

the department may by rule require. The director shall promptly notify the applicant in writing of the director's action and, if the permit is denied, state the reasons for denial. The applicant may appeal to the ~~department of inspections and appeals commission~~ from the denial of a permit or from any condition in any permit if the applicant files notice of appeal with the director within thirty days of the notice of denial or issuance of the permit. The director shall notify the applicant within thirty days of the time and place of the hearing.

c. Copies of all forms or other paper instruments required to be filed during on-site inspections or investigations shall be given to the owner or operator of the disposal system or public water supply system being investigated or inspected before the inspector or investigator leaves the site. Any other report, statement, or instrument shall not be filed with the department unless a copy is sent by ordinary mail to the owner or operator of the disposal system or public water supply system within ten working days of the filing. If an inspection or investigation is done in co-operation with another state department, the department involved and the areas inspected shall be stated.

d. The director shall also issue or deny conditional permits for the construction of disposal systems for electric power generating facilities subject to chapter 476A. All applications for conditional permits shall be subject to such notice and opportunity for public participation as may be required by the department and as may be consistent with chapter 476A and any agreement pursuant thereto under chapter 28E. The applicant or an intervenor may appeal to the department from the denial of a conditional permit or any of its conditions. For the purposes of chapter 476A, the issuance or denial of a conditional permit by the director or the department upon appeal shall be a determination that the electric power generating facility does or does not meet the permit and licensing requirements of the department. The issuance of a conditional permit shall not relieve the applicant of the responsibility to submit final and detailed construction plans and drawing and an application for a construction permit for a disposal system that will meet the effluent limitations in the conditional permit.

Approved April 9, 1992

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## CHAPTER 1042

### JOBS TRAINING AND RETRAINING PROGRAMS

*S.F. 2295*

**AN ACT** relating to the Iowa small business new jobs training program and the Iowa retraining program.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 280C.2, subsections 1, 2, 3, 5, 6, 7, 12, and 13, Code 1991, are amended to read as follows:

1. "New jobs Jobs training program" or "program" means the project or projects established by a community college for the creation of jobs by providing education and training of workers for new jobs for a new or expanding small business or for the retraining of workers of an existing business in the merged area served by the community college.

2. "Project" means a training arrangement which is the subject of an agreement entered into between the community college and an employer a business to provide program services.

3. "Program services" includes but is not limited to the following:

a. New jobs training.

b. Retraining of existing workers.

b c. Adult basic education and job-related instruction.

- e d. Vocational and skill-assessment services and testing.
- d e. Training facilities, equipment, materials, and supplies.
- e f. On-the-job training.
- f g. Administrative expenses for the new jobs training program.
- g h. Subcontracted services with institutions governed by the state board of regents, private colleges or universities, or other federal, state, or local agencies.
- h i. Contracted or professional services.

5. "Employer Participating business" means the small business providing new jobs or retraining jobs in the merged area served by the community college and entering which enters into an agreement with the community college.

6. "Employee" means the person employed in a new job by a small business or a person currently employed by a business who is to be retrained.

7. "Agreement" is the agreement between an employer a business and a community college concerning a project.

12. "Date of commencement of the project" means the date of the preliminary agreement.

13. "Small Eligible business" or "business" means a business engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excludes retail, health, or professional services and which meets the other criteria established by the Iowa department of economic development. "Small Eligible business" does not include a business which closes or substantially reduces its operation in one area of the state of Iowa and relocates substantially the same operation in another area of the state of Iowa. This subsection does not prohibit a business from expanding its operations in another area of the state provided that existing operations of a similar nature are not closed or substantially reduced. "Small business" does not include a business whose training costs can be economically funded under chapter 280B.

"Eligible business" includes the following:

- a. Retraining business which is currently conducting retooling of a production facility.
- b. Small business which meets other criteria established by the department of economic development relating to business size.

Sec. 2. Section 280C.2, Code 1991, is amended by adding the following new subsections:  
NEW SUBSECTION. 15. "Retraining job" means a job with an existing business that is substantially at risk of becoming displaced within the following ten years due to the retooling of the business.

NEW SUBSECTION. 16. "Retooling" means upgrading, modernizing, or expanding a business to increase the production or efficiency of business operations including, but not limited to, replacing equipment, introducing new manufacturing processes, or changing managerial procedures.

Sec. 3. Section 280C.3, Code 1991, is amended to read as follows:  
 280C.3 AGREEMENT.

A community college may enter into an agreement to establish a project. However, before a community college and a small business enter into an agreement to establish a project, the community college shall consult with the local office of the division of job service of the department of employment services to determine if there already exists in the community, a skilled or experienced group of unemployed workers, as a result of a plant closing or reduction in force, sufficiently large to supply the needs of the new or expanding small business. If such a supply of workers exists, the community college shall enter into the agreement only if the small business agrees to give preference in training to those workers over any other workers who do not have greater qualifications. If an agreement is entered into, the community college and the employer business shall notify the department of revenue and finance as soon as possible. An agreement may provide, but is not limited to:

1. Program costs, including deferred costs, for a project creating new jobs by providing education and training of workers for a new or expanding small business may be paid from one or a combination of the following sources:

a. Incremental property taxes to be received or derived from an employer's business the business' property where new jobs are created as a result of the project.

b. New jobs credit from withholding to be received or derived from new employment resulting from the project.

c. Tuition, student fees, or special charges fixed by the board of directors to defray program costs in whole or in part.

d. Guarantee of payments to be received under paragraph "a", "b", or "c".

2. Program costs, including deferred costs, for a project retraining workers of existing businesses, may be paid from one or a combination of the following sources:

a. Loan repayments provided by the business.

b. Tuition, student fees, or special charges fixed by the board of directors to defray program costs in whole or in part.

3. Payment of program costs shall not be deferred for a period longer than ten years from the date of commencement of the project.

4. Costs of on-the-job training shall not apply to retraining projects. Costs of on-the-job training for employees new jobs training projects shall not exceed fifty percent of the annual gross payroll costs for up to one year of the new jobs. For purposes of this subsection, "gross payroll" can be the gross wages, salaries, and benefits for the jobs in training in the project.

5. A provision, where applicable, which fixes the minimum amount of incremental property taxes, new jobs credit from withholding, or tuition and fee payments which shall be paid for program costs.

6. Any payments required to be made by an employer a business are a lien upon the employer's business business' property until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Sec. 4. Section 280C.3, Code 1991, is amended by adding the following new subsections:

NEW SUBSECTION. 7. Provisions relating to the type of financial assistance being provided which may be in the form of grants, loans, forgivable loans, or a combination of grants and loans according to guidelines adopted by the department of economic development. However, the amount of financial assistance provided for a project under this chapter shall not exceed fifty thousand dollars. Financial assistance for a new jobs project shall be limited to loans. Financial assistance for a retraining project shall not include a grant or forgivable loan unless the result of the retooling creates, at the business production site subject to the retooling, a net increase in the number of employment positions, a net increase in the quality of the employment positions held by participating workers, or a net increase in wages paid to participating workers. The financial assistance provided to a participating business must be based on the actual cost of training or retraining participating workers under the project.

NEW SUBSECTION. 8. Before a community college and a business enter into an agreement to establish a project, the community college shall consult with the local office of the division of job service of the department of employment services to determine if there already exists in the community, a skilled or experienced group of unemployed workers, as a result of a plant closing or reduction in force, sufficiently large to supply the needs of the new or expanding business. If such a supply of workers exists, the community college shall enter into the agreement only if the business agrees to give preference in hiring for new jobs to those workers over any other workers who do not have greater qualifications.

Sec. 5. Section 280C.4, Code 1991, is amended to read as follows:

**280C.4 INCREMENTAL PROPERTY TAXES.**

If an agreement provides that all or part of program costs are to be paid for by incremental property taxes, the board of directors shall provide by resolution that taxes levied on the ~~employer's~~ taxable business property, where new jobs are created as a result of a project, each year by or for the benefit of the state, city, county, school district, or other taxing district after the effective date of the resolution shall be divided as provided in section 403.19, subsections 1 and 2, in the same manner as if the ~~employer's business~~ business property, where new jobs are created as a result of a project, was taxable property in an urban renewal project and the resolution was an ordinance within the meaning of those subsections. To the extent that the taxes received by the board of directors represent repayments of an advance made under section 280C.6 plus interest, the taxes shall be paid to the treasurer of state. However, with respect to any urban renewal project as to which an ordinance is in effect under section 403.19, the collection of incremental property taxes authorized by this chapter are suspended in favor of collection of incremental taxes under section 403.19. As used in this section, "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property of the ~~employer's~~ business, where new jobs are created as a result of a project.

Sec. 6. Section 280C.5, Code 1991, is amended to read as follows:

**280C.5 NEW JOBS CREDIT FROM WITHHOLDING.**

If an agreement provides that all or part of program costs are to be met by receipt of new jobs credit from withholding, it shall be done as follows:

1. New jobs credit from withholding shall be based upon the wages paid to the employees in the new jobs.

2. An amount equal to one and one-half percent of the gross wages paid by the ~~employer~~ business to each employee participating in a project shall be credited from the payment made by ~~an employer~~ a business pursuant to section 422.16. If the amount of the withholding by the ~~employer~~ business is less than one and one-half percent of the gross wages paid to the employees covered by the agreement, then the ~~employer~~ business shall receive a credit against other withholding taxes due by the ~~employer~~ business. The ~~employer~~ business shall remit the amount of the credit quarterly in the same manner as withholding payments are reported to the department of revenue and finance, to the community college. To the extent this credit represents repayments of an advance made under section 280C.6 plus interest, it shall be paid to the treasurer of state. When the repayments of an advance plus interest have been paid, the ~~employer~~ business credits shall cease and any money received after this shall be remitted to the treasurer of state to be deposited in the general fund of the state.

3. The ~~employer~~ business shall certify to the department of revenue and finance that the credit in withholding is in accordance with an agreement and shall provide other information the department may require.

4. A community college shall certify to the department of revenue and finance the amount of new jobs credit from withholding ~~an employer~~ a business has remitted to the community college and shall provide other information the department may require.

5. An employee participating in a project will receive full credit for the amount withheld as provided in section 422.16.

Sec. 7. Section 280C.6, Code Supplement 1991, is amended to read as follows:

**280C.6 JOB TRAINING FUND.**

1. There is established for the community colleges a community college job training fund under the supervision of the treasurer of state. The community college job training fund consists of moneys appropriated for the fiscal year beginning July 1, 1987, and for succeeding fiscal years for the purposes of this chapter plus the interest and principal from repayment of advances made to ~~employers~~ businesses for program costs, moneys transferred from the Iowa employment retraining fund to the community college job training fund on July 1, 1992, plus the repayments, including interest, of loans made from that retraining fund, and interest earned

from moneys in the community college job training fund. Moneys in this fund shall be used to provide advances to employers for program costs upon the request of boards of directors of the community colleges.

2. To provide funds for the present payment of the costs of a new jobs training program by the employer business, the community college may provide to the employer business an advance of the moneys to be used to pay for the program costs as provided in the agreement. To receive the funds for this advance from the job training fund established in subsection 1, the community college shall submit an application to the department of economic development. The amount of the advance shall not exceed fifty thousand dollars for any project. The advance, if the agreement provides it as a loan, shall be repaid with interest from the sources provided in the agreement. The rate of interest to be charged for advances made in a calendar month is equal to one-half of the average rate of interest on tax exempt certificates issued by community colleges pursuant to chapter 280B for the previous twelve months. The rate shall be computed by the Iowa department of economic development.

Sec. 8. Section 280C.7, Code 1991, is amended to read as follows:

280C.7 DEPARTMENT OF ECONOMIC DEVELOPMENT TO COORDINATE.

The Iowa department of economic development in consultation with the department of education and the division of job service of the department of employment services shall coordinate the new jobs training program. The department of economic development shall adopt, amend, and repeal rules under pursuant to chapter 17A that the community college will use in developing projects with new and expanding small business new jobs training proposals or existing business retraining proposals. The department shall establish by rule criteria for determining what constitutes a small an eligible business. A project shall not be funded under this chapter unless the department approves the project. The department shall establish by rule criteria for approval of projects. The department is authorized to make may adopt any rule that is adopted, amended, or repealed effective immediately upon filing with the administrative rules coordinator or at a subsequent stated date prior to indexing and publication, or at a stated date less than thirty-five days after filing, indexing, and publication. The Iowa department of economic development shall prepare an annual report for the governor and general assembly on the activities and the future anticipated needs of this new jobs training program.

Sec. 9. NEW SECTION. 280C.8 ALLOCATION.

1. For the fiscal year beginning July 1, 1992, only, the department of economic development shall make funds available to the community colleges as follows:

a. RETRAINING PROJECTS. The department shall set aside at the beginning of the fiscal year from the moneys newly appropriated to the fund an amount for each merged area to be used to provide the financial assistance for retraining proposals of businesses located in the merged area whose applications have been approved by the department. The financial assistance shall be provided by the department from the amount set aside for that merged area. If any portion of the moneys set aside for a merged area have not been used or committed by March 1 of the fiscal year, that portion is available for use by the department to provide financial assistance to businesses located in other merged areas. The department shall adopt by rule a formula for this set-aside based on population and per capita income of the merged area.

b. NEW JOBS TRAINING PROJECTS. The department shall make available financial assistance for new jobs training projects from repayments and interest in the fund from previously funded new jobs training projects. Funds shall be awarded to projects based on the order proposals are received and approved.

2. Moneys available to the community colleges for this program may be used to provide grants to train for new jobs or retain existing jobs when the project costs are less than five thousand dollars. If the project is for a consortium of businesses, project costs shall not exceed an average of five thousand dollars per business.

3. The department shall include with its budget request for the fiscal year beginning July 1, 1993, a preliminary recommendation for the allocation of moneys in the job training fund for the fiscal year beginning July 1, 1993, and succeeding fiscal years. The department shall seek input from representatives of the community colleges in preparing the recommendation.

Sec. 10. On the effective date of this Act, all moneys in the Iowa employment retraining fund created in the office of the treasurer are transferred to the community college job training fund and any repayments of loans made from moneys in the Iowa employment retraining fund received on or after July 1, 1992, shall be credited to and deposited in the community college job training fund.

Sec. 11. Sections 15.292, 15.293, 15.294, 15.296, 15.297, and 15.298, Code 1991, are repealed.

Sec. 12. Sections 15.291 and 15.295, Code Supplement 1991, are repealed.

Approved April 9, 1992

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## CHAPTER 1043

### MEDICAL ASSISTANCE PROGRAM REQUIREMENTS

*S.F. 2311*

**AN ACT** relating to medical assistance program requirements involving health care facilities, certificates of need, and specified low-income federal medicare beneficiaries, and providing an effective date.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 135.63, subsection 2, Code Supplement 1991, is amended by adding the following new paragraph:

**NEW PARAGRAPH.** i. A residential program exempt from licensing as a health care facility under chapter 135C in accordance with section 135C.6, subsection 8.

Sec. 2. Section 135.64, Code Supplement 1991, is amended by adding the following new subsection:

**NEW SUBSECTION.** 4. In determining whether to approve an application for a certificate of need for the construction or conversion of an intermediate care facility for the mentally retarded, the department and the council shall only approve the application if, in addition to other applicable standards, the application meets the standards applied to intermediate care facilities for the mentally retarded for family scale and size, location, and community inclusion as provided in rules adopted by the department of human services.

Sec. 3. Section 135C.6, Code 1991, is amended by adding the following new subsection:

**NEW SUBSECTION.** 8. The following residential programs to which the department of human services applies accreditation, certification, or standards of review shall not be required to be licensed as a health care facility under this chapter:

a. A residential program which provides care to not more than three individuals and receives moneys appropriated to the department of human services under provisions of a federally approved home and community-based services waiver or other medical assistance program under chapter 249A.

b. A residential program which serves not more than four individuals and is operating under provisions of a federally approved home and community-based waiver for persons with mental retardation, if all individuals residing in the program receive on-site staff supervision during the entire time period the individuals are present in the program's living unit. The need