petitions are received from more than one candidate from the same nonparty political organization for the same office and the organization has not nominated a candidate for the office by convention, the name of each of these candidates shall be written on a separate piece of paper, all of which shall be as nearly uniform in size and material as possible and placed in a receptacle so that the names cannot be seen. On the next working day following the close of the nomination period, all affected candidates shall be notified of the time and place of the drawing. The candidates shall be invited to attend or to send a representative. In the presence of witnesses, the state commissioner of elections or the county commissioner, as appropriate, or a designee of the state or county commissioner, shall publicly draw one of the names; and that person shall be declared to be the nominee of the nonparty political organization. The names of the other candidates shall appear on the ballot as candidates “nominated by petition.” A copy of the written record of the result of the drawing shall be kept with the nomination petition of each affected candidate, and each candidate shall be sent a copy for the candidate’s records not later than seven days after the close of the filing period.

21.201(3) *Multiple nomination certificates.* If more than one nomination certificate is received for the same office from groups with the same nonparty political organization name, the name of each of these candidates shall be written on a separate piece of paper, all of which shall be as nearly uniform in size and material as possible and placed in a receptacle so that the names cannot be seen. On the next working day following the close of the nomination period, all affected candidates shall be notified of

the time and place of the drawing. The candidates shall be invited to attend or to send a representative. In the presence of witnesses, the state commissioner of elections or the county commissioner, as appropriate, or a designee of the state or county commissioner, shall publicly draw one of the names; and that person shall be declared to be the nominee of the nonparty political organization. The names of the other candidates, including any candidate who filed nomination petitions, shall appear on the ballot as candidates “nominated by petition.” A copy of the written record of the result of the drawing shall be kept with the nomination certificate of each affected candidate, and each candidate shall be sent a copy for the candidate’s records not later than seven days after the close of the filing period.

This rule is intended to implement Iowa Code section 44.17.

721—21.202(43,52) Form of primary election ballot. All primary election ballots shall meet the following formatting requirements:

21.202(1) Required information. In addition to other requirements listed in the Iowa Code, primary election ballots shall also include the following information:

- a. The name of the election.
- b. The name of the party, which shall be printed at the top of the ballot in at least 24-point type.
- c. The name of the county.
- d. Instructions for how to mark the ballot.

21.202(2) Headings and lines. Rescinded IAB 9/8/10, effective 8/16/10.

21.202(3) Office titles and order of offices. Each office printed on the ballot shall be preceded by an office title. The order of offices on the primary election ballot shall be as follows:

a. In gubernatorial election years, the order of office titles on the primary election ballot shall be listed as follows:

- (1) U.S. Senator (if any).
- (2) U.S. Representative, District ____.
- (3) Governor.
- (4) Secretary of State.
- (5) Auditor of State.
- (6) Treasurer of State.
- (7) Secretary of Agriculture.
- (8) Attorney General.
- (9) State Senator, district ____ (if any).
- (10) State Representative, District ____.
- (11) Board of Supervisors (if plan II or plan III, then Board of Supervisors, District ____).
- (12) Treasurer.
- (13) Recorder.
- (14) County Attorney.

b. In presidential election years, the order of office titles on the primary election ballot shall be listed as follows:

- (1) U.S. Senator (if any).
- (2) U.S. Representative, District ____.
- (3) State Senator, District ____ (if any).
- (4) State Representative, District ____.
- (5) Board of Supervisors (if plan II or plan III, then Board of Supervisors, District ____).
- (6) Auditor.
- (7) Sheriff.

c. If an office is printed on the primary election ballot followed by the words “To Fill Vacancy,” that office shall be listed after the other offices under the appropriate heading. If the office followed by the words “To Fill Vacancy” is the board of supervisors, that office shall appear after the other board of supervisors office(s).

21.202(4) *Vote for number.* Under each office title, the number of choices a voter may make in the race shall be printed in the following form: “Vote for no more than ____.” The number of choices the voter may make for each race is the number of individuals to be elected to the office at the general election.

21.202(5) *Write-in vote targets.* After the candidates’ names for each office (if any), a target shall be placed next to a line for voters to write in a nominee for the office. The number of write-in targets and lines printed under each office shall match the vote for number referenced in subrule 21.202(4). Under each write-in line, the following words shall be printed: “Write-in vote, if any.”

21.202(6) *Font size.* Candidates’ names shall be printed in upper and lower case letters, and the font size shall be no less than 10-point type.

21.202(7) *Two-sided ballots.* If a primary election ballot must be printed on two sides, the words “Turn the ballot over” shall be printed on both sides of the ballot, at the bottom.

This rule is intended to implement Iowa Code section 43.31.

[ARC 8698B, IAB 4/21/10, effective 6/15/10; ARC 9049B, IAB 9/8/10, effective 8/16/10; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.203(49,52) Form of general election ballot. All general election ballots shall meet the following formatting requirements:

21.203(1) *Required information.* In addition to other requirements listed in the Iowa Code, general election ballots shall also include the following information:

- a. The name of the election.
- b. The name of the county.
- c. Instructions for how to mark the ballot, including instructions for voting on judicial retentions and constitutional amendments or public measures and instructions for straight-party voting.
- d. Ballot location of the judges’ names and any constitutional amendment(s).

21.203(2) *Headings and lines.* Rescinded IAB 9/8/10, effective 8/16/10.

21.203(3) *Office titles, order of offices and public measures.* Each office printed on the ballot shall be preceded by an office title. The order of offices and public measures listed on the general election ballot shall be as follows:

a. In gubernatorial election years, the order of office titles and public measures on the general election ballot shall be listed as follows:

- (1) U.S. Senator (if any).
- (2) U.S. Representative, District ____.
- (3) Governor and Lt. Governor.
- (4) Secretary of State.
- (5) Auditor of State.
- (6) Treasurer of State.
- (7) Secretary of Agriculture.
- (8) Attorney General.
- (9) State Senator, District ____ (if any).
- (10) State Representative, District ____.
- (11) Board of Supervisors (if plan II or plan III, then Board of Supervisors, District ____).
- (12) Treasurer.
- (13) Recorder.
- (14) County Attorney.
- (15) Township Trustee (if any).
- (16) Township Clerk (if any).
- (17) County Public Hospital Trustee (if any).
- (18) Soil and Water Conservation District Commissioner.
- (19) County Agricultural Extension Council Member.
- (20) Other nonpartisan offices (if any).
- (21) Supreme Court Justice (if any).
- (22) Court of Appeals Judge (if any).

(23) District Court Judge (if any).

(24) District Court Associate Judge (if any).

(25) Associate Juvenile Judge (if any).

(26) Associate Probate Judge (if any).

(27) Public Measures (if any). Under the public measures heading, measures shall be listed in the following order:

1. Constitutional Amendment (if any).

2. State Public Measure (if any).

3. County Public Measure (if any).

4. City Public Measure (if any).

b. In presidential election years, the order of office titles on the general election ballot shall be listed as follows:

(1) President and Vice President.

(2) U.S. Senator (if any).

(3) U.S. Representative, District ____.

(4) State Senator, District ____ (if any).

(5) State Representative, District ____.

(6) Board of Supervisors (if plan II or plan III, then Board of Supervisors, district ____).

(7) Auditor.

(8) Sheriff.

(9) Township Trustee (if any).

(10) Township Clerk (if any).

(11) County Public Hospital Trustee (if any).

(12) Soil and Water Conservation District Commissioner.

(13) County Agricultural Extension Council Member.

(14) Other nonpartisan offices (if any).

(15) Supreme Court Justice (if any).

(16) Court of Appeals Judge (if any).

(17) District Court Judge (if any).

(18) District Court Associate Judge (if any).

(19) Associate Juvenile Judge (if any).

(20) Associate Probate Judge (if any).

(21) Public Measures (if any). Under the public measures heading, measures shall be listed in the following order:

1. Constitutional Amendment (if any).

2. State Public Measure (if any).

3. County Public Measure (if any).

4. City Public Measure (if any).

c. If an office is printed on the general election ballot followed by the words "To Fill Vacancy," that office shall be listed after the other offices under the appropriate heading. If the office followed by the words "To Fill Vacancy" is the board of supervisors, that office shall appear after the other board of supervisors office(s).

21.203(4) *Vote for number.* Under each office title, the number of choices a voter may make in the race shall be printed in the following form: "Vote for no more than ____". The number of choices the voter may make for each race is the number of individuals to be elected to the office at the general election. Under the "President and Vice President" office title, "Vote for no more than one team" shall be printed on the ballot. Under the "Governor and Lt. Governor" office title, "Vote for no more than one team" shall be printed on the ballot.

21.203(5) *Write-in vote targets.* After the candidates' names for each office (if any), a target shall be placed next to a line for voters to write in a nominee for the office. The number of write-in targets and lines printed under each office shall match the vote for number referenced in subrule 21.203(4). Under each write-in line, the following words shall be printed: "Write-in vote, if any". For the offices

of President and Vice President, there shall be one write-in target printed to the left of two write-in lines. Under the write-in lines, the commissioner shall print the following: “Write-in vote for President, if any” and “Write-in vote for Vice President, if any”. For the offices of governor and lieutenant governor, there shall be one write-in target printed to the left of two write-in lines. Under the write-in lines, the commissioner shall print the following: “Write-in vote for Governor, if any” and “Write-in vote for Lt. Governor, if any”.

21.203(6) *Font size.* Candidates’ names shall be printed in upper and lower case letters, and the font size shall be no less than 10-point type.

21.203(7) *Two-sided ballots.* If a general election ballot must be printed on two sides, the words “Turn the ballot over” shall be printed on both sides of the ballot, at the bottom.

21.203(8) *Separate judicial ballot.* The judicial ballot shall be separate from the rest of the ballot and shall be conspicuously distinguished by headings and lines.

This rule is intended to implement Iowa Code section 49.57A.

[ARC 8698B, IAB 4/21/10, effective 6/15/10; ARC 9049B, IAB 9/8/10, effective 8/16/10; ARC 0107C, IAB 4/18/12, effective 3/30/12; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.204(260C) Tabulating election results by school district for merged area special elections. All results for merged area special elections, including special precinct results, shall be tabulated by school district. To tabulate the special precinct results in this manner, the county commissioner may either program the voting equipment to tabulate the ballots in this manner or manually sort and tabulate the ballots by school district.

This rule is intended to implement Iowa Code chapter 260C.

[ARC 9879B, IAB 11/30/11, effective 1/4/12]

721—21.205 to 21.299 Reserved.

DIVISION III
ABSENTEE VOTING

721—21.300(53) Satellite absentee voting stations.

21.300(1) *Establishment of stations.* Satellite absentee voting stations may be established by the county commissioner of elections or by a petition of eligible electors of the jurisdiction conducting the election.

a. Satellite absentee voting stations established by the county commissioner. The county commissioner of elections may designate locations in the county for satellite absentee voting stations. Satellite absentee voting stations established by the commissioner shall be accessible to elderly and disabled voters. Satellite absentee voting stations must also be established so as to provide for voting in secret and ballot security.

b. Satellite absentee voting stations established after receipt of a valid petition. A petition requesting a satellite absentee voting station shall be substantially in the form titled “Petition Requesting Satellite Absentee Voting Station” available on the state commissioner’s Web site. If the commissioner receives a petition requesting a satellite absentee voting station on or before the petition deadline set forth in Iowa Code section 53.11, the commissioner shall determine the validity of the petition within 24 hours. A petition requesting a satellite absentee voting station is valid if it contains signatures of not less than 100 eligible electors of the jurisdiction conducting the election. Electors signing the petition must include their signature, house number, street, and date the petition was signed. Signatures on lines not containing all of the required information shall not be counted. The heading on each page of the petition shall include the satellite location requested and the election name or date for which the location is requested. Signatures on petition pages without the required heading shall not be counted.

c. Mandatory rejection of certain satellite absentee voting stations. Otherwise valid petitions for satellite absentee voting stations shall be rejected within four days of the commissioner’s receipt of the petition if:

- (1) The site requested is not accessible to elderly and disabled voters,

(2) The site requested has other physical limitations that make it impossible to meet the requirements for ballot security and secret voting, or

(3) The owner of the site refuses permission to locate the satellite absentee voting station at the site requested on the petition.

d. Discretionary rejection of certain satellite absentee voting stations. Otherwise valid petitions for satellite absentee voting stations may be rejected within four days of the commissioner's receipt of the petition if:

(1) A petition is received requesting satellite voting for a city runoff election and a special election is scheduled to be held between the regular city election and a city runoff election.

(2) The owner of the site demands payment for its use.

e. Provision of ballots. Only ballots from the county in which the site is located may be provided at the satellite absentee voting station. Ballots must be provided for the precinct in which the satellite absentee voting station is located; however, it is not necessary to provide ballots from all of the precincts in the political subdivision for which the election is being conducted.

21.300(2) Notice provided. Notice shall be published at least seven days before the opening of any satellite absentee voting station. If more than one satellite absentee voting station will be provided, a single publication may be used to notify the public of their availability. If it is not possible to publish the notice at least seven days before the station opens due to the receipt of a petition, the notice shall be published as soon as possible.

A notice shall also be posted at each satellite absentee voting station at least seven days before the opening of the satellite absentee voting station. The notice shall remain posted as long as the satellite absentee voting station is scheduled for service. If it is not possible to post the notice at least seven days before the station opens due to the receipt of a petition, the notice shall be posted as soon as possible.

Both the published and posted notices shall include the following information:

a. The name and date of the election for which ballots will be available.

b. The location(s) of the satellite absentee voting station(s).

c. The dates and times that the station(s) will be open.

d. The precincts for which ballots will be available.

e. An announcement that voter registration forms will be available for new registrations in the county and that changes in the registration records of people who are currently registered within the county may be made at any time.

If the satellite absentee voting station is located in a building with more than one public entrance, brief notices of the location of the satellite absentee voting station shall be posted on building directories, bulletin boards, or doors. These notices shall be posted no later than the time the station opens and shall be removed immediately after the satellite absentee voting station has ceased operation for an election.

21.300(3) Staff. Satellite absentee voting station workers may be selected from among the staff members of the commissioner's office, from the election board panel drawn up pursuant to Iowa Code sections 49.15 and 49.16, or a combination of these two sources. Compensation of workers selected from the election board panel shall be at the rate provided in Iowa Code section 49.20.

At least three people shall be assigned to work at each satellite absentee voting station; more workers may be added at the commissioner's discretion. All workers must be registered voters of the county, and for primary and general elections the workers must be registered with a political party; however, workers not affiliated with any party may be assigned to work at a satellite absentee voting station as long as not more than one-third of the workers assigned to a particular satellite absentee voting station are not affiliated with a political party. For all elections, no more than a simple majority of the workers shall be members of the same political party.

People who are prohibited from working at the polls pursuant to Iowa Code section 49.16 may not work at satellite absentee voting stations.

21.300(4) Oath required. Before the first day of service at a satellite absentee voting station, each worker shall take an oath substantially in the form titled "Election Official/Clerk Oath" available on the state commissioner's Web site. The oath must be taken before each election.

21.300(5) *Suggested supplies for each satellite absentee voting station.* A list of supplies suggested for each satellite absentee voting station is available on the state commissioner's Web site.

21.300(6) *Ballot transport and storage.* At the commissioner's discretion the ballots may be transported between the commissioner's office and the satellite absentee voting station by the workers who will be on duty that day, or by two people of different political parties who have been designated as couriers by the commissioner. It is not necessary for the same people to transport the ballots in both directions.

If the ballots are transported by the satellite absentee voting station workers, two workers who are members of different political parties and the ballots must travel together in the same vehicle.

Ballots may be stored at the satellite absentee voting station during hours when the station is closed only if they are kept in a locked cabinet or container. The cabinet must be located in a room which is kept locked when not in use. Voted absentee ballots must be delivered to the commissioner's office at least once each week.

21.300(7) *Ballot receipts.* Satellite absentee voting station workers shall sign receipts for the ballots taken to the satellite absentee voting site. The receipt shall be substantially in the form titled "Satellite Absentee Voting Station Ballot Record and Receipt" available on the state commissioner's Web site. A copy of the ballot record and receipt shall be retained in the commissioner's office. The original shall be sent with the ballots to the satellite absentee voting station.

21.300(8) *Arrangement of the satellite absentee voting station.* Protection of the security of the ballots (both voted and unvoted) and the secrecy of each person's vote shall be considered in the arranging of the satellite absentee voting station.

a. Security. The satellite absentee voting station shall be arranged so that ballots are protected against removal from the station by unauthorized persons.

b. Voting area. Voting booths without curtains shall be placed so that passersby and other voters may not walk directly behind a person using the booth. At least one voting booth must be accessible to the disabled. The booth must be designed to accommodate a person seated in a chair or wheelchair. A chair must be provided for voters who wish to sit down while voting or waiting in line.

c. Campaign signs and electioneering. No signs supporting or opposing any candidate or question on the ballot shall be posted on the premises of or within 300 feet of any outside door of any building affording access to a satellite absentee voting station during the hours when absentee ballots are available at the satellite absentee voting station. No electioneering shall be allowed within the sight or hearing of voters while they are at the satellite absentee voting station.

21.300(9) *Operation of the satellite absentee voting station.* At all times the satellite absentee voting station shall have at least two workers present to preserve the security of the ballots, both voted and unvoted.

21.300(10) *Voter registration at the satellite absentee voting station.* Each satellite absentee voting station shall provide forms necessary to register voters, including the oaths necessary to process voters registering pursuant to Iowa Code section 48A.7A, and to record changes in voter registration records. Workers shall also be provided with a method of verifying whether people applying for absentee ballots are registered voters.

The commissioner may provide a list of registered voters in the precincts served by the station. The list may be on paper or contained in a computerized data file. As an alternative, the commissioner may provide a computer connection with the commissioner's office.

21.300(11) *Procedure for issuing absentee ballot.* The instructions for absentee voting are available on the state commissioner's Web site and shall be provided to satellite absentee voting station workers unless the commissioner prepares instructions containing substantially the same information as the instructions available on the state commissioner's Web site.

21.300(12) *Closing a station.* The instructions for closing a satellite absentee voting station are available on the state commissioner's Web site and shall be provided to satellite absentee voting station workers unless the commissioner prepares instructions containing substantially the same information as the instructions available on the state commissioner's Web site.

21.300(13) *Use of I-Voters at satellite absentee voting stations.* Any county commissioner who wants to use the I-Voters statewide voter registration database at a satellite absentee voting station shall:

a. Complete an application to use I-Voters at a satellite absentee voting station. A separate application shall be completed for each satellite absentee voting station. The application is available on the state commissioner's Web site. The application shall be submitted at least seven days before the opening of the satellite absentee voting station. If it is not possible to submit an application at least seven days before the station opens due to the receipt of a petition, the application shall be submitted as soon as possible. The application will be considered by the state commissioner as soon as practicable after it is received. The state commissioner reserves the right to reject an application for any reason or to limit the number of users at any satellite absentee voting station.

b. Use a cellular telephone service or a wired Internet connection to connect to the Internet from the satellite absentee voting station. If the county uses a wired Internet connection, the commissioner shall use either a regular or a wireless router between the wired Internet connection and the county's computers. Connection to a facility's wireless network is not permitted.

c. Configure any wireless routers to be used between the facility's wired Internet connection and the county's laptop computers as follows:

- (1) A minimum 10-character password must be assigned to the router administration screens.
- (2) WPA (AES) security for wireless connections with a minimum 10-character password must be used.

- (3) Remote management of the router must be prohibited.

- (4) Universal Plug & Play must be turned off.

- (5) Port forwarding on the router must not be disabled.

- (6) Unauthorized connections shall be prohibited, including smartphones, personal digital assistants (PDAs) and laptops.

d. Configure any wired routers to be used between the facility's wired Internet connection and the county's laptop computers as follows:

- (1) Remote management of the router must be prohibited.

- (2) Universal Plug & Play must be turned off.

- (3) Port forwarding on the router must not be disabled.

- (4) Unauthorized connections shall be prohibited, including smartphones, PDAs and laptops.

- (5) Administrator passwords for the routers must be changed from the default passwords, and standard county password policies shall be followed.

e. Laptops used at a satellite absentee voting station shall be configured as follows:

- (1) The hard drives must be encrypted.

- (2) The operating system must be fully supported by the operating system vendor.

- (3) The operating system must be fully patched.

- (4) Antivirus software and anti-spyware must be installed and up to date.

- (5) A full antivirus and anti-spyware scan must be done during the week before a laptop is used at a satellite absentee voting station and at least once a week thereafter while the laptop is being used at satellite absentee voting stations.

- (6) The administrator password must be changed from the default password.

- (7) Guest user accounts must be disabled or renamed.

- (8) File/print sharing must be turned off, and remote access must be disabled.

- (9) Bluetooth must be turned off.

- (10) The Windows firewall must be turned on.

f. Laptops connected to I-Voters at a satellite absentee voting station shall never be left unattended.

g. Laptops connected to I-Voters at a satellite absentee voting station shall not have any USB memory sticks or CDs/DVDs inserted in the computer after the virus scan is conducted pursuant to subrule 21.300(13), paragraph "e."

h. Laptops connected to I-Voters at a satellite absentee voting station shall not be used to visit any other Web sites.

i. No software applications, other than I-Voters, shall be used while the I-Voters application is in use at a satellite absentee voting station.

21.300(14) Provisional voting at satellite absentee voting stations. If it is necessary for a voter to cast a provisional ballot at a satellite absentee voting station, the voter shall receive the same ballot style as the majority of the voters would receive in the precinct in which the satellite absentee voting station is located.

This rule is intended to implement Iowa Code section 53.11.
[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 9139B, IAB 10/6/10, effective 9/16/10; ARC 9989B, IAB 2/8/12, effective 1/17/12]

721—21.301(53) Absentee ballot requests from voters whose registration records are “inactive.”

21.301(1) In person. Absentee voters whose registration records are “inactive” and who appear in person to vote, either at the office of the commissioner or at a satellite absentee voting station, shall be assigned a status of “active” after requesting an absentee ballot.

21.301(2) By mail. When a request for an absentee ballot is received by mail from a voter whose registration record has been made “inactive” pursuant to Iowa Code section 48A.29, the commissioner shall update the voter’s residential address to the address listed on the absentee ballot request if requested by the voter and assign the voter a status of “active.”

21.301(3) Absentee ballots received from a voter subsequently assigned “inactive” status.

a. The commissioner shall mail an absentee ballot to a voter if a voter’s status is changed to “inactive” between the time the voter requested an absentee ballot and the time the absentee ballots are ready to mail. The commissioner shall also separately notify the voter of the requirement to provide identification before the ballot can be counted pursuant to paragraph 21.301(3)“c.”

b. The commissioner shall set aside the absentee ballot of a voter whose status is changed to “inactive” pursuant to Iowa Code section 48A.26, subsection 6, after the voter has submitted the voter’s absentee ballot.

c. Pursuant to Iowa Code section 53.31, the commissioner shall notify any voter assigned an “inactive” status subsequent to requesting or returning an absentee ballot that the voter’s absentee ballot has been challenged and may be counted only if the voter personally delivers or mails a copy of the voter’s identification as listed in Iowa Code section 48A.8 to the commissioner’s office before the absentee and special voters precinct board convenes to count absentee ballots, or reconvenes to consider challenged absentee ballots pursuant to Iowa Code section 50.22. If the commissioner does not receive a copy of the voter’s identification before the absentee and special voters precinct board reconvenes to consider challenged absentee ballots pursuant to Iowa Code section 50.22, the absentee and special voters precinct board shall reject the absentee ballot.

This rule is intended to implement Iowa Code sections 48A.26, 48A.29, 48A.37 and 53.25.
[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 9989B, IAB 2/8/12, effective 1/17/12; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.302(48A) In-person absentee registration. After the close of voter registration for an election, a person who appears in person to apply for and vote an absentee ballot may register to vote if the person provides proof of identity and residence in the precinct in which the voter intends to vote using identification that meets the requirements set forth in Iowa Code section 48A.7A. The voter must also complete an oath of person registering on election day. If the voter does not have appropriate identification, the voter may establish identity and residence using the attestation procedure in Iowa Code section 48A.7A, subsection 1, paragraph “c.” Otherwise, the person may cast only a provisional ballot pursuant to Iowa Code section 49.81. Provisional ballot envelopes shall be used.

This rule is intended to implement Iowa Code section 48A.7A.
[ARC 8045B, IAB 8/26/09, effective 7/27/09]

721—21.303(53) Mailing absentee ballots. The commissioner shall mail the following materials to each person who has requested an absentee ballot:

1. Ballot. The ballot that corresponds to the voter’s residence, as indicated by the residential address on the absentee ballot application.

2. Public measure text. The full text of any public measures that are summarized on the ballot, but not printed in full.
3. Secrecy envelope. Secrecy envelope, if the ballot cannot be folded to cover all of the voting ovals, as required by Iowa Code section 53.8(1).
4. Affidavit envelope. The affidavit envelope, which shall be marked with the I-Voters-assigned sequence number used to identify the absentee request in the commissioner's records.
5. Return envelope. The return envelope, which shall be addressed to the commissioner's office and bear appropriate return postage or a postal permit guaranteeing that the commissioner will pay the return postage and which shall be marked with the I-Voters-assigned sequence number used to identify the absentee request in the commissioner's records. All domestic and UOCAVA return envelope flaps or backs shall also be printed or stamped with a notice in substantially the following form: "This ballot will only be eligible for counting if it is received by the auditor's office before the polls close on election day or postmarked before election day and received by the deadline listed in the voting instructions included with this ballot. **Postmarks are not guaranteed!** Mail the ballot early to make sure it is received on time. Track the status of your absentee ballot at www.sos.iowa.gov."
6. Delivery envelope. The delivery envelope, which shall be addressed to the voter and bear the I-Voters-assigned sequence number used to identify the absentee request in the commissioner's records. All other materials shall be enclosed in the delivery envelope.
7. Instructions. Absentee voting instructions, which shall be in the form required by rule 721—22.250(52).
8. Receipt. The receipt form required by Iowa Code section 53.3, which may be printed on the instructions required by numbered paragraph "7" above.

This rule is intended to implement Iowa Code sections 53.8 and 53.17.
[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 0107C, IAB 4/18/12, effective 3/30/12]

721—21.304(53) Absentee ballot requests from voters whose registration records are "pending." A voter who requests an absentee ballot and is assigned a status of "pending" must provide identification pursuant to Iowa Code section 48A.8.

21.304(1) In-person applicants. In-person applicants for absentee ballots assigned a status of "pending" must show identification pursuant to Iowa Code section 48A.8 before casting a ballot. If an in-person applicant provides identification as required by Iowa Code section 48A.8 when casting an absentee ballot in person, the commissioner shall assign the voter's registration record a status of "active" and provide the voter with an absentee ballot. Voters who are unable to provide identification as required by Iowa Code section 48A.8 shall be offered a provisional ballot pursuant to Iowa Code section 49.81.

21.304(2) By-mail applicants. By-mail applicants for absentee ballots assigned a status of "pending" must either come to the commissioner's office and show identification pursuant to Iowa Code section 48A.8 or mail a photocopy of identification pursuant to Iowa Code section 48A.8 before the voter's absentee ballot can be counted by the absentee and special voters precinct board. The commissioner shall mail the voter a notice informing the voter of the requirement to provide one of the identification documents listed in Iowa Code section 48A.8 before the voter's absentee ballot can be considered for counting by the absentee and special voters precinct board. If a by-mail applicant provides identification as required by Iowa Code section 48A.8, the commissioner shall assign the voter's registration record a status of "active."

21.304(3) By-mail absentee voters assigned a status of "pending" who do not provide identification prior to election day. The ballot of a by-mail absentee voter assigned a status of "pending" who has not shown identification in person at the commissioner's office or provided a photocopy of identification by mail pursuant to Iowa Code section 48A.8 shall be challenged by a member of the absentee and special voters precinct board on election day pursuant to Iowa Code section 53.31. The absentee and special voters precinct board shall immediately mail notice of the challenge to the voter. The notice shall include the deadline for the voter to provide identification pursuant to Iowa Code section 48A.8. If the voter provides identification pursuant to Iowa Code section 48A.8 prior to the time the absentee

and special voters precinct board reconvenes to consider challenged absentee ballots pursuant to Iowa Code section 50.22, the voter's ballot shall be considered for counting by the absentee and special voters precinct board. If the voter does not provide identification pursuant to Iowa Code section 48A.8 prior to the time the absentee and special voters precinct board reconvenes to consider challenged absentee ballots pursuant to Iowa Code section 50.22, the voter's absentee ballot shall be rejected by the absentee and special voters precinct board. The voter shall be notified of the reason for rejection pursuant to Iowa Code section 53.25.

This rule is intended to implement Iowa Code sections 48A.8, 53.25 and 53.31.
[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.305(53) Confirming commissioner's receipt of an absentee ballot on election day. If a voter's name is on the absentee list prepared pursuant to Iowa Code sections 49.72 and 53.19 and the voter appears at the polling place to vote on election day, the precinct election officials may contact the commissioner's office to confirm whether the commissioner has received the voter's absentee ballot. If the precinct election officials are able to confirm either that the commissioner has not received the voter's absentee ballot or that the voter's absentee ballot has been received but cannot be counted due to a defective or incomplete affidavit, the precinct election officials shall permit the voter to cast a regular ballot at the polling place.

After confirming that a voter's absentee ballot has not been received or that a voter's absentee ballot has been received but cannot be counted due to a defective or incomplete affidavit, the commissioner shall mark the voter's absentee ballot as "Void" in the statewide voter registration system. The commissioner shall enter "Voted at polls" in the comment box that appears when the ballot is marked as "Void."

If a voter's absentee ballot is returned to the commissioner's office after being marked as "Void" pursuant to this rule, the absentee ballot shall be rejected by the absentee and special voters precinct board pursuant to Iowa Code section 53.25 because the voter cast a ballot in person at the polling place.

This rule is intended to implement Iowa Code sections 49.72, 49.81 and 53.19.
[ARC 8779B, IAB 6/2/10, effective 7/1/10; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.306 to 21.319 Reserved.

721—21.320(53) Absentee voting by UOCAVA voters. This rule applies only to absentee voting by persons who are entitled to vote by absentee ballot under the federal Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) and Iowa Code chapter 53, division II, "Absent Voting by Armed Forces."

21.320(1) Definitions. The following definitions apply to this rule:

"Armed forces," as used in this rule, is defined in Iowa Code section 53.37(3).

"FPCA" means the federal postcard absentee ballot application and voter registration form authorized for use in Iowa by Iowa Code section 53.38.

"UOCAVA voter" means any person who is entitled to vote by absentee ballot under the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) and Iowa Code chapter 53, division II, "Absent Voting by Armed Forces."

21.320(2) Requests for absentee ballots. All requests for absentee ballots shall be made in writing. Additional requirements for requesting absentee ballots and for processing the requests are set forth below.

a. Forms. UOCAVA voters may use the following official forms to request absentee ballots:

(1) A federal postcard absentee ballot application and voter registration form (FPCA).

(2) A state of Iowa official absentee ballot request form.

(3) For general elections only, a proxy absentee ballot application prescribed by the state commissioner of elections and submitted pursuant to Iowa Code Supplement section 53.40(1) "b."

b. Form not required. UOCAVA voters may request absentee ballots in writing without using an official form. The written request shall be honored if it includes all of the following information about the voter:

(1) Name.

- (2) Age or date of birth.
- (3) Iowa residence, including street address (if any) and city.
- (4) Address to which the ballot shall be sent.
- (5) Township of residence, if applicable.
- (6) County of residence.
- (7) Party affiliation, if the request is for a ballot for a primary election.
- (8) Signature of voter.
- (9) Statement explaining why the voter is eligible to receive ballots under the provisions of Iowa Code chapter 53, division II. For example, "I am a U.S. citizen living in France."

c. Methods for transmitting absentee ballot requests. UOCAVA voters may transmit absentee ballot requests by any of the following methods:

- (1) Mail.
- (2) Personal delivery by the voter or a person designated by the voter.
- (3) Facsimile machine.
- (4) Scanned application form or letter transmitted by E-mail. Requests by E-mail that do not include an image of the voter's written signature as defined by Iowa Code section 39.3, subsection 17, shall not be accepted.

d. Original request not needed. If the request is sent by E-mail or by fax, it is not necessary for the UOCAVA voter to send to the commissioner the original copy of the FPCA or other official form or written request for an absentee ballot.

e. Multiple requests from the same person. Before the ballot is ready to mail, if the commissioner receives more than one request for an absentee ballot for a particular election (or series of elections) by or on behalf of a UOCAVA voter, the last request received shall be the one honored. However, if one of the requests is for a general election ballot and is made using the proxy absentee ballot application process permitted by Iowa Code Supplement section 53.40(1)"b," the request received from the voter shall be the one honored, not the proxy request.

f. Subsequent request after ballot has been sent. Not more than one ballot shall be transmitted by the commissioner to any UOCAVA voter for a particular election unless, after the ballot has been mailed or transmitted electronically pursuant to rule 721—21.320(53), the voter reports a change in the address, E-mail address or fax number to which the ballot should be sent. The commissioner shall void the original absentee ballot request and include a comment in the voter's registration record, noting the I-Voters-sequence number of the original ballot and noting that a replacement ballot was sent to an updated address. If the original ballot is returned voted, it shall be counted only if the replacement ballot does not arrive before the deadline for receiving absentee ballots set forth in Iowa Code section 53.17.

g. Requests for absentee ballots through the end of the calendar year. Iowa Code section 53.40 permits UOCAVA voters to request the commissioner to send absentee ballots for all elections as permitted by state law. In response to an absentee ballot request in which the UOCAVA voter requests ballots for all elections, the commissioner shall send the applicant a ballot for each election held after the request is received through the end of the calendar year in which the request is received. If the applicant does not request ballots for all elections or does not specify which elections the request is for, the commissioner shall send the applicant a ballot only for federal elections through the end of the calendar year in which the request is received.

(1) When an absentee ballot for a UOCAVA voter is returned as undeliverable by the United States Postal Service or an E-mail server or a fax cannot be transmitted to the number provided by the voter, the commissioner shall do the following:

1. Verify that the commissioner's office sent the absentee ballot to the address, E-mail address or fax number requested by the UOCAVA voter. If the absentee ballot was sent incorrectly, the commissioner shall correct the error and immediately transmit a new absentee ballot.

2. If the absentee ballot was sent to the correct mailing address, E-mail address or fax number, the commissioner shall E-mail the voter if the commissioner has an E-mail address on file to inform the voter that the voter's ballot was returned undeliverable, and the commissioner must be provided with a new FPCA containing a new mailing address if the voter wishes to continue to receive absentee ballots.

3. If the absentee ballot was sent to the correct mailing address, E-mail address or fax number, the commissioner shall also attempt to contact the voter by sending a forwardable notice to both the voter's residential address and the voter's absentee mailing address informing the voter that the voter's ballot was returned undeliverable, and the commissioner must be provided with a new FPCA containing a new mailing address, E-mail address or fax number if the voter wishes to continue to receive absentee ballots.

4. If the absentee ballot was mailed, E-mailed or sent to the correct address or fax number, the commissioner shall terminate the voter's current FPCA request and shall not send the voter any further ballots unless a new absentee ballot request is received from the voter.

(2) If the voter provides a new FPCA with a new mailing address, E-mail address or fax number before election day, the commissioner shall enter a new absentee request on the voter's registration record and transmit the ballot via the method requested by the voter. The voter may request that the commissioner transmit the ballot electronically pursuant to subrule 21.320(3).

21.320(3) *Electronic transmission of absentee ballots to UOCAVA voters.*

a. Electronic transmission of absentee ballots by facsimile machine or by E-mail is limited to UOCAVA voters who specifically ask for this service. A UOCAVA voter who asks for electronic transmission of an absentee ballot may request this service for all elections for which the person is qualified to vote or for specific elections either individually or for a specific period of time. The commissioner may employ FVAP's secure transmission program to facilitate electronic transmission of absentee ballots to UOCAVA voters.

b. Forms. The state commissioner shall provide the following forms and instructions for the electronic transmission of absentee ballots to UOCAVA voters:

- (1) Instructions to the county commissioners of elections for providing this service.
- (2) Instructions to the voter for marking and returning the ballot.
- (3) The envelope affidavit form, which can be printed by the voter on an envelope and used for the voter's declaration of eligibility and voter registration application, if necessary.
- (4) The return envelope form, which can be printed by the voter on an envelope and used to return the ballot, postage paid through the FPO/APO postal service.

21.320(4) *Ballot return by electronic transmission.*

a. Electronic transmission of a voted absentee ballot from the voter to the commissioner is permitted only for UOCAVA voters who are located in an area designated as an imminent danger pay area or for active members of the army, navy, marine corps, merchant marine, coast guard, air force or Iowa national guard who are located outside the United States or any of its territories, as provided in subrule 21.1(13). In addition, the absentee ballot may be returned via electronic transmission only if the voter waives the right to a secret ballot. In addition to signing the affidavit required by Iowa Code section 53.13, the voter shall sign a statement in substantially the following form: "I understand that by returning this ballot by electronic transmission, my voted ballot will not be secret. I hereby waive my right to a secret ballot."

b. When an absentee ballot is received via electronic transmission, the person receiving the transmission shall examine it to determine that all pages have been received and are legible. The person receiving an electronic transmission shall not reveal how the voter voted.

c. The absentee ballot shall be sealed in an envelope marked with the voter's name. The affidavit of the voter and the application for the ballot shall be attached to the envelope. These materials shall be stored with other returned absentee ballots.

d. The deadline for returning an absentee ballot pursuant to this subrule is the close of polls on election day, Central Standard Time.

21.320(5) *Original signature for voter registration record.* Voters must submit original signatures on voter registration applications unless otherwise provided by this subrule.

a. *UOCAVA voters ineligible to return voted balloting materials electronically.* UOCAVA voters who are not currently registered to vote in a county and are not eligible to return voted ballot materials electronically pursuant to this rule shall submit an original, signed application for voter registration. The application may be the Iowa voter registration application, the National Mail Voter Registration Form, a Federal Post Card Application, a declaration/affirmation accompanying a federal write-in absentee ballot

or a signature on a voted UOCAVA absentee ballot affidavit. Ballots transmitted to UOCAVA voters who do not submit an original voter registration application shall not be counted, and the voter who requested the ballot shall be assigned a status of “Incomplete” with a status reason “No Signature” following the election for which the ballot was requested.

b. UOCAVA voters eligible to return voted balloting materials electronically. UOCAVA voters who are not currently registered to vote and are eligible to return voted ballot materials electronically pursuant to this rule shall submit a signed, scanned application for voter registration. The application may be the Iowa voter registration application, the National Mail Voter Registration Form, a Federal Post Card Application, a declaration/affirmation accompanying a federal write-in absentee ballot or a signature on a voted UOCAVA absentee ballot affidavit. Ballots transmitted to UOCAVA voters who do not submit signed, scanned voter registration applications shall not be counted, and the voter who requested the ballot shall be assigned a status of “Incomplete” with a status reason “No Signature” following the election for which the ballot was requested.

This rule is intended to implement Iowa Code sections 53.40 and 53.46.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8777B, IAB 6/2/10, effective 5/7/10; ARC 9989B, IAB 2/8/12, effective 1/17/12; ARC 0107C, IAB 4/18/12, effective 3/30/12; ARC 1549C, IAB 7/23/14, effective 8/27/14; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.321 to 21.349 Reserved.

721—21.350(53) Absentee ballot processing for elections held following July 1, 2007. Rescinded IAB 9/26/07, effective 9/7/07.

721—21.351(53) Receiving absentee ballots. The commissioner shall carefully account for and protect all absentee ballots returned to the office.

21.351(1) Note receipt. The commissioner shall write or file-stamp on the return carrier envelope the date that the ballot arrived in the commissioner’s office. The commissioner shall also record receipt of the ballot in I-Voters.

21.351(2) Temporary storage. If necessary, the commissioner shall immediately put the ballot into a secure container, such as a locked ballot box, until the ballots can be moved to the secure storage area.

21.351(3) Secure area. The commissioner shall deliver the ballots to a secure area where returned absentee ballots will be reviewed for completeness and defects.

[ARC 8779B, IAB 6/2/10, effective 7/1/10]

721—21.352(53) Review of returned envelopes marked with affidavits.

21.352(1) Personnel. The commissioner may assign staff members to complete the review of returned envelopes marked with affidavits. Only persons who have been trained for this responsibility shall be authorized to review envelopes marked with affidavits.

21.352(2) Review of envelopes marked with affidavits. The envelopes marked with affidavits of all absentee ballots returned to the commissioner’s office shall be reviewed, including those returned by the bipartisan team delivering absentee ballots to health care facilities, such as hospitals and nursing homes. If a reviewer finds that any absentee affidavits returned from any health care facility are incomplete or defective, the commissioner shall send the bipartisan delivery team back to assist voters as needed with completing affidavits or to deliver any replacement ballots.

21.352(3) Instructions. Each reviewer shall receive instructions in substantially the form prepared by the state commissioner of elections. The instructions shall provide basic security and procedural guidance and include a method for accounting for all returned absentee ballots. The prohibitions shall include:

- a. Leaving unsecured ballots unattended.
- b. Altering any information on any affidavit.
- c. Adding any information to any affidavit, except as specifically required to comply with the requirements of the law.
- d. Sealing any envelope marked with the affidavit that is found open.

e. Discarding any return carrier envelopes, ballots, or envelopes marked with affidavits that are returned by voters.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8779B, IAB 6/2/10, effective 7/1/10; ARC 1549C, IAB 7/23/14, effective 8/27/14]

721—21.353(53) Opening the return carrier envelopes that are not marked with voters' affidavits. If the commissioner is using return carrier envelopes that are not marked with voters' affidavits, the commissioner may direct a staff member to open the return carrier envelopes either manually or with an automatic letter opener, if one is available. Only a trained reviewer may remove the contents of the return carrier envelope. The return carrier envelopes opened and emptied pursuant to this rule shall be stored for 22 months for federal elections and 6 months for local elections in a manner that will facilitate retrieval, if necessary.

[ARC 1549C, IAB 7/23/14, effective 8/27/14]

721—21.354(53) Review process.

21.354(1) Examination of envelope marked with affidavit. The reviewer shall make sure that:

- a.* The envelope marked with the affidavit is sealed, apparently with the ballot inside.
- b.* The envelope marked with the affidavit has not been opened and resealed.
- c.* The affidavit includes the voter's signature.

21.354(2) No defects or incomplete information. If the reviewer finds that the affidavit is signed and that there are no defects that would cause the absentee and special voters precinct board to reject the ballot, the reviewer shall put the envelope marked with the affidavit into a group of envelopes to be retained in the secure storage area with other ballots that require no further attention until they are delivered to the absentee and special voters precinct board.

21.354(3) Defective and incomplete affidavits. The commissioner shall contact the voter if the reviewer finds any of the following flaws in the affidavit or envelope marked with the affidavit:

a. The commissioner shall contact the voter immediately if the envelope marked with the affidavit is defective. An envelope marked with the affidavit is defective if:

- (1) The absentee ballot is not enclosed in the envelope marked with the affidavit.
 - (2) The envelope marked with the affidavit is not sealed.
 - (3) The envelope marked with the affidavit has been opened and resealed.
 - (4) The voter submits a change of address in a new precinct after returning a voted absentee ballot.
- b.* The commissioner shall contact the voter within 24 hours if the affidavit is not signed.

c. If an envelope marked with the affidavit has flaws that are included in both paragraphs "a" and "b," the commissioner shall follow the process in paragraph "a."

21.354(4) Defective and incomplete affidavits stored separately. The commissioner shall store the defective and incomplete envelopes marked with affidavits separately from other returned absentee ballot envelopes marked with affidavits.

a. Incomplete envelopes marked with affidavits requiring voter correction must be available for retrieval when the voter comes to make corrections.

b. Defective envelopes marked with affidavits must be attached to the replacement ballot (if any) for review by the absentee and special voters precinct board.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8779B, IAB 6/2/10, effective 7/1/10; ARC 1549C, IAB 7/23/14, effective 8/27/14]

721—21.355(53) Notice to voter. When the commissioner finds an incomplete absentee ballot affidavit or finds a defective envelope marked with the affidavit, the commissioner shall notify the voter in writing and, if possible, by telephone and by e-mail. The commissioner shall keep a separate checklist for each voter showing the reasons for which the voter was contacted and the methods used to contact the voter.

21.355(1) Notice to voter—incomplete ballot affidavit. Within 24 hours after receipt of an absentee ballot with an incomplete affidavit, the commissioner shall send a notice to the voter at the address where the voter is registered to vote, as well as to the address where the ballot was sent, if it is a different address. The notice shall include:

- a.* Explanation that the voter's absentee ballot affidavit is missing the voter's signature.
- b.* The voter's options for completing the affidavit as follows:

- (1) Completing the affidavit at the commissioner's office by 5 p.m. the day before the election;
- (2) Requesting a replacement ballot pursuant to Iowa Code section 53.18; or
- (3) Voting at the polls on election day.

c. Address of commissioner's office, business hours and contact information.

21.355(2) Notice to voter—defective ballot affidavit. Immediately after determining that an absentee ballot envelope marked with the affidavit is defective, the commissioner shall send a notice to the voter at the address where the voter is registered to vote, as well as to the address where the ballot was sent, if it is a different address. The notice shall include the following information:

a. Reason for defect.

b. The voter's options for correcting the defect as follows:

- (1) The voter may request a replacement ballot;
- (2) The voter may vote at the polls on election day; or
- (3) In the event an absentee ballot becomes defective because a voter reregisters to vote in a new precinct or county after casting an absentee ballot, the voter may correct the defect by reregistering to vote in the precinct in which the absentee ballot was cast, provided the voter can still claim residence for voter registration purposes in the precinct in which the absentee ballot was cast pursuant to Iowa Code sections 48A.5 and 48A.5A. If a voter reregisters after the voter registration deadline listed in Iowa Code section 48A.9 for a particular election, the voter shall be required to follow election day registration procedures as set forth in Iowa Code section 48A.7A, subsection 3.

c. Process for requesting a replacement ballot.

d. Address of commissioner's office, business hours and contact information.

21.355(3) Telephone contact. If the voter has provided a telephone number, either on the absentee ballot application or on the voter's registration record, the commissioner shall also attempt to contact the voter by telephone. The commissioner shall keep a written record of the telephone conversation. The written record shall include the following information:

a. Name of the person making the call.

b. Date and time of the call.

c. Whether the person making the call spoke to the voter.

21.355(4) E-mail contact. If the voter has provided an E-mail address, either on the absentee ballot application or on the voter's registration record, the commissioner shall also attempt to contact the voter by E-mail. The E-mail message shall be the same message that was mailed to the voter. A copy of the E-mail message shall be attached to the checklist.

[**ARC 8045B**, IAB 8/26/09, effective 7/27/09; **ARC 8779B**, IAB 6/2/10, effective 7/1/10; **ARC 9989B**, IAB 2/8/12, effective 1/17/12; **ARC 1549C**, IAB 7/23/14, effective 8/27/14]

Rules 721—21.351(53) through 721—21.355(53) are intended to implement Iowa Code sections 53.18 and 53.25 as amended by 2014 Iowa Acts, House File 2366, division II.

721—21.356 to 21.358 Reserved.

721—21.359(53) Processing absentee ballots before election day. The commissioner may only direct the absentee and special voters precinct board to open envelopes marked with affidavits on the Monday before election day under the following circumstances:

For any election, only if the commissioner has provided secrecy envelopes (or folders) pursuant to subrule 21.359(1) and the commissioner determines removing secrecy envelopes from envelopes marked with affidavits is necessary due to the quantity of voted absentee ballots received as set forth in Iowa Code section 53.23, subsection 3, paragraph "a."

For general elections, if the commissioner convenes the absentee and special voters precinct board pursuant to Iowa Code section 53.23, subsection 3, paragraph "c," to begin tabulation of absentee ballots.

21.359(1) The secrecy envelope shall completely cover the ballot. The envelope shall have the following message printed on it using at least 24-point type:

Secrecy Envelope

After you vote, put your ballot in here.

21.359(2) When the absentee and special voters precinct board convenes to begin processing absentee ballots, the board shall first review voters' affidavits to determine which ballots will be accepted for counting and prepare the notices to those voters whose ballots have been rejected for the reasons set forth in Iowa Code section 53.25. Envelopes marked with affidavits containing ballots that are rejected shall be stored in the manner prescribed by Iowa Code section 53.26. The applications submitted for rejected ballots shall be stored in a secure location for the time period required by Iowa Code section 50.19.

21.359(3) Envelopes marked with affidavits containing ballots that have been accepted for counting by the absentee and special voters precinct board shall be stacked with the affidavits facing down. The envelopes shall be opened and the secrecy envelope containing the ballot shall be removed.

21.359(4) If a voter has not enclosed the ballot in a secrecy envelope and the ballot has not been folded in a manner that conceals all votes marked on the ballot, the officials shall put the ballot in a secrecy envelope without examining the ballot.

21.359(5) The following security procedures shall be followed:

a. The process shall be witnessed by observers appointed by the county chairperson of each of the political parties referred to in Iowa Code section 49.13, subsection 2. If, after receiving notice from the commissioner pursuant to Iowa Code section 53.23, subsection 3, paragraph "a," either or both political parties fail to appoint an observer, the commissioner may continue with the proceedings.

b. No ballots shall be counted or examined before election day except as provided in Iowa Code section 53.23, subsection 3, paragraph "c."

c. When secrecy envelopes are removed from envelopes marked with affidavits on the day before an election and not tabulated as permitted by Iowa Code section 53.23, subsection 3, paragraph "c," the number of secrecy envelopes shall be recorded before the ballots are stored and the number shall be verified before any ballots are removed from the secrecy envelopes on election day. The ballots may be bundled and sealed in groups of a specified number to make counting easier.

This rule is intended to implement Iowa Code section 53.23 as amended by 2014 Iowa Acts, House File 2366, division II.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8779B, IAB 6/2/10, effective 7/1/10; ARC 1549C, IAB 7/23/14, effective 8/27/14]

721—21.360(53) Failure to affix postmark date. Rescinded IAB 4/20/11, effective 3/31/11.

721—21.361(53) Rejection of absentee ballot. The absentee and special voters precinct board shall reject absentee ballots without opening the envelope marked with the affidavit if any of the conditions cited in Iowa Code section 53.25 exist.

21.361(1) An absentee ballot shall be rejected if the affidavit lacks the voter's signature.

21.361(2) An absentee ballot shall be rejected if the applicant is not a duly registered voter in the precinct in which the ballot is cast. "Precinct" means a precinct established pursuant to Iowa Code sections 49.3 through 49.5 or a consolidated precinct established by the commissioner pursuant to Iowa Code section 49.11, subsection 3, paragraph "a."

21.361(3) An absentee ballot shall be rejected if the envelope marked with the affidavit is open.

21.361(4) An absentee ballot shall be rejected if the envelope marked with the affidavit has been opened and resealed.

21.361(5) An absentee ballot shall be rejected if the envelope marked with the affidavit contains more than one ballot of any kind.

21.361(6) An absentee ballot shall be rejected if the voter has voted in person at the polls.

This rule is intended to implement Iowa Code section 49.9 and section 53.25 as amended by 2014 Iowa Acts, House File 2366, division II.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1549C, IAB 7/23/14, effective 8/27/14]

721—21.362 to 21.369 Reserved.

721—21.370(53) Training for absentee ballot couriers. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.371(53) Certificate. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.372(53) Frequency of training. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.373(53) Registration of absentee ballot couriers. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.374(53) County commissioner's duties. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.375(53) Absentee ballot courier training. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.376(53) Receiving absentee ballots. Rescinded IAB 8/1/07, effective 7/1/07.

721—21.377 to 21.399 Reserved.

DIVISION IV
INSTRUCTIONS FOR SPECIFIC ELECTIONS

721—21.400(376) Signature requirements for certain cities. This rule applies to cities which have all of the following characteristics:

1. Nomination procedures under Iowa Code section 376.3 are used. (This includes cities with primary or runoff election provisions. It does not include cities with nominations under Iowa Code chapter 44 or 45.)
2. Some or all council members are voted upon by the electors of wards, rather than by the electors of the entire city.
3. Ward boundaries have been changed since the last regular city election at which the ward seat was on the ballot.
4. The number of wards has not changed.

Calculation of the number of signatures for ward seats shall use the vote totals from the wards as the wards were configured at the time of the last regular city election at which the ward seat was on the ballot.

This rule is intended to implement Iowa Code section 376.4.

721—21.401(376) Signature requirements in cities with primary or runoff election provisions. In cities using the provisions of Iowa Code section 376.4 for nomination of candidates and in which more than one council member was elected at-large at the last preceding regular city election, the number of signatures shall be calculated by the following formula:

V = the total number of votes cast for all candidates for council member at-large at the last regular city election;

E = the number of people to be elected at the last regular city election;

$$\frac{V}{E} \times .02 = \text{the number of signatures needed by each candidate in the next regular city election.}$$

This rule is intended to implement Iowa Code section 376.4.

721—21.402(372) Filing deadline for charter commission appointment petition. If a special election has been called by a city to present to the voters the question of adopting a different form of city government, receipt by the city council of a petition requesting appointment of a charter commission

shall stay the special election if the petition is received no later than 5 p.m. on the Friday preceding the date of the special election.

This rule is intended to implement Iowa Code section 372.3.

721—21.403(372) Special elections to fill vacancies in elective city offices for cities that may be required to conduct primary elections.

21.403(1) Notice to the commissioner. At least 60 days before the proposed date of the special election, the city council shall give written notice to the commissioner who will be responsible for conducting the special election.

a. If the commissioner finds no conflict with other previously scheduled elections, or with other limitations on the dates of special elections, the commissioner shall immediately notify the council that the date has been approved.

b. No special city elections to fill vacancies for cities that may be required to conduct primary elections shall be held with the general election, with the primary election, or with the annual school election. To do so would be contrary to the provisions of Iowa Code section 39.2.

21.403(2) Election calendar. The election calendar shall be adjusted as follows:

a. The deadline for candidates to file nomination papers with the county commissioner shall be not later than 5 p.m. on the fifty-third day before the election.

b. A candidate who has filed nomination papers for the special election may withdraw by filing a written notice of withdrawal in the office of the county commissioner not later than 5 p.m. on the fiftieth day before the election.

c. A person who would have the right to vote for the office in question may file a written objection to the legal sufficiency of a candidate's nomination papers or to the qualifications of the candidate for this special election with the county commissioner not later than 12 noon on the fiftieth day before the election.

d. The hearing on the objection must be held within 24 hours of receipt of the objection.

This rule is intended to implement Iowa Code section 372.13(2).

[ARC 1549C, IAB 7/23/14, effective 8/27/14; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.404(372) Special elections to fill vacancies in elective city offices for cities without primary election requirements. This rule applies to cities that have adopted by ordinance one of the following options: nominations under Iowa Code chapter 44 or chapter 45, or a runoff election requirement if no candidate in the special election receives a majority of the votes cast.

21.404(1) Notice to the commissioner. At least 32 days before the proposed date of the special election, the city council shall give written notice to the commissioner who will be responsible for conducting the special election. If the commissioner finds no conflict with other previously scheduled elections, or with other limitations on the dates of special elections, the commissioner shall immediately notify the council that the date has been approved.

21.404(2) Special elections to fill vacancies held in conjunction with the general election. If the proposed date of the special election coincides with the date of the general election, the council shall give notice of the proposed date of the special city election not later than 76 days before the date of the general election. Candidates shall file nomination papers with the county commissioner not later than 5 p.m. on the sixty-ninth day before the general election. Objection and withdrawal deadlines shall be 64 days before the general election. Hearings on objections shall be held as soon as possible in order to facilitate printing of the general election ballot.

21.404(3) Election calendar. If the special election date is not the same as the date of the general election, the election calendar shall be adjusted as follows:

a. The deadline for candidates to file nomination papers with the county commissioner shall be not later than 5 p.m. on the twenty-fifth day before the election.

b. A candidate who has filed nomination papers for the special election may withdraw by filing a written notice of withdrawal in the office of the county commissioner not later than 5 p.m. on the twenty-second day before the election.

c. A person who would have the right to vote for the office in question may file a written objection to the legal sufficiency of a candidate's nomination papers or to the qualifications of the candidate for this special election with the county commissioner not later than 12 noon on the twenty-second day before the election.

d. The hearing on the objection must be held within 24 hours of receipt of the objection.

This rule is intended to implement Iowa Code section 372.13(2).

[ARC 1549C, IAB 7/23/14, effective 8/27/14; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.405(69) Special elections to fill a vacancy in the office of representative in Congress. This rule establishes the special election calendar in the event a vacancy occurs in the office of representative in Congress that must be filled by special election pursuant to Iowa Code section 69.14.

21.405(1) Notice of election. The governor shall provide not less than 76 days' notice of a special election to fill a vacancy in the office of representative in Congress.

21.405(2) Political party convention deadline. A political party candidate to be voted on at a special election to fill a vacancy in the office of representative in Congress shall be nominated by a convention duly called by the district central committee not less than 62 days prior to the date set for the special election.

21.405(3) Candidate filing deadline. Nominations made pursuant to Iowa Code chapter 43, 44 or 45 shall be filed in the office of the state commissioner not later than 5 p.m. on the sixty-second day prior to the date set for the special election.

21.405(4) Candidate certification deadline. Names of candidates nominated for the special election shall be certified at the earliest practicable time to the appropriate commissioners of election as required by Iowa Code section 43.88.

21.405(5) Candidate objection deadline. Written objections to the legal sufficiency of a nomination petition filed pursuant to Iowa Code chapter 45 or a certificate of nomination filed pursuant to Iowa Code chapter 43 or 44 shall be in writing and shall be filed with the state commissioner no later than 5 p.m. on the sixtieth day prior to the election.

21.405(6) Candidate withdrawal deadline. A person who has filed nomination papers with the state commissioner as a candidate for a special election to fill a vacancy in the office of representative in Congress may withdraw by filing a written notice of withdrawal with the state commissioner no later than 5 p.m. on the sixtieth day prior to the election.

[ARC 0109C, IAB 5/2/12, effective 4/6/12]

721—21.406 to 21.499 Reserved.

721—21.500(277) Signature requirements for school director candidates. The number of signatures required to be filed by candidates for the office of director in the regular school election shall be calculated from the number of registered voters in the district on May 1 of the year in which the election will be held. If May 1 falls on a day when the commissioner's office is closed for business, the commissioner shall use the number of registered voters in the district on the next day that the commissioner's office is open for business to determine the number of required signatures. Candidates who are seeking election in districts with election plans as specified in Iowa Code section 275.12(2) "b" and "c," where the candidate must reside in a specific director district, but is voted upon by all of the electors of the school district, shall be required to file a number of signatures calculated from the number of registered voters in the whole school district. Candidates who will be voted upon only by the electors of a director district shall be required to file a number of signatures calculated from the number of registered voters in the director district in which the candidate resides and seeks to represent.

If a special election is to be held to fill a vacancy on the school board, the number of registered voters on the date the commissioner receives notice of the special election shall be used to calculate the number of signatures required for the special election.

This rule is intended to implement Iowa Code sections 277.4 and 279.7.

[ARC 9466B, IAB 4/20/11, effective 3/31/11]

721—21.501 to 21.599 Reserved.

721—21.600(43) Primary election signatures—plan three supervisor candidates. Rescinded IAB 11/30/11, effective 1/4/12.

721—21.601(43) Plan III supervisor district candidate signatures after a change in the number of supervisors or method of election. After the number of supervisors has been increased or decreased pursuant to Iowa Code section 331.203 or 331.204 or the method of electing supervisors has been changed from plan I or plan II to plan III since the last general election, the signatures for candidates at the next primary and general elections shall be calculated as follows:

21.601(1) Primary election. Divide the total number of party votes cast in the county at the previous general election for the office of president or for governor, as applicable, by the number of supervisor districts and multiply the quotient by .02. If the result of the calculation is less than 100, the result shall be the minimum number of signatures required. If the result of the calculation is greater than or equal to 100, the minimum requirement shall be 100 signatures.

21.601(2) Nominations by petition. If the effective date of the change in the number of districts or method of election was later than the date specified in Iowa Code section 45.1(6), divide the total number of registered voters in the county on the date specified in Iowa Code section 45.1(6) by the number of supervisor districts and multiply the quotient by .01. If the result of the calculation is less than 150, the result shall be the minimum number of signatures required. If the result of the calculation is greater than or equal to 150, the minimum requirement shall be 150 signatures.

This rule is intended to implement Iowa Code chapters 43 and 45.
[ARC 9989B, IAB 2/8/12, effective 1/17/12]

721—21.602(43) Primary election—nominations by write-in votes for certain offices.

21.602(1) The process described in subrule 21.602(2) shall be used to determine whether the primary election is conclusive and a candidate was nominated for partisan offices that are:

- a. Not mentioned in Iowa Code section 43.53 (township offices) or 43.66 (state representative and state senator), and
- b. For which no candidate's name was printed on the primary election ballot, and
- c. For which no candidate's name was printed on the primary election ballot in any previous primary election.

21.602(2) To be nominated by write-in votes, the person must receive at least 35 percent of the number of votes cast in the previous general election for that party's candidate for president of the United States or for governor, as the case may be, as follows:

- a. Statewide office: 35 percent of votes cast statewide.
- b. Congressional district: 35 percent of votes cast within the current boundaries of the Congressional district.
- c. County office, including plan II supervisors: 35 percent of the votes cast within the county.
- d. Plan III county supervisor: 35 percent of the votes cast within the supervisor district. If the boundaries of the supervisor district have changed since the previous general election, the number of votes cast within the county for the party candidate for president or for governor, as the case may be, shall be divided by the number of supervisor districts in the county; then the quotient shall be multiplied by 0.35.

21.602(3) If a write-in candidate is declared nominated at the canvass of votes, Iowa Code section 43.67, which requires the appropriate election commissioner to notify the candidate, shall apply.

This rule is intended to implement Iowa Code section 43.66.

721—21.603 to 21.799 Reserved.

721—21.800(423B) Local sales and services tax elections.

21.800(1) Petitions requesting imposition, rate change, use change, or repeal of local sales and services taxes shall be filed with the county board of supervisors.

a. Each person signing the petition shall include the person's address (including street number, if any) and the date that the person signed the petition.

b. Within 30 days after receipt of the petition, the supervisors shall provide written notice to the county commissioner of elections directing that an election be held to present to the voters of the entire county the question of imposition, rate change, use change, or repeal of a local sales and services tax. In the notice the supervisors shall include the date of the election.

c. The election shall be held on the first possible special election date for counties set forth in Iowa Code section 39.2, subsection 4, paragraph "a," but no sooner than 84 days after the date upon which notice is given to the commissioner.

21.800(2) As an alternative to the method of initiating a local option tax election described in subrule 21.800(1), governing bodies of cities and the county may initiate a local option tax election by filing motions with the county auditor pursuant to Iowa Code section 423B.1, subsection 4, paragraph "b," requesting submission of a local option tax imposition, rate change, use change, or repeal to the qualified electors. Within 30 days of receiving a sufficient number of motions, the county commissioner shall notify affected jurisdictions of the local option tax election date. The election shall be held on the first possible special election date for counties set forth in Iowa Code section 39.2, subsection 4, paragraph "a," but no sooner than 84 days after the date upon which the commissioner received the motion triggering the election.

21.800(3) Notice of local sales and services tax election.

a. Not less than 60 days before the date that a local sales and services tax election will be held, the county commissioner of elections shall publish notice of the ballot proposition. The notice does not need to include sample ballots, but shall include all of the information that will appear on the ballot for each city and for the voters in the unincorporated areas of the county.

b. The city councils and the supervisors shall provide to the county commissioner the following information to be included in the notice and on the ballots for imposition elections:

(1) The rate of the tax.

(2) The date the tax will be imposed (which shall be the next implementation date provided in Iowa Code section 423B.6 following the date of the election and at least 90 days after the date of the election, except that an election to impose a local option tax on a date immediately following the scheduled repeal date of an existing similar tax may be held at any time that otherwise complies with the requirements of Iowa Code chapter 423B). The imposition date shall be uniform in all areas of the county voting on the tax at the same election.

(3) The approximate amount of local option tax revenues that will be used for property tax relief in the jurisdiction.

(4) A statement of the specific purposes other than property tax relief for which revenues will be expended in the jurisdiction.

c. The information to be included in the notice shall be provided to the commissioner by the city councils of each city in the county not later than 67 days before the date of the election. If a jurisdiction fails to provide the information in subparagraphs 21.800(3)"b"(1), 21.800(3)"b"(3), and 21.800(3)"b"(4) above, the following information shall be substituted in the notice and on the ballot:

(1) One percent (1%) for the rate of the tax.

(2) Zero percent (0%) for property tax relief.

(3) The specific purpose for which the revenues will otherwise be expended is: Any lawful purpose of the city (or county).

d. The notice of election provided for in Iowa Code section 49.53 shall also be published at the time and in the manner specified in that section.

This rule is intended to implement Iowa Code section 423B.1.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.801(423B) Form of ballot for local option tax elections. If questions pertaining to more than one of the authorized local option taxes are submitted at a single election, all of the public measures shall

be printed on the same ballot. The form of ballots to be used throughout the state of Iowa for the purpose of submitting questions pertaining to local option taxes shall be as follows:

21.801(1) Local sales and services tax propositions. Sales and services tax propositions shall be submitted to the voters of an entire county. If the election is being held for the voters to decide whether to impose the tax in a county where a local option sales and services tax has previously been approved for part of the county, the question of imposition shall be voted upon in all parts of the county where the tax has not been approved. If the election is being held for the voters to decide whether to repeal the tax in a county where a local option sales and services tax has previously been approved for part of the county, the question of repeal shall be voted upon in all parts of the county where the tax was previously imposed. If the election is being held for the voters to decide whether to change the rate or use of the tax in a county where a local option sales and services tax has previously been approved for part of the county, the question of rate or use change shall be voted upon in all parts of the county where the tax was previously imposed.

The ballot submitted to the voters of each incorporated area and the unincorporated area of the county shall show the intended uses for that jurisdiction. The ballot submitted to the voters in contiguous cities within a county shall show the intended uses and repeal dates, if not uniform, for each of the contiguous cities. The ballots shall be in substantially the following form:

a. Imposition question for voters in a single city or the unincorporated area of the county:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize imposition of a local sales and services tax in the [city of _____] [unincorporated area of the county of _____], at the rate of _____ percent (_____ %) to be effective on _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

A local sales and services tax shall be imposed in the [city of _____] [unincorporated area of the county of _____] at the rate of _____ percent (_____ %) to be effective on _____ (month and day), _____ (year).

Revenues from the sales and services tax shall be allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

b. Imposition question for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize imposition of a local sales and services tax in the cities of _____, _____, _____, (list additional cities, if applicable) at the rate of _____ percent (_____%) to be effective on _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

A local sales and services tax shall be imposed in the cities of _____, _____, _____, (list additional cities, if applicable) at the rate of _____ percent (_____%) to be effective on _____ (month and day), _____ (year).

Revenues from the sales and services tax are to be allocated as follows:

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

c. Imposition question with an automatic repeal date for voters in a single city or the unincorporated area of the county:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize imposition of a local sales and services tax in the [city of _____] [unincorporated area of the county of _____], at the rate of _____ percent (_____%) to be effective from _____ (month and day), _____ (year), until _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special

paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

A local sales and services tax shall be imposed in the [city of _____] [unincorporated area of the county of _____] at the rate of _____ percent (____%) to be effective from _____ (month and day), _____ (year), until _____ (month and day), _____ (year).

Revenues from the sales and services tax shall be allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

d. Imposition question with an automatic repeal date for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED?

YES

NO

Summary: To authorize imposition of a local sales and services tax in the cities of _____, _____, _____, (list additional cities, if applicable) at the rate of _____ percent (____%) to be effective from _____ (month and day), _____ (year), until _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

A local sales and services tax shall be imposed in the cities of _____, _____, _____, (list additional cities, if applicable) at the rate of _____ percent (____%) to be effective from _____ (month and day), _____ (year), until _____ (month and day), _____ (year).

Revenues from the sales and services tax are to be allocated as follows:

FOR THE CITY OF _____:

_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:

_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

e. Repeal question for voters in a single city or the unincorporated area of the county:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize repeal of the ____ percent (____%) local sales and services tax in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), ____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The ____ percent (____%) local sales and services tax shall be repealed in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), ____ (year).

Revenues from the sales and services tax have been allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues were otherwise expended was (were):

(List specific purpose or purposes)

f. Repeal question for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize repeal of the ____ percent (____%) local sales and services tax in the cities of _____, _____, _____, (list additional cities, if applicable) effective _____ (month and day), ____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special

paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The ____ percent (____%) local sales and services tax shall be repealed in the cities of _____, _____, _____, (list additional cities, if applicable) effective _____ (month and day), ____ (year).

Revenues from the sales and services tax have been allocated as follows:

FOR THE CITY OF _____: _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues were otherwise expended was (were):

(List specific purpose or purposes)

FOR THE CITY OF _____: _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues were otherwise expended was (were):

(List specific purpose or purposes)

FOR THE CITY OF _____: _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues were otherwise expended was (were):

(List specific purpose or purposes)

g. Rate change question for voters in a single city or the unincorporated area of the county:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES NO

Summary: To authorize an increase (or decrease) in the rate of the local sales and services tax to ____ percent (____%) in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), ____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The rate of the local sales and services tax shall be increased (or decreased) to ____ percent (____%) in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), ____ (year).

The current rate is ____ percent (____%).

Revenues from the sales and services tax are allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

h. Rate change question for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES
NO

Summary: To authorize an increase (or decrease) in the rate of the local sales and services tax to _____ percent (_____ %) in the cities of _____, _____, _____, (list additional cities, if applicable) effective _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The rate of the local sales and services tax shall be increased (or decreased) to _____ percent (_____ %) in the cities of _____, _____, _____, (list additional cities, if applicable) effective _____ (month and day), _____ (year).

Revenues from the sales and services tax are allocated as follows:

FOR THE CITY OF _____:

_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:

_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

FOR THE CITY OF _____:

_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

i. Use change question for voters in a single city or the unincorporated area of the county:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES

NO

Summary: To authorize a change in the use of the _____ percent (____%) local sales and services tax in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The use of the _____ percent (____%) local sales and services tax shall be changed in the [city of _____] [unincorporated area of the county of _____] effective _____ (month and day), _____ (year).

PROPOSED USES OF THE TAX:

If the change is approved, revenues from the sales and services tax shall be allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

(List specific purpose or purposes)

CURRENT USES OF THE TAX:

Revenues from the sales and services tax are currently allocated as follows:

(Choose one or more of the following:)

[_____ for property tax relief (insert percentage or dollar amount)]

[_____ for property tax relief (insert percentage or dollar amount) in the unincorporated area of the county of _____]

[_____ for property tax relief (insert percentage or dollar amount) in the county of _____]

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

j. Use change question for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED?

YES

NO

Summary: To authorize a change in the use of the _____ percent (____%) local sales and services tax in the cities of _____, _____, _____, (list

additional cities, if applicable) effective _____ (month and day), _____ (year).

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using special paper ballots which are read by computerized tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The use of the _____ percent (_____%) local sales and services tax shall be changed in the cities of _____, _____, _____, (list additional cities, if applicable) effective _____ (month and day), _____ (year).

PROPOSED USES OF THE TAX:

If the change is approved, revenues from the sales and services tax are to be allocated as follows:

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)
The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):
(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)
The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):
(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)
The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):
(List specific purpose or purposes)

CURRENT USES OF THE TAX:

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)
The specific purpose (or purposes) for which the revenues are otherwise expended is (are):
(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)
The specific purpose (or purposes) for which the revenues are otherwise expended is (are):
(List specific purpose or purposes)

FOR THE CITY OF _____:
_____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues are otherwise expended is (are):

(List specific purpose or purposes)

k. Imposition question with differing automatic repeal dates for voters in contiguous cities:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES NO

Summary: To authorize imposition of a local sales and services tax in the cities of _____, _____, _____, (list additional cities, if applicable) at the rate of _____ percent (_____%) to be effective from _____ (month/day/year) until automatic repeal date specified.

A local sales and services tax shall be imposed in the following cities at the rate of _____ percent (_____%) to be effective from _____ (month/day/year) until the date specified below and the revenues from the sales and services tax are to be allocated as follows:

FOR THE CITY OF _____:

The tax shall be repealed on _____ (month/day/year). _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

FOR THE CITY OF _____:

The tax shall be repealed on _____ (month/day/year). _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

FOR THE CITY OF _____:

The tax shall be repealed on _____ (month/day/year). _____ for property tax relief (insert percentage or dollar amount)

The specific purpose (or purposes) for which the revenues shall otherwise be expended is (are):

21.801(2) For a local vehicle tax:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED? YES NO

Summary: To authorize the county of (insert name of county) to impose a local vehicle tax at the rate of _____ dollars (\$_____) per vehicle and to exempt the following classes from the tax:

_____ The revenues are to be expended as set forth in the text of the public measure.

(Insert in substantially the following form the entire text of the proposed public measure immediately below the summary on all paper ballots as provided in Iowa Code section 49.45. Counties using optical scan ballots which are read by automatic tabulating equipment may summarize the question on the ballot and post the complete text as provided in Iowa Code section 52.25.)

The county of _____, Iowa shall be authorized to impose a local vehicle tax at the rate of _____ dollars (\$_____) per vehicle and to exempt the following classes of vehicles from the tax:

_____ (insert percentage or dollar amount) of the revenues is/are to be used for property tax relief.

The balance of the revenues is to be expended for:

(List purposes for which remaining revenues will be used)

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.802(423B) Local vehicle tax elections.

21.802(1) Petitions requesting imposition of local vehicle taxes shall be filed with the county board of supervisors.

a. Each person signing the petition shall add the person’s address (including street number, if any) and the date that the person signed the petition.

b. Within 30 days after receipt of the petition, the supervisors shall provide written notice to the county commissioner of elections directing that an election be held to present to the voters of the entire county the question of imposition of a local vehicle tax. In the notice the supervisors shall include the date of the election.

c. The election shall be held on the first possible special election date for counties set forth in Iowa Code section 39.2, subsection 4, paragraph “c,” but no sooner than 84 days after the date upon which notice is given to the commissioner.

21.802(2) Notice of local vehicle tax election. Not less than 60 days before the date that a local vehicle tax election will be held, the county commissioner of elections shall publish notice of the ballot proposition. The notice does not need to include a sample ballot, but shall include all of the information that will appear on the ballot. The notice of election provided for in Iowa Code section 49.53 shall also be published at the time and in the manner specified in that section.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 1831C, IAB 1/21/15, effective 2/25/15]

721—21.803(423F) Revenue purpose statement ballots. When a school district wishes to adopt, amend or extend the revenue purpose statement specifying the uses of the funds received from the secure an advanced vision for education fund, which is also referred to as the “penny sales and services tax for schools,” the following ballot formats shall be used.

21.803(1) *Ballot to propose a revenue purpose statement.* The ballot for an election to propose a revenue purpose statement specifying the use of funds received from the secure an advanced vision for education fund shall be in substantially the following form:

(Insert letter to be assigned by the commissioner.)

Shall the following public measure be adopted?

YES

NO

Summary: To adopt a revenue purpose statement specifying the use of money from the penny sales and services tax for schools received by _____ School District.

In the _____ School District, the following revenue purpose statement, which specifies the use of the penny sales and services tax for schools (sales and services tax funds from the secure an advanced vision for education fund for school infrastructure) shall be adopted:

(Insert here the revenue purpose statement that was adopted by the school board and that states the intended uses of the funds by the school district. The use or uses must be among the approved uses of the tax that are authorized by Iowa Code chapter 423F.)

21.803(2) *Ballot to amend a revenue purpose statement.* The ballot for an election to decide a change in the revenue purpose statement specifying the use of funds received from the secure an advanced vision for education fund shall be in substantially the following form:

(Insert letter to be assigned by the commissioner.)

Shall the following public measure be adopted?

- YES
- NO

Summary: To authorize a change in the use of money from the penny sales and services tax for schools received by _____ School District.

In the _____ School District, the revenue purpose statement, which specifies the use of the penny sales and services tax for schools (sales and services tax funds from the secure an advanced vision for education fund for school infrastructure) shall be changed.

Proposed uses. If the change is approved, the revenue purpose statement shall read as follows:

(Insert here the revenue purpose statement that was adopted by the school board and that states the intended uses of the funds by the school district. The use or uses must be among the approved uses of the tax that are authorized by Iowa Code chapter 423F.)

Current uses. If the change is not approved, the funds shall continue to be used as follows:

(Insert here the current revenue purpose statement or list the current voter-approved uses of the funds by the school district, if the school infrastructure local option tax was adopted before the revenue purpose statement was required.)

21.803(3) *Ballot to extend a revenue purpose statement.* The ballot for an election to extend a revenue purpose statement specifying the use of funds received from the secure an advanced vision for education fund shall be in substantially the following form:

(Insert letter to be assigned by the commissioner.)

Shall the following public measure be adopted?

- YES
- NO

Summary: To authorize _____ School District to continue to spend money from the penny sales and services tax for schools for the previously approved uses until (specify date or insert amended date).

_____ School District is authorized to extend the current revenue purpose statement which specifies use of the penny sales and services tax for schools (sales and services tax funds from the secure an advanced vision for education fund for school infrastructure) received from (date) until (specify date or insert amended date). If an extension is not approved, the current revenue purpose statement will expire on (date). If an extension is approved, the revenue purpose statement will read as follows:

(Insert letter to be assigned by the commissioner)

SHALL THE FOLLOWING PUBLIC MEASURE BE ADOPTED?

YES

NO

Enhanced 911 emergency telephone service shall be funded, in whole or in part, by a temporary monthly surcharge increase to (an amount between one dollar and two dollars and fifty cents to be determined by the local joint E911 service board) on each telephone access line collected as part of each telephone subscriber’s monthly phone bill if provided within (description of the proposed service area). The surcharge shall be collected for not more than 24 months, after which the surcharge shall revert to one dollar per month for each line.

A map may be used to show the proposed E911 service area. If a map is used the public measure shall read as follows:

“Enhanced 911 emergency telephone service shall be funded, in whole or in part, by a temporary monthly surcharge increase to (an amount between one dollar and two dollars and fifty cents to be determined by the local joint E911 service board) on each telephone access line collected as part of each telephone subscriber’s monthly phone bill if provided within the proposed E911 service area shown on the map below. The surcharge shall be collected for not more than 24 months, after which the surcharge shall revert to one dollar per month for each line.”

This rule is intended to implement Iowa Code sections 34A.6 and 34A.6A.

721—21.811 to 21.819 Reserved.

721—21.820(99F) Gambling elections.

21.820(1) Petitions requesting elections to approve or disapprove the conduct of gambling games on an excursion gambling boat or at a gambling structure shall be filed with the county board of supervisors and shall be substantially in the form posted on the state commissioner’s Web site titled “Petition Requesting Special Election.”

a. Within 10 days after receipt of a valid petition, the supervisors shall provide written notice to the county commissioner of elections directing the commissioner to submit to the qualified electors of the county a proposition to approve or disapprove the conduct of gambling games on an excursion gambling boat or at a gambling structure in the county. The election shall be held on the next possible special election date pursuant to Iowa Code section 39.2, subsection 4, paragraph “a,” but no fewer than 46 days from the date notice is given to the county commissioner.

b. If a regularly scheduled or special election is to be held in the county on the date selected by the supervisors, notice shall be given to the commissioner no later than the last day upon which nomination papers may be filed for that election. If the excursion gambling boat or the gambling structure election is to be held with a local option tax election, the supervisors shall provide the commissioner at least 60 days’ written notice. Otherwise, the supervisors shall give at least 46 days’ written notice.

21.820(2) Form of ballot for election called by petition. Ballots shall be in substantially the following form:

(Insert letter to be assigned by the commissioner)

Shall the following public measure be adopted?

YES

NO

Gambling games on an excursion gambling boat or at a gambling structure in _____ County are approved.

21.820(3) Form of ballot for elections to continue gambling games on an excursion gambling boat or at a gambling structure:

(Insert letter to be assigned by the commissioner)

Shall the following public measure be adopted?

- YES
- NO

Summary: Gambling games on an excursion gambling boat or at a gambling structure in _____ County are approved.

Gambling games, with no wager or loss limits, on an excursion gambling boat or at a gambling structure in _____ County are approved. If approved by a majority of the voters, operation of gambling games with no wager or loss limits may continue until the question is voted upon again at the general election held in 2010. If disapproved by a majority of the voters, the operation of gambling games on an excursion gambling boat or at a gambling structure will end within 60 days of this election. (Iowa Code section 99F.7(10)“c”)

21.820(4) Ballot form to permit gambling games at existing pari-mutuel racetracks:
(Insert letter to be assigned by the commissioner)

Shall the following public measure be adopted?

- YES
- NO

The operation of gambling games at (name of pari-mutuel racetrack) in _____ County is approved.

21.820(5) Abstract of votes. A copy of the abstract of votes of the election shall be sent to the state racing and gaming commission.

21.820(6) Ballot form for general election for continuing operation of gambling games at pari-mutuel racetracks:
(Insert letter to be assigned by the commissioner)

Shall the following public measure be adopted?

- YES
- NO

Summary: The continued operation of gambling games at (name of pari-mutuel racetrack) in _____ County is approved.

The continued operation of gambling games at (name of pari-mutuel racetrack) in _____ County is approved. If approved by a majority of the voters, operation of gambling games may continue at (name of pari-mutuel racetrack) in _____ County until the question is voted on again at the general election in eight years. If disapproved by a majority of the voters, gambling games at (name of pari-mutuel racetrack) in _____ County will end.

21.820(7) Ballot form for general election for continuing gambling games on an excursion gambling boat or at a gambling structure:
(Insert letter to be assigned by the commissioner)

Shall the following public measure be adopted?

- YES
- NO

Summary: The continued operation of gambling games on an excursion gambling boat or at a gambling structure in _____ County is approved.

The continued operation of gambling games on an excursion gambling boat or at a gambling structure in _____ County is approved. If approved by a majority of the voters, operation of gambling games may continue on an excursion gambling boat or at a gambling structure in _____ County until the question is voted on again at the general election in eight years. If disapproved by a majority of voters, gambling games on an excursion gambling boat or at a gambling structure in _____ County will end nine years from the date of the original issue of the license to the current licensee.

This rule is intended to implement Iowa Code section 99F.7 and Iowa Code Supplement section 99F.4D.

[ARC 8045B, IAB 8/26/09, effective 7/27/09; ARC 8779B, IAB 6/2/10, effective 7/1/10]

721—21.821 to 21.829 Reserved.

721—21.830(357E) Benefited recreational lake district elections. Elections for benefited recreational lake districts shall be conducted according to the following procedures.

21.830(1) Conduct of election. It is not mandatory for the county commissioner of elections to conduct elections for a benefited recreational lake district. However, if both a public measure and a candidate election will be held on the same day in a benefited recreational lake district, the same person shall be responsible for conducting both elections. All elections must be held on a Tuesday.

21.830(2) Ballots. Ballots for benefited recreational lake district trustee elections shall be printed on opaque white paper, 8 by 11 inches in size. The ballots for the initial election for the office of trustee shall be in substantially the following form:

OFFICIAL BALLOT
BENEFITED RECREATIONAL LAKE DISTRICT
Election date

(facsimile signature of person responsible for printing ballots)

FOR TRUSTEE:

To vote: Neatly print the names of at least three people you would like to see elected to the office of Trustee of the Benefited Recreational Lake District. You may vote for as many people as you wish, but you must vote for at least three.

(At the bottom of the ballot a space shall be included for the endorsement of the precinct election official, like this:)

Precinct official's endorsement: _____

21.830(3) Canvass of votes. On the Monday following the election, the board of supervisors shall canvass the votes cast at the election. At the initial election the supervisors shall choose three trustees from among the five persons who received the most votes. The results of benefited recreational lake district elections shall be certified to the district board of trustees.

This rule is intended to implement Iowa Code section 357E.8.

- [Filed emergency 4/22/76—published 5/17/76, effective 4/22/76]
- [Filed emergency 6/2/76—published 6/28/76, effective 8/2/76]
- [Filed 10/7/81, Notice 9/2/81—published 10/28/81, effective 12/2/81]
- [Filed emergency 11/15/84—published 12/5/84, effective 11/15/84]
- [Filed 1/22/85, Notice 12/5/84—published 2/13/85, effective 3/20/85]

- [Filed 5/17/85, Notice 4/10/85—published 6/5/85, effective 7/10/85]
- [Filed emergency 7/2/85—published 7/31/85, effective 7/2/85]
- [Filed emergency 7/26/85—published 8/14/85, effective 7/26/85]
- [Filed emergency 8/14/85—published 9/11/85, effective 8/14/85]
- [Filed 9/6/85, Notice 7/31/85—published 9/25/85, effective 10/30/85]
- [Filed 10/30/85, Notice 9/25/85—published 11/20/85, effective 12/25/85]
- [Filed emergency 12/18/86—published 1/14/87, effective 12/18/86]
- [Filed emergency 4/20/87—published 5/20/87, effective 4/20/87]^o
- [Filed 6/23/88, Notice 5/18/88—published 7/13/88, effective 8/17/88]
- [Filed 9/2/88, Notice 7/27/88—published 9/21/88, effective 10/26/88]
- [Filed 3/1/89, Notice 1/25/89—published 3/22/89, effective 4/26/89]
- [Filed emergency 5/10/89—published 5/31/89, effective 5/10/89]
- [Filed emergency 6/9/89—published 6/28/89, effective 7/1/89]
- [Filed emergency 6/22/89, after Notice of 5/31/89—published 7/12/89, effective 7/1/89]
- [Filed 8/16/89, Notice 6/28/89—published 9/6/89, effective 10/11/89]
- [Filed 11/9/89, Notice 10/4/89—published 11/29/89, effective 1/3/90]
- [Filed 12/7/89, Notice 11/1/89—published 12/27/89, effective 1/31/90]
- [Filed 3/26/92, Notice 2/5/92—published 4/15/92, effective 5/20/92]
- [Filed 11/19/92, Notice 9/30/92—published 12/9/92, effective 1/13/93]^o
- [Filed 1/14/93, Notice 12/9/92—published 2/3/93, effective 3/10/93]
- [Filed 6/4/93, Notice 4/28/93—published 6/23/93, effective 7/28/93]
- [Filed emergency 6/28/93—published 7/21/93, effective 7/1/93]
- [Filed 9/8/93, Notice 7/21/93—published 9/29/93, effective 11/3/93]
- [Filed 11/5/93, Notice 9/29/93—published 11/24/93, effective 12/29/93]
- [Filed emergency 4/4/94—published 4/27/94, effective 4/4/94]
- [Filed 7/1/94, Notice 5/25/94—published 7/20/94, effective 8/24/94]
- [Filed 6/30/95, Notice 5/24/95—published 7/19/95, effective 8/23/95]
- [Filed 2/8/96, Notice 1/3/96—published 2/28/96, effective 4/3/96]
- [Filed 5/31/96, Notice 4/10/96—published 6/19/96, effective 7/24/96]
- [Filed 6/13/96, Notice 5/8/96—published 7/3/96, effective 8/7/96]
- [Filed emergency 7/25/96 after Notice 6/19/96—published 8/14/96, effective 7/25/96]
- [Filed emergency 5/21/97—published 6/18/97, effective 5/21/97]
- [Filed emergency 7/30/97—published 8/27/97, effective 7/30/97]
- [Filed 8/22/97, Notice 7/16/97—published 9/10/97, effective 10/15/97]
- [Filed 12/12/97, Notice 11/5/97—published 12/31/97, effective 2/4/98]
- [Filed emergency 5/1/98—published 5/20/98, effective 5/1/98]^o
- [Filed emergency 8/7/98—published 8/26/98, effective 8/7/98]
- [Filed emergency 8/11/99—published 9/8/99, effective 8/11/99]
- [Filed 10/29/99, Notice 9/22/99—published 11/17/99, effective 12/22/99]
- [Filed emergency 12/22/99—published 1/12/00, effective 12/22/99]
- [Filed 2/3/00, Notice 12/29/99—published 2/23/00, effective 4/1/00]
- [Filed 5/26/00, Notice 4/19/00—published 6/14/00, effective 7/19/00]
- [Filed 9/14/00, Notice 8/9/00—published 10/4/00, effective 11/8/00]
- [Filed emergency 10/10/00 after Notice 8/9/00—published 11/1/00, effective 11/7/00]
- [Filed emergency 7/20/01 after Notice 6/13/01—published 8/8/01, effective 7/20/01]
- [Filed 2/1/02, Notice 8/8/01—published 2/20/02, effective 3/27/02]
- [Filed emergency 3/15/02—published 4/3/02, effective 3/15/02]
- [Filed emergency 7/19/02—published 8/7/02, effective 7/19/02]
- [Filed 2/13/03, Notice 12/25/02—published 3/5/03, effective 4/9/03]
- [Filed emergency 3/28/03—published 4/16/03, effective 3/28/03]
- [Filed 2/26/04, Notice 1/7/04—published 3/17/04, effective 4/21/04]^o
- [Filed 2/26/04, Notice 1/21/04—published 3/17/04, effective 4/21/04]

- [Filed emergency 8/27/04 after Notice 7/21/04—published 9/15/04, effective 8/27/04]
- [Filed emergency 10/12/04—published 11/10/04, effective 10/12/04]
- [Filed 1/25/06, Notice 12/21/05—published 2/15/06, effective 3/22/06]
- [Filed emergency 3/10/06—published 3/29/06, effective 3/10/06]
- [Filed emergency 5/5/06 after Notice 3/29/06—published 5/24/06, effective 5/5/06]
- [Filed emergency 8/25/06—published 9/27/06, effective 8/25/06]
- [Filed emergency 10/4/06 after Notice 8/30/06—published 10/25/06, effective 10/4/06]
- [Filed emergency 5/14/07—published 6/6/07, effective 5/14/07]
- [Filed emergency 6/27/07—published 8/1/07, effective 7/1/07]
- [Filed emergency 7/13/07—published 8/1/07, effective 7/13/07]
- [Filed emergency 9/7/07 after Notice 8/1/07—published 9/26/07, effective 9/7/07]
- [Filed emergency 12/18/07 after Notice 11/7/07—published 1/16/08, effective 1/1/08]
- [Filed emergency 1/9/08 after Notice 11/21/07—published 1/30/08, effective 1/9/08][◇]
- [Filed emergency 7/1/08—published 7/30/08, effective 7/1/08]
- [Filed emergency 7/11/08—published 7/30/08, effective 7/11/08]
- [Filed 7/17/08, Notice 6/4/08—published 8/13/08, effective 9/17/08]
- [Filed 12/5/08, Notice 7/30/08—published 12/31/08, effective 2/4/09]
- [Filed Emergency ARC 8045B, IAB 8/26/09, effective 7/27/09]
- [Filed ARC 8698B (Notice ARC 8541B, IAB 2/24/10), IAB 4/21/10, effective 6/15/10]
- [Filed Emergency ARC 8779B, IAB 6/2/10, effective 7/1/10]
- [Filed Emergency ARC 8777B, IAB 6/2/10, effective 5/7/10]
- [Filed Emergency ARC 9049B, IAB 9/8/10, effective 8/16/10]
- [Filed Emergency ARC 9139B, IAB 10/6/10, effective 9/16/10]
- [Filed Emergency ARC 9466B, IAB 4/20/11, effective 3/31/11]
- [Filed Emergency ARC 9559B, IAB 6/15/11, effective 5/23/11]
- [Filed Emergency ARC 9893B, IAB 11/30/11, effective 11/9/11]
- [Filed ARC 9879B (Notice ARC 9564B, IAB 6/15/11), IAB 11/30/11, effective 1/4/12]
- [Filed ARC 9891B (Notice ARC 9560B, IAB 6/15/11), IAB 11/30/11, effective 1/4/12]
- [Filed Emergency ARC 9989B, IAB 2/8/12, effective 1/17/12]
- [Filed Emergency ARC 0107C, IAB 4/18/12, effective 3/30/12]
- [Filed Emergency ARC 0109C, IAB 5/2/12, effective 4/6/12]
- [Filed Emergency ARC 0272C, IAB 8/8/12, effective 7/20/12]
- [Filed ARC 0266C (Notice ARC 0154C, IAB 6/13/12), IAB 8/8/12, effective 9/12/12]
- [Filed ARC 0616C (Notice ARC 0271C, IAB 8/8/12; Amended Notice ARC 0528C, IAB 12/12/12),
 IAB 2/20/13, effective 3/27/13]
- [Filed ARC 1549C (Notice ARC 1473C, IAB 5/28/14), IAB 7/23/14, effective 8/27/14]
- [Filed ARC 1831C (Notice ARC 1735C, IAB 11/26/14), IAB 1/21/15, effective 2/25/15]
- [Filed Emergency ARC 2663C, IAB 8/3/16, effective 8/1/16]

[◇] Two or more ARCs

TRANSPORTATION DEPARTMENT[761]

Rules transferred from agency number [820] to [761] to conform with the reorganization numbering scheme in general IAC Supp. 6/3/87.

GENERAL

CHAPTER 1

ORGANIZATION OF THE DEPARTMENT OF TRANSPORTATION

- 1.1(307) Definitions
- 1.2(17A) Mission statement
- 1.3(17A) Location and business hours
- 1.4(17A) Information and forms
- 1.5(307) History
- 1.6(17A,307,307A) Commission
- 1.7(17A,307) Director of transportation
- 1.8(17A,307) Divisions

CHAPTER 2

PROVISIONS APPLICABLE TO ALL RULES

- 2.1(307) Definitions

CHAPTER 3

Reserved

CHAPTER 4

PUBLIC RECORDS AND FAIR INFORMATION PRACTICES

(Uniform Rules)

- 4.1(22,305) General provisions
- 4.2(22) Statement of policy and purpose
- 4.3(22) Access to records
- 4.4(22) Access to confidential records
- 4.5(22) Consent to release a confidential record to a third party
- 4.6(22) Requests for confidential treatment
- 4.7(22) Procedure by which additions, dissents, or objections may be entered into records
- 4.8(22) Notice to suppliers of information
- 4.9(22) Confidential records

CHAPTERS 5 to 9

Reserved

CHAPTER 10

ADMINISTRATIVE RULES

- 10.1(17A) General
- 10.2(17A) Rule making
- 10.3(17A) Petitions for rule making

CHAPTER 11

WAIVER OF RULES

- 11.1(17A) Purpose and scope
- 11.2(17A) Authority to grant waiver
- 11.3(17A) Criteria, considerations and limitations
- 11.4(17A) Decision on waiver
- 11.5(17A) Petition for waiver
- 11.6(17A) Action on petition
- 11.7(17A) Modification or cancellation of waiver
- 11.8(17A) Records

CHAPTER 12
DECLARATORY ORDERS

- 12.1(17A) Definitions
- 12.2(17A) Petition for declaratory order
- 12.3(17A) Notice of petition
- 12.4(17A) Action on petition
- 12.5(17A) Effect of a declaratory order

CHAPTER 13
CONTESTED CASES

- 13.1(17A) Definitions
- 13.2(17A) Applicability
- 13.3(17A) Initiation of contested case
- 13.4(17A) Submission of request for informal settlement or hearing
- 13.5(17A) Informal settlement
- 13.6(17A) Contested case decision
- 13.7(17A) Appeal
- 13.8(17A) Motion for review
- 13.9(17A) Rehearings
- 13.10(17A) Maintenance of records
- 13.11(17A) Use of legal assistants or paralegals
- 13.12(17A) Communications
- 13.13(17A) Default
- 13.14 to 13.19 Reserved
- 13.20(17A) Additional procedures when the department is not a party

CHAPTERS 14 to 19
Reserved

CHAPTER 20
PROCUREMENT OF EQUIPMENT, MATERIALS, SUPPLIES AND SERVICES

- 20.1(307) Scope of chapter
- 20.2(307) Definitions
- 20.3(307) Procurement policy
- 20.4(307) Formal advertising procedures and requirements
- 20.5(307) Limited solicitation of bids
- 20.6 and 20.7 Reserved
- 20.8(307) Negotiation—architectural, landscape architectural, engineering and related professional and technical services

CHAPTERS 21 to 24
Reserved

CHAPTER 25
COMPETITION WITH PRIVATE ENTERPRISE

- 25.1(23A) Interpretation
- 25.2(23A) Exemptions

CHAPTER 26
Reserved

CHAPTER 27
INTEREST ON RETAINED FUNDS

27.1(573) Interest on retained funds

CHAPTER 28
IOWA TRANSPORTATION MAP

28.1(307) Definition
28.2(307) Information
28.3(307) Policy

CHAPTERS 29 to 39
Reserved

CHAPTER 40
RECOVERY OF DAMAGES TO HIGHWAYS OR HIGHWAY STRUCTURES

40.1(321) Scope
40.2(321) Definitions
40.3(321) Information
40.4(321) Accident scene
40.5(321) Repair of facilities
40.6(321) Recovery of damages

CHAPTERS 41 to 99
Reserved

HIGHWAYS

CHAPTER 100
Reserved

CHAPTER 101
FARM-TO-MARKET REVIEW BOARD

101.1(306) Purpose
101.2(306) Definitions
101.3(306) Composition and membership of the farm-to-market review board
101.4(306) Collection of system modification requests and frequency of meetings
101.5(306) Procedure for requesting modifications to the farm-to-market road system
101.6(306) Review criteria for determining eligibility for inclusion of additional roads into the farm-to-market road system
101.7(306) Voting and approval of requested modifications
101.8(306) Report of board decision to applicant county
101.9(306) Reapplication for modification
101.10(306) Judicial review
101.11(306) Adoption and modification of rules
101.12(306) Severability clause

CHAPTER 102
SECONDARY ROAD FUND DISTRIBUTION COMMITTEE

102.1(312) Purpose
102.2(312) Formulas
102.3 and 102.4 Reserved
102.5(312) Composition and membership of the secondary road fund distribution committee
102.6(312) Terms of office and rotation of seats
102.7(312) Committee meetings
102.8 and 102.9 Reserved

- 102.10(312) Considerations for a new or modified distribution formula
- 102.11(312) Process for approval of a new or modified distribution formula
- 102.12(312) Judicial review
- 102.13(312) Severability clause

CHAPTERS 103 and 104
Reserved

CHAPTER 105
HOLIDAY REST STOPS

- 105.1(307) Purpose
- 105.2(307) General
- 105.3(321) Conditions
- 105.4(321) Holiday rest stops on interstate highways
- 105.5(307) Holiday rest stops on primary highways

CHAPTER 106
PROMOTION OF IOWA AGRICULTURAL PRODUCTS AT REST AREAS

- 106.1(307) Purpose
- 106.2(307) Definitions
- 106.3(307) Information
- 106.4(307) Request
- 106.5(307) Time frame
- 106.6(307) Conditions
- 106.7(307) Site location

CHAPTERS 107 to 109
Reserved

RIGHT-OF-WAY AND ENVIRONMENT

CHAPTER 110
HIGHWAY PROJECT PLANNING

- 110.1(17A) Availability of information

CHAPTER 111
REAL PROPERTY ACQUISITION AND RELOCATION ASSISTANCE

- 111.1(316) Acquisition and relocation assistance manual

CHAPTER 112
PRIMARY ROAD ACCESS CONTROL

- 112.1(306A) General information
- 112.2(306A) Definitions
- 112.3(306A) General requirements for control of access
- 112.4(306A) General requirements for entrances where access rights have not been acquired
- 112.5(306A) Additional requirements for Type "A" entrances
- 112.6(306A) Drainage requirements
- 112.7(306A) Access to Priority I, II, III and IV highways
- 112.8(306A) Access to Priority V highways, rural areas
- 112.9(306A) Access to Priority V highways, fringe or built-up areas, and Priority VI highways, all areas
- 112.10 Reserved
- 112.11(306A) Policy on acquisition of access rights
- 112.12(306A) Policy on location of predetermined access locations

- 112.13(306A) Policy on special access connections where access rights have been previously acquired
 112.14(306A) Recreational trail connections

CHAPTERS 113 and 114
 Reserved

CHAPTER 115
 UTILITY ACCOMMODATION

- 115.1(306A) General information
 115.2(306A) Definitions
 115.3 Reserved
 115.4(306A) General requirements for occupancy of the right-of-way
 115.5(306A) General design provisions
 115.6(306A) Scenic enhancement
 115.7(306A) Liability
 115.8(306A) Utility accommodation permit
 115.9(306A) Traffic protection
 115.10(306A) Construction responsibilities and procedures
 115.11(306A) Vertical overhead clearance requirements
 115.12(306A) Utility facility attachments to bridges
 115.13(306A) Underground utility facilities
 115.14(306A) Freeways
 115.15(306A) Transverse installations on freeways
 115.16(306A) Longitudinal installations on freeways
 115.17(306A) Nonfreeway primary highways
 115.18(306A) Longitudinal installations on nonfreeway primary highways
 115.19(306A) Maintenance and emergency work
 115.20(306A) Abandonment or removal of utility facilities
 115.21 to 115.24 Reserved
 115.25(306A) Utility facility adjustments for highway improvement projects
 115.26(306A) Notice of project
 115.27(306A) First plan submission, preliminary work plan and agreement
 115.28(306A) Second plan submission, final work plan and permit application
 115.29(306A) Notice of work
 115.30(306A) Miscellaneous adjustment provisions

CHAPTER 116
 JUNKYARD CONTROL

- 116.1(306C) Definitions
 116.2(306C) Junkyards prohibited—exceptions
 116.3(306C) Screening or removal
 116.4(306C) Acquisition
 116.5(306C) Screening
 116.6(306C) Nuisance—injunction
 116.7(17A) Hearings and appeals
 116.8(306C) Contact information

CHAPTER 117
 OUTDOOR ADVERTISING

- 117.1(306B,306C) Definitions
 117.2(306B,306C) General provisions
 117.3(306B,306C) General criteria

- 117.4(306B,306C) Interstate special provisions for on-premises signs
- 117.5(306B,306C) Location, size and spacing requirements
- 117.6(306C) Outdoor advertising permits and fees required
- 117.7(306C) Official signs and notices, public utility signs, and service club and religious notices
- 117.8(306B,306C) Removal procedures
- 117.9(306B,306C) Acquisition of advertising devices that have been issued provisional permits
- 117.10(17A,306C) Contested cases
- 117.11 to 117.14 Reserved
- 117.15(306C) Development directory signing

CHAPTER 118 LOGO SIGNING

- 118.1(306C) Introduction
- 118.2(306C) Definitions
- 118.3(306C) Erection and location of specific service signs and placement of business signs
- 118.4(306C) Eligibility for placement of business signs on mainline specific service signs
- 118.5(306C) Application, drawing, and fees
- 118.6(306C) Business sign blank specifications
- 118.7(306C) Business sign face specifications

CHAPTER 119 TOURIST-ORIENTED DIRECTIONAL SIGNING

- 119.1(321) Definitions
- 119.2(321) General
- 119.3(321) General eligibility requirements for an activity or site
- 119.4(321) Specific eligibility requirements for the type of activity or site
- 119.5(321) Application and approval procedure
- 119.6(321) Installation, maintenance, replacement and removal

CHAPTER 120 PRIVATE DIRECTIONAL SIGNING

- 120.1(306C) Definitions
- 120.2(306C,657) General requirements
- 120.3(306C) Size requirements
- 120.4(306C) Lighting requirements
- 120.5(306C) Spacing and location requirements
- 120.6(306C) Message content
- 120.7(306C) Eligibility for private directional signs
- 120.8(306C) Application and approval procedures
- 120.9(306C) Fees
- 120.10(306C) Erection and maintenance

CHAPTER 121 ADOPT-A-HIGHWAY PROGRAM

- 121.1(307) Purpose
- 121.2(307) Information and location
- 121.3(307) Program guidelines
- 121.4(307) Sponsors
- 121.5(307) Eligible activities
- 121.6(307) Procedure

CHAPTER 122 Reserved

CHAPTER 123
REST AREA SPONSORSHIP PROGRAM

- 123.1(307) Introduction and purpose
- 123.2(307) Contact information
- 123.3(307) Definitions
- 123.4(307) General provisions
- 123.5(307) Sponsorship agreements
- 123.6(307) Acknowledgment sign criteria

CHAPTER 124
HIGHWAY HELPER SPONSORSHIP PROGRAM

- 124.1(307) Introduction and purpose
- 124.2(307) Contact information
- 124.3(307) Definitions
- 124.4(307) General provisions
- 124.5(307) Sponsorship agreements
- 124.6(307) Acknowledgment sign criteria

CONSTRUCTION

CHAPTER 125
GENERAL REQUIREMENTS AND COVENANTS FOR HIGHWAY
AND BRIDGE CONSTRUCTION

- 125.1(307A) Standard specifications
- 125.2 Reserved
- 125.3(307A) Availability of specifications

CHAPTERS 126 to 129
Reserved

TRAFFIC OPERATIONS

CHAPTER 130
SIGNING MANUAL

- 130.1(321) Manual

CHAPTER 131
SIGNING ON PRIMARY HIGHWAYS

- 131.1(321) Destination signs at an intersection
- 131.2(321) Erection of signs for numbered business routes
- 131.3(321) Erection of signs for schools
- 131.4(321) Erection of camping service signs on interstate highways
- 131.5(321) Erection of signs for sanitary landfills
- 131.6(321) Erection of signs for special events
- 131.7(321) Erection of signs for organized off-highway camps
- 131.8(321) Erection of signs for county conservation parks
- 131.9(321) Erection of no parking signs
- 131.10(321) Signing for named routes and memorial bridges
- 131.11 to 131.14 Reserved
- 131.15(321) Information and address

CHAPTER 132
IOWA SCENIC BYWAY PROGRAM

- 132.1(306D) Purpose, overview and information
- 132.2(306D) Definition

132.3(306D)	Designations
132.4(306D)	General requirements
132.5(306D)	Application and approval process
132.6(306D)	Reevaluation
132.7(306D)	Promotional and tourism efforts

CHAPTERS 133 to 135
Reserved

CHAPTER 136
LIGHTING

136.1(319)	Lighting of primary-secondary intersections
136.2(319)	Destination lighting
136.3 to 136.5	Reserved
136.6(306)	Warrants and design requirements for lighting

CHAPTERS 137 to 139
Reserved

CHAPTER 140
TRAFFIC SIGNALS AND BEACONS
ON PRIMARY ROADS

140.1(321)	Erection of traffic signals and beacons on primary highways
------------	---

CHAPTER 141
Reserved

CHAPTER 142
SPEED ZONING ON PRIMARY HIGHWAYS

142.1(321)	Adjustment of speed zones on primary highways
------------	---

CHAPTER 143
TRAFFIC SIGNAL SYNCHRONIZATION

143.1(364)	Definitions
143.2(364)	Applicability
143.3	Reserved
143.4(364)	Required synchronization

CHAPTER 144
AUTOMATED TRAFFIC ENFORCEMENT ON THE PRIMARY ROAD SYSTEM

144.1(307)	Purpose
144.2(307)	Contact information
144.3(307)	Definitions
144.4(307)	Overview
144.5(307)	Automated traffic enforcement system request
144.6(306,307,318,321)	Minimum requirements for automated traffic enforcement systems
144.7(307)	Evaluation and reporting
144.8(307)	Continued use of automated traffic enforcement system
144.9(307)	Appeal process

CHAPTERS 145 to 149
Reserved

PRIMARY ROAD EXTENSIONS

CHAPTER 150

IMPROVEMENTS AND MAINTENANCE ON PRIMARY ROAD EXTENSIONS

- 150.1(306) Definitions
- 150.2(306) Improvements and maintenance on extensions of freeways
- 150.3(306) Improvements and maintenance on extensions of nonfreeway primary highways
- 150.4(306) General requirements for primary road extensions

CHAPTER 151

CITY REQUESTS FOR CLOSURE OF
PRIMARY ROAD EXTENSIONS

- 151.1(321) Closing primary road extensions

CHAPTERS 152 to 159

Reserved

SPECIAL HIGHWAY PROGRAMS

CHAPTER 160

COUNTY AND CITY BRIDGE CONSTRUCTION FUNDS

- 160.1(312) Purpose
- 160.2(312) Contact information
- 160.3(312) Source of funds
- 160.4(312) Administration of funds

CHAPTER 161

FEDERAL-AID HIGHWAY BRIDGE PROGRAM

- 161.1(307) Purpose
- 161.2(307) Contact information
- 161.3(307) Source of funds
- 161.4(307) Administration of funds

CHAPTER 162

Reserved

CHAPTER 163

RISE PROGRAM

- 163.1(315) Definitions
- 163.2(315) Purpose of RISE program
- 163.3(315) Administration of RISE program
- 163.4(315) Source, allocation, and use of RISE funds
- 163.5(315) Project financing and funding shares
- 163.6(315) Eligibility of applicants and joint applications
- 163.7(315) Project activities eligible and ineligible for RISE funds
- 163.8(315) Immediate opportunity projects
- 163.9(315) Local development projects
- 163.10 Reserved
- 163.11(315) Project administration

CHAPTER 164

TRAFFIC SAFETY IMPROVEMENT PROGRAM

- 164.1(312) Definitions
- 164.2(312) Information and forms
- 164.3(312) Program administration

164.4(312)	Applicant eligibility
164.5(312)	Project eligibility
164.6(312)	Eligible project costs
164.7(312)	Ineligible project costs
164.8(312)	Applications
164.9(312)	Processing the application
164.10(312)	Project agreement

CHAPTER 165
RECREATIONAL TRAILS PROGRAM

165.1(312)	Definitions
165.2(312)	Information and forms
165.3 and 165.4	Reserved
165.5(312)	Program administration
165.6 to 165.8	Reserved
165.9(312)	Applicant eligibility
165.10 and 165.11	Reserved
165.12(312)	Project eligibility
165.13 and 165.14	Reserved
165.15(312)	Eligible project costs
165.16	Reserved
165.17(312)	Ineligible project costs
165.18	Reserved
165.19(312)	Advance eligibility waivers
165.20 and 165.21	Reserved
165.22(312)	Application
165.23(312)	Application procedure
165.24 and 165.25	Reserved
165.26(312)	Evaluation and approval
165.27 to 165.29	Reserved
165.30(312)	Project agreement
165.31 and 165.32	Reserved
165.33(312)	Noncompliance

CHAPTERS 166 to 169
Reserved

LOCAL SYSTEMS

CHAPTER 170
ALLOCATION OF FARM-TO-MARKET ROAD FUNDS

170.1(310)	Purpose
170.2(310)	Contact information
170.3(310)	Temporary allocation

CHAPTER 171
Reserved

CHAPTER 172
AVAILABILITY OF INSTRUCTIONAL MEMORANDUMS
TO LOCAL PUBLIC AGENCIES

172.1(307)	Purpose
172.2(307)	Contact information
172.3(307)	Instructional memorandums to local public agencies

CHAPTER 173
PREPARATION OF SECONDARY ROAD CONSTRUCTION PROGRAMS,
BUDGETS, AND COUNTY ANNUAL REPORTS

- 173.1(309) Purpose
- 173.2(309) Contact information
- 173.3(309) Secondary road construction program
- 173.4(309) County secondary road budget
- 173.5(309) County annual report

CHAPTER 174
REIMBURSABLE SERVICES AND SUPPLIES

- 174.1(307) Purpose
- 174.2(307) Contact information
- 174.3(307) Reimbursable services and supplies

CHAPTERS 175 to 177
Reserved

CHAPTER 178
PROJECT COST REPORTING REQUIREMENTS
FOR CITIES AND COUNTIES

- 178.1(314) Purpose
- 178.2(314) Contact information
- 178.3(314) Definitions
- 178.4(314) Detailed instructions furnished to cities and counties
- 178.5(314) Project reporting

CHAPTER 179
Reserved

CHAPTER 180
PUBLIC IMPROVEMENT QUOTATION PROCESS FOR GOVERNMENTAL ENTITIES

- 180.1(314) Purpose
- 180.2(314) Contact information
- 180.3(314) Definitions
- 180.4(314) Types of projects
- 180.5(314) Solicitation of quotations
- 180.6(314) Submission of competitive quotation by governmental entity
- 180.7(314) Form and content of competitive quotations
- 180.8(314) Evaluation of competitive quotations
- 180.9(314) Award of contract and subsequent procedures
- 180.10(314) Retained funds

CHAPTER 181
STATEWIDE STANDARD FOR PERMITTING
CERTAIN IMPLEMENTS OF HUSBANDRY

- 181.1(321) Statewide standard

CHAPTERS 182 to 200
Reserved

INTERMODAL

CHAPTER 201

INTERMODAL PILOT PROJECT PROGRAM

201.1(473)	General information
201.2(473)	Definitions
201.3(473)	Eligibility
201.4(473)	Financial assistance
201.5(473)	Application procedure
201.6(473)	Staff analysis
201.7(473)	Staff recommendation
201.8(473)	Commission action
201.9(473)	Contract preparation and execution
201.10(473)	Monitoring

CHAPTERS 202 to 399

Reserved

VEHICLES

CHAPTER 400

VEHICLE REGISTRATION AND CERTIFICATE OF TITLE

400.1(321)	Definitions
400.2(321)	Vehicle registration and certificate of title—general provisions
400.3(321)	Application for certificate of title or registration for a vehicle
400.4(321)	Supporting documents required
400.5(321)	Where to apply for registration or certificate of title
400.6(17A)	Addresses, information and forms
400.7(321)	Information appearing on title or registration
400.8(321)	Release form for cancellation of security interest
400.9	Reserved
400.10(321)	Assignment of security interest
400.11(321)	Sheriff's levy, restitution lien, and forfeiture lien noted as security interests
400.12(321)	Replacement certificate of title
400.13(321)	Bond required before title issued
400.14(321)	Transfer of ownership
400.15(321)	Cancellation of a certificate of title
400.16(321)	Application for certificate of title or original registration for a specially constructed, reconstructed, street rod or replica motor vehicle
400.17 and 400.18	Reserved
400.19(321)	Temporary use of vehicle without plates or registration card
400.20(321)	Registration of motor vehicle weighing 55,000 pounds or more
400.21(321)	Registration of vehicles on a restricted basis
400.22(321)	Transfers of ownership by operation of law
400.23(321)	Junked vehicle
400.24(321)	New vehicle registration fee
400.25(321)	Fees established by the department
400.26(321)	Anatomical gift
400.27(321,322)	Vehicles held for resale or trade by dealers
400.28(321)	Special trucks
400.29	Reserved
400.30(321)	Registration of vehicles registered in another state or country
400.31	Reserved

400.32(321)	Vehicles owned by nonresident members of the armed services
400.33 and 400.34	Reserved
400.35(321)	Registration of vehicles equipped for persons with disabilities
400.36(321)	Land and water-type travel trailers registration fee
400.37(321)	Motorcycle primarily designed or converted to transport property
400.38	Reserved
400.39(321)	Conversion of motor vehicles
400.40(321)	Manufactured or mobile home converted to or from real property
400.41	Reserved
400.42(321)	Church bus registration fee
400.43(321)	Storage of vehicles
400.44(321)	Penalty on registration fees
400.45(321)	Suspension, revocation or denial of registration
400.46(321)	Termination of suspension of registration
400.47(321)	Raw farm products
400.48 and 400.49	Reserved
400.50(321,326)	Refund of registration fees
400.51(321)	Assigned identification numbers
400.52(321)	Odometer statement
400.53(321)	Stickers
400.54(321)	Registration card issued for trailer-type vehicles
400.55(321)	Damage disclosure statement
400.56(321)	Hearings
400.57	Reserved
400.58(321)	Motorized bicycles
400.59(321)	Registration documents lost or damaged in transit through the United States postal service
400.60(321)	Credit of registration fees
400.61(321)	Reassignment of registration plates
400.62(321)	Storage of registration plates, certificate of title forms and registration forms
400.63(321)	Disposal of surrendered registration plates
400.64(321)	County treasurer's report of motor vehicle collections and funds
400.65 to 400.69	Reserved
400.70(321)	Removal of registration and plates by peace officer under financial liability coverage law

CHAPTER 401

SPECIAL REGISTRATION PLATES

401.1(321)	Definition
401.2(321)	Application, issuance and renewal
401.3	Reserved
401.4(321)	Gift certificates
401.5(321)	Amateur radio call letter plates
401.6(321)	Personalized plates
401.7(321)	Collegiate plates
401.8(321)	Medal of Honor plates
401.9(321)	Firefighter plates
401.10(321)	Emergency medical services plates
401.11(321)	Natural resources plates
401.12	Reserved
401.13(321)	Disabled veteran plates
401.14	Reserved

401.15(321)	Processed emblem application and approval process
401.16(321)	Special plates with processed emblems—general
401.17(321)	State agency-sponsored processed emblem plates
401.18(321)	Combat infantryman badge, combat action badge, combat action ribbon, air force combat action medal, combat medical badge, fallen peace officers and civil war sesquicentennial plates
401.19(321)	Legion of Merit plates
401.20(321)	Persons with disabilities plates
401.21(321)	Ex-prisoner of war plates
401.22(321)	National guard plates
401.23(321)	Pearl Harbor plates
401.24(321)	Purple Heart, Silver Star and Bronze Star plates
401.25(321)	U.S. armed forces retired plates
401.26 to 401.30	Reserved
401.31(321)	Veteran plates
401.32(321)	Surrender of plates
401.33(321)	Validation fees
401.34(321)	Reassignment of plates
401.35(321)	Revocation of special registration plates
401.36(321)	Refund of fees

CHAPTERS 402 to 404
Reserved

CHAPTER 405
SALVAGE

405.1(321)	Applicability
405.2(321)	Definitions
405.3(321)	Salvage title
405.4 and 405.5	Reserved
405.6(321)	Iowa salvage title required
405.7(321)	Converting salvage title to regular title
405.8(321)	Foreign vehicles
405.9(321)	Records check
405.10(321)	Designations
405.11 to 405.14	Reserved
405.15(321)	Salvage theft examination

CHAPTERS 406 to 409
Reserved

CHAPTER 410
SPECIAL MOBILE EQUIPMENT

410.1(321)	General
410.2(321E)	Special mobile equipment transported on a registered vehicle

CHAPTER 411

PERSONS WITH DISABILITIES PARKING PERMITS

411.1(321L)	Administration
411.2(321L)	Application for persons with disabilities parking permit
411.3(321L)	Removable windshield placards
411.4(321L)	Persons with disabilities special registration plate parking stickers
411.5(321L)	Persons with disabilities special registration plates

411.6	Reserved
411.7(321L)	Revocation
411.8(321L)	Return of parking permit

CHAPTERS 412 to 414

Reserved

CHAPTER 415

DRIVER'S PRIVACY PROTECTION—CERTIFICATES
OF TITLE AND VEHICLE REGISTRATION

415.1(321)	Applicability
415.2(321)	Adoption
415.3(321)	Definitions
415.4(321)	Requirements and procedures

CHAPTERS 416 to 423

Reserved

CHAPTER 424

TRANSPORTER PLATES

424.1(321)	General
424.2 and 424.3	Reserved
424.4(321)	Transporter plates

CHAPTER 425

MOTOR VEHICLE AND TRAVEL TRAILER DEALERS,
MANUFACTURERS, DISTRIBUTORS AND WHOLESALERS

425.1(322)	Introduction
425.2	Reserved
425.3(322)	Definitions
425.4 to 425.9	Reserved
425.10(322)	Application for dealer's license
425.11	Reserved
425.12(322)	Motor vehicle dealer's place of business
425.13	Reserved
425.14(322)	Travel trailer dealer's place of business
425.15 and 425.16	Reserved
425.17(322)	Extension lot license
425.18(322)	Supplemental statement of changes
425.19	Reserved
425.20(322)	Fleet vehicle sales and retail auction sales
425.21 to 425.23	Reserved
425.24(322)	Miscellaneous requirements
425.25	Reserved
425.26(322)	Fairs, shows and exhibitions
425.27 and 425.28	Reserved
425.29(322)	Classic car permit
425.30(322)	Motor truck display permit
425.31(322)	Firefighting and rescue show permit
425.32 to 425.39	Reserved
425.40(322)	Salespersons of dealers
425.41 to 425.49	Reserved
425.50(322)	Manufacturers, distributors, and wholesalers

425.51 and 425.52	Reserved
425.53(322)	Wholesaler's financial liability coverage
425.54 to 425.59	Reserved
425.60(322)	Right of inspection
425.61	Reserved
425.62(322)	Denial, suspension or revocation
425.63 to 425.69	Reserved
425.70(321)	Dealer plates
425.71	Reserved
425.72(321)	Demonstration permits

CHAPTERS 426 to 429

Reserved

CHAPTER 430

MOTOR VEHICLE LEASING LICENSES

430.1(321F)	General
430.2(321F)	Application
430.3(321F)	Supplemental statements
430.4(321F)	Separate licenses required

CHAPTER 431

VEHICLE RECYCLERS

431.1(321H)	General
431.2(321H)	Criteria for a vehicle recycler license
431.3(321H)	Application
431.4(321H)	Firm name
431.5(321H)	Denial, suspension or revocation of license
431.6(321)	Right of inspection

CHAPTERS 432 to 449

Reserved

CHAPTER 450

MOTOR VEHICLE EQUIPMENT

450.1	Reserved
450.2(321)	Equipment requirements for specially constructed, reconstructed, street rod, and replica motor vehicles, other than motorcycles and motorized bicycles
450.3(321)	Mud and snow tire
450.4(321)	Minimum requirements for constructing and equipping specially constructed or reconstructed motorcycles or motorized bicycles
450.5	Reserved
450.6(321)	Safety requirements for the movement of implements of husbandry on a roadway
450.7(321)	Front windshields, windows or sidewings

CHAPTER 451

EMERGENCY VEHICLE PERMITS

451.1(321)	Information
451.2(321)	Authorized emergency vehicle certificate

CHAPTER 452

REFLECTIVE DEVICES ON SLOW-MOVING VEHICLES

452.1 and 452.2	Reserved
452.3(321)	Alternative reflective device

CHAPTER 453

Reserved

CHAPTER 454

TOWING WRECKED OR DISABLED VEHICLES

454.1(321) Definitions

CHAPTERS 455 to 479

Reserved

CHAPTER 480

ABANDONED VEHICLES

480.1(321) Definitions
 480.2(321) Location
 480.3(321) General requirements
 480.4(321) Abandoned vehicle report
 480.5(321) Time limits

CHAPTERS 481 to 499

Reserved

MOTOR CARRIERS

CHAPTER 500

INTERSTATE REGISTRATION AND OPERATION OF VEHICLES

500.1(326) Definitions
 500.2(17A,326) General information
 500.3(17A,326) Waiver of rules
 500.4(326) Renewal for IRP registration
 500.5(321) Deadline for placing a vehicle in storage
 500.6(321,326) Penalty for late filing of renewal
 500.7(326) IRP payment methods
 500.8(326) IRP plate
 500.9(326) Fleet additions and temporary authority
 500.10(326) Fleet deletions
 500.11(326) Voluntary cancellation of registration
 500.12(326) Policy on registration credit
 500.13(326) Penalty for late filing of vehicle schedule
 500.14(326) Renewal and vehicle schedule late payment penalty
 500.15(321) Deadline for payment of first-half fee
 500.16(321,326) Second-half late payment penalty
 500.17(326) Duplicate credentials
 500.18(326) Suspension for nonpayment of registration fees
 500.19(326) Suspension of registration if payment is dishonored by a financial institution
 500.20(326) Making claim for refund
 500.21(326) Registration expiration and enforcement dates
 500.22(326) Registration of vehicles with non-Iowa titles
 500.23(326) Record retention
 500.24(326) Trip permits
 500.25(326) Electronic information

CHAPTERS 501 to 504

Reserved

CHAPTER 505

INTERSTATE MOTOR VEHICLE FUEL LICENSES AND PERMITS

- 505.1(452A) Definitions
- 505.2(452A) General information
- 505.3(452A) General stipulations
- 505.4(452A) Quarterly reports
- 505.5(452A) Audits—required reports
- 505.6(452A) Hearings

CHAPTERS 506 to 510

Reserved

CHAPTER 511

SPECIAL PERMITS FOR OPERATION AND MOVEMENT OF
VEHICLES AND LOADS OF EXCESS SIZE AND WEIGHT

- 511.1(321E) Definitions
- 511.2(321E) Location and general information
- 511.3(321E) Movement under permit
- 511.4(321E) Permits
- 511.5(321,321E) Fees and charges
- 511.6(321E) Insurance and bonds
- 511.7(321,321E) Annual permits
- 511.8(321,321E) Annual oversize/overweight permits
- 511.9(321,321E) All-systems permits
- 511.10(321,321E) Multitrip permits
- 511.11(321,321E) Single-trip permits
- 511.12(321,321E) Maximum axle weights and maximum gross weights for vehicles and loads moved under permit
- 511.13(321,321E) Movement of vehicles with divisible loads exceeding statutory size or weight limits
- 511.14(321E) Towing units
- 511.15(321E) Escorting
- 511.16(321,321E) Permit violations

CHAPTER 512

Reserved

CHAPTER 513

COMPACTED RUBBISH VEHICLE PERMITS

- 513.1(321) Definitions
- 513.2(321) General stipulations
- 513.3(321) Application
- 513.4(321) Replacement permit
- 513.5(321) Permit violations

CHAPTERS 514 to 519

Reserved

CHAPTER 520

REGULATIONS APPLICABLE TO CARRIERS

- 520.1(321) Safety and hazardous materials regulations
- 520.2(321) Definitions
- 520.3(321) Motor carrier safety regulations exemptions
- 520.4(321) Hazardous materials exemptions
- 520.5(321) Safety fitness

- 520.6(321) Out-of-service order
- 520.7(321) Driver's statement
- 520.8(321) Planting and harvesting periods

CHAPTERS 521 to 523

Reserved

CHAPTER 524

FOR-HIRE INTRASTATE MOTOR CARRIER AUTHORITY

- 524.1(325A) Purpose and applicability
- 524.2(325A) General information
- 524.3(325A) Applications and supporting documents
- 524.4(325A) Issuance of credentials
- 524.5(325A) Duplicate motor carrier permit or motor carrier certificate
- 524.6(325A) Amendment to a motor carrier permit or certificate
- 524.7(325A) Insurance—suspension
- 524.8(325A) Self-insurance for motor carriers of passengers
- 524.9(325A) Safety self-certification
- 524.10(325A) Financial statement
- 524.11(325A) Safety education seminar
- 524.12(325A) Marking of motor vehicles
- 524.13(325A) Bills of lading or freight receipts
- 524.14(325A) Lease of a vehicle
- 524.15(325A) Tariffs
- 524.16 Reserved
- 524.17(325A) Suspension, revocation or reinstatement
- 524.18(325A) Hearings

CHAPTERS 525 to 528

Reserved

CHAPTER 529

FOR-HIRE INTERSTATE MOTOR CARRIER AUTHORITY

- 529.1(327B) Motor carrier regulations
- 529.2(327B) Registering interstate authority in Iowa
- 529.3(327B) Waiver of rules

CHAPTERS 530 to 599

Reserved

DRIVER LICENSES

CHAPTER 600

GENERAL INFORMATION

- 600.1(321) Definitions
- 600.2(17A) Information and location
- 600.3(321) Persons exempt
- 600.4(252J,261,321) Persons not to be licensed
- 600.5 to 600.15 Reserved
- 600.16(321) Seat belt exemptions

CHAPTER 601

APPLICATION FOR LICENSE

- 601.1(321) Application for license
- 601.2(321) Surrender of license and nonoperator's identification card

601.3 and 601.4	Reserved
601.5(321)	Proofs submitted with application
601.6(321)	Parental consent
601.7(321)	REAL ID driver's license

CHAPTER 602

CLASSES OF DRIVER'S LICENSES

602.1(321)	Driver's licenses
602.2(321)	Information and forms
602.3	Reserved
602.4(321)	Definitions of immediate family
602.5 to 602.10	Reserved
602.11(321)	Class C noncommercial driver's license
602.12(321)	Class D noncommercial driver's license (chauffeur)
602.13(321)	Class M noncommercial driver's license (motorcycle)
602.14(321)	Transition from five-year to eight-year licenses
602.15(321)	Minor's restricted license
602.16	Reserved
602.17(321)	Minor's school license
602.18(321)	Motorcycle instruction permit
602.19(321)	Noncommercial instruction permit
602.20	Reserved
602.21(321)	Special noncommercial instruction permit
602.22	Reserved
602.23(321)	Chauffeur's instruction permit
602.24(321)	Motorized bicycle license
602.25(321)	Minor's restricted license
602.26(321)	Minor's school license

CHAPTER 603

Reserved

CHAPTER 604

LICENSE EXAMINATION

604.1(321)	Authority and scope
604.2(321)	Definitions
604.3(17A)	Information and forms
604.4 to 604.6	Reserved
604.7(321)	Examination
604.8 and 604.9	Reserved
604.10(321)	Vision screening
604.11(321)	Vision standards
604.12(321)	Vision referrals
604.13(321)	Vision screening results
604.14 to 604.19	Reserved
604.20(321)	Knowledge test
604.21(321)	Knowledge test requirements and waivers
604.22(321)	Knowledge test results
604.23 to 604.29	Reserved
604.30(321)	Driving test
604.31(321)	Driving test requirements and waivers for noncommercial driver's licenses
604.32 to 604.34	Reserved
604.35(321)	Determination of gross vehicle weight rating

604.36 to 604.39	Reserved
604.40(321)	Failure to pass examination
604.41 to 604.44	Reserved
604.45(321)	Reinstatement
604.46 to 604.49	Reserved
604.50(321)	Special reexaminations

CHAPTER 605
LICENSE ISSUANCE

605.1(321)	Scope
605.2(321)	Contents of license
605.3(321)	License class
605.4(321)	Endorsements
605.5(321)	Restrictions
605.6(321)	License term for temporary foreign national
605.7 and 605.8	Reserved
605.9(321)	Fees for driver's licenses
605.10	Reserved
605.11(321)	Duplicate license
605.12(321)	Address changes
605.13 and 605.14	Reserved
605.15(321)	License extension
605.16(321)	Military extension
605.17 to 605.19	Reserved
605.20(321)	Fee adjustment for upgrading license
605.21 to 605.24	Reserved
605.25(321)	License renewal

CHAPTER 606
Reserved

CHAPTER 607
COMMERCIAL DRIVER LICENSING

607.1(321)	Scope
607.2(17A)	Information
607.3(321)	Definitions
607.4 and 607.5	Reserved
607.6(321)	Exemptions
607.7(321)	Records
607.8 and 607.9	Reserved
607.10(321)	Adoption of federal regulations
607.11 to 607.14	Reserved
607.15(321)	Application
607.16(321)	Commercial driver's license (CDL)
607.17(321)	Endorsements
607.18(321)	Restrictions
607.19	Reserved
607.20(321)	Commercial learner's permit
607.21 to 607.24	Reserved
607.25(321)	Examination for a commercial driver's license
607.26(321)	Vision screening
607.27(321)	Knowledge tests
607.28(321)	Skills test

607.29	Reserved
607.30(321)	Third-party testing
607.31(321)	Test results
607.32 to 607.34	Reserved
607.35(321)	Issuance of commercial driver's license and commercial learner's permit
607.36	Reserved
607.37(321)	Commercial driver's license renewal
607.38(321)	Transfers from another state
607.39(321)	Disqualification
607.40(321)	Sanctions
607.41 to 607.44	Reserved
607.45(321)	Reinstatement
607.46 to 607.48	Reserved
607.49(321)	Restricted commercial driver's license
607.50(321)	Self-certification of type of driving and submission of medical examiner's certificate
607.51(321)	Determination of gross vehicle weight rating

CHAPTERS 608 and 609

Reserved

CHAPTER 610

RELEASE OF COMPUTERIZED DRIVER'S LICENSE AND NONOPERATOR'S IDENTIFICATION CARD RECORDS

610.1(321)	Applicability
610.2(321)	Definitions
610.3(321)	Copying files to computer tape cartridges
610.4(321,321A)	Certified abstract of operating records

CHAPTER 611

DRIVER'S PRIVACY PROTECTION—DRIVER'S LICENSE AND NONOPERATOR'S IDENTIFICATION CARD

611.1(321)	Applicability
611.2(321)	Adoption
611.3(321)	Definitions
611.4(321)	Requirements and procedures

CHAPTERS 612 to 614

Reserved

CHAPTER 615

SANCTIONS

615.1(321)	Definitions
615.2(321)	Scope
615.3(17A)	Information and address
615.4(321)	Denial for incapability
615.5 and 615.6	Reserved
615.7(321)	Cancellations
615.8	Reserved
615.9(321)	Habitual offender
615.10	Reserved
615.11(321)	Periods of suspension
615.12(321)	Suspension of a habitually reckless or negligent driver

615.13(321)	Suspension of a habitual violator
615.14(321)	Suspension for incapability
615.15(321)	Suspension for unlawful use of a license
615.16(321)	Suspension for out-of-state offense
615.17(321)	Suspension for a serious violation
615.18(321)	Suspension under the nonresident violator compact
615.19(321)	Suspension for a charge of vehicular homicide
615.20(321)	Suspension for moving violation during probation
615.21(321)	Suspension of a minor's school license and minor's restricted license
615.22(321)	Suspension for nonpayment of fine, penalty, surcharge or court costs
615.23(321)	Suspensions for juveniles
615.24(252J,261)	Suspension upon receipt of a certificate of noncompliance
615.25	Reserved
615.26(321)	Suspension or revocation for violation of a license restriction
615.27 and 615.28	Reserved
615.29(321)	Mandatory revocation
615.30(321)	Revocation for out-of-state offense
615.31	Reserved
615.32(321)	Extension of revocation period
615.33(321)	Revocation of a minor's license
615.34 and 615.35	Reserved
615.36(321)	Effective date of suspension, revocation, disqualification or bar
615.37(321)	Service of notice
615.38(17A,321)	Hearing and appeal process
615.39(321)	Surrender of license
615.40(321)	License reinstatement or reissue
615.41(321)	Investigation of convictions based on fraud
615.42(321)	Remedial driver improvement action under Iowa Code section 321.180B
615.43(321)	Driver improvement program
615.44(321)	Driver improvement interview
615.45(321)	Temporary restricted license (work permit)

CHAPTERS 616 to 619

Reserved

CHAPTER 620

OWI AND IMPLIED CONSENT

620.1	Reserved
620.2(321J)	Information and location
620.3(321J)	Issuance of temporary restricted license
620.4(321J)	Hearings and appeals
620.5(321J)	Reinstatement
620.6(321J)	Issuance of temporary restricted license after revocation period has expired
620.7 to 620.9	Reserved
620.10(321J)	Revocation for deferred judgment
620.11 to 620.14	Reserved
620.15(321J)	Substance abuse evaluation and treatment or rehabilitation services
620.16(321J)	Drinking drivers course

CHAPTERS 621 to 624

Reserved

CHAPTER 625
DRIVER'S LICENSES FOR UNDERCOVER
LAW ENFORCEMENT OFFICERS

625.1(321)	Purpose
625.2(321)	Application
625.3(321)	Issuance
625.4(321)	Renewal not permitted
625.5(321)	Cancellation
625.6(321)	Records

CHAPTERS 626 to 629
Reserved

CHAPTER 630
NONOPERATOR'S IDENTIFICATION

630.1(321)	General information
630.2(321)	Application and issuance
630.3(321)	Duplicate card
630.4(321)	Cancellation

CHAPTERS 631 to 633
Reserved

CHAPTER 634
DRIVER EDUCATION

634.1(321)	Information and location
634.2(321)	Definition
634.3	Reserved
634.4(321)	Driver education course standards and requirements
634.5	Reserved
634.6(321)	Teacher qualifications
634.7(321)	Behind-the-wheel instructor's certification
634.8(321)	Private and commercial driver education schools
634.9 and 634.10	Reserved
634.11(321)	Driver education—teaching parent

CHAPTER 635
MOTORCYCLE RIDER EDUCATION (MRE)

635.1(321)	Definitions
635.2(321)	Approved course in motorcycle rider education
635.3(321)	Instructors
635.4(321)	Responsibilities of sponsors
635.5(321)	Use of motorcycle rider education fund
635.6(321)	Information and location
635.7(321)	License issuance

CHAPTER 636
MOTORIZED BICYCLE RIDER EDUCATION

636.1(321)	Information and location
636.2(321)	Definitions
636.3	Reserved
636.4(321)	Agencies or institutions
636.5(321)	Private or commercial sponsors
636.6	Reserved

636.7(321)	Course requirements
636.8(321)	Teacher qualifications
636.9(321)	Evaluation

CHAPTERS 637 to 639

Reserved

CHAPTER 640

FINANCIAL RESPONSIBILITY

640.1(321A)	General provisions
640.2(321A)	Hearing and appeal process
640.3(321A)	Accident reporting requirements
640.4(321A)	Security required following accident
640.5(321A)	Judgments
640.6(321A)	Proof of financial responsibility for the future
640.7(321A)	Transfer of suspended registration

CHAPTER 641

FINANCIAL LIABILITY COVERAGE CARDS

641.1(321)	Purpose and applicability
641.2(321)	Definitions
641.3(321)	Content of financial liability coverage card
641.4(321)	Responsibilities of insurer
641.5(321)	Acquisition of additional or replacement motor vehicles
641.6(321)	New policies

CHAPTERS 642 to 699

Reserved

AERONAUTICS

CHAPTER 700

AERONAUTICS ADMINISTRATION

700.1(328)	Definitions
700.2(17A)	Information and forms
700.3(17A)	Hearing and appeal process

CHAPTERS 701 to 709

Reserved

CHAPTER 710

AIRPORT IMPROVEMENT PROGRAM

710.1(328)	Purpose
710.2(328)	Definitions
710.3(17A)	Information and forms
710.4(330)	Federal airport improvement funds
710.5(328)	State airport improvement funds

CHAPTERS 711 to 714

Reserved

CHAPTER 715

AIR SERVICE DEVELOPMENT PROGRAM

715.1(328)	Purpose
715.2(328)	Definitions

715.3(328)	Eligibility and funding
715.4(328)	Eligible project activities
715.5	Reserved
715.6(328)	Project selection criteria
715.7(328)	Application
715.8(328)	Project administration

CHAPTER 716

COMMERCIAL SERVICE VERTICAL INFRASTRUCTURE PROGRAM

716.1(328)	Purpose
716.2(328)	Definitions
716.3(328)	Information and forms
716.4(328)	Eligible airports
716.5(328)	Eligible project activities
716.6	Reserved
716.7(328)	Project application and review
716.8(328)	Project administration

CHAPTER 717

GENERAL AVIATION VERTICAL INFRASTRUCTURE PROGRAM

717.1(328)	Purpose
717.2(328)	Definitions
717.3(328)	Information and forms
717.4(328)	Applicant eligibility
717.5(328)	Eligible project activities
717.6	Reserved
717.7(328)	Funding
717.8(328)	Project priorities
717.9(328)	Project applications
717.10(328)	Review and approval
717.11(328)	Project administration

CHAPTERS 718 and 719

Reserved

CHAPTER 720

IOWA AIRPORT REGISTRATION

720.1(328)	Scope
720.2(328)	Definitions
720.3(328)	Airport site approval required
720.4(328)	Public-use airport
720.5(328)	Private-use airport
720.6(328)	Revocation or denial
720.7 to 720.9	Reserved
720.10(328)	Minimum safety standards
720.11 to 720.14	Reserved
720.15(328)	Airport closing

CHAPTERS 721 to 749

Reserved

CHAPTER 750
AIRCRAFT REGISTRATION

750.1(328)	Purpose
750.2(328)	Definitions
750.3(17A)	Information and forms
750.4 to 750.8	Reserved
750.9(328)	Registration
750.10(328)	First registration procedure
750.11 to 750.14	Reserved
750.15(328)	Aircraft not airworthy
750.16 to 750.19	Reserved
750.20(328)	Renewal notice
750.21 to 750.28	Reserved
750.29(328)	Penalty on registration fees
750.30(328)	Lien

CHAPTERS 751 to 799
Reserved

RAILROADS

CHAPTER 800
ITEMS OF GENERAL APPLICATION FOR RAILROADS

800.1(307)	Definitions
800.2(17A)	Location and submission of documents
800.3(327C)	Accounts
800.4(327C)	Annual reports
800.5 to 800.14	Reserved
800.15(327F)	Train speed ordinances
800.16 to 800.19	Reserved
800.20(327G)	Removal of tracks from crossings

CHAPTER 801
Reserved

CHAPTER 802
REPORTING OF RAILROAD ACCIDENTS/INCIDENTS

802.1(327C)	Written reports
802.2(327C)	Immediate reporting of personal injury or death

CHAPTERS 803 to 809
Reserved

CHAPTER 810
RAILROAD SAFETY STANDARDS

810.1(327C)	Track standards
810.2(327C)	Track inspection
810.3	Reserved
810.4(327F)	First aid and medical treatment for railroad employees
810.5(327F)	Worker transportation

CHAPTER 811
HIGHWAY-RAILROAD GRADE CROSSING WARNING DEVICES

811.1(307) Standards

CHAPTER 812
CLASSIFICATIONS AND STANDARDS FOR
HIGHWAY-RAILROAD GRADE CROSSINGS

812.1(307) Purpose
812.2(307) Classification
812.3(307) Warning device standards and their implementation
812.4(307) Effect of rules

CHAPTER 813
CLOSE-CLEARANCE WARNING SIGNS ALONG RAILROAD TRACKS

813.1(327F) Purpose and scope
813.2(327F) Applicability
813.3(327F) Information
813.4(327F) Definitions
813.5(327F) Close-clearance dimensions
813.6(327F) Signing requirements
813.7 and 813.8 Reserved
813.9(327F) Enforcement
813.10(327F) Reimbursement

CHAPTERS 814 to 819
Reserved

CHAPTER 820
HIGHWAY GRADE CROSSING SAFETY FUND

820.1(327G) Definitions
820.2(327G) Purpose
820.3(327G) Information and submissions
820.4(327G) Participation in the maintenance costs of eligible warning devices
820.5(327G) Reimbursement

CHAPTER 821
HIGHWAY-RAILROAD GRADE CROSSING SURFACE
REPAIR FUND

821.1(327G) Definitions
821.2(327G) General information
821.3(327G) Procedures for the use of grade crossing surface repair funds

CHAPTER 822
RAILROAD REVOLVING LOAN AND GRANT FUND PROGRAM

822.1(327H) Introduction
822.2(327H) Definitions
822.3(327H) Information
822.4(327H) Purpose of program
822.5(327H) Funding
822.6(327H) Project criteria
822.7(327H) Applicant eligibility
822.8(327H) Eligible and ineligible project costs
822.9 Reserved
822.10(327H) Project application

- 822.11(327H) Project evaluation and approval
 822.12(327H) Project agreement and administration

CHAPTERS 823 to 899

Reserved

PUBLIC TRANSIT

CHAPTERS 900 to 909

Reserved

CHAPTER 910

COORDINATION OF PUBLIC TRANSIT SERVICES

- 910.1(324A) Definitions
 910.2(17A) Information and location
 910.3(324A) Statewide transportation coordination advisory council
 910.4(324A) Certification process
 910.5(324A) Standards for compliance
 910.6(324A) Noncompliance
 910.7(324A) Noncompliant sanctions
 910.8(17A,324A) Revocation

CHAPTER 911

SCHOOL TRANSPORTATION SERVICES PROVIDED
BY REGIONAL TRANSIT SYSTEMS

- 911.1(321) Purpose and information
 911.2(321,324A) Definitions
 911.3(321) Services to students as part of the general public
 911.4(321) Contracts for nonexclusive school transportation
 911.5(321) Adoption of federal regulations
 911.6(321) Driver standards
 911.7(321) Vehicle standards
 911.8(321) Maintenance
 911.9(321) Safety equipment
 911.10(321) Operating policies

CHAPTERS 912 to 919

Reserved

CHAPTER 920

STATE TRANSIT ASSISTANCE

- 920.1(324A) Statement of policy
 920.2(324A) General information
 920.3(324A) Definitions
 920.4(324A) Types of projects
 920.5(324A) Standards for projects
 920.6(324A) Processing

CHAPTER 921

ADVANCED ALLOCATIONS OF STATE TRANSIT ASSISTANCE FUNDING

- 921.1(324A) Scope of chapter
 921.2(324A) Basic types of advance allocations
 921.3(324A) Application for advance allocations
 921.4(324A) Application approval
 921.5(324A) Consideration in determining the approval of advance allocation application

921.6	Reserved
921.7(324A)	Reports, and suspension and termination of allocations
921.8(324A)	Income derived from interest-bearing accounts and investments
921.9(324A)	“Joint Participation Agreement” close and audits

CHAPTER 922

FEDERAL TRANSIT ASSISTANCE

922.1(324A)	Projects for nonurbanized areas and private nonprofit transportation providers
-------------	--

CHAPTER 923

CAPITAL MATCH REVOLVING LOAN FUND

923.1(71GA,ch265)	General information
923.2(71GA,ch265)	Definitions
923.3(71GA,ch265)	System eligibility
923.4(71GA,ch265)	Project eligibility
923.5(71GA,ch265)	Procedure

CHAPTER 924

PUBLIC TRANSIT INFRASTRUCTURE GRANT PROGRAM

924.1(324A)	Purpose
924.2(324A)	Definitions
924.3(324A)	Information and forms
924.4	Reserved
924.5(324A)	Applicant eligibility
924.6(324A)	Project eligibility
924.7(324A)	Eligible project activities
924.8(324A)	Ineligible project activities
924.9	Reserved
924.10(324A)	Funding
924.11(324A)	Project applications
924.12 and 924.13	Reserved
924.14(324A)	Project priorities
924.15(324A)	Review and approval
924.16(324A)	Project agreement and administration

CHAPTER 117
OUTDOOR ADVERTISING

[Prior to 6/3/87, Transportation Department[820]—(06,O) Ch 5]

761—117.1(306B,306C) Definitions. The definitions in Iowa Code section 306C.10 are adopted. In addition:

“Abandoned sign” means an advertising device for which the owner has failed to timely apply for the required outdoor advertising permit(s) or has failed to timely pay the required fee(s).

“Area zoned and used for commercial or industrial purposes” means an area zoned for commercial or industrial purposes in accordance with Iowa Code chapter 414, in the case of city zoning, or in accordance with Iowa Code chapter 335, in the case of county zoning, in which one or more commercial or industrial activities, as defined under the city or county zoning ordinance, are located.

“Billboard control Act” means Iowa Code chapter 306C, division II.

“Bonus Act” means Iowa Code chapter 306B.

“Daylight area” means a triangular area formed by a line connecting two points each back (50 feet in city, 100 feet in unincorporated area) from the point where the right-of-way lines of the main traveled way and an intersecting street meet or would meet if extended.

“Development directory sign” means the same as defined in rule 761—117.15(306C).

“Directional and official signs and notices” means official signs and notices, public utility signs, service club and religious notices, public service signs, and directional signs.

“Directional sign” means a sign governed by 761—Chapter 120.

“Face” means that part of an advertising device that is devoted to the display of advertising and that is visible to traffic proceeding in any one direction.

“Interchange” means the entire area constructed for a junction of two or more public streets or highways by a system of separate levels that permit traffic to pass from one level to another without the crossing of traffic streams. This includes all acceleration and deceleration lanes constructed to accommodate this movement of traffic.

“Lease” means an agreement, oral or written, by which possession or use of land or interests therein are given by the owner or other person to another person for a specified purpose.

“LED display” means a face, as defined herein, displaying a message that is formed by light emitting diodes and that is changed by an electronic process. An LED display is a single face.

“Modification” means any addition to or change in dimensions, lighting, structure or advertising face, except as incidental to the customary maintenance of an advertising device.

1. A change in the number or type of support posts is a modification. A change in dimensions is a modification. However, the addition of extensions or cutouts, including forward projecting, is not a modification if the extensions or cutouts are added for a period of 90 days or less and if they are illuminated only by existing sign lighting and do not contain internal lighting.

2. A lawful change in advertising message is not a modification. The use of a vinyl overlay or wrap on either a poster panel or paint unit is a change in advertising message, not a modification.

3. On an advertising device that conforms to all current requirements, the replacement of one metal-framed face with another metal-framed face of the same size, using dissimilar component parts or assembly methods, or both, is not a modification.

4. The addition of LED display capabilities to an advertising device is a modification.

“Nonconforming sign” means an advertising device that was lawfully erected and continues to be lawfully maintained, but that does not comply fully with current size and spacing requirements due to changed conditions, such as a change in zoning, establishment of a new highway, or a similar change that affects compliance.

“Obsolete sign” means an advertising device displaying information pertaining to activities that are no longer conducted or products or services that are no longer available at the advertised location.

“Official sign or notice” means a sign or notice lawfully erected and maintained by a city, county or public agency within its territorial or zoning jurisdiction for the purpose of carrying out an official duty or responsibility.

“On-premises sign” or *“on-property sign”* means an advertising device advertising the sale or lease of, or activities being conducted upon, the property where the sign is located. The criteria to be used to determine if an advertising device qualifies as on-premises signing, excluding development directory signing, include but are not limited to the following:

1. A sign that consists solely of the name of the establishment or that identifies the establishment’s principal or accessory products or services offered on the property is an on-premises sign.

2. An on-premises sign must be located on the same property as the advertised activity or the same property as that advertised for sale or lease. A subdivided property may be considered to be one property if all lots remain under common ownership and all lots share a common, private access to public roads. However, if any lot in the subdivided property is sold or disposed of in any manner, that lot will be considered to be separate property.

3. Contiguous lots or parcels of land may be considered to be one property for outdoor advertising control purposes provided they are owned or leased by the same party. To be considered one property, all contiguous lots or parcels of land must also be used for a purpose related to the advertised activity other than signing.

4. An on-premises sign shall not be located on a narrow strip of land that cannot reasonably be used for a purpose related to the advertised activity other than signing.

5. An on-premises sign is limited to advertising the property’s sale or lease, or identifying the activities located on or products or services available on the property.

6. An advertising device is not an on-premises sign if it consists principally of brand- or trade-name advertising and either the product or service advertised is only incidental to the establishment’s principal products or services or the advertising brings rental income to the property owner. “Principally” means 50 percent or more of the display area of the sign.

7. An on-premises sign concerning the sale or lease of property shall not display the legend “sold” or “leased” or a similar message.

“Public utility sign” means a warning or informational sign, notice or marker that is customarily erected and maintained by a publicly or privately owned utility to mark the location of a utility facility.

“Regularly used” means open for business and staffed by an owner or employee for at least 20 hours per week, on property assessed as commercial or industrial by the jurisdiction having authority; the hours of operation must be visibly posted on the premises. The department may delay action on the permit application for up to 180 days from the date of the application in order to conduct periodic checks on the site as necessary to determine whether the purported commercial or industrial activity meets this definition. A rental storage business is excepted from the staffing requirement if it has 24-hour access for customers and a minimum of 50 units, each occupying at least 50 square feet, individually separated, and enclosed by walls.

“Scenic area” means any area of particular scenic beauty or historical significance, as determined by the federal, state or local officials having jurisdiction of the area. It includes real property interests that have been acquired for the restoration, preservation and enhancement of scenic beauty.

“Service club or religious notice” means a sign displaying a message that is limited to the name of a nonprofit service club, charitable association, church or religious group or cemetery, the location and hours of its meetings or services or the hours it is open to the public, and an appropriate emblem.

“Tri-face device” means an advertising device with three singular faces attached to one common structure in a triangular configuration. The maximum area of any face is 750 square feet. The inside angle formed by any two faces may not exceed 60 degrees.

“Tri-vision device” means an advertising device that has an advertising face with a mechanical device that allows three advertising messages to be alternately visible to traffic proceeding in any one direction. Each message is attached to individual vertical or horizontal louvers, which are mechanically rotated to change the message.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.2(306B,306C) General provisions.

117.2(1) Scope. This chapter of rules pertains to all advertising devices which are visible from the main traveled way of any primary highway, with the following exceptions:

a. Within incorporated areas, this chapter does not apply to advertising devices which are beyond 660 feet from the nearest edge of the right-of-way.

b. Except where specified otherwise, this chapter does not apply to official traffic control devices, logo signing, tourist-oriented directional signing, or private directional signing.

117.2(2) Contact information. Inquiries, requests for forms, and applications regarding this chapter shall be directed to the Advertising Management Section, Office of Traffic and Safety, Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010.

117.2(3) Unauthorized signs, signals, or markings. Any sign, signal, marking or device prohibited by Iowa Code section 321.259 is a public nuisance and shall be removed by the department if it is within the department's jurisdiction.

117.2(4) Advertising devices obstructing the view of a highway or railway. Any advertising device that obstructs the view of any portion of a public highway or railway track in violation of Iowa Code subsection 318.11(2) or 657.2(7) is a public nuisance, which shall be abated as provided in Iowa Code chapter 657.

117.2(5) Advertising devices within the right-of-way. Any advertising device placed or erected within the right-of-way of any primary highway in violation of Iowa Code chapter 318 is subject to removal in the manner specified in Iowa Code chapter 318.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.3(306B,306C) General criteria. The department shall control the erection and maintenance of advertising devices, subject to the provisions of these rules, in accord with the following criteria:

117.3(1) Prohibition. Advertising devices shall not be erected, maintained or illuminated unless they comply with the following:

a. No advertising device shall attempt or appear to attempt to direct the movement of traffic.

b. No advertising device shall interfere with, imitate or resemble any official sign, signal or device.

c. No advertising device subject to the more restrictive controls of the bonus Act shall move or have any animated or moving parts.

d. No advertising device shall be erected or maintained upon trees, painted or drawn upon rocks or other natural features.

e. No off-premises advertising device shall include any flashing, intermittent or moving light or lights except those signs giving public service information such as time, date, temperature, weather and news. No on-premises sign located within the adjacent area of an interstate highway but outside an area zoned and used for commercial or industrial purposes, as defined in rule 761—117.1(306B,306C), shall include any flashing, intermittent or moving light or lights except those signs giving public service information such as time, date, temperature, weather and news. Any variation or addition to the stated service information is subject to department approval. This paragraph does not prohibit an LED display, provided:

(1) Each change of message is accomplished in one second or less.

(2) Each message remains in a fixed position for at least eight seconds.

(3) No traveling messages (e.g., moving messages, animated messages, full-motion video, scrolling text messages) or segmented messages are presented.

f. No lighting shall be used in any way in connection with any advertising device unless it is so effectively shielded as to prevent beams or rays of light from being directed at any portion of the main traveled way of any highway, or is of such low intensity or brilliance as to not cause glare or to impair the vision of the driver of any motor vehicle, or to otherwise interfere with any driver's operation of a motor vehicle. This paragraph does not prohibit an LED display provided the light intensity presented does not exceed that allowed for other illuminated displays.

g. No advertising device subject to the more restrictive controls of the bonus Act shall be obsolete.

h. No advertising device shall be in a state of disrepair or illegible for a period of time exceeding 90 days.

i. Advertising devices shall be securely affixed to a substantial structure.

j. No advertising device subject to the more restrictive controls of the bonus Act shall advertise activities which are illegal under federal or state laws in effect at the location of those activities or at the location of the sign.

k. An advertising device shall comply with all applicable state and local laws, regulations and ordinances, including but not limited to zoning, building and sign codes as locally interpreted and applied and enforced, which may be stricter than this chapter.

l. No off-premises advertising device may be erected within the adjacent area of any primary highway that has been designated a scenic highway or scenic byway if the advertising device will be visible from the highway.

m. An advertising device shall not be constructed or reconstructed beyond the adjacent area in unincorporated areas of the state if the advertising device is visible from the main traveled way of any primary highway except for on-premises signs and official signs and notices.

117.3(2) *Measurements of distance.* Distance from the edge of a right-of-way shall be measured horizontally along a line normal or perpendicular to the centerline of the highway. All other measurements of distance shall be measured horizontally between points on a line parallel to the highway centerline.

117.3(3) *Measurement of area.* The area of an advertising device shall be measured by the smallest square, rectangle, triangle, circle or combination thereof which will encompass the entire display area including border and trim, but excluding temporary cutouts and extensions, base, apron, support, and other structural members.

117.3(4) *Zoning exclusions.*

a. A zone in which limited commercial or industrial activities are permitted incidental to other primary land uses is not a commercial or industrial zone for advertising control purposes.

b. Action which is not a part of comprehensive zoning in accordance with Iowa Code chapter 335 or Iowa Code chapter 414 is not a commercial or industrial zone for advertising control purposes.

c. Action taken primarily to permit advertising devices is not a commercial or industrial zone for advertising control purposes.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.4(306B,306C) Interstate special provisions for on-premises signs. This rule applies to on-premises signs located within the adjacent area of any interstate highway, except those areas exempt from control under Iowa Code section 306B.2(4).

117.4(1) *Interstate on-premises signs (restricted).* Within the adjacent area of any interstate highway not more than one on-premises sign, visible to traffic proceeding in any one direction on any one interstate highway, advertising activities conducted upon the real property where the sign is located, may be erected or maintained more than 50 feet from the advertised activity. Such on-premises signs more than said 50 feet shall be subject to the permit provisions of rule 117.6(306C).

117.4(2) *Interstate on-premises signs (for sale or lease).* Within the adjacent area of any interstate highway, not more than one on-premises sign advertising the sale or lease of the same property upon which the sign is located may be permitted in such a manner as to be visible to traffic proceeding in any one direction on any one interstate highway.

117.4(3) *Interstate on-premises size limitations.* An on-premises sign within the adjacent area of an interstate shall be no larger than 20 feet in length, width or height and 150 square feet in area. However, an on-premises sign advertising activities conducted within 50 feet of the sign is exempt from these size limitations. This exemption does not apply to a sign advertising the sale or lease of property where the sign is located.

117.4(4) *Interstate on-premises signs (unrestricted).* Within the adjacent area of any interstate highway, on-premises signs advertising activities conducted within 50 feet of the sign, located upon the same real property where the sign is located, are not subject to regulations as to number of signs, size,

or spacing; however, for the purpose of determining the 50-foot distance, the limits of the advertised activity shall be determined as follows:

a. When the advertised activity is a business, commercial or industrial land use, the distance shall be measured from the regularly used buildings, parking lots, storage or processing areas or other structures which are essential and customary to the conduct of the business.

b. When the advertised activity is a noncommercial or nonindustrial land use such as a residence, farm, or orchard, the distance shall be measured from the major structures or areas used in furtherance of the advertised activities.

117.4(5) *Interstate advertising devices not subject to control until July 1, 1972.* Rescinded IAB 8/4/04, effective 9/8/04.

761—117.5(306B,306C) Location, size and spacing requirements. This rule does not apply to on-premises signs.

117.5(1) *Advertising devices lawfully in existence prior to July 1, 1972.*

a. An advertising device that was lawfully in existence prior to July 1, 1972, and is visible from any primary highway, including a device located beyond the adjacent area in unincorporated areas, may remain in existence without conforming to subrule 117.5(5) as long as the device otherwise conforms to all other applicable statutory and regulatory requirements. The permit provisions of rule 761—117.6(306C) apply.

b. If the advertising device is located in an adjacent area which is neither a zoned nor an unzoned commercial or industrial area, the device may remain in existence as described in paragraph “a” of this subrule only until such time as the device is acquired by the department. The permit issued for the device will be a provisional permit. See subrule 117.6(3) and rule 761—117.9(306B,306C).

117.5(2) *Advertising devices lawfully in existence prior to July 1, 1972, beyond 660 feet from the right-of-way.* Rescinded IAB 11/27/02, effective 1/1/03.

117.5(3) *Abandoned signs.* Abandoned signs which do not comply with these rules shall be removed by the department without compensation regardless of when erected.

117.5(4) *Advertising devices lawfully in existence prior to July 1, 1972, within adjacent areas neither zoned nor unzoned commercial or industrial.* Rescinded IAB 11/27/02, effective 1/1/03.

117.5(5) *Advertising devices erected after July 1, 1972.* Except as otherwise provided in this chapter, an advertising device which is visible from the main traveled way of any primary highway shall not be erected after July 1, 1972, or subsequently maintained within the adjacent area unless the advertising device complies with the following:

a. Permit required. A current permit from the department is required for the erection or subsequent maintenance of the advertising device.

b. Commercial or industrial area.

(1) An advertising device visible from the main traveled way of an interstate highway must be located within an area zoned and used for commercial or industrial purposes, as defined in rule 761—117.1(306B,306C); within 750 feet of the regularly used portion of a commercial or industrial activity visible from the main traveled way; and on the same, individual, platted parcel of land as that commercial or industrial activity. The commercial or industrial activity must be one defined under the city’s or county’s, as applicable, zoning ordinance.

(2) An advertising device visible from the main traveled way of a noninterstate primary highway must be located within a commercial or industrial zone or an unzoned commercial or industrial area, as defined in Iowa Code section 306C.10.

c. Spacing within city—interstate and freeway-primary highway. Within the corporate limits of a municipality, the following provisions apply to an advertising device which is visible from an interstate or a freeway-primary highway:

(1) The advertising device shall not be located within 250 feet of another advertising device when both are visible to traffic proceeding in any one direction. If the advertising device has an LED display, the advertising device shall not be located within 500 feet of another advertising device that has an LED display when both are visible to traffic proceeding in any one direction.

(2) The advertising device shall not be located within the adjacent area on either side of the highway in, or within 250 feet of an interchange or rest area. The 250 feet shall be measured along a line parallel to the centerline from a point opposite the end or beginning of whichever acceleration or deceleration ramp extends the farthest from the interchange or rest area to a point opposite the advertising device.

(3) In an area where two interchanges are in such close proximity that the acceleration or deceleration lanes or ramps merge or overlap or where there are continuous acceleration or deceleration lanes between interchanges, the area will be treated as one continuous interchange.

d. Spacing outside city—interstate and freeway-primary highway. Outside the corporate limits of a municipality, the following provisions apply to an advertising device which is visible from an interstate or a freeway-primary highway:

(1) The advertising device shall not be located within 500 feet of another advertising device when both are visible to traffic proceeding in any one direction. If the advertising device has an LED display, the advertising device shall not be located within 1000 feet of another advertising device that has an LED display when both are visible to traffic proceeding in any one direction.

(2) The advertising device shall not be located within the adjacent area on either side of the highway in, or within 250 feet of an interchange or rest area. The 250 feet shall be measured along a line parallel to the centerline from a point opposite the end or beginning of whichever acceleration or deceleration ramp extends the farthest from the interchange or rest area to a point opposite the advertising device.

(3) In an area where two interchanges are in such close proximity that the acceleration or deceleration lanes or ramps merge or overlap or where there are continuous acceleration or deceleration lanes between interchanges, the area will be treated as one continuous interchange.

e. Spacing within city—nonfreeway-primary highway. Within the corporate limits of a municipality, the following provisions apply to an advertising device which is visible from a nonfreeway-primary highway:

(1) The advertising device shall not be located within 100 feet of another advertising device when both are visible to traffic proceeding in any one direction. If the advertising device has an LED display, the advertising device shall not be located within 500 feet of another advertising device that has an LED display when both are visible to traffic proceeding in any one direction.

(2) The advertising device shall not be located within the daylight area. However, if a building is located within the daylight area, a wall advertising device may be attached to the building provided the device does not protrude more than 12 inches, exclusive of catwalk and lights. No part of a catwalk or lights may overhang the right-of-way. The permit for the advertising device shall be revoked if the building the device is attached to is removed.

f. Spacing outside city—nonfreeway-primary highway. Outside the corporate limits of a municipality, the following provisions apply to an advertising device which is visible from a nonfreeway-primary highway:

(1) The advertising device shall not be located within 300 feet of another advertising device when both are visible to traffic proceeding in any one direction. If the advertising device has an LED display, the advertising device shall not be located within 1000 feet of another advertising device that has an LED display when both are visible to traffic proceeding in any one direction.

(2) The advertising device shall not be located within the daylight area. However, if a building is located within the daylight area, a wall advertising device may be attached to the building provided the device does not protrude more than 12 inches exclusive of catwalk and lights. No part of a catwalk or lights may overhang the right-of-way. The permit for the advertising device shall be revoked if the building the device is attached to is removed.

g. Spacing—signs separated by a building. The distance and spacing requirements of subparagraphs “c”(1), “d”(1), “e”(1), and “f”(1), above, shall not apply to advertising devices which are separated by a building in such a manner that only one advertising device located within the minimum spacing distance is visible from a highway at any one time.

h. Spacing—measurement of distance. The minimum distance between two advertising devices visible to traffic proceeding in the same direction shall apply without regard to the side of the highway on which the advertising devices may be located and shall be measured along a line parallel to the centerline

of the highway between points directly opposite the advertising devices. When a sign is visible and subject to control from more than one primary highway, it must meet spacing requirements along each route.

i. Spacing—rural area next to incorporated area.

(1) In a rural area next to an incorporated area, the first rural sign placement shall be no closer than the rural spacing requirement measured from the point where the corporation line intersects the centerline or from the point where a line normal or perpendicular to the centerline of the highway intersects the first unincorporated area within the adjacent area to a point directly opposite the first potential sign location.

(2) In those areas where the adjacent area on one side of the highway is incorporated and on the opposite side of the highway all or part of the adjacent area is not, the spacing on both sides of the highway, except for daylight spacing, shall be regulated by the rural or unincorporated area spacing requirements.

j. Signs not considered when determining spacing. Directional and other official signs and notices and on-premises advertising devices shall not be taken into consideration in determining compliance with spacing requirements.

k. Sizes and types. Only the following types of advertising devices are permitted: single-face, side-by-side, double-deck, tri-vision, back-to-back, v-type, and tri-face.

(1) The multiple faces or panels of an advertising device must be contiguous or on a common structure. Side-by-side configurations are contiguous if the faces are not more than two feet apart and they are owned by the same permit holder. Side-by-side configurations must be on the same vertical and horizontal planes.

(2) A maximum of one face of an advertising device may be visible to traffic proceeding in any one direction. An advertising device other than a tri-face device may have no more than two faces.

(3) For an advertising device with one face, the maximum display area of the face is 1200 square feet. This applies to single-face, side-by-side, double-deck and tri-vision devices. For permit purposes, side-by-side and double-deck configurations are considered one face with the surface areas combined into one square footage.

(4) For an advertising device with two or more faces, the maximum display area of each face is 750 square feet. This applies to back-to-back and v-type devices (which have two faces) and tri-face devices (which have three faces).

(5) Each message on a tri-vision device must be displayed for a minimum of four seconds and the transition between messages must be completed in two seconds.

l. Spacing—transition to freeway-primary highway. As a segment of a noninterstate primary highway changes to a freeway-primary highway, the first freeway-primary highway sign placement shall be no closer than the freeway-primary highway spacing requirements measured along a line parallel to the centerline from a point opposite the point where the centerline of the highway and centerline of the at-grade crossing intersect to a point opposite the first potential sign location. See the appendix for an illustration of this spacing requirement.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.6(306C) Outdoor advertising permits and fees required. The owner of an advertising device must apply to the department for an outdoor advertising permit if the device is visible from the main traveled way of any primary highway and the device is regulated by subrule 117.4(1) or rule 761—117.5(306B,306C).

1. If an advertising device was in existence on July 1, 1972, application for a permit must have been made on or before July 31, 1972.

2. After July 1, 1972, the owner of an advertising device must obtain a permit from the department prior to the erection of the advertising device.

3. If an advertising device that was lawfully erected later becomes subject to these rules due to an event such as, but not limited to, a change in zoning, the establishment of a new highway or a change in the designation of a highway, the owner of the advertising device shall apply to the department for an outdoor advertising permit within 30 days after the event that made the device nonconforming. A

nonconforming advertising device that complies with the permit provisions of rule 117.6(306C) may remain in existence without being in compliance with subrule 117.5(5) as long as the device otherwise complies with all other applicable statutory and regulatory requirements.

117.6(1) Application. Application for a permit shall be made in accordance with Iowa Code section 306C.18.

a. A permit is required for each face of an advertising device; thus, a permit application must be submitted for each face. Three permits are required for a tri-face device if all three faces are visible from the main traveled way of a primary highway. However, only one application and permit are required for a back-to-back advertising device that identifies the same business or service on each face if each face is no larger than 8 feet in width or height and 32 square feet in area.

b. A copy of the current lease shall be submitted upon application for a permit.

c. Any intentional falsification or misrepresentation of information in the application or renewal process shall result in immediate denial or revocation of the permit.

117.6(2) Fees.

a. The initial fee, payable at the time of application, is \$100 per permit. This fee is not refundable unless the application is withdrawn prior to the department's field review of the proposed location.

b. The annual renewal fee for each permit, due on or before June 30 of each year, is as follows:

<u>Area of Sign</u>	<u>Annual Renewal Fee</u>
Up to 375 square feet	\$15
376 to 999 square feet	\$25
1000 square feet or more	\$50

For tri-vision signs, the area shall be calculated by multiplying the area of the face by three.

(1) The renewal fee is not refundable.

(2) Failure to timely pay the annual renewal fee when due shall result in revocation of any permit that has been issued for the advertising device and removal of the advertising device as an abandoned sign.

c. Fees shall not be prorated.

d. If an outdoor advertising permit is revoked, any permit fee paid is forfeited.

117.6(3) Permits to be issued.

a. The department shall issue an outdoor advertising permit in accordance with Iowa Code section 306C.18.

b. An advertising device that was lawfully in existence prior to July 1, 1972, and is located within an adjacent area which is neither a zoned nor an unzoned commercial or industrial area shall be issued a provisional permit and annual renewals thereof upon timely application and payment of the required fees, until such time as the department acquires the advertising device. See rule 761—117.9(306B,306C).

117.6(4) Permit plate.

a. Upon approval of the application, the department shall issue a metal permit plate for the advertising face.

b. The owner of the advertising device shall securely attach the plate to the advertising face at the bottom corner nearest the main traveled way or to the support structure immediately below the bottom corner. If these locations do not permit unobscured display of the permit number, the permit plate shall be attached to another prominent area of the advertising device. The permit number shall not be obscured when viewed from the main traveled way.

c. The owner of an advertising device is responsible for replacing a permit plate that is missing or illegible. To obtain a replacement, the owner shall apply to the department and pay a \$10 fee.

d. If the department notifies the owner of the advertising device that a permit plate is not properly displayed, the owner shall within 90 days of notification either correct the situation or secure and display a replacement permit plate. Failure to properly display a permit plate after the 90-day period has expired

shall result in revocation of any permit that has been issued for the advertising device and removal of the advertising device in the manner specified in subrule 117.8(1).

117.6(5) *New permit required for reconstruction or modification.* A new permit is required from the department prior to the reconstruction or modification of an advertising device subject to the permit provisions of this rule.

a. To obtain a new permit, the owner of the advertising device shall submit a new application to the department, accompanied by the initial application fee.

b. A reconstructed or modified advertising device is subject to the provisions of this chapter as if it were a new advertising device.

c. Reconstruction or modification of an advertising device prior to the issuance of the required permit shall result in revocation of any permit that has been issued for the advertising device and removal of the advertising device in the manner specified in subrule 117.8(1).

d. Rescinded IAB 4/7/99, effective 5/12/99.

117.6(6) *One year to erect advertising device.* The permit for an advertising device that has not been erected within one year after the date the permit was issued shall be revoked. After revocation, a new permit is required. To obtain a new permit, the owner of the advertising device shall submit a new application to the department, accompanied by the initial application fee and a copy of the current lease.

117.6(7) *Access.* Access to the private property upon which an advertising device is located shall be gained from highway right-of-way only at access points designated or allowed by the department in accordance with 761—Chapter 112. An initial violation of this requirement by or on behalf of the permit holder shall result in the department sending a written warning by certified mail to the permit holder. A second violation of this requirement shall result in revocation of any permit that has been issued for the advertising device and removal of the advertising device in the manner specified in subrule 117.8(1). If a permit is revoked for an access violation, the permit holder is ineligible to apply for a permit for at least 12 months after revocation for any location within 500 feet of the revoked permit's sign location.

117.6(8) *Destruction of vegetation.* Without the written authorization of the department, vegetation growing on the highway right-of-way shall not be cut, trimmed, removed, or in any manner altered or damaged to improve the visibility of an advertising device. Violation of this prohibition by or on behalf of the permit holder shall result in revocation of any permit that has been issued for the advertising device and removal of the advertising device in the manner specified in subrule 117.8(1). If a permit is revoked for destruction of vegetation, the permit holder is ineligible to apply for a permit for 12 months after revocation for any location within 500 feet of the revoked permit's sign location.

117.6(9) *Blank sign.*

a. A blank sign is:

(1) An advertising device that has had a face physically removed.

(2) An advertising device that does not display copy. "This space for rent" or a similar message is not copy.

(3) An advertising device that qualifies as an obsolete sign.

b. A blank sign shall not remain in blank status for a period of time exceeding six months.

c. If the department determines that an advertising device has been blank for a period of time exceeding six months, the department shall issue a notice pursuant to rule 761—117.8(306B,306C) in which the owner has 30 days to either cause it to conform or to remove it.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.7(306C) Official signs and notices, public utility signs, and service club and religious notices.

117.7(1) *Official signs and notices.* Official signs and notices shall comply with applicable state law, local ordinance or administrative authority.

117.7(2) *Public utility signs.* Public utility signs shall be erected no larger than required to adequately convey the necessary message and only at such places as are required to adequately mark the location of the utility.

117.7(3) *Service club and religious notices.* Service club and religious notices may be placed upon private property with the permission of the land owner provided the notice complies with the definition of “service club or religious notice” in rule 761—117.1(306B,306C), complies with the general criteria of rule 761—117.3(306B,306C), and does not exceed eight square feet in area.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.8(306B,306C) Removal procedures. The department shall cause to be removed every advertising device illegally erected or maintained and every abandoned sign.

117.8(1) *Removal of illegal and abandoned advertising devices.* In accordance with Iowa Code sections 306B.5 and 306C.19, an advertising device erected or maintained in violation of Iowa Code chapter 306B or 306C or these rules is a public nuisance and may be removed by the department upon 30 days’ notice, by certified mail, to the owner of the advertising device and to the owner of the land on which the advertising device is located.

a. The notice shall require the owner of the advertising device to remove the advertising device if it is prohibited, or to cause it to conform to the provisions of these rules if it is not. The department may revoke a permit issued for the advertising device as part of the same notice, in which case, the notice shall be served by restricted certified mail or by personal service.

b. If the advertising device has not been removed or made to conform with the provisions of these rules, the advertising device is deemed to be forfeited and the department may enter upon the land and remove the advertising device, aided by injunction to abate the nuisance and to ensure peaceful entry, if necessary.

c. Costs of removal, including fees and costs or expenses as may arise out of any action brought by the department to ensure peaceful entry and removal, shall be assessed against the owner of the advertising device. Should the owner of the advertising device fail to pay such fees, costs, or expenses within 30 days after assessment, the department may commence an action to collect them.

d. The advertising device may be used, scrapped, dismantled, or otherwise destroyed or disposed of by the department as it sees fit.

e. No compensation shall be paid to the owner of any advertising device which is illegally erected or maintained.

117.8(2) *Removal from right-of-way and other state-owned property.* The department shall remove advertising devices erected upon the right-of-way of any primary highway; see subrule 117.2(5). Unauthorized advertising devices erected upon other property owned by the state of Iowa are subject to removal by the agency, board, commission or department having control or jurisdiction of the property. [ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.9(306B,306C) Acquisition of advertising devices that have been issued provisional permits.

117.9(1) The department will acquire an advertising device for which a provisional permit has been issued only if all of the following conditions are met:

a. Acquisition is required by federal law.

b. All necessary federal and state funding is available for the purpose.

c. The permit has not been revoked.

117.9(2) If the advertising device will be acquired, the department will use the following procedure:

a. The department shall mail or deliver to the owner of the advertising device and to the owner of the land upon which the device is located a written notice of the department’s intent to revoke the provisional permit and acquire the device. The notice shall include an offer to purchase the advertising device. If good-faith negotiations with the owner of the device and the owner of the land upon which the device is located do not result in a mutually agreeable sale price, the department shall revoke the provisional permit and initiate condemnation proceedings as provided in Iowa Code chapter 6B.

b. In the event of condemnation, the department will take possession of the advertising device as soon as the award has been deposited with the sheriff.

761—117.10(17A,306C) Contested cases.

117.10(1) An applicant who has been denied an outdoor advertising permit by the department may contest the decision in accordance with 761—Chapter 13. The request for a contested case hearing shall be submitted in writing to the director of the office of traffic and safety at the address in subrule 117.2(2). The request shall be deemed timely submitted if it is delivered or postmarked within 30 days of the department's mailing of the letter denying the application.

117.10(2) The owner of an outdoor advertising permit which has been revoked or canceled by the department may contest the decision in accordance with 761—Chapter 13. The request for a contested case hearing shall be submitted in writing to the director of the office of traffic and safety at the address in subrule 117.2(2). The request shall be deemed timely submitted if it is delivered or postmarked within 30 days of the owner's receipt of the revocation notice issued by the department.

117.10(3) Failure to timely request a hearing on the denial, revocation, or cancellation of a permit is a waiver of the right to a hearing and a failure to exhaust administrative remedies.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—117.11 to 117.14 Reserved.

761—117.15(306C) Development directory signing.

117.15(1) Definition. "Development directory sign" means a type of on-premises sign displaying a message that is limited to the names of two or more businesses located within a commercial or industrial development. The sign may also display the name of the development. The sign must be located within the limits of the development but may be located anywhere within the development regardless of land ownership.

117.15(2) Limitation. Each business within the development is limited to its name appearing on not more than two development directory signs visible to traffic proceeding in any one direction on any primary highway.

117.15(3) Commercial or industrial development. A development directory sign must be located within a commercial or industrial development. For the purposes of this rule, a commercial or industrial development is a single premises that meets all of the following requirements:

- a. All of the lots, regardless of whether they are individually owned, are contiguous, except for roadways or driveways providing access to lots or common areas within the development.
- b. No part of the development is separated from another part by a primary highway.
- c. The development is approved for the establishment of commercial or industrial activities by an authorized governing authority, and is occupied by commercial or industrial activities. The term "commercial or industrial activities" is defined in Iowa Code section 306C.10.
- d. The development is subject to a common development and common use plan that provides for common areas such as sidewalks, roadways, parking, storage, and service areas, to which all businesses within the development have irrevocable shared use and shared property rights, and for which they have irrevocable shared obligations.
- e. The development operates through an association or other entity, actively managed and maintained, through which all lot owners have irrevocable rights and obligations with respect to the development and its common areas.
- f. The development and the businesses within the development present themselves to the public as a common development through signage or other marketing efforts.
- g. The common areas of the development have necessary and true value to the regular operations of the businesses within the development, and were created for purposes other than establishing eligibility for development directory signing.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

These rules are intended to implement Iowa Code chapters 306B and 306C.

[Filed 5/18/66; 761—Chapter 117 appeared as Ch 5, Highway Commission, 1973 IDR: amended January 1974 and January 1975 Supplements; amended 11/22/67, 9/27/73, 10/8/74, 12/4/74]

[Filed 5/11/87, Notice 3/11/87—published 6/3/87, effective 7/8/87]¹

[Filed emergency 5/22/96 after Notice 3/13/96—published 6/19/96, effective 5/23/96]

[Filed 5/23/96, Notice 3/13/96—published 6/19/96, effective 7/24/96]

[Filed 3/10/99, Notice 1/27/99—published 4/7/99, effective 5/12/99]

[Filed 11/7/02, Notice 9/4/02—published 11/27/02, effective 1/1/03]

[Filed 7/13/04, Notice 5/26/04—published 8/4/04, effective 9/8/04]

[Filed 5/13/08, Notice 3/12/08—published 6/4/08, effective 7/9/08]

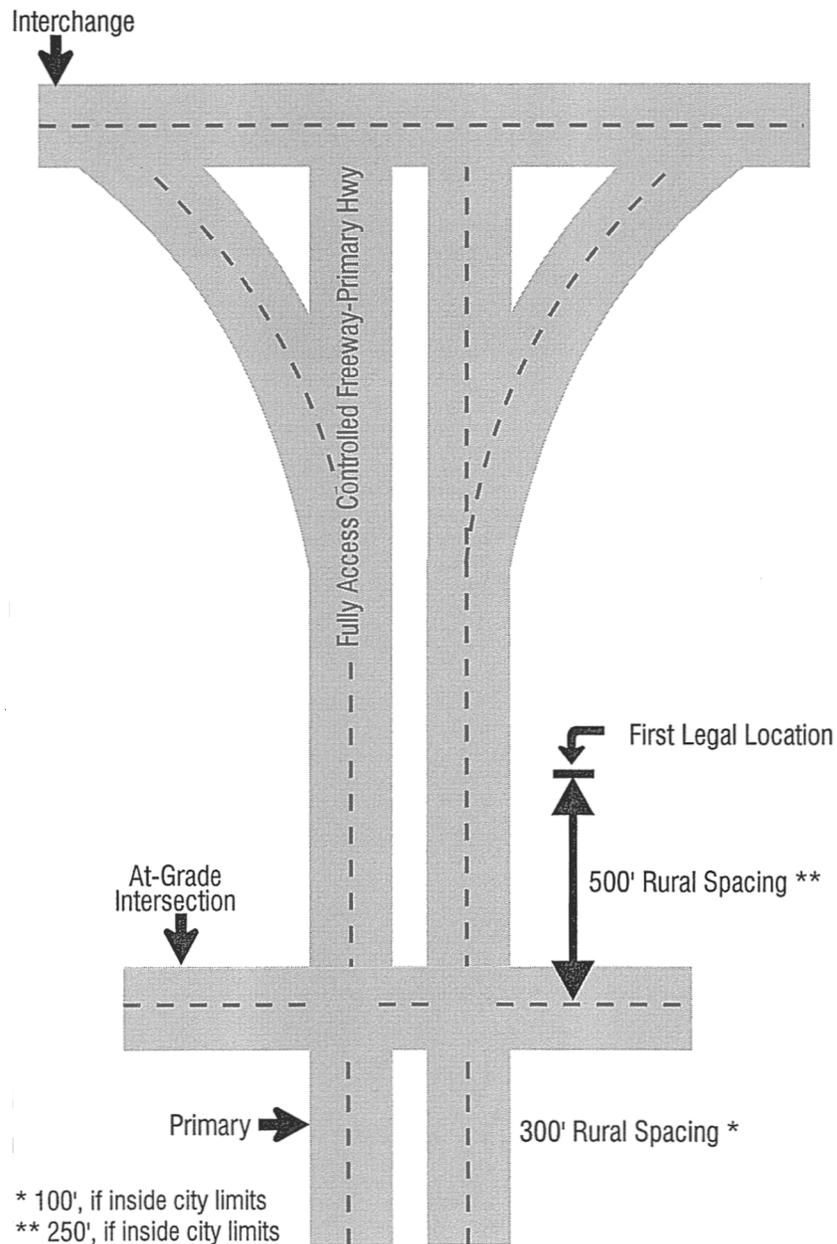
[Editorial change: IAC Supplement 1/25/12³]

[Filed ARC 2645C (Notice ARC 2543C, IAB 5/25/16), IAB 8/3/16, effective 9/7/16]

¹ Two or more ARCs

² Spacing—Transition to Freeway-Primary Highway diagram replaced with a clearer image.

Spacing--Transition To Freeway-Primary Highway



CHAPTER 118
LOGO SIGNING

761—118.1(306C) Introduction. Logo signing consists of individual business signs attached to specific service signs erected by the department within the right-of-way of interstate and freeway-primary highways. The purpose of logo signing is to provide specific motorist service information of interest to the traveling public. Logo signing shall comply with this chapter and the “Manual on Uniform Traffic Control Devices,” as adopted in rule 761—130.1(321). The department shall perform all required installation, maintenance, removal and replacement of specific service signs and business signs within the right-of-way. The business signs are provided by the applicants.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.2(306C) Definitions.

“*Business sign*” means a separate sign attached to a specific service sign; the business sign shows the name, symbol or trademark of a business that provides the type of motorist service identified on the specific service sign.

“*General service sign*” means an official guide sign that identifies general road user services such as gas, food, lodging and camping. This sign does not provide for the placement of business signs.

“*Mainline*” means the main-traveled way of an interstate or a freeway-primary highway.

“*Motorist service*” means one of the following five types of services: gas, food, lodging, camping or attraction.

“*Qualified business*” means a business that meets all requirements to participate in the logo signing program and meets all qualifications pertaining to a particular type of motorist service without the granting of an exception.

“*Specific service sign*” means an official guide sign that identifies one or more types of motorist services, provides directional information, and has spaces for the attachment of business signs to identify businesses providing those services.

“*Trailblazing sign*” means a specific service sign erected on the road network accessed from an interchange that has logo signing; the sign directs motorists to a particular business signed on the mainline and has spaces for the attachment of business signs.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.3(306C) Erection and location of specific service signs and placement of business signs.

118.3(1) General.

a. The department shall erect specific service signs at rural interchanges if the requirements of this chapter are met and sufficient space is available. The department may also erect specific service signs at urban, or nonrural interchanges if the requirements of this chapter are met and sufficient space is available. If sufficient space is not available for more than one specific service sign, the department may install a general service sign in lieu of a specific service sign.

b. Specific service signs shall be erected at an interchange only when the motorist can conveniently reenter the interstate or freeway-primary highway and continue in the same direction of travel.

118.3(2) Mainline specific service signs and placement of business signs. Following are the requirements for mainline specific service signs erected in advance of an interchange, in a single direction of travel, and limitations regarding the number and types of business signs attached to these service signs.

a. As spacing permits, a maximum of four mainline specific service signs may be erected in advance of an interchange from which motorist services are available.

b. The minimum spacing required between mainline specific service signs and between mainline specific service signs and other official guide or destination signs on the mainline is 800 feet.

c. If spacing limitations and the four-sign limit prohibit the erection of mainline specific service signs for the types of motorist services available, preference shall be given to available gas, food, lodging, camping or attraction services, in that order.

d. If services are displayed, the order of display of services in the direction of travel on successive mainline specific service signs is as follows: attraction, camping, lodging, food, and gas.

e. Each mainline specific service sign is limited to six business signs. This restriction applies regardless of whether the specific service sign displays a single type of motorist service or a combination of service types.

f. In general, only one type of motorist service should be displayed on each mainline specific service sign. However, the department may combine service types on one sign for a reason such as, but not limited to, the following:

(1) There is limited space available on the mainline for specific service signs.

(2) There is limited interest from qualified businesses or limited availability of motorist services at the interchange.

(3) There is an imbalance of qualified businesses between service types.

g. The requirements for mainline specific service signs that display a combination of motorist services are as follows:

(1) Each combination sign is limited to six business signs.

(2) No more than three types of motorist services shall be represented on any combination sign.

(3) For a combination sign displaying three types of motorist services, the number of business signs for each service type is limited to two.

(4) For a combination sign that will accommodate at least four business signs, each type of motorist service displayed on the sign must have at least two positions designated for that service type.

h. Either preference or equal representation shall be given for higher priority service types, as set out in paragraph “*c*” of this subrule, depending upon the motorist services available at the interchange, the interest expressed by qualified businesses in the logo signing program, and the anticipated future development of the area near the interchange.

i. In a single direction of travel, the total number of business signs displayed for a single type of motorist service is limited to 12, and no more than two mainline specific service signs shall display business signs for a single service type.

j. The department shall designate each mainline specific service sign for a particular type of motorist service, although the service sign may, in use, be displaying more than one service type, subject to paragraph “*h*” of this subrule. When a specific service sign designated for a particular service type exists and that sign is full, the department may grant an exception, in accordance with subrule 118.4(11), to allow the placement of a business sign for that service type on a specific service sign designated for another service type, provided that the department has displayed the legend for that service type on the service sign.

118.3(3) Ramp specific service signs and placement of business signs.

a. On a single-exit interchange, the department shall erect a ramp specific service sign if businesses for that type of motorist service are signed on the corresponding mainline specific service sign and one or more of these businesses or their on-premises signing is either not visible from the mainline or is not visible from the ramp at or before the point where a motorist needs to make a lane decision or turning decision. However:

(1) The department shall not erect ramp specific service signs if ramp design or spacing limitations prohibit the erection of these signs.

(2) The department may erect a general service sign on the ramp for the appropriate service type in lieu of a ramp specific service sign.

(3) If all services represented by business signs on the mainline specific service signs are located the same direction from the interchange, the department may erect a general service sign on the ramp in lieu of ramp specific service signs.

b. The number of ramp specific service signs that may be erected, the order of preference when space for ramp signs is limited, and the order in which motorist services are displayed on successive ramp signs are the same as the requirements for mainline specific service signs. Also, each ramp specific service sign is limited to six business signs.

c. Ramp specific service signs shall not be erected on double-exit interchanges.

d. If a business sign for a motorist service is displayed on a mainline specific service sign, the department has erected a ramp specific service sign for that service type, and the department has determined that the business or its on-premises signing is either not visible from the mainline or is not visible from the ramp at or before the point where a motorist needs to make a lane decision or turning decision, then a ramp business sign corresponding to the mainline business sign is required.

e. A ramp business sign is allowed only if it has a corresponding business sign displayed on a mainline specific service sign.

118.3(4) Trailblazing signs and placement of business signs.

a. Trailblazing signs are required for a business that has a business sign displayed on a mainline specific service sign when the business is neither located on nor is visible from the road that intersects the mainline at the logo-signed interchange.

b. Trailblazing signs are used only on non-fully controlled access highways and are installed only for businesses that have business signs displayed on mainline specific service signs.

c. The department shall install trailblazing signs on routes under its jurisdiction and shall make signs available for local jurisdictions to place on routes within their jurisdictions.

d. Trailblazing signs shall not display more than four business signs.

e. The department may approve the use of an official traffic control device that is placed by the department or a local jurisdiction on the public right-of-way in compliance with the “Manual on Uniform Traffic Control Devices” as a substitute for a trailblazing sign.

f. If site or other conditions do not permit the erection of a trailblazing sign, the department may approve the use of an off-premises advertising device as a substitute for a trailblazing sign if the advertising device complies, as applicable, with 761—Chapter 117 (including permit requirements) and any local regulations; the device is legible and understandable; and the device is placed along the route in advance of the intersection where the trailblazing sign would have been placed.

g. No more than two trailblazing signs, including approved substitutes, are allowed for a business. If the department determines that more than two trailblazing signs, including approved substitutes, would be needed to guide motorists to the business, the business does not qualify for logo signing at the interchange. Also, if the department determines that one or two trailblazing signs or approved substitutes are required and conditions do not permit the erection of the required trailblazing signs or approved substitutes, the business does not qualify for logo signing at the interchange.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.4(306C) Eligibility for placement of business signs on mainline specific service signs. To qualify for placement of a business sign on a mainline specific service sign, the business shall be open to the general public, shall not restrict entrance based on age, and shall meet the following requirements:

118.4(1) Discrimination prohibited. As a condition of approval as a participant in the logo signing program, the applicant shall give the department written assurance of the business’s conformity with all applicable laws prohibiting discrimination based on age, race, creed, color, sex, sexual orientation, gender identity, national origin, religion or disability, and a participant shall not be in breach of that assurance.

118.4(2) Maximum distance from exit.

a. Three-mile limit of eligibility. The maximum distance that a business may be located from the exit to qualify for a business sign shall not exceed three miles in either direction. The distance shall be measured from the beginning of the widening for the deceleration ramp at the exit to the entrance of the business.

b. Limit of eligibility reduced to one mile. In urban areas where the number of qualified businesses for a particular type of motorist service exceeds six within the three-mile limit, the department may reduce the maximum distance to one mile for that service type.

c. Exceptions. If there is space for additional business signs on a mainline specific service sign for a particular type of motorist service and no businesses which provide that motorist service within the limit of eligibility have expressed an interest to the department in the space, the department may grant

a distance exception, in accordance with subrule 118.4(11), to a business which provides that motorist service and is located within 15 miles of the exit.

118.4(3) Gas.

a. Qualifications. To qualify for placement of a business sign on a gas specific service sign, the business must:

- (1) Be appropriately licensed as required by law.
- (2) Provide vehicle services including gasoline, oil, and water.
- (3) Provide free air for tire inflation.
- (4) Provide restroom facilities and drinking water.
- (5) Operate year-round at least 12 continuous hours per day, 7 days per week.
- (6) Provide a public telephone.

b. Exceptions. Card-operated fueling stations may be granted an exception, in accordance with subrule 118.4(11), from the requirements to provide oil and water, restroom facilities, drinking water, and a public telephone. These fueling stations must operate 24 hours per day, 7 days per week, and must be operable by motorists without membership.

118.4(4) Food.

a. Qualifications. To qualify for placement of a business sign on a food specific service sign, the business must:

(1) Be appropriately licensed as required by law, including a state food service establishment license, except for a food service operated on Indian lands.

(2) Operate a minimum of eight hours per day, six days per week, and serve three meals per day: breakfast, lunch, and dinner.

1. At a minimum, breakfast shall be served from 10 a.m. to 11 a.m. and shall consist of at least two of the following items: eggs, bacon, ham, sausage, pancakes, waffles, oatmeal, cereal, fruit, muffins, toast, croissants, doughnuts or rolls and at least two of the following drinks: coffee, juice, tea or milk.

2. At a minimum, lunch shall be served from 11 a.m. to 1 p.m.

3. At a minimum, dinner shall be served from 5 p.m. to 7 p.m.

(3) Provide a public telephone.

(4) Have its own employees, seating, menu and cash register for the food service. The business sign must identify the entity providing the food service.

(5) Have seating available for a minimum of ten customers.

b. Exceptions. A business that serves only two meals per day may be granted an exception, in accordance with subrule 118.4(11), from the requirement to serve three meals per day.

c. Seasonal operations. Food service may be operated seasonally. See subrule 118.5(7) for the fee options for seasonal operations.

118.4(5) Lodging.

a. Qualifications. To qualify for placement of a business sign on a lodging specific service sign, the business must:

(1) Be appropriately licensed as required by law.

(2) Provide adequate sleeping accommodations consisting of a minimum of ten units each. Each unit must have a bathroom and a sleeping room. However, a bed and breakfast establishment is not required to have more than two guest rooms or provide separate bathroom facilities for each room.

(3) Provide a public telephone.

b. Seasonal operations. Lodging service may be operated seasonally. See subrule 118.5(7) for the fee options for seasonal operations.

118.4(6) Camping.

a. Qualifications. To qualify for placement of a business sign on a camping specific service sign, the business must:

(1) Meet applicable state and local standards for health and sanitation.

(2) Have a minimum of 20 spaces for camping or parking of camping vehicles.

(3) When in operation, be available to the public 24 hours per day.

(4) Provide a public telephone.

b. Seasonal operations. Camping service may be operated seasonally. See subrule 118.5(7) for the fee options for seasonal operations.

118.4(7) Attraction.

a. Qualifications. To qualify for placement of a business sign on an attraction specific service sign, the site or attraction must:

- (1) Be appropriately licensed as required by law.
- (2) Be a site or attraction listed in paragraph “c” of this subrule.
- (3) Be of significant interest to the traveling public.
- (4) Be nationally or regionally known through a marketing or advertising plan or media articles and exposure.

(5) Maintain normal business hours at least five days per week, totaling at least 40 hours per week. Racetracks are excepted from this requirement.

(6) Have adequate parking accommodations, with a minimum of 30 parking spaces.

(7) Have restroom facilities available for use by the traveling public.

(8) Be approved by the tourist signing committee; see subrule 118.5(3).

b. Seasonal operations. The site or attraction may be operated seasonally. See subrule 118.5(7) for the fee options for seasonal operations.

c. Types of qualifying sites or attractions. The site or attraction must be one of the following:

- (1) Area of natural beauty or phenomena.
- (2) Historic site.
- (3) Cultural site or museum.
- (4) Scientific site.
- (5) Four-year accredited college or university.
- (6) Religious site.
- (7) Area of outdoor recreation.
- (8) Winery, brewery or distillery with on-site production, tours, gift shop, and tasting room.
- (9) Amusement park.
- (10) Botanical park or zoological facility.
- (11) Casino.
- (12) Racetrack for horses, dogs, or motorized vehicles.
- (13) Antique mall with at least 20,000 square feet devoted to retail sales.
- (14) Area containing eight or more antique shops within a three-block radius.
- (15) Shopping mall or retail outlet with a minimum, active store count of 50, excluding kiosks and temporary booths within the common areas, and including only those stores that occupy owned or leased areas whose boundaries are defined by permanent walls with doors or gates.
- (16) Sporting goods store or recreational retail outlet with at least 100,000 square feet devoted to retail sales.
- (17) Cultural and entertainment district as officially designated by the department of cultural affairs, provided that the local jurisdiction implements a signing plan to direct motorists to the various cultural and entertainment sites within the district.

118.4(8) Compliance with Iowa Code sections 306C.11 and 306C.13. The business must be in compliance with Iowa Code sections 306C.11 and 306C.13. If an advertising device which serves the business is erected or maintained in violation of either of these sections, that business shall be disqualified from obtaining or maintaining a business sign upon any specific service sign.

118.4(9) On-premises sign required. The business must erect and maintain a legal on-premises sign at the site where the service is provided. The sign must be visible to motorists at the entrance to the business premises.

118.4(10) Noncompliance. The department shall remove and dispose of a mainline business sign and the corresponding ramp and trailblazing business signs of a business that does not meet or no longer meets the requirements of this chapter. In order to have its business signs reinstalled, the business must submit a new application to the department. The new application is subject to all the requirements of this chapter, including payment of the application fee and a drawing, if needed, to select applicants.

118.4(11) Granting of exceptions.

a. The department may grant an exception and approve the placement of a business sign on a mainline specific service sign for the following:

(1) When a specific service sign designated for a particular type of motorist service exists and that sign is full, placement of a business sign for that service type on a specific service sign designated for another service type. See paragraph 118.3(2)“j.”

(2) Maximum distance from the exit. See paragraph 118.4(2)“c.”

(3) Card-operated fueling stations. See paragraph 118.4(3)“b.”

(4) Number of meals served. See paragraph 118.4(4)“b.”

b. If there is available space on a specific service sign and no application has been received by the department from a qualified business for that space, the department may allow an applicant to submit to the department for review a signed Exception Acknowledgement form along with a logo signing application.

c. The acknowledgement form states that if the department grants the exception and approves the application, the business is guaranteed a space on the specific service sign for at least five years if:

(1) The business pays the required fees in a timely manner;

(2) The business complies with all program requirements unrelated to the exception granted; and

(3) The department continues to maintain the specific service sign to which the business sign is attached.

d. After the five-year period has expired and at the end of the fiscal year, the department may remove the business sign from the specific service sign if:

(1) An exception was granted for maximum distance from the exit, number of meals served or a card-operated fueling station; an application has been received from a qualified business providing the same type of motorist service as the business granted the exception; and space is not available on that specific service sign.

(2) An exception was granted for the situation described in subparagraph 118.4(11)“a”(1); an application has been received from a qualified business for the service type designated for the specific service sign; and space is not available on that service sign.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.5(306C) Application, drawing, and fees.**118.5(1) Application.**

a. A business requesting placement of a business sign upon a mainline specific service sign shall submit a completed application form, provided by the department, along with the application fee, to the Advertising Management Section, Office of Traffic and Safety, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010.

b. A separate application is not needed for the corresponding ramp business sign or trailblazing business signs. The department will advise the applicant what signs are required once the department approves the application.

c. Once the application is approved and the department has determined what business signs are required, the applicant shall furnish the department with business signs meeting department specifications.

d. Approved applications are valid for the fiscal year (July 1 to June 30) or portion thereof and expire on June 30. If the fees, as billed by the department, are paid by the business in accordance with subrule 118.5(5), the application is renewed on July 1.

118.5(2) Drawing to select applicants. If the number of applicants that are qualified businesses is greater than the number of vacant spaces on a mainline specific service sign, the department shall hold a drawing among these applicants to select the applicants to fill the vacant spaces. If no qualified businesses have applied for the vacant spaces, the department shall consider applicants that would qualify if exceptions were granted. If the number of these applicants is greater than the number of vacant spaces, the department shall hold a drawing among these applicants to select the applicants to fill the vacant spaces.

118.5(3) Applications for attraction signing. The department shall perform an initial review of all applications for attraction signing to determine if the attraction signing meets the technical requirements, such as the maximum distance the site or attraction is allowed to be from the interchange. If the site or attraction meets the technical requirements, the department shall submit the applications to the tourist signing committee. The tourist signing committee will determine whether the applications meet the qualifications set forth in subrule 118.4(7) for an attraction under the logo signing program. The composition of the committee is set out in 761—subrule 119.5(3).

118.5(4) New application required for business name change. If a business participating in the logo signing program changes its name or franchise affiliation from that which appears on its business sign, a new application is required. If the new application is received by the department prior to the change on the business premises, the business will retain its position on the specific service sign, the department will approve the application, and no application fee is due.

118.5(5) Fees. A business is required to pay the following fees to the department for participation in the logo signing program.

a. Application fee. For a new application, the application fee is \$100, except that no application fee is required for an application submitted in accordance with subrule 118.5(4) (business name change). The application fee is a one-time fee and is nonrefundable once the department has performed an on-site review to verify compliance with the requirements of this chapter. The application fee shall be submitted with the application.

b. Annual fee. The annual fee is \$230 for each business sign posted on a mainline specific service sign and \$230 for each business sign posted on a ramp specific service sign and is due on or before July 1 of each fiscal year (July 1 to June 30). However, for a new application, the department shall prorate the annual fee for the portion of the fiscal year that the business signs are installed and, following installation of the signs, shall invoice the business for the prorated annual fee; the fee is due within 30 days.

c. Service fee. The department may install replacement business signs at the request of the business and shall assess a \$50 service fee per business sign installed. The department shall also assess a \$50 service fee to install a renovated or new business sign that replaces a misleading, unsightly, badly faded or dilapidated sign, as specified in subrule 118.7(5). If removal of an existing business sign for the purpose of refurbishing is requested by the business, thereby requiring two service trips by the department, the service fee shall be applied per trip. The department shall invoice the business once installation is complete; the service fee is due within 30 days.

118.5(6) Failure to pay annual fee or service fee. Failure to pay the annual fee or service fee when due shall terminate the business's existing application on file with the department and shall be cause for removal and disposition of the affected business signs by the department. Termination of the application shall occur on the day of delinquency without respect to the date the department removes the business signs. In order to have its business signs reinstalled, the business must submit a new application to the department. The new application is subject to all of the requirements of this chapter, including payment of the application fee and a drawing, if needed, to select applicants.

118.5(7) Fee options for seasonal operations. Subject to subrule 118.5(5), a business that operates on a seasonal basis and is permitted to do so by this chapter has the following payment options:

a. Pay the annual fee for a full year. The department shall remove and reinstall each business sign once each year, free of additional charge, coinciding with the dates of operation, if possible.

b. Pay the annual fee for a prorated year, based on the calendar months in which the business is in operation, plus a \$50 annual service fee per business sign for removal and reinstallation services performed. The department shall remove and reinstall each business sign once each year, coinciding with the dates of operation, if possible.

c. Pay the annual fee for a prorated year, based on the calendar months in which the business is in operation, and provide mainline business signs that contain a supplemental message indicating the dates of operation. Ramp business signs, if required, may contain a supplemental message indicating the dates of operation. The supplemental message must comply with subrule 118.7(4).

118.5(8) Fees for temporary specific service signs. In cases where the attachment of a business sign will require the installation of a new or larger specific service sign, an applicant that wishes to have its

business sign installed sooner than the estimated date of installation as performed by the department's contractor may request the department to erect a temporary specific service sign. The time frame for erection of a temporary specific service sign will depend on the availability of department resources, but is typically one to three months. The applicant shall be charged a fee of \$700 per mainline specific service sign if none exists for that service type, \$400 per mainline specific service sign if the existing specific service sign is full, and \$300 per ramp specific service sign if a ramp business sign is required but cannot be accommodated on the existing ramp specific service sign. This is in addition to the fees specified in subrule 118.5(5). The applicant shall furnish the business sign to be attached to the temporary specific service sign. When the permanent specific service sign is erected, the department shall remove the business sign from the temporary specific service sign and reinstall it on the permanent specific service sign at no additional charge.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.6(306C) Business sign blank specifications. Business signs shall meet the following specifications for the sign blank and shall not be installed until they are inspected and approved by the department.

118.6(1) Mainline business sign blank. Mainline business signs shall be fabricated from a rectangular sheet of aluminum, between 0.074 inches and 0.125 inches thick, with 3-inch radius corners. Gas business signs shall be 48 inches wide and 36 inches high. Food, lodging, camping and attraction business signs shall be 60 inches wide and 36 inches high.

118.6(2) Ramp business sign blank. Ramp business signs shall be fabricated from a rectangular sheet of aluminum, between 0.074 inches and 0.125 inches thick, with 2-inch radius corners. Gas business signs shall be 24 inches wide and 16 inches high. Food, lodging, camping and attraction business signs shall be 36 inches wide and 16 inches high.

118.6(3) Trailblazing business sign blank. Trailblazing business signs shall be fabricated from a rectangular sheet of aluminum, between 0.074 inches and 0.125 inches thick, with 2-inch radius corners. All trailblazing signs shall be 20 inches wide and 12 inches high.

761—118.7(306C) Business sign face specifications. Business signs shall meet the following specifications for the sign face and shall not be installed until they are inspected and approved by the department. Businesses shall submit a proposed sign design to the department for approval before proceeding with fabrication.

118.7(1) Design layout. A legend layout or a logo layout, but not both, shall be used for the design of the sign's message.

a. Legend layout. A legend layout shall reflect the name of the business in white letters on a blue background. Recommended letter height is 10 inches on a mainline business sign, 4 inches on a ramp business sign, and 3 inches on a trailblazing business sign. The recommended number of text lines is one or two. Reducing the letter height or adding a third text line will reduce the legibility of the message.

b. Logo layout. A logo layout shall reflect the nationally, regionally, or locally known symbol or trademark of the business, using colors consistent with customary use of the symbol or trademark and resembling the business's on-premises sign. The symbol or trademark may be modified to improve legibility.

118.7(2) Borders. Mainline business signs shall have a white $\frac{3}{4}$ -inch border on the outside edge of the sign. Ramp business signs shall have a white $\frac{1}{2}$ -inch border on the outside edge of the sign. Trailblazing business signs shall have a white $\frac{1}{2}$ -inch border on the outside edge of the sign. If a logo layout has a white background, no border is required. No inset border is allowed on legend layouts, and no inset border is allowed on logo layouts unless it is customary usage for the symbol or trademark.

118.7(3) Reflectorization. All business signs must be retroreflective.

118.7(4) Supplemental messages.

a. With department approval, a supplemental message such as "OPEN 24 HRS," "DIESEL," "E-85," "MECHANIC ON DUTY," "24 HR TOWING," "RV ACCESS," or the dates of operation for seasonal operations may be displayed on a mainline business sign provided the letter height is at least

5 inches. Approval shall be limited to essential motorist information and does not extend to messages such as, but not limited to, “INDOOR POOL,” “CAR WASH” or “PLAY AREA.”

b. With departmental approval, a scaled-down version of the supplemental message used on the mainline business sign may be displayed on ramp business signs provided the letter height is at least 2 inches.

c. Business signs are limited to one supplemental message per business sign.

118.7(5) *Misleading or dilapidated signs.* No business sign shall be displayed if it would mislead or misinform the traveling public, or if it is unsightly, badly faded, or dilapidated. The department may remove or mask business signs that violate these provisions. The department shall require a business to provide a renovated or new business sign to replace a misleading, unsightly, badly faded or dilapidated sign and shall assess a \$50 service fee to install the renovated or new sign.

118.7(6) *Signs that interfere with or imitate official signs.* Messages, trademarks, or brand symbols that interfere with, imitate, or resemble any official warning or regulatory traffic sign, signal or device are prohibited.

118.7(7) *Damaged signs.* The department is not responsible for damages to business signs caused by vandalism, vehicle accidents or acts of God. If a business sign is so damaged and it requires repair or replacement, the business shall provide a renovated or new business sign to the department for replacement of the damaged business sign. If a specific service sign is damaged beyond repair, the department shall erect a temporary specific service sign to accommodate the reattachment of the affected business signs.

[ARC 2645C, IAB 8/3/16, effective 9/7/16]

761—118.8(306C) RV symbol. Rescinded ARC 2645C, IAB 8/3/16, effective 9/7/16.

These rules are intended to implement Iowa Code section 306C.11.

[Filed 5/11/87, Notice 3/11/87—published 6/3/87, effective 7/8/87]

[Filed 8/7/96, Notice 7/3/96—published 8/28/96, effective 10/2/96]

[Filed 5/12/99, Notice 3/24/99—published 6/2/99, effective 7/7/99]

[Filed 11/7/02, Notice 9/4/02—published 11/27/02, effective 1/1/03]

[Filed 10/11/07, Notice 8/15/07—published 11/7/07, effective 12/12/07]

[Filed ARC 2645C (Notice ARC 2543C, IAB 5/25/16), IAB 8/3/16, effective 9/7/16]

CHAPTER 602
CLASSES OF DRIVER'S LICENSES

761—602.1(321) Driver's licenses.

602.1(1) *Classes.* The department issues the following classes of driver's licenses. All licenses issued, including special licenses and permits, shall carry a class designation. A license shall be issued for only one class, except that Class M may be issued in combination with another class.

- Class A—commercial driver's license (CDL)
- Class B—commercial driver's license (CDL)
- Class C—commercial driver's license (CDL)
- Class C—noncommercial driver's license
- Class D—noncommercial driver's license (chauffeur)
- Class M—noncommercial driver's license (motorcycle)

602.1(2) *Special licenses and permits.* The department issues the following special licenses and permits. More than one type of special license or permit may be issued to an applicant. On the driver's license, a restriction number designates the type of special license or permit issued, as follows:

- 1—Motorcycle instruction permit—includes motorcycle instruction permits issued under Iowa Code subsections 321.180(1) and 321.180B(1)
- 2—Noncommercial instruction permit (vehicle less than 16,001 gross vehicle weight rating)—includes instruction permits, other than motorcycle instruction permits, issued under Iowa Code subsection 321.180(1), section 321.180A and subsection 321.180B(1)
- 3—Commercial learner's permit
- 4—Chauffeur's instruction permit
- 5—Motorized bicycle license
- 6—Minor's restricted license
- 7—Minor's school license

602.1(3) *Commercial driver's license (CDL).* See 761—Chapter 607 for information on the procedures, requirements and validity of a commercial driver's license (Classes A, B and C) and a commercial learner's permit, and their restrictions and endorsements.

This rule is intended to implement Iowa Code sections 321.178, 321.180, 321.180A, 321.180B, 321.189, and 321.194.

[ARC 2071C, IAB 8/5/15, effective 7/14/15; ARC 2337C, IAB 1/6/16, effective 2/10/16; ARC 2644C, IAB 8/3/16, effective 9/7/16]

761—602.2(321) Information and forms. Applications, forms and information about driver's licensing are available at any driver's license examination station or on the department's Web site at www.iowadot.gov. Assistance is also available at the address in rule 761—600.2(17A).

602.2(1) *Certificate of completion.* Form 430036 shall be used to submit proof of successful completion of an Iowa-approved course in driver education, motorcycle rider education or motorized bicycle education.

a. If a student completed a course in another state, a public or licensed commercial or private provider of the Iowa-approved course may issue the form for the student if the provider determines that the out-of-state course is comparable to the Iowa-approved course.

b. If the out-of-state course is comparable but lacks certain components of the Iowa-approved course, the provider may issue the form after the student completes the missing components.

602.2(2) *Affidavit for school license.* Form 430021 shall be used for submitting the required statements, affidavits and parental consent for a minor's school license. See rule 761—602.26(321).

602.2(3) *Waiver of accompanying driver for intermediate licensee.* Form 431170 is the waiver described in Iowa Code subsection 321.180B(2). This form allows an intermediate licensee to drive unaccompanied between the hours of 12:30 a.m. and 5 a.m. and must be in the licensee's possession when the licensee is driving during the hours to which the waiver applies.

- a.* If the waiver is for employment, the form must be signed by the licensee's employer.

b. If the waiver is for school-related extracurricular activities, the form must be signed by the chairperson of the school board, the superintendent of the school, or the principal of the school if authorized by the superintendent.

c. The form must be signed by the licensee's parent or guardian. However, the parent's or guardian's signature is not required if the licensee is married and the original or a certified copy of the marriage certificate is in the licensee's possession when the licensee is driving during the hours to which the waiver applies.

602.2(4) Passenger restriction for intermediate licensee. The passenger restriction required by Iowa Code subsection 321.180B(2) will be added to an intermediate license unless waived by the licensee's parent or guardian at the time the license is issued. If the restriction is not waived at the time the license is issued, the intermediate license will be designated with a "9" restriction with the following notation: "Only 1 unrelated minor passenger allowed until [six months from the date the license is issued]." The licensee must obey the restriction for the first six months after the intermediate license is issued. If a parent or guardian wishes to waive the passenger restriction after the license has already been issued, the licensee and the parent or guardian must apply for a duplicate license and pay the replacement fee pursuant to 761—subrule 605.11(3).

This rule is intended to implement Iowa Code sections 321.8, 321.178, 321.180B, 321.184, 321.189, and 321.194.

[ARC 7902B, IAB 7/1/09, effective 8/5/09; ARC 2644C, IAB 8/3/16, effective 9/7/16]

761—602.3(321) Examination and fee. Rescinded IAB 8/9/00, effective 7/24/00.

761—602.4(321) Definitions of immediate family.

602.4(1) A "member of the permittee's immediate family" as used in Iowa Code subsection 321.180(1) means the permittee's parent or guardian or a brother, sister or other relative of the permittee who resides at the permittee's residence.

602.4(2) A "member of the permittee's immediate family" as used in Iowa Code section 321.180B, subsections 1 and 2, means a brother, sister or other relative of the permittee who resides at the permittee's residence.

This rule is intended to implement Iowa Code sections 321.180 and 321.180B.

761—602.5 to 602.10 Reserved.

761—602.11(321) Class C noncommercial driver's license. This rule describes a noncommercial Class C driver's license that is not a special license or permit.

602.11(1) Validity and issuance.

a. The license is valid for operating:

(1) A motor vehicle that does not require a commercial driver's license or a Class D driver's license for its operation.

(2) A motorized bicycle.

(3) A motorcycle only if the license has a motorcycle endorsement.

b. The license is issued for either two years or eight years.

(1) A qualified applicant who is at least 17 years, 11 months of age but not yet 72 years of age shall be issued an eight-year license. However, the expiration date of the license issued shall not exceed the licensee's 74th birthday.

(2) A two-year license shall be issued to a qualified applicant who is under 17 years, 11 months of age or who is 72 years of age or older.

(3) A two-year license may also be issued, at the discretion of the department, to an applicant whose license is restricted due to vision or other physical disabilities.

602.11(2) Requirements.

a. An applicant shall be at least 16 years of age.

b. Except as otherwise provided in Iowa Code subsection 321.178(3), an applicant under 18 years of age must meet the requirements of Iowa Code section 321.180B and submit proof of successful completion of an Iowa-approved course in driver education.

c. For purposes of determining eligibility for an intermediate license issued to a person 16 or 17 years of age under Iowa Code subsection 321.180B(2):

(1) The 12-month period during which the applicant is required to possess an instruction permit before applying for an intermediate license shall be calculated cumulatively and shall include any period of time during which the applicant has held a valid instruction permit issued under Iowa Code subsection 321.180B(1), a minor's school license issued under Iowa Code section 321.194, or comparable instruction permit or license issued by another state, but shall exclude any period of time during which the permit or license is suspended, revoked, or canceled, or the applicant otherwise did not have a valid driving privilege.

(2) The six-month period during which the applicant is required to remain accident and violation free shall be calculated continuously and must encompass without interruption the six-month period of time immediately preceding the application. The applicant must hold a valid instruction permit issued under Iowa Code subsection 321.180B(1), a minor's school license issued under Iowa Code section 321.194, or a comparable instruction permit or license issued by another state and maintain a valid driving privilege without interruption throughout the continuous six-month period.

d. For purposes of determining eligibility for a full license issued to a person 17 years of age under Iowa Code subsection 321.180B(4), the 12-month period during which the applicant is required to possess an intermediate license and to remain accident and violation free before applying for a full license shall be calculated together and continuously and must encompass without interruption the 12-month period of time immediately preceding the application. The applicant must hold a valid intermediate license issued under Iowa Code subsection 321.180B(2) or a comparable license issued by another state and maintain a valid driving privilege without interruption throughout the continuous 12-month period.

This rule is intended to implement Iowa Code sections 321.177, 321.178, 321.180B, 321.189, and 321.196.

[ARC 1714C, IAB 11/12/14, effective 12/17/14; ARC 2644C, IAB 8/3/16, effective 9/7/16]

761—602.12(321) Class D noncommercial driver's license (chauffeur). This rule describes a noncommercial Class D driver's license.

602.12(1) *Validity and issuance.*

a. The license is valid for operating:

(1) A motor vehicle as a chauffeur as specified by the endorsement on the license, unless the type of vehicle or type of operation requires a commercial driver's license.

(2) A motor vehicle that may be legally operated under a noncommercial Class C driver's license, including a motorized bicycle.

(3) A motorcycle only if the license has a motorcycle endorsement.

b. The license shall have one endorsement authorizing a specific type of motor vehicle or type of operation, as listed in 761—subrule 605.4(3). The gross vehicle weight rating shall be determined pursuant to rule 761—604.35(321).

c. The license is issued for either two years or eight years.

(1) A qualified applicant who is at least 18 years of age but not yet 72 years of age shall be issued an eight-year license. However, the expiration date of the license issued shall not exceed the licensee's 74th birthday.

(2) A two-year license shall be issued to a qualified applicant who is 72 years of age or older.

(3) A two-year license may also be issued, at the discretion of the department, to an applicant whose license is restricted due to vision or other physical disabilities.

602.12(2) *Requirements.*

a. An applicant shall be at least 18 years of age.

b. Reserved.

This rule is intended to implement Iowa Code sections 321.1, 321.177, 321.189, and 321.196. [ARC 1714C, IAB 11/12/14, effective 12/17/14; ARC 2071C, IAB 8/5/15, effective 7/14/15; ARC 2337C, IAB 1/6/16, effective 2/10/16]

761—602.13(321) Class M noncommercial driver’s license (motorcycle). This rule describes a noncommercial Class M driver’s license that is not a special license or permit.

602.13(1) Validity and issuance.

a. The license is valid for operating:

(1) A motorcycle. However, the license may have a restriction which limits operation to a three-wheel motorcycle.

(2) A motorized bicycle.

b. The license is issued for either two years or eight years.

(1) A qualified applicant who is at least 17 years, 11 months of age but not yet 72 years of age shall be issued an eight-year license. However, the expiration date of the license issued shall not exceed the licensee’s 74th birthday.

(2) A two-year license shall be issued to a qualified applicant who is under 17 years, 11 months of age or who is 72 years of age or older.

(3) A two-year license may also be issued, at the discretion of the department, to an applicant whose license is restricted due to vision or other physical disabilities.

c. An Iowa driver’s license issued before March 15, 1968, which is still valid because of an extension, is valid for motorcycles. An Iowa driver’s license issued from March 15, 1968, through June 30, 1972, which is still valid because of an extension, is valid for motorcycles unless the back of the license is stamped “Not valid for motorcycles.”

602.13(2) Requirements.

a. An applicant shall be at least 16 years of age.

b. Except as otherwise provided in Iowa Code subsection 321.178(3), an applicant under 18 years of age must meet the requirements of Iowa Code section 321.180B and submit proof of successful completion of an Iowa-approved course in driver education.

c. An applicant under 18 years of age must submit proof of successful completion of an Iowa-approved course in motorcycle rider education.

This rule is intended to implement Iowa Code sections 321.177, 321.178, 321.180B, 321.189 and 321.196.

[ARC 1714C, IAB 11/12/14, effective 12/17/14]

761—602.14(321) Transition from five-year to eight-year licenses. During the period January 1, 2014, to December 31, 2018, the department shall issue qualified applicants otherwise eligible for an eight-year license a five-year, six-year, seven-year, or eight-year license, subject to all applicable limitations for age and ability. The applicable period shall be randomly assigned to the applicant by the department’s computerized issuance system based on a distribution formula intended to spread renewal volumes as equally as practical over the eight-year period beginning January 1, 2019, and ending December 31, 2026.

This rule is intended to implement Iowa Code section 321.196 and 2013 Iowa Acts, chapter 104, section 2.

[ARC 1714C, IAB 11/12/14, effective 12/17/14]

761—602.15(321) Minor’s restricted license. Renumbered as 761—602.25(321)IAB 1/8/92, effective 2/12/92.

761—602.16(321) Temporary instruction permit. Rescinded IAB 1/8/92, effective 2/12/92.

761—602.17(321) Minor’s school license. Renumbered as 761—602.26(321)IAB 1/8/92, effective 2/12/92.

761—602.18(321) Motorcycle instruction permit. This rule describes a motorcycle instruction permit issued under Iowa Code subsection 321.180(1) or 321.180B(1).

602.18(1) Validity and issuance.

- a. The motorcycle instruction permit is a permit that is added to another driver's license.
- b. The permit is valid for operating a motorcycle when the permittee is accompanied by a person specified in Iowa Code subsection 321.180(1) or 321.180B(1), as applicable to the age of the permittee.
- c. The permit is not valid for operating a motorized bicycle.
- d. The permit is issued for four years and is not renewable.

602.18(2) Requirement. An applicant shall be at least 14 years of age.

This rule is intended to implement Iowa Code sections 321.177, 321.180 and 321.180B.

761—602.19(321) Noncommercial instruction permit. This rule describes a noncommercial instruction permit, other than a motorcycle instruction permit, issued under Iowa Code subsection 321.180(1) or 321.180B(1).

602.19(1) Validity and issuance.

- a. The permit is a restricted, noncommercial Class C driver's license.
- b. The permit is valid for operating a motor vehicle that may be legally operated under a noncommercial Class C driver's license when the permittee is accompanied by a person specified in Iowa Code subsection 321.180(1) or 321.180B(1), as applicable to the age of the permittee.
- c. The permit is not valid for operating a motorized bicycle.
- d. The permit is not valid as a motorcycle instruction permit.
- e. The permit is issued for four years.

602.19(2) Requirement. An applicant shall be at least 14 years of age.

This rule is intended to implement Iowa Code sections 321.177, 321.180 and 321.180B.

761—602.20 Rescinded IAB 11/18/98, effective 12/23/98.

761—602.21(321) Special noncommercial instruction permit. This rule describes a special noncommercial instruction permit issued under Iowa Code section 321.180A.

602.21(1) Validity and issuance.

- a. The permit is a restricted, noncommercial Class C driver's license that is issued to a person whose application for driver's license renewal has been denied or whose driver's license has been suspended for incapability due to a physical disability.
- b. The permit is valid for operating a motor vehicle that may be legally operated under a noncommercial Class C driver's license when the permittee is accompanied by a person specified in Iowa Code section 321.180A.
- c. The permit is not valid for operating a motorized bicycle.
- d. The permit is not valid as a motorcycle instruction permit.
- e. The permit is valid for six months from the date of issuance. It is invalid after the expiration date on the permit.
- f. The permit may be reissued for one additional six-month period.

602.21(2) Requirement. An applicant must submit a medical report pursuant to 761—subrule 600.4(6).

This rule is intended to implement Iowa Code section 321.180A.

761—602.22 Reserved.

761—602.23(321) Chauffeur's instruction permit.

602.23(1) Validity and issuance.

- a. A chauffeur's instruction permit is a permit that is added to a Class D license or a noncommercial Class C license that is not a special license or permit.
- b. The license with the permit is valid for operating:

(1) A motor vehicle that may be legally operated under the class of license (and for Class D, the endorsement) held by the licensee, including a motorized bicycle.

(2) A motor vehicle, other than a commercial motor vehicle or a motorcycle, as a chauffeur if accompanied by a person with a valid Class D license or a commercial driver's license valid for the vehicle being operated.

c. The permit is issued for two years.

602.23(2) Requirements.

a. An applicant shall be at least 18 years of age.

b. Reserved.

This rule is intended to implement Iowa Code sections 321.1, 321.177 and 321.180.

761—602.24(321) Motorized bicycle license.

602.24(1) Validity and issuance.

a. A motorized bicycle license is a restricted, noncommercial Class C license.

b. The license is valid for operating a motorized bicycle.

c. The license is issued for two years.

602.24(2) Requirements.

a. An applicant shall be at least 14 years of age.

b. An applicant under 16 years of age must submit proof of successful completion of an Iowa-approved course in motorized bicycle education.

This rule is intended to implement Iowa Code sections 321.177 and 321.189.

761—602.25(321) Minor's restricted license.

602.25(1) Validity and issuance.

a. A minor's restricted license is a restricted, noncommercial Class C or Class M driver's license.

b. The license is valid for driving to and from the licensee's place of employment or to transport dependents to and from temporary care facilities, if necessary to maintain the licensee's present employment.

c. The type of motor vehicle that may be operated is controlled by the class of driver's license issued. A Class C minor's restricted license is valid for operating a motorcycle only if the license has a motorcycle endorsement. A minor's restricted license is valid for operating a motorized bicycle only for the purposes specified in paragraph "b" of this subrule.

d. The license is issued for two years.

602.25(2) Requirements.

a. The applicant shall be at least 16 years of age but not yet 18.

b. The applicant shall submit to the department a statement from the employer confirming the applicant's employment.

c. Proof of nonattendance is required. Proof of nonattendance is receipt of notification from the appropriate school authority that the applicant does not attend school, as set out in 761—subrule 615.23(2).

d. The applicant shall submit proof of successful completion of an Iowa-approved course in driver education.

e. For a Class M minor's restricted license or a motorcycle endorsement, the applicant shall also submit proof of successful completion of an Iowa-approved course in motorcycle rider education.

This rule is intended to implement Iowa Code sections 299.1B, 321.178, 321.180B, 321.189, 321.196 and 321.213B.

761—602.26(321) Minor's school license.

602.26(1) Validity and issuance.

a. A minor's school license is a restricted, noncommercial Class C or Class M driver's license.

b. The license is valid during the times and for the purposes set forth in Iowa Code subsection 321.194(2) as amended by 2016 Iowa Acts, House File 2437, section 33, and at any time when the licensee is accompanied in accordance with Iowa Code subsection 321.180B(1).

c. The type of motor vehicle that may be operated is controlled by the class of driver's license issued. A Class C minor's school license is valid for operating a motorcycle only if the license has a motorcycle endorsement. A minor's school license is valid for operating a motorized bicycle.

d. The license is issued for two years.

602.26(2) Requirements.

a. An applicant shall be at least 14 years of age but not yet 18 and meet the requirements of Iowa Code section 321.194.

b. An applicant shall submit a statement of necessity signed by the chairperson of the school board, the superintendent of the school, or the principal of the school if authorized by the superintendent. The statement shall be on Form 430021.

c. An applicant shall submit proof of successful completion of an Iowa-approved course in driver education.

d. For a Class M minor's school license or a motorcycle endorsement, an applicant shall also submit proof of successful completion of an Iowa-approved course in motorcycle rider education.

602.26(3) Exemption.

a. An applicant is not required to have completed an approved driver education course if the applicant demonstrates to the satisfaction of the department that completion of the course would impose a hardship upon the applicant; however, the applicant must meet all other requirements for a school license. "Hardship" means:

(1) If the applicant is 14 years old, that a driver education course will not begin at the applicant's school(s) of enrollment or at a public school in the applicant's district of residence within one year following the applicant's fourteenth birthday; or

(2) If the applicant is 15 years old, that a driver education course will not begin at the applicant's school(s) of enrollment or at a public school in the applicant's district of residence within six months following the applicant's fifteenth birthday; or

(3) If the applicant is between 16 and 18 years old, that a driver education course is not offered at the applicant's school(s) of enrollment or at a public school in the applicant's district of residence at the time the request for hardship status is submitted to the department; or

(4) That the applicant is permanently handicapped. In this rule, "handicapped" means that, because of a disability or impairment, the applicant is unable to walk in excess of 200 feet unassisted or cannot walk without causing serious detriment or injury to the applicant's health.

b. "Demonstrates to the satisfaction of the department" means that the department has received written proof that a hardship exists, signed by the applicant's parent, custodian or guardian and by the superintendent of the applicant's school, the chairperson of the school board, or the principal of the applicant's school if authorized by the superintendent.

602.26(4) Multiple residences.

a. An applicant whose parents are divorced or separated and who as a result of shared custody maintains more than one residence may be authorized to operate a motor vehicle from either residence during the times and for the purposes set forth in Iowa Code subsection 321.194(2) as amended by 2016 Iowa Acts, House File 2437, section 33, provided that the statement of necessity provided to the department certifies that a need exists to drive from each residence, that the school of enrollment identified in the statement of necessity meets the geographic requirements set forth in Iowa Code subsection 321.194(3) as amended by 2016 Iowa Acts, House File 2437, section 33, as determined by the primary residence identified in the statement of necessity, and that the secondary residence identified in the statement of necessity is either within the school district that includes the applicant's school of enrollment or is an Iowa school district contiguous to the applicant's school of enrollment. The fact that either residence is less than one mile from the applicant's school of enrollment shall not preclude travel to and from each residence at the times and for the purposes set forth in Iowa Code

subsection 321.194(2) as amended by 2016 Iowa Acts, House File 2437, section 33, provided that need is otherwise demonstrated.

b. A minor's school license approved for travel to and from two residences for the purposes set forth in Iowa Code subsection 321.194(2) as amended by 2016 Iowa Acts, House File 2437, section 33, shall not be valid for travel directly between each residence unless the licensee is accompanied in accordance with Iowa Code subsection 321.180B(1).

c. The primary residential address listed in the statement of necessity shall appear on the face of the license. A minor's school license approved for travel to and from two residences shall include a "J" restriction on the face of the license, and the secondary address listed in the statement of necessity shall be listed on the reverse side of the license as part of the "J" restriction, with the following notation: "Also valid to drive to and from [secondary residential address] in compliance with 321.194."

This rule is intended to implement Iowa Code sections 321.177, 321.180B, 321.189, 321.194 and 321.196.

[ARC 2644C, IAB 8/3/16, effective 9/7/16]

761—602.27 to 602.29 Reserved.

761—602.30(321) Special instruction permit. Rescinded IAB 1/8/92, effective 2/12/92.

[Filed 1/20/88, Notice 12/2/87—published 2/10/88, effective 3/16/88]¹

[Filed 11/3/88, Notice 9/21/88—published 11/30/88, effective 1/4/89]

[Filed emergency 6/29/89—published 7/26/89, effective 7/31/89]

[Filed 9/21/89, Notice 7/26/89—published 10/18/89, effective 11/22/89]

[Filed 11/1/89, Notice 7/26/89—published 11/29/89, effective 1/3/90]

[Filed emergency 11/30/89—published 12/27/89, effective 12/1/89]

[Filed emergency 6/7/90—published 6/27/90, effective 7/1/90]

[Filed 12/18/91, Notice 11/13/91—published 1/8/92, effective 2/12/92]

[Filed 10/30/96, Notice 9/25/96—published 11/20/96, effective 12/25/96]

[Filed 10/28/98, Notice 9/23/98—published 11/18/98, effective 12/23/98]

[Filed emergency 7/20/00 after Notice 6/14/00—published 8/9/00, effective 7/24/00]

[Filed 6/19/02, Notice 4/17/02—published 7/10/02, effective 8/14/02]

[Filed 10/11/06, Notice 8/30/06—published 11/8/06, effective 12/13/06]

[Filed ARC 7902B (Notice ARC 7721B, IAB 4/22/09), IAB 7/1/09, effective 8/5/09]

[Filed ARC 1714C (Notice ARC 1601C, IAB 9/3/14), IAB 11/12/14, effective 12/17/14]

[Filed Emergency ARC 2071C, IAB 8/5/15, effective 7/14/15]

[Filed ARC 2337C (Notice ARC 2070C, IAB 8/5/15), IAB 1/6/16, effective 2/10/16]

[Filed ARC 2644C (Notice ARC 2544C, IAB 5/25/16), IAB 8/3/16, effective 9/7/16]

¹ Effective date delayed 70 days by the Administrative Rules Review Committee at its March 9, 1988, meeting. Delay lifted by ARRC, April 21, 1988.