

CHAPTER 172  
ENVIRONMENTAL LAW COMPLIANCE; VIOLATIONS OF LAW

[IAB 7/4/07, 261—Ch 172 renumbered as 261—Ch 198]

[Prior to 7/4/07, see 261—Ch 168, div II]

**261—172.1(15A) Environmental law compliance.** Iowa Code section 15A.1(3) provides that a state agency shall not provide a grant, loan, or other financial assistance to a private person or on behalf of a private person unless the business for whose benefit the financial assistance is to be provided makes a report detailing the circumstances of its violations, if any, of a federal or state environmental protection statute, regulation, or rule within the previous five years. The state agency shall take into consideration before allowing financial assistance this report of the business. If the business generates solid or hazardous waste, the business must conduct and submit documentation of in-house audits and must submit a copy of the management plan developed to reduce the amount of the waste and to safely dispose of the waste.

**172.1(1) *Environmental report submitted.*** Any individual or business applying for assistance through the authority shall report on the application for assistance any cited violation(s) of federal or state environmental statutes, regulations or rules within the past five years and detail the circumstances of the violation(s). If the individual or business fails to report a violation(s) and the authority discovers such violation(s), the individual or business shall be declared ineligible to receive assistance until such time as the report is submitted.

**172.1(2) *Ineligibility for assistance.*** Any individual or business which has been referred by the department of natural resources to the attorney general for an environmental violation(s) shall be ineligible to receive assistance from the authority until such time as the violation(s) has been determined to be corrected.

**172.1(3) *In-house audit.*** If the individual or business generates solid or hazardous waste, that individual or business shall be required to conduct an in-house audit and have management plans to reduce the amount of waste and to safely dispose of the waste. If the individual or business has conducted an in-house audit and developed a management plan within the last three years, submission of a copy of the audit and management plan will fulfill this requirement. If the individual or business has not conducted an audit within the past three years, the individual or business must initiate the audit prior to the authority's disbursement of financial assistance and submit a copy of the completed audit within 90 days of disbursement of the financial assistance.

**172.1(4) *External audit.*** In lieu of an in-house audit, the individual or business may elect to authorize the department of natural resources or the Iowa waste reduction center established under Iowa Code section 268.4 to conduct the audit. A copy of the authorization for the department of natural resources or the Iowa waste reduction center to conduct the audit shall be submitted to the authority prior to the authority's disbursement of financial assistance. Within 30 days of receipt of the audit, the individual or business must submit to the authority a copy of the completed audit conducted by the department of natural resources or by the Iowa waste reduction center.

[ARC 0442C, IAB 11/14/12, effective 12/19/12]

**261—172.2(15A) Violations of law.** Financial assistance applications shall be reviewed by the authority to determine if the business has a record of violations of the law over a period of time that tends to show a consistent pattern. The business shall provide the authority with a report detailing violations of law within the most recent consecutive three-year period prior to application. If the authority finds that a business has a record of violations of the law that tends to show a consistent pattern, the business shall not be eligible to receive financial assistance unless the authority finds that the violations did not seriously affect public health or safety or the environment, or if the authority did find that the violations seriously affected public health or safety or the environment, that there were mitigating circumstances. In making the findings and determinations regarding violations, mitigating circumstances, and whether the business

is disqualified for tax incentives and assistance under the program, the authority shall be exempt from Iowa Code chapter 17A.

[ARC 0442C, IAB 11/14/12, effective 12/19/12]

These rules are intended to implement Iowa Code section 15A.1.

[Filed emergency 6/15/07—published 7/4/07, effective 6/15/07]

[Filed 8/22/07, Notice 7/4/07—published 9/26/07, effective 10/31/07]

[Filed ARC 0442C (Notice ARC 0293C, IAB 8/22/12), IAB 11/14/12, effective 12/19/12]